

City of Farmington Hills, Michigan

Annual Budget

Fiscal Year

July 1, 2007 - June 30, 2008



Farmington Hills City Council

Standing (l-r): Cheryl Oliverio, Mayor Pro Tem Barry Brickner, Randy Bruce, Nancy Bates
Seated (l-r): Jerry Ellis, Mayor Vicki Barnett, Ken Massey

City Manager

Steve Brock

Executive Management Team

Teri Arbenowske, Assistant to the City Manager
Thomas Biasell, Public Services
David Boyer, Special Services
Dale Countegan, Planning and Community Development
Kathryn Dornan, City Clerk
William Dwyer, Police
Mary Kohls, Human Resources
Michael Lasley, Central Services
Richard Marinucci, Fire
Robert Spaman, Finance
Dana Whinnery, Assistant City Manager

Budget Preparation Staff

Robert Spaman, Finance Director
Nancy Piwowar, Controller
Karen Birkholz, Special Projects Coordinator
Carolyn Elliott, Secretary to the Finance Director

Photographs on the cover by Randy Lovett, Park Maintenance Supervisor

MAYOR AND CITY COUNCIL

Mayor Vicki Barnett was first elected to City Council in 1995, was elected Mayor in 2003, and was re-elected as mayor in November 2005. She is president of the Michigan Municipal League (MML) and is a member of the MML Transportation, Infrastructure and Environmental Affairs Committee. She serves as the Data Advisory Council Chair for the Southeast Michigan Council of Governments (SEMCOG) and is a member of both its Community and Economic Development Advisory Council and Local Government Finance Task Force. She is a member of the National League of Cities (NLC) Advisory Board and serves as Advisory Council Representative for the Information Technology and Communications Steering Committee. Her term expires in November 2007.

Ken Massey was elected for his first term on City Council in November 2003 and served as Mayor Pro Tem in 2006. He is a member and the current Chairperson of the Emergency Preparedness Commission and is the Council Liaison to the Commission on Aging. He is a member of the NLC Public Safety and Crime Prevention Steering Committee. His term expires in November 2007.

Jerry Ellis was elected to City Council in 1996 and was re-elected in November 1997, 2001 and 2005. He served as Mayor Pro Tem in 2003 and 2004. He is currently the Chair of the Southwest Oakland County Cable Commission and the Farmington Hills Redevelopment Committee. He is the Council Liaison to the Chamber of Commerce and the Economic Development Corporation. He served on the Parks and Recreation Commission for 10 years prior to his election to the City Council. His term expires in November 2009.

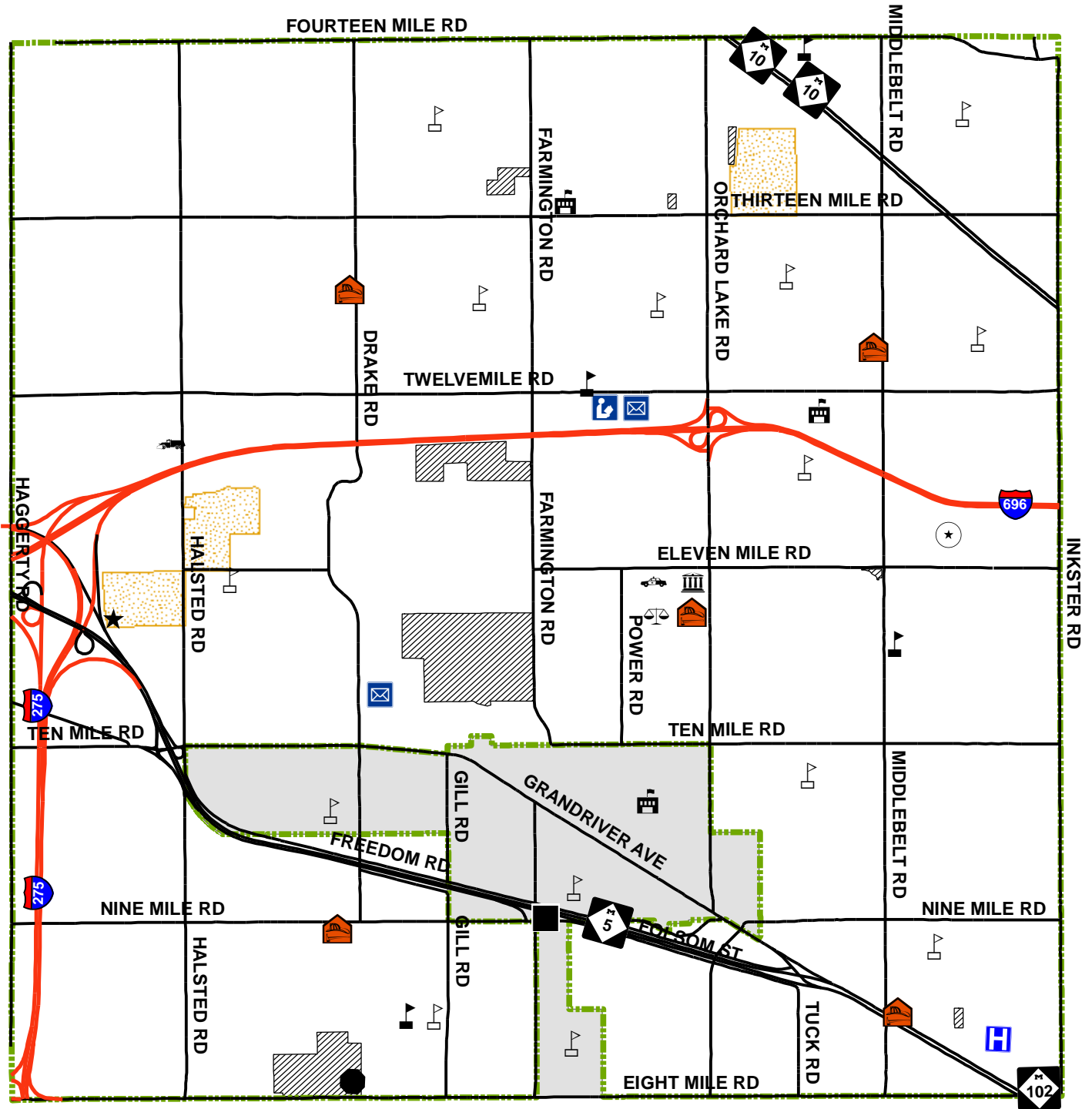
Barry Brickner was elected to City Council in November 1999 and re-elected in 2003 for a second term. He is currently Mayor Pro Tem and served as Mayor Pro Tem in 2001. He is a member of the NLC Information Technology and Communications Steering Committee. He is also a member of the Brownfield Redevelopment Authority and serves as Council Liaison to the Committee to Increase Voter Participation. He is the Council Liaison and former Chair of the Eight Mile Boulevard Association and serves as alternate delegate to SEMCOG. Prior to his election to Council, he served four years on the Planning Commission. His term expires in November 2007.

Randy Bruce was elected in November 2003 to a four-year term on City Council and served as Mayor Pro Tem in 2005. He is the Council Liaison to the Commission on Children, Youth and Families and the Arts Commission. He also serves on the NLC Human Development Steering Committee. Before serving on City Council he was a member of the Zoning Board of Appeals where he served as Secretary, Vice-Chair and Chair. His term expires in November 2007.

Cheryl Oliverio is serving her fourth term on City Council, having first been elected in 1993. She served as Mayor Pro Tem in 1997 and serves as Council Liaison to the Historic District Commission, the Historical Commission, the Emergency Preparedness Commission, and the Parks and Recreation Commission. Her term expires in November 2009.

Nancy Bates was elected in November 2005 to a four-year term on City Council. She was first elected to City Council in 1989 and served as mayor in 1993 and again from 1999 to 2003. After a two-year hiatus, she was again elected to City Council in 2005. Her term expires in 2009.

City of Farmington Hills Public Facilities



Public Facilities Legend

- | | | | | | |
|--|----------------------------|--|------------------------------------|--|-------------------|
| | City Hall | | 47th District Court | | High School |
| | Police Station | | Southwest Oakland Cable Commission | | Middle School |
| | Fire Station | | Post Office | | Elementary School |
| | Public Works | | Library | | |
| | Senior Activity Center | | Hospital | | |
| | Ice Arena | | Parks | | |
| | Parks and Golf Maintenance | | Public Golf Courses | | |



DESCRIPTION OF THE CITY



Farmington Hills is a 34 square mile suburban community with a pastoral and gently rolling terrain in Oakland County, MI. It is one of the largest cities in Oakland County; the most prosperous county in Michigan and the third most prosperous county in America. Incorporated in 1973, the City quickly grew from its rural roots, and today offers a unique blend of historic charm, international diversity, and cutting edge commerce, making it one of the most desirable locations to live and work in the United States.

The City possesses an ideal location within 25 minutes of downtown Detroit and Detroit Metro Airport and at the focal point of a North/South and West/East freeway network. Industrial centers of Warren, the Saginaw/Flint area, Lansing and Toledo, Ohio, as well as the Ann Arbor technology corridor are within an hour's drive. Approximately half of America's disposable income, half of the country's work force and nearly half of the total U.S. population are within a 500-mile radius of the City. This asset supports seven industrial parks totaling more than 600 acres, which provide first rate services and facilities. In addition, the 12 Mile Road, Orchard Lake Road and Northwestern Highway corridors host many commercial and office developments, which house many corporate headquarters and district offices of regional, national and international prominence.

The community offers many premier residential areas providing a wide range of housing options, meeting the needs and style demands of those who live here. The distinctive custom residences, neighborhoods with well established landscaping and tree lined streets, well planned condominiums and a variety of apartments provide options to fit every lifestyle and price range.

The City's respect for its Quaker heritage is demonstrated by its commitment to historical preservation through its Historic Commission, Historical District and the conversion of the historic Spicer Estate House to a Visitor Center within the 211 acre passive Heritage Park, located in the center of the City.

The City is enhanced by exemplary educational opportunities for kindergarten through 12th grade via both public and private schools and a premier district library system with one of the highest annual circulation rates in the State. A broad spectrum of recreational and cultural activities are available within the City or within a short drive. Twelve major colleges and universities are within a 45-minute drive of the community. Quality health care is readily accessible through Botsford Hospital, which is a teaching Osteopathic Hospital associated with Michigan State University. Twelve major medical centers and hospitals are within a half-hour driving distance of the City. Many physicians affiliated with these medical facilities maintain their offices in Farmington Hills.

HOW TO USE THIS BUDGET DOCUMENT

This document outlines the City's operational master plan for the coming budget year. This section is intended to acquaint the reader with the organization of the budget document and assist in obtaining the optimum from the information contained in this document.

The budget is divided by tabs into sections. A **Table of Contents** tab is included in the beginning of the book.

The **City Manager's Message**, which capsulizes the objectives of the budget along with the story behind the raw numbers, is presented in the second tab. It identifies major issues, outlines decisions to be made by the City Council during budget review and adoption, and communicates a thorough understanding of the budget impact for the upcoming fiscal year. A **Budget Overview** is also included in this tab which outlines the City's Total Tax Rate its allocation between funds, and a summary of all the budgetary funds for the City. A graphic portrayal of these budgetary fund revenues and expenditures by sources and uses is also presented in this section. An **Organizational Chart** is provided for the entire City organization. A chart depicting the City's financial and accounting fund structure is also included in this section. Department Organizational Charts are provided in each department's budget section.

The **General Fund** section contains revenue and expenditure summaries for the General Fund as well as brief detail and narratives on each major revenue category. Revenue and expenditure schedules include actuals for the past two completed years, the current fiscal year's amended budget, projected actuals for the current fiscal year, and the proposed budget. Expenditures are broken down into these categories: personnel, operating supplies, contractual services, and capital expenditures. The General Fund section is further subdivided into major functional areas of activities such as: Boards and Commissions, Agencies, General Government, Public Safety (Police and Fire), Planning & Community Development, Public Services, and Special Services.

Departmental Expenditures are grouped by activity. Included in each section are narratives describing the department or division's mission, followed by goals, performance objectives and performance indicators. The performance indicators are divided into service level and efficiency measures. An organization chart, personnel counts and past and projected expenditures are included. Key trends are shown graphically and capital outlay schedules are included. The summary of budget changes from prior year highlights any significant changes from the previous year by category.

The **Special Revenue Funds** section contains budget information and the proposed budget for funds that are maintained for specific revenue sources that are legally restricted to expenditures for specific functions or activities. These restrictions are imposed by State Statute or Constitution, City Council Resolution or action by the City's electorate through the approval of special dedicated millages.

The **Enterprise Fund** tab contains the budget for one of the City’s enterprise funds: the “Ice Arena Fund.” This activity is operated similar to a private business and is intended to be self-supported by Ice Arena revenues. The City also has a water and sewer fund that is not included in this budget document.

The **Debt Service Funds** section provides the budgetary funds for the payment of annual debt service (principal and interest payments) on bonds, which were issued by the City or on behalf of the City by the County.

The **Capital Improvements** section contains both the capital improvements plan and the capital improvements budget. A description of the difference between the two and how they are interrelated is also included.

The **Analysis and Background** section contains charts and graphs illustrating the City’s financial condition and other statistics and demographics of the community. The budget resolution is included in this section.

A **Glossary** at the back of this book defines technical terms used throughout the budget document.

An **Index** is provided at the end of this book.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of Farmington Hills

Michigan

For the Fiscal Year Beginning

July 1, 2006

A handwritten signature in cursive script, likely belonging to the President of the GFOA.

President

A handwritten signature in cursive script, likely belonging to the Executive Director of the GFOA.

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an Award of Distinguished Budget Presentation to the City of Farmington Hills for its annual budget for the fiscal year beginning July 1, 2006.

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

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

This Distinguished Budget Presentation Award represents the 21th consecutive award the City of Farmington Hills has received.

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City of Farmington Hills

June 2007

To: Honorable Mayor and City Council and
Residents of the City of Farmington Hills

INTRODUCTION

It is my privilege and responsibility to present the Fiscal Year 2007/2008 Annual Budget for the City of Farmington Hills. The budget is one of the most important documents the City prepares since it identifies the services to be provided over the next year and how those services are to be financed.

Farmington Hills is a prosperous and thriving city and a great place to live, work, and play. We offer a high quality of life and a high level of service to our residents. For the past several years, largely in response to the state's budget problems, we have experienced financial pressures as have most Michigan cities. For the fifth straight year, our state shared revenue has declined. Add that to the state-wide housing market slump, the financial condition of the automobile industry, the limits on revenue growth due to the interaction of Headlee and Proposal A, and the financial pressures facing Farmington Hills become REAL.

To help us face these challenges, and in an effort to make our city an even better place to live work, and play, the City recently engaged in a sustainability study. The ultimate goal of the study is to maintain or increase residential property values, maintain or improve city services, and maintain a high level of business activity. The study, completed after numerous interviews with City Council members, staff, community and business leaders, and several community forums, contains 29 recommendations for future sustainability. It will take thoughtful deliberation and collaboration by many people during this next year and beyond to discuss and digest the report. It is my belief that future decision making should be in the context of sustainability.

The budget as presented supports the following goals:

1. Employ a multi-disciplined, well-planned strategic approach to address the financial, social, and environmental dimensions of sustainability for the City of Farmington Hills.
2. Provide high quality, dependable public services that residents and businesses expect in order to enjoy a City that is safe and clean. This includes effective fire and police protection, advanced life-support services, safe and efficient water and sewer systems, and refuse pickup including curbside recycling and composting.
3. Support social, cultural, and recreational programs and services that enhance the lives of our residents, help build strong families, and showcase Farmington Hills as a desirable place to live, work, and play.
4. Increase the tax base by maintaining a healthy business climate by working cooperatively with federal, state, county, and local agencies to provide assistance to new and existing businesses in the community.

BUDGET OVERVIEW

The budget includes input from City Council, as well as from residents, staff, consultants, and the City's planning program documents. This input assists us in prioritizing and directing our resources toward those programs, projects and activities that have the greatest potential for successfully achieving our goals while addressing the City's most pressing needs. Given the state of Michigan's economy, it is essential to build community understanding and support for the budget and for the services and programs that we provide. The budget addresses current and future community needs and balances service demands with conservative financial management.

The past years have illustrated how quickly the economic climate can change for municipal governments, including Farmington Hills. On the revenue side, we understand that the state's budget problems may continue for several more years. Added to that is the impact of tax reform initiated by the passage of Proposal "A" in 1994, whereby the City's taxable value growth will be limited to 3.7% on properties that have not changed ownership. Presently the City's growth in total taxable value is projected to be less than 3.4%.

In addition to our revenue concerns, expenses continue to rise. This year, healthcare premiums are expected to increase 5%. An increase in pension contributions of 11% is necessary due to increased inflationary assumptions for post-retirement healthcare and stock market performance over the past few years.

Due to these factors, the budget directions to department heads included the following:

1. Fees should be reviewed and adjusted when appropriate.
2. No new General Fund personnel are to be requested.

Over the past four years, we have cut back, done without, and changed how we do some things. This has resulted in cost savings and efficiencies. The response and effort of each department has been excellent. We have and will continue to seek ways to reduce spending. Despite the difficulties of the past few years, I'm proud of the team effort that went into producing this extremely lean budget. It describes in detail how each City department, division, and function will invest the City's resources for the benefit of the community.

TAX RATE AND TAX ROLL

The FY 2006/07 General Fund operating budget is balanced. \$125,000 will be transferred to the ice arena due to a shortfall in unrestricted net assets. Excluding interfund transfers, the General Fund increased \$2,292,830 or approximately 4.6% from \$49,618,168 for FY 2006/07 to \$51,952,997 for FY 2007/08. The increase is directly related to higher investment interest, a 10% increase in the special services program revenues, and expenses and a 3.9% additional increase in property tax income due to a higher taxable value in the City.

The budget is balanced as required by law. It is based on a property tax rate of 10.0216 mills, the same as last year. The millage comparison and allocation is outlined on the next page.

	FY 2003/04	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08
Operating	7.5705	7.7142	6.9452	6.9408	6.9423
Capital & Drains	0.3916	0.3413	0.4800	0.4800	0.4800
Debt	0.7932	0.7014	0.6318	0.6362	0.6347
Public Safety	0.9780	0.9769	0.9769	1.4764	1.4764
Parks & Recreation	0.48888	0.4883	0.4882	0.4882	0.4882
TOTAL	10.2221	10.2221	9.5221	10.0216	10.0216

The City's Taxable Value increased 3.4% from \$4,294,168,850 to \$4,438,529,490. New construction accounted for \$16,686,630 of the increase, which amounted to .38% of the 2006 tax roll. Sixty-seven percent of the tax roll is residential. Thirty-three percent of the roll is non-residential and includes commercial (20 %) and industrial (6 %) and personal property (7 %).

The Undesignated Fund Balance in the General Fund is estimated to be \$6,834,857 at June 30, 2007. The total budget expenditure allocation for all budgeting funds for FY 2007/08 is approximately \$85 million compared to \$79 million for FY 2006/07, excluding interfund transfers. This is a 7.59% increase in expenditures from 2006/07. This increase is due to more road construction projects planned for major and local roads, the initial expenses to reconstruct a portion of City Hall, and increased health and pension costs.

BUDGET HIGHLIGHTS

Through fiscal responsibility, we've been able to implement programs that strengthen our community and enhance the lives of our residents. The following is a brief summary of major programs and projects that are ongoing or included in this year's budget. They are broken down into prior year accomplishments and current projects and programs.

Prior Year Accomplishments

- **Public Safety Millage.** The public safety millage renewal of 1 mill and the increase of .5 mills passed by the voters in 2003 was levied last year and was used to maintain and increase fire and police staffing and equipment to improve the public safety function of the City. Five new firefighters and five new police officers have been hired and will have an immediate affect on our ability to provide effective police and fire protection and advanced life-support. Thank you to the electorate for supporting this ballot proposal.
- **Sustainability Study.** In December, the Sustainability Study was presented to the community. The study included 29 recommendations for possible future plans for the City. While we currently enjoy a prosperous and thriving community, the study suggests ways to sustain or improve City services, maintain a high level of business activity, and increase residential property values during the current economically challenging times and beyond. All this with a "Green" environmental emphasis.
- **Best Place to Live.** The City of Farmington Hills ranked 29th on Money Magazine's 2006 list of Top 100 Best Places to Live. Cities that made the list were cited as having high "quality of life indicators" such as a solid economy, low crime, good schools, and plenty to do, according to the magazine.
- **Repaving.** The following roads were resurfaced this past summer: Halsted from Eight Mile to Nine Mile; Nine Mile from Middlebelt to Inkster; Nine Mile from Drake to Gill; Halsted from Eight Mile to Nine Mile; and Folsom Road from Orchard Lake Road to Tuck.
- **Sidewalks.** The following sidewalks were built or will be built this year: Nine Mile Road from Tuck to Hawthorne and Tuck Road from Eight Mile Road to Botsford Commons.
- **New Development and Improvements.** The Planning and Community Development Department oversaw the construction of 28 new single-family homes with a value of over \$6 million. New commercial development had a construction value of over \$20 million. Permits for \$8 million in improvements and additions to existing homes were issued.

- **Reuse and Redevelopment of Commercial Properties.** Several gas stations including Shell on Middlebelt and Northwestern, BP on 13 Mile and Orchard Lake Road, Marathon on Eight Mile and Middlebelt, and Speedway on Eight Mile and Farmington have been or will soon be rehabilitated into state of the art convenience facilities.
- **Employee Safety Award.** In 2006, the City was awarded the Michigan Municipal League's Workers' Compensation Loss Control Achievement Award for the 13th consecutive year. This annual award is given to the City with the lowest workers' compensation claims experience. Our excellent safety record means that the City will pay 47% less than the average premium for workers compensation insurance. Over the past decade, the City has saved over \$2.25 million dollars in premiums.
- **Facility Improvements.** Front entrance improvements on Eleven Mile address the Americans with Disabilities Act issues and establish a more recognizable entrance to City Hall.
- **Cultural Arts.** The Cultural Arts Division reached new heights in 2006 with participation increasing by 25% thanks to many new and exciting course offerings. Audiences were bigger than ever at the free summer concerts, which included four new groups in addition to the old favorites.
- **Public Safety Enhancements.** The Fire Department received a federal homeland security grant to improve public education that included a public education trailer and a new smoke house.

The Police Department implemented a computerized records management system that allows officers to prepare and file incident reports from any station-based desktop computer or in-car mobile data computer and eliminates the need to produce time-consuming handwritten reports.

The Fire Department's Emergency Advisory Radio Station is operational and informs listeners about emergencies, weather, traffic, and road conditions. AM 1650 is designed to provide critical information to citizens in times of emergency. During the average day, the station is filled with current weather information and other key preparedness tips.

- **Capital Equipment.** The Fire Department purchased two new medium-duty rescue units replacing two aging units. These will respond to medical emergencies and will transport injured patients to area hospitals. The DPW purchased a grader, street sweeper, and two five-yard dump trucks. Election equipment for the City Clerk to process absentee voter ballots that are currently counted manually was purchased.
- **Farmington Hills Golf Club.** This year marked the first time that the Farmington Hills Golf Club had all 18 holes open for a full season. The course will continue to improve with new and maturing landscaping. The restaurant and pro shop will be under new management, as well.
- **New Facilities.** The City has two new locations for cultural and special events, the historic Longacre House and the Jon Grant Community Center. The refurbished Longacre House, built in 1869, offers a charming and elegant setting for weddings, parties, receptions, business meetings, banquets, and more. The nearly 5,000 square foot Jon Grant Community Center has been operational for a year and offers classes, rentals, and special events.

In Process or Current Year Programs

- **Sustainability Study.** This year the community will continue to discuss the recommendations of the Sustainability Study. The City Council, Boards and Commissions, the public, staff, and others will engage in discussions that may ultimately lead to the implementation of some or all of the recommendations as determined to be appropriate for the future of the City.
- **Technology Improvements.** The City will install fiber optic cabling to replace existing copper line connections between buildings. This improvement will provide infinite bandwidth between buildings and allow both voice and data across one connection.
- **Water System Improvement.** This spring a replacement water main is planned for a section of Middlebelt Road between Eight Mile and Grand River to upgrade the water system from an 8-inch diameter pipe to a 12-inch diameter pipe and replace old line that has a history of breaks.
- **Commitment to the Environment.** The City remains committed to the environment and is in the forefront of environmental awareness. Ongoing efforts to educate residents focus on preventing West Nile Virus, increasing awareness of Emerald Ash Borer infestation, and encouraging stewardship of the Rouge River as “Ours to Protect.”
- **Inter-operable radio system.** The Police Department, working in conjunction with the county, will replace existing police radio equipment with a new completely inter-operable radio system. This will allow police departments that previously operated on a variety of frequencies to communicate on a single radio system.
- **Youth Programs.** Farmington Hills strongly supports the youth of our community and will continue to do so in the coming year with a wide variety of programs and services, including the Mayors’ Youth Council (MYC) and the after-school and summer Youth Program for middle school students. The innovative program targets middle school youth and offers supervised activities consisting of recreation, social skill development, group discussion and educational tutoring. A fifth after-school program location opened during this past year and operates out of the Jon Grant Community Center.
- **Construction Projects.** The Major and Local Road Funds will finance over \$7.7 million of road improvements in 07/08 including:
 - Halsted Road resurfacing Grand River to Eleven Mile Road
 - Nine Mile resurfacing west of Tuck to Middlebelt
 - Halsted Road Safety Project North of Eight Mile.
 - The study and design of a “living wall” for purposes of noise abatement along I-275 from Eight Mile north;
 - Fourteen Mile resurfacing from Middlebelt to Inkster
 - Power Road resurfacing from Ten Mile to Rockycrest
 - Haggerty Road improvements from Eight Mile to Ten Mile

CAPITAL IMPROVEMENT FUND

In addition to the construction projects contained in the Road Fund budgets, the City plans on expending over \$7 million for infrastructure improvements benefiting the entire community. This program is comprised of facility improvements and expansions, sidewalk and bike path construction, drainage improvements, technology enhancements, and the acquisition of Public Works equipment and fire apparatus replacements. Next year's program includes:

- Drainage expenditures of \$750,000 that will concentrate on the Storm Water Pollution Prevention Initiative and the Storm Model and Master Plan Pilot. Also included are GIS Storm Phases I, II, and III, miscellaneous detention basin improvements, and possible environmentally appropriate improvements at the Woodcreek “pond” area at Danvers.
- A number of sidewalk and bike path improvements are in process or will take place this next fiscal year including: Thirteen Mile, S. Valley to Northwestern Highway; Halsted, east side, south of Valhalla; Middlebelt, east side, Nine Mile to Eldon; Twelve Mile, north side, Copper Creek to Haggerty; Ten Mile, north side, Power to Orchard Lake Road; Halsted, east side, north of Eight Mile; and Nine Mile from Halsted to Baywood.
- Equipment for the Fire Department including a replacement command vehicle and a fire vehicle that is a combination fire engine and ladder truck called a quint.
- A grader, a replacement front-end loader, forestry truck, and stake truck, a conveyor system for the salt dome, and two five-yard dump trucks for the Division of Public Works.
- The demolition, renovation, and expansion of the “west wing” of City Hall to make way for a new Council Chamber/Administration wing and open space along the Eleven Mile frontage.
- Fiber optic technology improvements, phone system upgrades, RecTrac software, document imaging equipment that will provide electronic storage capabilities, license upgrades, and equipment upgrades City-wide to keep the network fast and reliable.

CAPITAL EXPEDITURES

The total dollar amount of capital expenditures for fiscal year 07/08 is \$17,955,396. Of that total, \$7,703,806 is for major and local road construction projects, and \$7,100,300 is for infrastructure improvements included in the Capital Improvement Fund. The General Fund includes \$1,031,925 in capital expenditures for office equipment, building improvements, public safety equipment including automobiles, training equipment, trucks, and vehicles. The Parks Millage Fund includes \$757,000 for Heritage Park improvements, vehicles and lawn maintenance equipment, and improvements to the Costick Center. The Debt Service Fund includes \$500,000 for water and sewer, and road projects. The Community Development Block Grant Fund will expend \$422,500 of capital money for housing rehabilitation and sidewalk improvements. The Police Forfeiture Fund of \$273,000 will be used to provide community drug-education programs and support the canine unit. The Public Safety Millage Fund will spend \$126,865 of capital money for radio and radar equipment, fire fighting equipment and hazardous materials equipment. The \$30,000 in the Golf Course Capital Improvement Fund will be used for aeration equipment. The Revolving Special Assessment Fund will expend \$10,000 for construction projects. Specific information about the capital projects is included in each fund.

PERSONNEL COSTS AND STAFFING

With 401 full-time employees, one less than last year, the City maintains one of the lowest employee-to-resident ratios of any local community while continuing to provide efficient and comprehensive services. The Engineering Division did not fill a Civil Engineering I position because the work load in the division doesn’t justify the position. As a cost-cutting measure, an Assessor I position was not filled this year. A Cultural Arts Coordinator was added in the Cultural Arts Division because of the increased work load due to the increase in the number and variety of programs offered.

ACKNOWLEDGEMENTS

The past year has been highlighted by numerous achievements resulting in both state and national recognition due to the fine work of employees and the cooperation between the City Council, City Administration and the residents. I am proud to present the following list of accomplishments:

- Mayor Vicki Barnett was elected President of the Michigan Municipal League (MML) at the 108th annual MML Convention held in September.
- Jill Pines, the Public Information Specialist in the City Manager's Office, was named Employee of the Year. Five others were named Outstanding Employees: Mary DiManno, Senior Adult Supervisor, Special Services Department; Joseph J. Guibord, Park Maintenance Technician, Special Services Department; Debra Kent, Dispatcher, Police Department; Matthew H. Malone, GIS Analyst, Central Services Department; Dennis R. Randt, Zoning Supervisor, Planning & Community Development Department.
- Officer David Newcomb was named Police Officer of the Year.
- Battalion Chief Bruce Belsky was named Firefighter of the Year and Michael Garr was named 2006 Career Firefighter of the Year.
- Michael O'Brian was recognized Optimist Firefighter of the Year and also received the American Legion Award.
- Station Member of the Year Awards were presented to James Donovan from Station #1, Kenneth Pakkala from Station #2, Edward Heidelberg from Station #3, and Ronald Tejero from Station #4.
- The City received the Distinguished Budget Presentation Award from the Government Finance Officers' Association, one of only 29 Michigan governments to receive the award. This is the 21st year the City has received the award.
- The City received a Certificate of Achievement of Excellence in Financial Reporting from the Government Finance Officers' Association of the United States and Canada (for the City's comprehensive Annual Financial Report for the fiscal year ended June 30, 2005) - Eight years in a row.
- The City's new combined Fire Station No. 3/Jon Grant Community Center was honored at the Michigan Municipal League's September convention as a winner in the 23rd Annual Michigan Municipal Achievement Awards Competition.
- Police Officer David Newcomb received the Professional Excellence Award from the Michigan State Police Post in Brighton. Officer Newcomb, who was off-duty at the time, helped save the life of a Livingston County man whose pickup truck had gone off the road and rolled onto its roof in a swamp.
- Due to our outstanding employee safety record in 2006, the City was awarded the Michigan Municipals League's Workers' Compensation Loss Control Achievement Award.
- City Clerk Kathy Dornan was elected to the Board of Directors of the International Institute of Municipal Clerks.

I would like to personally thank all of the department heads for not only doing their usual excellent job of submitting reasonable and prudent budget requests but also acknowledging the economic realities and uncertainties facing us and budgeting accordingly. Thanks also to those in the Finance Department, especially Carolyn Elliott, who have worked hard on this budget.

Teri Arbenowske, Assistant to the City Manager
Thomas Biasell, Director of Public Services
Karen Birkholz, Special Projects Coordinator
David Boyer, Director of Special Services
Dale Countegan, Director of Planning and Community Development
Kathryn Dornan, City Clerk
William Dwyer, Chief of Police
Mary Kohls, Human Resources Director
Michael Lasley, Director of Central Services
Richard Marinucci, Fire Chief
Nancy Piwowar, Controller
Robert Spaman, Finance Director
Dana Whinnery, Assistant City Manager



Steve Brock
City Manager

MID-TERM AND LONG-TERM GOALS

MID-TERM GOALS (1 to 5 years)

1. Provide high quality dependable public services.
2. Implement programs and activities to reduce costs, increase revenues, and add efficiencies.
3. Enhance the safety of the city's residents and businesses, as well as visitors to the community.
4. Provide forums that encourage active participation in our local community and government.
5. Expand and retain the existing business base and enhance commitment to the redevelopment of the maturing sections of the city.
6. Provide a wide array of artistic, cultural, and recreation programs and activities to meet the changing leisure needs of the community.
7. Be proactive in the legislative process at the State and Federal level by representing the interests of the city.
8. Maintain an educated staff and provide a safe and positive work environment.
9. Ensure compliance with all Federal, State, and local laws in addition to the rules and requirements of other governing agencies and organizations.
10. Participate in sound management practices to protect and enhance the infrastructure of the city.
11. Maintain a strong City identity and citizen participation by enhancing communication with the public.

LONG-TERM GOALS (5 years or more)

12. Assure the continued vitality of Farmington Hills as a premier community by preserving the tax base and quality of life.
13. Improve the livability of the city.
14. Preserve and strengthen city home rule to maintain local control of local issues.

The goals in each departmental budget directly link to the City-wide mid and long-term goals. This is demonstrated by the number(s) in parenthesis at the end of each departmental goal.

THE BUDGETING PROCESS

Budgeting is a financial plan for utilizing the City's available funds during a fiscal year to accomplish established goals and objectives. It also:

- A. Provides citizens with an understandable financial plan in which the welfare of the citizens may be enhanced or reduced in the budgeting process;
- B. Prioritizes goals that will provide for community needs;
- C. Defines the financial plan that will be used to achieve stated goals;
- D. Determines the level of taxation required.

The budget compiles the financial data needed to support Farmington Hills' decision making/ policy development process. The budget is based on City Council Goals, the Capital Improvements Program and other planning and programming documents, the City's financial policies, City Council direction, current revenue restraints and City Manager and departmental review of operations.

City Council uses the following planning documents to guide its short and long term budget decisions. Valuable information is gathered from these plans and the residents who serve on the various Boards and Commissions responsible for their creation.

The Master Plan for Future Land Use

Provides guidelines for decisions on how land will be used. The master plan is: 1) a long-range, comprehensive and general guide for the development of land; 2) a map of future land uses and the supporting documentation describing the details, and 3) the result of an orderly process of survey and study of the basic planning elements - land use, natural features, populations and community facilities; residential, recreation, commercial, office and industrial land needs and thoroughfares and streets to provide for vehicular movements within and through the city.

The Parks and Recreation Master Plan

Focuses on the needs of current and future residents of Farmington Hills in order to continue providing programs and services to improve their quality of life. The Master Plan: 1) includes public input regarding the current and future park and recreation needs of Farmington Hills residents; 2) provides the Parks and Recreation Commission, Special Services staff, and other community stakeholders with information to guide parks and recreation planning for the next years, and 3) represents the needs and desires of current Farmington Hills residents and projects the needs of future residents based upon growth trends and demographic information.

The Capital Improvements Plan

Plans for and guides needed capital improvements and expenditures in a fiscally sound manner and ensures that improvements are consistent with the goals and policies of the city and the expectations

The Budget Process

of residents. A capital project or expenditure must: 1) impact the City-at-large or address a major need within the City in some specific way; 2) represent a public facility, 3) represent a physical improvement, and 4) require the expenditure of at least \$25,000.

The Economic Development Plan

Provides a framework for making sound decisions regarding the allocation of limited economic development resources. The mission is to: 1) maintain a healthy business climate, including the expansion of business in the international trade arena; 2) work cooperatively with the state, county, chamber of commerce, economic development corporation, schools, universities and others to provide basic business assistance to new and existing businesses in the community, and 3) strengthen and revitalize the economy by attracting and retaining quality jobs.

The Master Storm Drainage Plan

Provides the City with a plan and guide for the continued development of the city. The plan is flexible and allows and encourages the use of the natural open drainage system to its fullest.

LEGAL REQUIREMENTS

In addition to sound financial theory and principles, the City of Farmington Hills' budget process is governed by the City Charter and State Statutes of Michigan. "Article VI, General Finance" of the City Charter establishes July 1 through June 30 as the City's fiscal year and annual budget cycle for the City government.

Budget Document

The City Charter, approved by the electorate on May 8, 1973, and the State of Michigan Uniform Budgeting Act (Public Act 621 of 1978), which amended the Uniform Accounting Act of 1968 (Public Act 2 of 1968), mandates that the budget document present a complete financial plan for the ensuing fiscal year and contain the following:

- A. Estimates of all anticipated revenues of the City from all sources with comparative statement of actual amounts received from each or similar sources for the preceding fiscal year, the current fiscal budget, projected actuals for the current fiscal year and estimated amounts for the proposed budget year.
- B. Detailed estimates of all proposed expenditures for each department and office of the City showing expenditures for corresponding actual expenditures for the preceding fiscal year, budget amounts for the current fiscal year, projected actual expenditures for the current fiscal year and amount for the proposed fiscal year.
- C. Statement of estimated Fund Balance for the end of the current fiscal year.
- D. Statements of the bonded and other indebtedness of the City showing the debt redemption and interest requirements for the fiscal year and the amount of indebtedness outstanding at the end of the fiscal year.

The Budget Process

Budget Procedure

As required by the City Manager, each City Officer must submit to the City Manager an itemized estimate of expenditures for the next fiscal year for the department or activities under his/her direction. The City Manager then prepares a complete itemized budget proposal for the next fiscal year and must present it to City Council not later than the first regular meeting in May. Prior to the adoption of the budget, at the first regular meeting in June, a Public Hearing on the budget must be held to inform the public and solicit input and comments from the citizenry. At least one week prior to the Public Hearing on the budget, copies of the budget document are on file at the City Clerk's Office and the public libraries for the review and inspection by the citizens. A Public Notice, published in a newspaper of general circulation in the community, announces the time and place of the meeting and the availability of the budget document for review.

FY Budget

The budget process begins in December with the distribution of budget instructions and forms. Department requests are submitted by City officials in February. Departmental budget reviews are held with the City Manager, Finance Director and Department Heads. After revenue projections are prepared by the Finance Department, expenditure requests are reconciled by the City Manager and Finance Director to conform to revenue projections and a recommended budget is presented to City Council.

The City Council holds public study sessions with the City Manager, Finance Director and Department Heads, at which input from the public is received.

A Public Hearing to receive additional citizen input and comments is scheduled for June, after a public notice is published in the Farmington Observer. The Budget Document, including a schedule of all Study Session dates and the Public Hearing date is available for review by interested parties at the City Clerk's Office at City Hall and the two branches of the District Library. The Budget Document and Tax Rate is adopted after the Public Hearing in June.

The final budget document evolving from the budget process consists of 14 major sections and contains the budget message, budget overview, budgets including revenue and expenditure estimates for the upcoming fiscal year for the General Fund, Special Revenue Funds, Enterprise Fund, and Debt Service Funds, and the Budget Resolution.

The budget is constructed in compliance with the State Uniform Accounting Budgetary Act of 1968 (Public Act 22 of 1968), which categorizes elements of the accounting and budget system into Funds, Departments or categories, Reserves and Expenditures.

The operations of each fund are accounted for as a separate self-balancing set of accounts that consist of assets, liabilities, fund equity and appropriate revenues and expenditures.

Budget Appropriation and Amendments

The City budget is adopted by the City Council on an activity or department basis. The City Manager is authorized by Budget Resolution to make budgetary transfers within the appropriation centers established through the budget. However, all transfers between appropriation centers may be made only by further action by the City Council.

City Council may make additional appropriations during the fiscal year for unanticipated expenditures required by the City but such additional appropriations shall not exceed the amount of actual and/or anticipated revenues and available fund balance as estimated in the budget unless the appropriations are necessary to relieve an emergency endangering the public health, peace or safety.

The Council may also reappropriate funds among appropriation centers. Council is apprised of the budget status through quarterly reports prepared by the Finance Department.

FY 2007/08 BUDGET CALENDAR

January 8, 2007	Distribution of budget instructions and forms.
January 19, 2007	Request for upgrading personnel.
January 27, 2007	City Council Goal Setting
February 16, 2007	Departments submit budget requests to Finance Department.
February 23, 2007	Boards and Commissions submit budget requests to Finance Department.
February 27 - March 9, 2007	Budget meetings with Departments on General Fund, Special Revenue Funds, Debt Service Funds and Enterprise Fund.
March 14, 2007	Capital Improvement Budget Meeting
March 16, 2007	Budget meeting with 47th District Court staff and City of Farmington staff on FY 2007/08 budget requests.
April 17, 2007	Send budget document to printer.
April 24, 2007	Budget document returned from printer.
April 27, 2007	Transmittal of FY 2007/08 budget document to City Council.
May 3, 2007	Joint Study Session with City of Farmington Hills and Farmington Councils to review jointly funded agencies and commissions.
May 14-16, 2007	Budget review study sessions with City Council.
May 31 & June 3, 2007	Public Notice of Public Hearing on FY 2007/08 proposed budget and tax rate.
June 18, 2007	Public Hearing on proposed FY 2007/08 budget and proposed tax rate.
June 18, 2007	Adoption of FY 2007/08 budget and tax rate.

FINANCIAL POLICIES

GENERAL

All budgetary funds must be balanced. Total anticipated revenues plus appropriations from the beginning fund balance and reserves, in excess of prudent designations of fund balance and reserves, must equal total estimated expenditures for all funds.

The City will strive to establish and maintain an undesignated fund balance of 10-15% of the General Fund expenditures for the subsequent year to pay expenditures caused by unforeseen emergencies, cash shortfalls caused by revenue declines or delays and mitigate the need for short term borrowing.

General fund encumbrances outstanding at the fiscal year end will not be charged to the current year budget but reserved from undesignated fund balance and automatically be reappropriated in the new budget year and when paid charged to the new fiscal year.

All budgets shall be adopted on a basis consistent with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board. Revenues are budgeted when they become measurable and available and expenditures are charged against the budget when they become measurable, a fund liability has been incurred and that liability will be liquidated with current resources.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of the significant accounting policies:

FUND ACCOUNTING

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The various funds are grouped into generic fund types in two broad categories as follows:

BUDGETARY & GOVERNMENTAL FUNDS:

General Fund

The General Fund under GASB 34 has been identified as a major fund and contains the records of the ordinary activities of the City which are not accounted for in another fund. The fund contains appropriation for all operating departments of the city. City Council has broad discretionary powers over the utilization and financial resources of the General Fund. General Fund activities are financed by revenues from general property taxes, state-shared revenues and other sources.

Financial Policies

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of earmarked revenues or financing activities requiring separate accounting because of legal or regulatory provisions. The primary special revenue funds are the Major and Local Road Funds which have been identified by the criteria of GASB 34 as major funds. Two dedicated millages, the Public Safety Millage and the Recreation Special Millage are also Special Revenue Funds.

Debt Service Funds

Debt Service Funds are used to account for the annual payment of principal, interest and expenses in connection with certain long-term debt other than special assessment bonds payable.

Capital Improvement Fund

The Capital Improvement Fund has been identified as a major fund by the criteria of GASB 34 and is used to account for the development of capital facilities other than those financed by special assessments.

Special Assessments Funds

Special Assessments Funds have been identified as major funds under GASB 34 criteria and are used to account for the construction and financing of public improvements provided in benefiting districts, which are to be paid, at least in part, from an assessment against the benefited property.

Enterprise Funds

An Enterprise Fund is established when the intention is that the costs of providing goods or services is financed or recovered primarily through user charges. Enterprise Funds include the Ice Arena Fund and the Water & Sewer Fund. The Water & Sewer Fund is not included in this document. User fees for ice time and retail sales fund the entire operation of Ice Arena activities.

FIDUCIARY FUNDS:

Trust and Agency Funds

Trust and Agency Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, organizations, other governments or other funds. These include the Retirement System and Agency Funds. The Retirement System is accounted for in the same manner as a proprietary fund. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The financial activity of the Agency Funds is limited to collection of amounts which are subsequently returned or paid to third parties and, accordingly, are limited to cash transactions.

Financial Policies

BASIS OF ACCOUNTING

The budgets of General Governmental Funds are prepared on the modified accrual basis of accounting. Under this method, the City recognizes revenue when it becomes both measurable and available to finance current City operations. Expenditures are recorded when the related fund liabilities are incurred, except principal and interest on general obligation long-term debt, which are recorded when due. Modifications in such method from the accrual basis are as follows:

- A) Property taxes and other revenue that are both measurable and available for use to finance operations of the City are recorded as revenue when received.
- B) Interest on bonded indebtedness and other long-term debt is not recorded as an expenditure until its due date.
- C) Payments for inventoriable types of supplies are recorded as expenditures at the time of purchase.
- D) Normally, expenditures are not divided between years by the recording of prepaid expenses.

Enterprise, and non-expendable Trust and Pension Trust Fund are prepared on the full accrual basis. Under this method, revenues are recognized when earned and expenses are recognized when incurred.

CAPITAL ASSETS

Capital assets used in governmental fund type operations are recorded as expenditures at the time of purchase. All capital assets are recorded at cost, or if donated, at their estimated fair value on the date donated.

WATER AND SEWER SYSTEMS

Oakland County operates the City's water and sewer systems by contract. Periodically, the County transfers the net revenues to the City, which deposits them in the Water & Sewer Fund.

INVESTMENTS

Investments are recorded at cost, which approximates market value.

Financial Policies

ELIMINATIONS

The total data presented is the aggregate of the fund types. No consolidating or other eliminations were made in arriving at the totals; therefore, they do not present consolidated information.

LEASE-PURCHASE CONTRACTS

The City is involved in the purchase by lease contracts of a Department of Public Service Maintenance Building, the William M. Costick Activity Center, Fire Station No. 2 and the Police Facility from the City of Farmington Hills Building Authority, a City-created and directed authority, whose sole business activity is acquiring and leasing property to the City. Building Authority operations consist of the issuance and repayment of debt and the construction of facilities, all of which are reported in the appropriate City funds. The financial statements of the City of Farmington Hills Building Authority are consolidated with the financial statements of the City as follows:

- A) The assets of the Building Authority held for payment of outstanding bond issues are reported in the Debt Service Funds.
- B) Construction activities are recorded in a Capital Projects Fund.
- C) Fixed assets (completed construction projects) of the Building Authority are reported in the Capital Assets.
- D) Remaining amounts due on bonds issued by the Building Authority are reported in the non-current liabilities.

CAPITAL IMPROVEMENT BUDGET POLICIES

The City will, annually, prepare and update a Six Year Capital Improvement Program. This Program will contain projects and equipment costs in excess of \$25,000. Total project cost and sources of funding, along with project descriptions, will be outlined in the Capital Improvement Program. Areas included in the Program will be: drainage, sanitary sewers and watermains, public facilities, sidewalks, transportation, equipment and parks and recreation facilities.

The purpose of this Six Year Program is to facilitate the orderly planning and infrastructure improvements, maintain, preserve and protect the City's existing infrastructure system and provide for the scheduled replacement of equipment and acquisition of new equipment to insure the efficient delivery of services to the community.

In addition to the Six Year Capital Improvement Program the City will prepare a Capital Improvement Budget, which will implement to the extent of available resources, the first year of the Capital Improvement Program.

FINANCIAL REPORTING & AUDITING POLICIES

In accordance with Section 6.10 of the City Charter, an independent audit of all City funds will be conducted annually by a Certified Public Accounting Firm.

The Comprehensive Annual Financial Report (CAFR) shall be subject to the annual audit. The annual audit will be conducted in accordance with generally accepted auditing standards. The scope and procedures of the audit will be in conformance with the "Engagement Letter" signed by the City and the auditors. The City fully complied with the Governmental Accounting Standards Board Pronouncement 34 in the most recent audits. The basis for budgeting follows the same basis as the audited financial statements.

While the City's annual audit includes the Water & Sewer Fund and Pension Funds, the annual budget does not include the Water & Sewer Fund and Pension Funds.

The City will establish and maintain a high standard of accounting practices. Accounting standards will conform to generally accepted accounting principles as established by the Governmental Accounting Standards Board.

The Finance Department will maintain a system of internal controls to safeguard the City's assets and insure accurate and timely accounting, reporting and disclosure.

The Finance Department will prepare monthly budget and financial reports for internal management purposes. In addition to financial audits, every five years, the City will conduct a Managerial Audit. These audits will be conducted by an independent consultant or consultants chosen by City Council, who will determine the scope of the audit and the nature of the report to be presented to City Council.

CASH AND INVESTMENT POLICIES

On November 16, 1998, the City Council adopted an extensive Investment Policy for all the funds of the City, excluding Employee Pension Assets. The Policy stresses legal compliance with Public Act 20 of 1943 as amended by Public Act 196 of 1997 as to type of investments permitted, which include certificates of deposits, treasury bills, obligations of U.S. Government agencies, notes, bonds, commercial paper (two highest rating), repurchase agreements, bankers acceptances, pools or mutual funds with legal investments and full faith and credit U.S. agency paper.

The investment objective of the City is "**S.L.Y.**," **S**afety, **L**iquidity and **Y**ield.

The City has received certification from the Municipal Treasurer's Association of the United States and Canada, certifying that the City's Investment Policy meets the standards established by that body.

Financial Policies

The nine-page document covers the following areas and topics:

- A) Objectives
- B) Combining of funds/prorating of interest among funds.
- C) Delegation of authority (employees authorized to place investments).
- D) Prudence - Prudent Person Principle
- E) Ethics and Conflict of Interest
- F) Internal Control
- G) Reports and Accounting
- H) Diversification of percentages of portfolio allowed for each type of investment maturity schedule and financial institution.
- I) Criteria for selecting banks and dealers.
- J) Safekeeping, custody, investment procedure and internal control
- K) Glossary of terms

DEBT MANAGEMENT POLICY

The City will limit short term borrowing to cover cash flow shortages through the issuance of tax anticipation notes. The issuance of long-term debt will be limited to capital improvements or projects that cannot be financed from current revenues or resources. For purposes of this policy, current resources are defined as that portion of fund balance in excess of required reserves.

The maturity of the bond issues will not exceed the useful life of the capital improvement project. Long term bonding will be considered when future citizens will receive a benefit from the improvement. The City's Statement of Legal Debt Margin calculation is located in the Debt Service Fund Section of this Budget Document.

The City will limit its general obligation long term debt to 10% of the City's State Equalized Value (Assessed Value), excluding the following bonds from the limitation:

- A) Special Assessment Bonds
- B) Mortgage Bonds
- C) Transportation Fund Bonds

Financial Policies

- D) Revenue Bonds
- E) Bonds issued, or contract or assessment obligations, incurred to comply with an order of the Water Resources Commission or a court of competent jurisdiction
- F) Other obligations incurred for water supply, sewage, drainage or refuse disposal projects necessary to protect the public health by abating pollution
- G) Bonds issued for the construction, improvement or replacement of a combined sewer overflow abatement facility
- H) Bonds issued to pay premiums or establish self insurance contracts in accordance with Act 202, Public Acts of Michigan, 1943, as amended

All other bonds are not subject to financial limitations.

The City will maintain communications and relations with bond rating agencies and endeavor to improve or maintain its current bond rating annually.

TAX ABATEMENT POLICY

On February 9, 1998, the City Council adopted a Tax Abatement Policy. The Policy was revised on February 28, 2000 and again on July 28, 2003.

Criteria with which a business must comply in order for City Council to consider an Industrial Development District Tax Abatement Proposal

1. The abatement must include funding from a State or Federal program, unless the project is for redevelopment or rehabilitation or for new personal property only (if the new personal property request creates or retains new jobs within the City of Farmington Hills).
2. The tax abatement will not cause a negative impact on local tax revenues.
3. The business qualifying for an Industrial Development District Tax Abatement must remain within the City of Farmington Hills for twice the length of the tax abatement period and if a move out of the community should occur, the business shall repay the entire amount of the abatement and it shall be a lien on the property until paid.

PURCHASING POLICIES

On February 28, 2000, the City Council adopted a Resolution establishing the amended City Purchasing Policies and Procedures. These Policies comply with Section 9.12 of the City Charter authorizing the City Council to establish Purchasing Policies and require sealed bids to authorize all awards for goods and services over \$10,000. The Policy provides for a centralized purchasing system administered by the City's Director of Central Services, who reports to the City Manager.

All goods and services aggregating in excess of \$10,000 in a fiscal year are formally bid, which is in

Financial Policies

writing, sealed and submitted in accordance with written specifications and opened at a public bid opening. Bid awards exceeding \$10,000 are reviewed and approved by City Council. Purchase orders from \$3,000 - \$10,000 are approved by the City Manager after receipt of three written quotations. Items under \$3,000 are awarded by the Director of Central Services after solicitation of three verbal quotations.

The Policy also provides for procurement in cases of emergency situations threatening public health, welfare and safety, subject to after the fact review of the basis of the emergency and the selection of the particular vendor to be placed in the purchasing file.

The 12-page Policy Document and 17-page Procedures Document cover topics such as:

- A) Organization and Authority
 - 1) Role of the City Council
 - 2) Role of the City Manager
 - 3) Role of the Director of Central Services
- B) Standards of Conduct
- C) Policy Amendment Procedures
- D) Bid specification preparation, bidding procedures, bid opening, bid awards, correction of bids
- E) Rules against subdivision to avoid sealed bid and Council award procedures
- F) Procurement of professional services

REVENUE POLICIES

The City will strive to maintain diversified, stable sources of revenues to protect essential service delivery from short-term fluctuations in any one source.

The City will maintain sound appraisal procedures and practices to reflect current property values.

The City will minimize the impact of property tax financing for city services by seeking alternative financing such as grants, user fees, and upgrading/enhancing the property tax base.

Financial Policies

The City will project its annual revenues based on historical data, county, state and national economics and new statutes.

The City will finance essential City services that have a city-wide benefit from revenue sources generated from a broad base, such as property taxes and state shared revenues.

The City will review fee structures to charge the cost of service to the benefiting property owners and customers serviced, while being sensitive to the needs of low-income individuals.

The City will make all current expenditures with current revenues, avoiding procedures that balance current budgets by postponing needed expenditures, accruing future revenues, or rolling over short-term debt.

FINANCIAL POLICY BENCHMARKS

Financial Policy Benchmarks

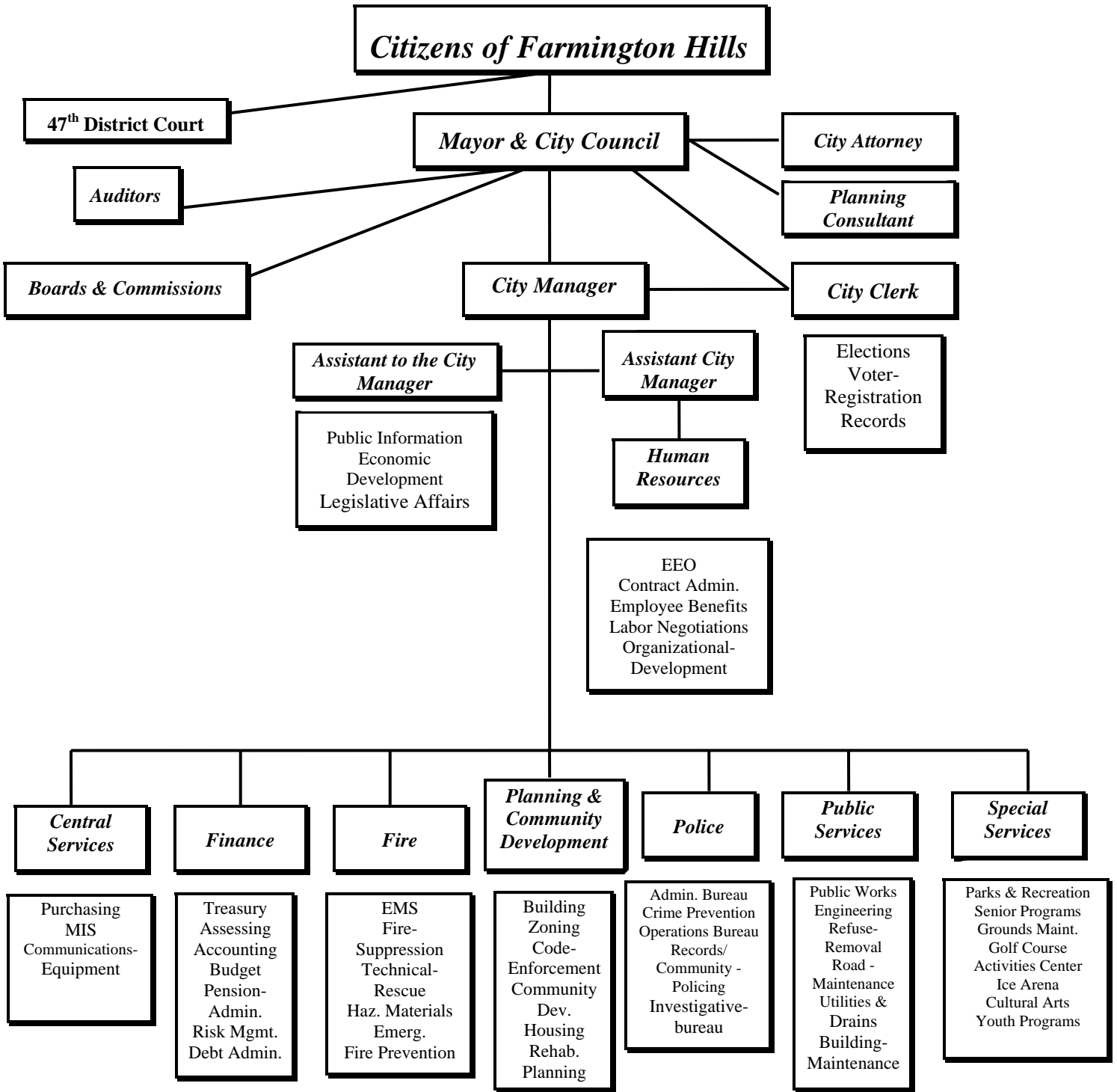
Status

<u>Fund Balance</u> 10-15% unreserved general fund balance.	<u>Fund Balance</u> 14% unreserved fund balance (2006 audit).
<u>Accounting, Auditing, Financial Reporting Policy</u> Produce Comprehensive Annual Financial Report in accordance with GAAP.	<u>Accounting, Auditing, Financial Reporting Policy</u> Certificate of Achievement for Excellence in Financial Reporting received June 2006.
<u>Revenue Policy</u> Maintain a diversified and stable taxable revenue base.	<u>Revenue Policy</u> Tax base comprised of: Residential 67% Non residential 33%
Maintain sound appraisal procedures and practices to reflect accurate property rates.	Equalization factor of 1.
<u>Investment Policy</u> Analyze market conditions to maximize yields while maintaining the integrity and safety of principal.	<u>Investment Policy</u> In spite of the weak local economy interest rates have increased and now have stabilized.
<u>Debt Policy</u> Maturity of bond issues will not exceed useful life of capital improvements they finance.	<u>Debt Policy</u> No bond issue has maturity schedule beyond 25 years.
Maintain a sound relationship with major bond rating agencies and an investment grade bond rating.	Moody's rating: Aa3 Standard & Poors rating: AA

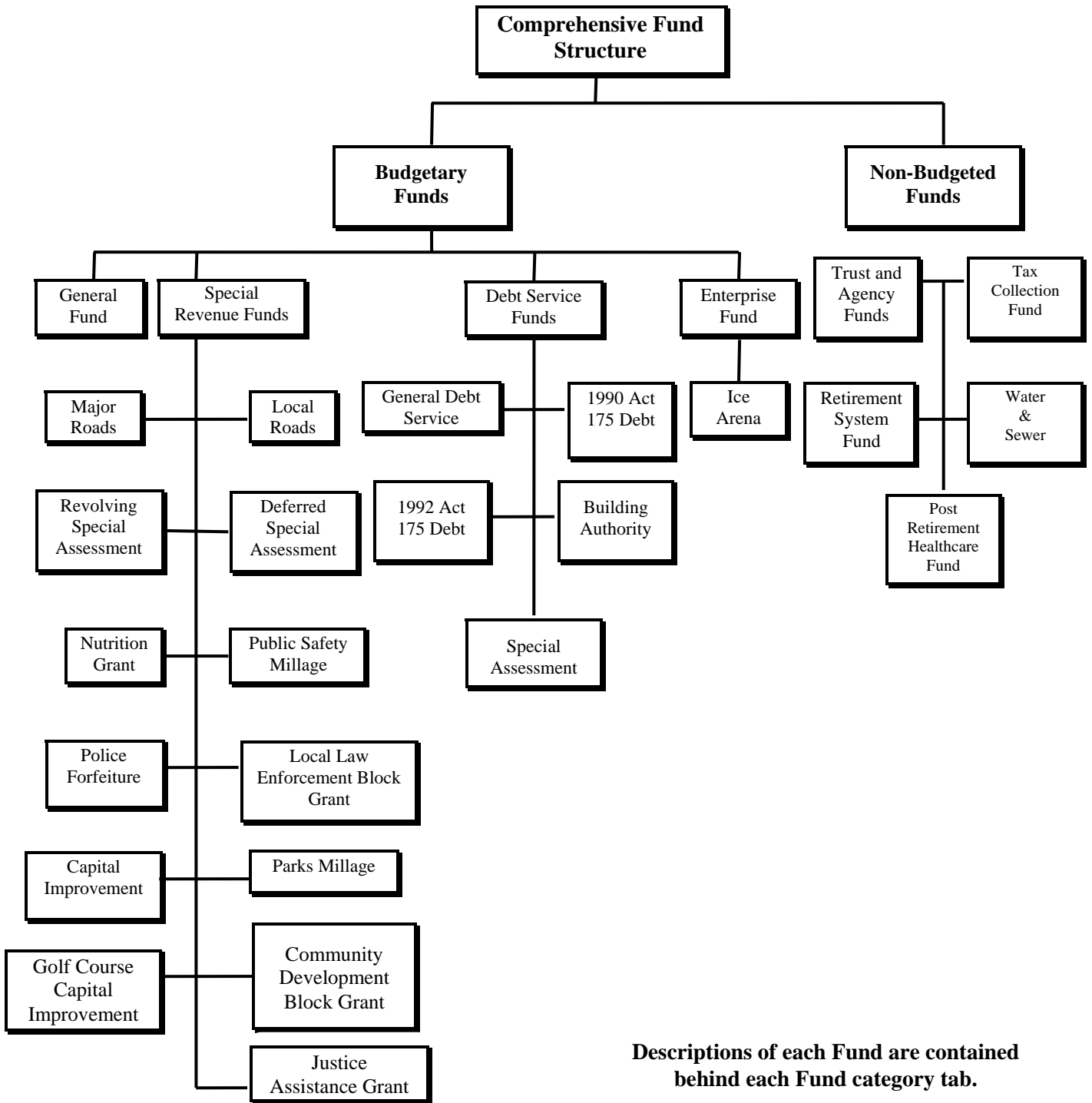
FINANCIAL POLICY BENCHMARKS (Continued)

<u>Financial Policy Benchmarks</u>	<u>Status</u>
<p><u>Capital Improvement Policy</u> Maintain long range pre-planning of capital improvements and infrastructure.</p>	<p><u>Capital Improvement Policy</u> The Planning Commission annually prepares a six-year Capital Improvement Plan.</p>
<p>Implement annually capital improvements in accordance with an adopted six-year capital improvement program within revenue restraints.</p>	<p>Capital Improvements budgeted in 07/08: Drainage: \$ 750,000 Equipment: \$ 2,248,300 Sidewalks: \$ 382,000 Public Facilities \$ 3,720,000</p>
<p><u>Financial Policy</u> Place emphasis on areas of long-term importance such as effectiveness, employee relations, automation, and technology improvements.</p>	<p><u>Financial Policy</u> Funding for Citywide technology ensures a reliable network and funding for employee development maintains positive employee relations.</p>
<p>Produce a budget document that is a policy tool, a public information document, a financial control mechanism and a management tool.</p>	<p>Received “Distinguished” Budget Presentation award for the past 21 years.</p>
<p>Integrate performance measurement and productivity indicators in the budget.</p>	<p>Continue to update budget document with performance measures including output and efficiency.</p>
<p>All budgetary funds must be balanced.</p>	<p>The budget is balanced – estimated revenues are equal to or greater than estimated expenditures.</p>
<p>Maintain adequate level of funding for employee retirement systems.</p>	<p>Pension benefit: Post retirement 91% funded Healthcare 58% funded</p>
<p>Enhance the property tax base.</p>	<p>Community investment: Marathon Gas Station \$ 125,000 Speedway Gas Station \$ 125,000 Tuffy Muffler \$ 603,000 Montessori School \$ 683,000 Commercial additions and alterations \$14,500,000</p>

CITY OF FARMINGTON HILLS



CITY OF FARMINGTON HILLS FINANCIAL ORGANIZATION STRUCTURE



FULL-TIME EMPLOYEE STATISTICS

	FY	FY	FY	FY 2007 - 2008		
	04-05	05-06	06-07	Full Time	Part Time	Total
	Full Time	Full Time	Full Time		FTE*	
City Administration	6	6	6	6	0.00	6.00
Public Information	3	4	4	4	0.00	4.00
Finance Department	14	14	14	14	0.53	14.53
Assessing	9	9	9	8	0.54	8.54
City Clerk	9	7	7	7	1.77	8.77
Human Resources	4	4	4	4	0.00	4.00
Central Services	9	9	9	9	0.50	9.50
Police Department	163	164	171	171	9.58	180.58
Fire Department	44	44	49	49	36.95	85.95
Planning & Community Development	25	25	25	25	1.50	26.50
Public Services - Administration	5	5	5	5	0.00	5.00
Road Maintenance	23	23	23	23	4.25	27.25
Building Maintenance	3	3	3	3	0.00	3.00
Engineering	20	20	20	19	1.20	20.20
D.P.W. Garage	11	11	11	11	0.00	11.00
Waste Collection/Recycling	0	0	0	0	1.00	1.00
Special Services Administration	14	14	14	14	6.30	20.30
Youth and Families Division	1	1	1	1	9.40	10.40
Senior Adults	5	5	5	5	20.98	25.98
Parks Division	12	12	13	14	12.44	26.44
Cultural Arts	1	1	1	2	1.32	3.32
Golf Course Division	4	4	4	3	10.39	13.39
Ice Arena	4	4	4	4	12.93	16.93
TOTAL	389	389	402	401	131.58	532.58

FULL TIME EMPLOYEE STATISTICS SUMMARY

	04-05	05-06	06-07	07-08
FULL TIME	389.00	389.00	402.00	401.00
FTE	116.22	123.02	126.09	131.58
TOTAL FULL TIME AND FTE	505.22	512.02	528.09	532.88

The number of full-time employees will decrease by 1 in 07/08. An Assessor I position was not filled as a cost cutting measure and a Civil Engineer I position was not filled because the work load is down. A Cultural Arts Coordinator position was added because of increased programming and increased work load.

The number of full-time equivalent employees will increase by 5.49 in 07/08. Most of this increase is to staff new programs at the Longacre House and the Jon Grant Community Center.

*FTE (Full Time Equivalent) Represents part-time employee hours divided by 2080.

BUDGET OVERVIEW

The City's General Fund accounts for approximately 57.5% or \$ 54,757,997 of the total budget. City resources for all the City's operating departments are financed through the General Fund. The City Council has wide discretionary power over the financial resources attributable to this Fund. Detailed revenues and expenditures by fund and revenue by source and expenditures by type are portrayed in schedules and graphs within this section as well as their percentage share of the total financial picture.

The composition of the fund category expenditures in the budget document including other financing uses (transfers out) are:

Categories	Amount	Percentage
General Fund	54,757,997	57.5
Special Revenue	31,385,471	32.9
Debt Service	7,533,365	8.0
Enterprise	1,547,003	1.6
Total	95,223,836	100.00

The most important decision made annually by City Council is the establishment of the fiscal year tax rate levy and the allocation of this rate among the property tax supported funds. The Tax Rate for FY 2007/08 and the last three fiscal years and the taxable value for FY 2007/08 are outlined below:

Taxable Value \$ 4,438,529,490

	Actual Tax Rate FY 2004/05	Actual Tax Rate FY 2005/06	Actual Tax Rate FY 2006/07	Adopted Tax Rate FY 2007/08
<u>Charter Authorized Limit Allocation:</u>				
Operating	7.7142	6.9452	6.9408	6.9423
Capital and Drains	0.3413	0.4800	.4800	.4800
Debt within Charter Limit	0.7014	0.6318	.6362	.6347
Millage Subject to Adjusted Charter Maximum of 8.9522	8.7569	8.0570	8.0570	8.0570
<u>Voted Millage:</u>				
Parks Capital Development	0.4883	0.4882	.4882	.4882
Public Safety	0.9769	0.9769	1.4764	1.4764
Total Voted Millage	1.4652	1.4651	1.9646	1.9646
TOTAL TAX RATE	10.2221	9.5221	10.0216	10.0216

2007 TAXABLE VALUE ANALYSIS BY CLASS

CLASS	2006 Taxable	Net New	Adjustment	2007 Taxable	% of Taxable Adjustment	% of Taxable Roll
COMMERCIAL	882,990,590	4,713,200	19,830,680	907,534,470	2.25%	20.45%
INDUSTRIAL	273,655,430	(48,580)	5,731,400	279,338,250	2.09%	6.29%
RESIDENTIAL	2,846,495,290	12,022,010	102,914,110	2,961,431,410	3.62%	66.72%
REAL PROPERTY	4,003,141,310	16,686,630	128,476,190	4,148,304,130	3.21%	93.46%
PERSONAL	291,027,340	(801,980)	-	290,225,360	0.00%	6.54%
GRAND TOTAL	4,294,168,650	15,884,650	128,476,190	4,438,529,490	2.99%	100.00%

ANALYSIS OF TAX SAVINGS FROM TAXABLE VALUE VERSUS S.E.V.*

	2007 S.E.V.	2007 TAXABLE	S.E.V. TO TAXABLE REDUCTION
COMMERCIAL	1,026,396,510	907,534,470	118,862,040
INDUSTRIAL	294,127,170	279,338,250	14,788,920
RESIDENTIAL	3,334,462,700	2,961,431,410	373,031,290
REAL PROPERTY	4,654,986,380	4,148,304,130	506,682,250
PERSONAL	290,230,730	290,225,360	5,370
GRAND TOTAL	4,945,217,110	4,438,529,490	506,687,620

Property taxpayer savings are:

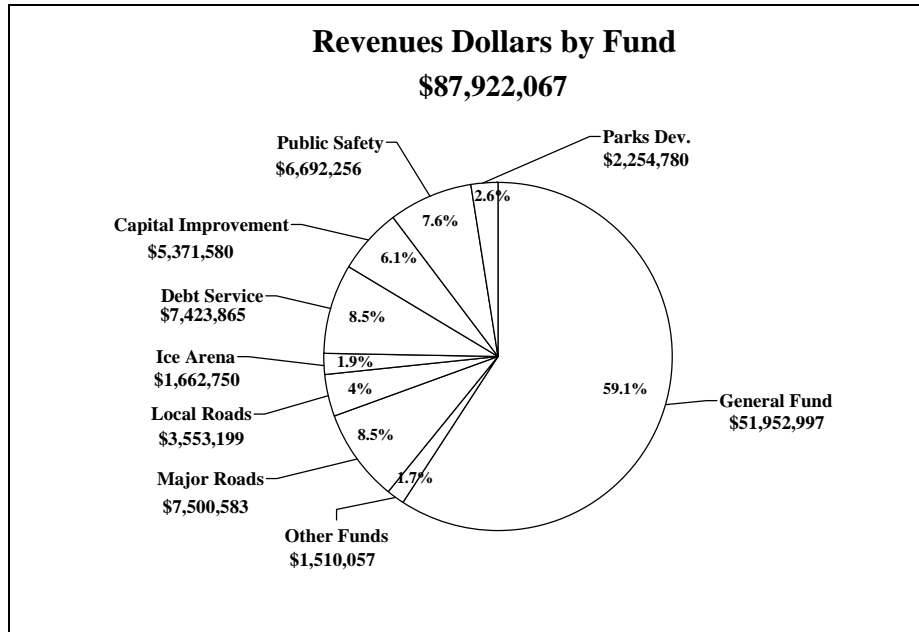
City Taxes at	10.0216 mills	\$ 5,077,821
Total Taxes at	38.4478 mills **	\$19,481,024

** 2006 Farmington Schools Homestead tax rate

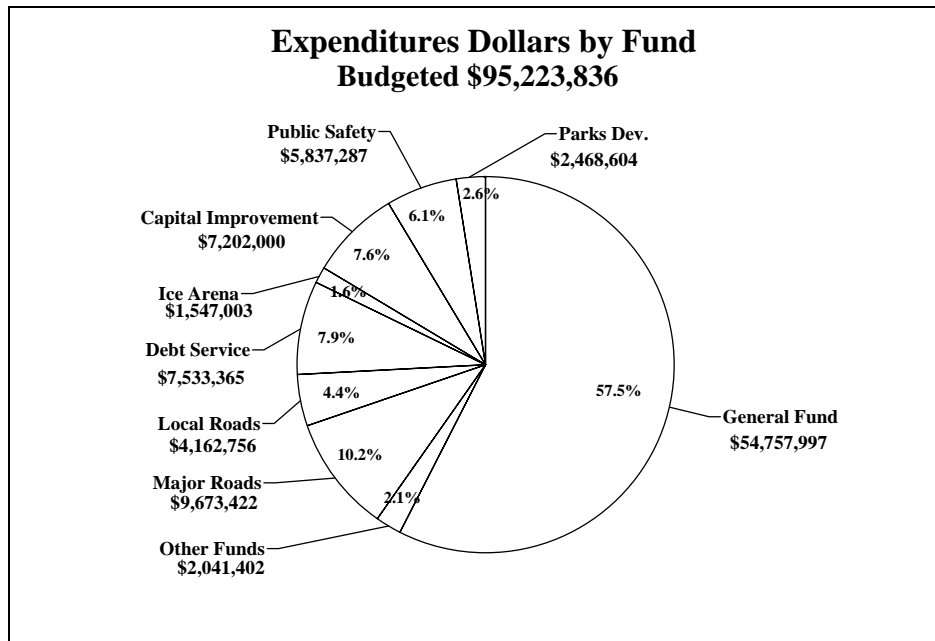
* S.E.V. - State Equalized Value (50% of Fair Market Value)

Pursuant to Michigan Law, property taxes are levied against Taxable Value, which is capped at the rate of inflation until the property is transferred. State Equalized Value represents 50% of market value and was the basis for the property tax levy until Proposal A was adopted in 1994.

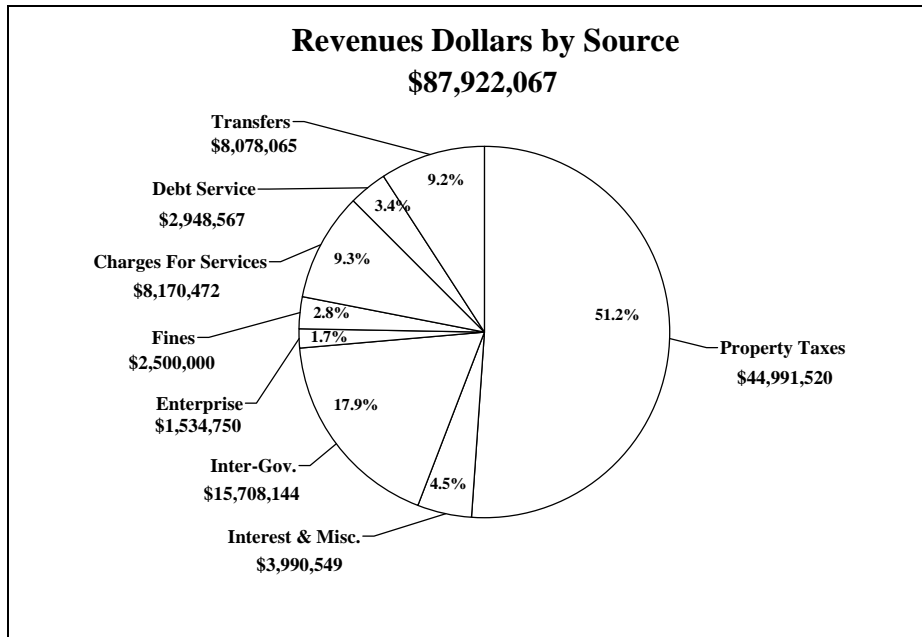
SUMMARY OF BUDGETARY FUNDS BY FUND FY 2007/08



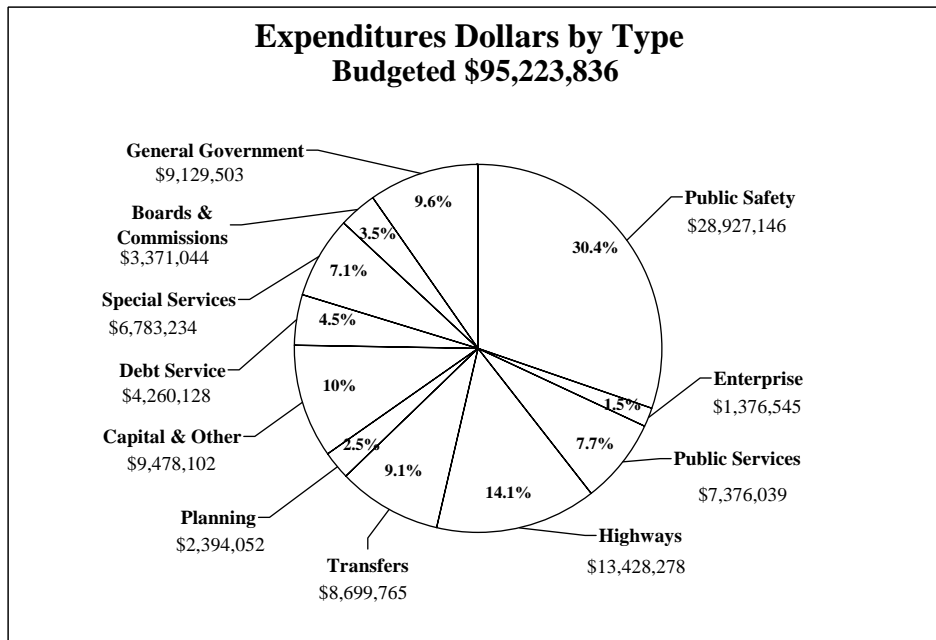
Variiances between revenues and expenditures are appropriations to and from Fund Balance.



**SUMMARY OF BUDGETARY FUNDS
REVENUES AND EXPENDITURES
FY 2007/08**



Variations between revenues and expenditures are appropriations to and from Fund Balances.



CONSOLIDATED BUDGET SUMMARY FISCAL YEAR ENDING 6/30/08

	General Fund	Special Revenue Funds	Debt Service Funds	Enterprise Fund	Total Funds
FUND BALANCE AT JULY 1, 2007	17,119,611	14,254,125	4,754,397	272,687	36,400,820
REVENUES					
Property Taxes	31,401,546	10,782,108	2,807,866	0	44,991,520
Intergovernmental	6,763,945	8,944,199	0	0	15,708,144
Charges for Service	8,170,472	0	0	0	8,170,472
Debt Service Revenue	0	0	2,948,567	0	2,948,567
Interest Income	1,950,000	780,700	291,500	3,000	3,025,200
Fines and Forfeitures	2,500,000	0	0	0	2,500,000
Enterprise Revenues	0	0	0	1,534,750	1,534,750
Miscellaneous	200,000	765,349	0	0	965,349
Total Revenues	50,985,963	21,272,356	6,047,933	1,537,750	79,844,002
EXPENDITURES					
Boards and Commissions	3,371,044	0	0	0	3,371,044
General Government	9,129,503	0	0	0	9,129,503
Public Safety	22,579,125	6,348,021	0	0	28,927,146
Planning, Commun. & Econ. Dev.	2,394,052	0	0	0	2,394,052
Public Services	7,376,039	0	0	0	7,376,039
Special Services	6,783,234	0	0	0	6,783,234
Highways and Streets	0	13,428,278	0	0	13,428,278
Land Acquisition, Capital Improvements and Other	0	8,977,102	501,000	0	9,478,102
Debt Service Principal	0	0	2,999,286	0	2,999,286
Debt Service Interest	0	0	1,090,384	170,458	1,260,842
Enterprise Expenses - Ice Arena	0	0	0	1,376,545	1,376,545
Total Expenditures	51,632,997	28,753,401	4,590,670	1,547,003	86,524,071
Revenues over/(under) Expenditures	(647,034)	(7,481,045)	1,457,263	(9,253)	(6,680,070)
OTHER FINANCING SOURCES AND USES					
Proceeds from Bond Sale	0	0	0	0	0
Transfers In	967,034	5,610,099	1,375,932	125,000	8,078,065
Transfers Out	(3,125,000)	(2,632,070)	(2,942,695)	0	(8,699,765)
Total	(2,157,966)	2,978,029	(1,566,763)	125,000	(621,700)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(2,805,000)	(4,503,016)	(109,500)	115,747	(7,301,770)
FUND BALANCE AT JUNE 30, 2008	14,314,611	9,751,109	4,644,897	388,434	29,099,050

SCHEDULE OF INTERFUND TRANSFERS FY 2007/08

Interfund Transfers are budgeted as follows:

<u>Fund Transferred From</u>	<u>Fund Transferred To</u>		
General Fund	Capital Improvement Fund	3,000,000	(3)
	Enterprise Fund	<u>125,000</u>	(1)
	Total General Fund	3,125,000	
Major Road Fund	Local Road Fund	100,000	(4)
	Act 175 1992 Debt Service Fund	<u>307,900</u>	(2)
	Total Major Road Fund	407,900	
Revolving Special Assessment Fund	Local Road Fund	<u>535,436</u>	(3)
	Total SAD Revolving Fund	535,436	
Capital Improvement Fund	Major Roads	<u>100,000</u>	(3)
	Total Capital Improvement Fund	100,000	
Drug Forfeiture Fund	General Fund	<u>14,115</u>	(6)
	Total Drug Forfeiture Fund	14,115	
Park Millage Fund	General Fund	952,919	(1)
	Water Fund ***	<u>621,700</u>	(4)
	Total Park Millage Fund	1,574,619	
General Debt Service Fund	Major Road Fund	307,900	(2)
	Building Authority Fund	<u>1,068,032</u>	(2)
	Total General Debt Service Fund	1,375,932	
Special Assessment Debt Service Fund	Local Roads	<u>1,566,763</u>	(3)
	Total Special Assessment Debt Funds	<u>1,566,763</u>	
	Total Interfund Transfers	<u><u>8,699,765</u></u>	

- (1) Transfer of discretionary funds to be used for the benefit of the community.
- (2) Transfer for debt service payments.
- (3) Transfer for capital improvements.
- (4) Allowable transfer under Act 51
- (5) Transfer to repay interfund loan.
- (6) Transfer for Grant Matching funds

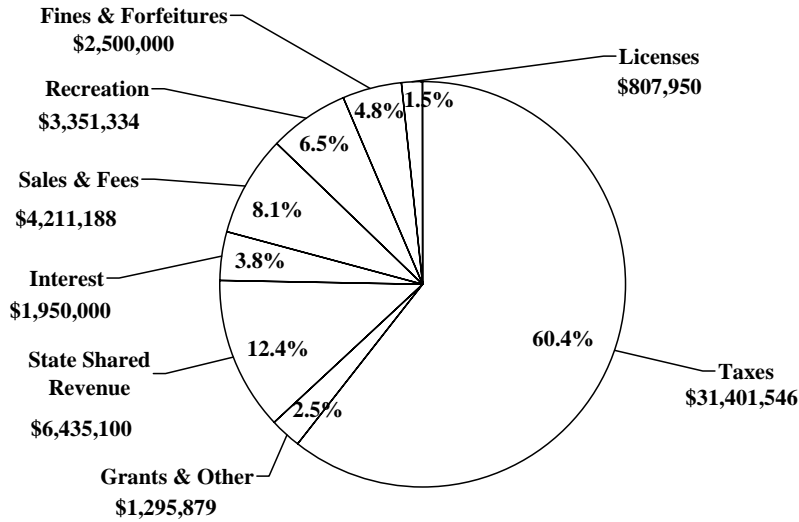
*** Non-budgetary Fund

GENERAL FUND

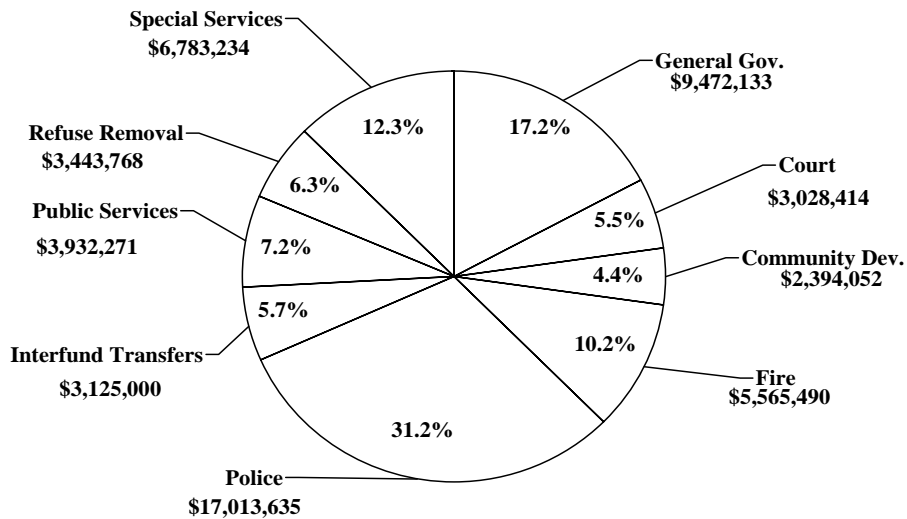
The City's General Fund contains the budgetary and financial controls for all the City's activities and functions which are not accounted for in other specialized funds, which contain restrictions on the usage of the fund's assets, mandated by City Charter, State Statute or bond covenants. This fund contains budgets for all the Operating Departments of the City. A vast variety of revenues such as general property taxes, license fees, court revenues, permits, recreation user charges, investment income, service fees, State Shared Revenues and grants provide the economic resources for the operation of this Fund. City Council has broad discretionary powers over the utilization of financial resources of the General Fund.

GENERAL FUND FY 2007/08

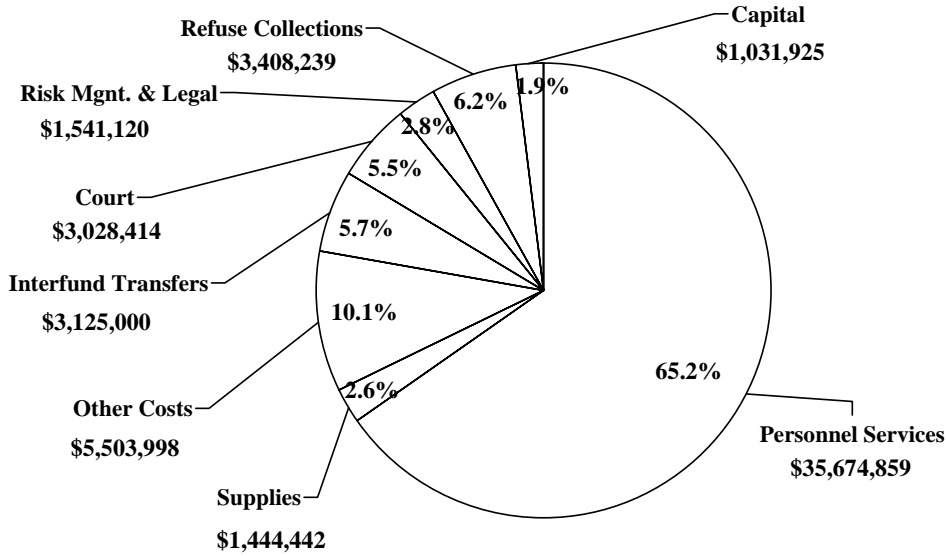
**Total General Fund Revenues and Transfers In
Budgeted \$51,952,997**



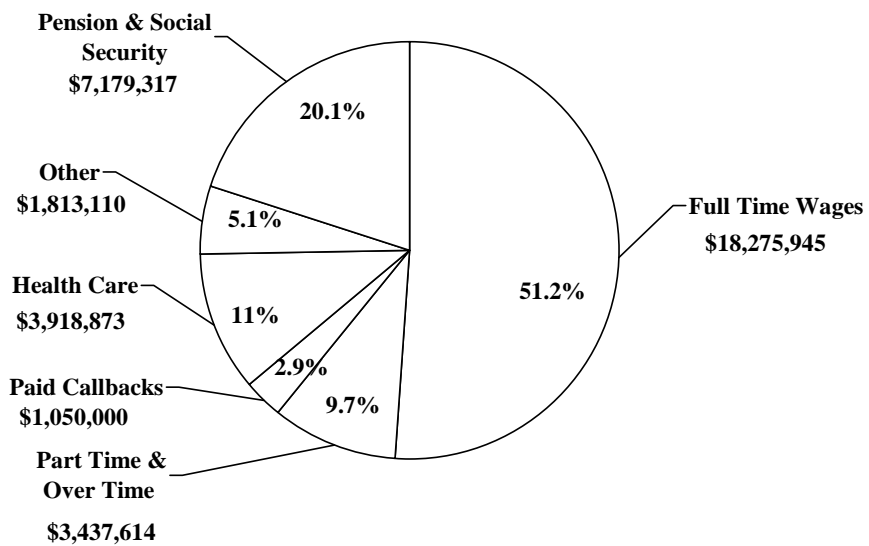
**Total General Fund Expenditures and Transfers Out
Budgeted \$54,757,997**



**General Fund Expenditures by Classification
Budgeted \$54,757,997**



**General Fund Personnel Services
Budgeted \$35,674,859**



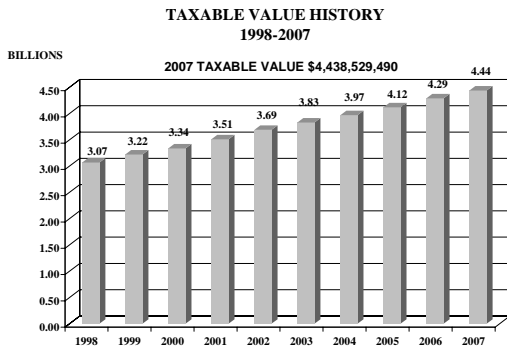
GENERAL FUND EXPENDITURE SUMMARY FY 2007/08

DIV. NO.	Category and Line Item	2004/05 Actual Expenditures	2005/06 Actual Expenditures	2006/07 Adopted Budget	2006/07 Estimated Expenditures	2007/08 Proposed Budget	2007/08 Adopted Budget
115	Boards & Commissions	6,144,005	2,794,215	3,054,071	3,027,346	3,266,044	3,371,044
<u>GENERAL GOVERNMENT:</u>							
101	City Council	115,506	114,979	120,788	121,816	123,483	123,483
172	City Administration	710,128	729,915	746,154	760,970	775,304	775,304
175	Public Information	263,001	302,691	332,475	331,158	349,837	349,837
202	Finance	2,105,123	2,033,454	2,142,651	2,035,505	2,227,948	2,227,948
210	Corporation Counsel	534,790	471,471	532,176	486,176	521,330	521,330
215	City Clerk	765,196	653,908	801,673	742,758	771,001	771,001
226	Human Resources	383,529	382,365	412,443	407,170	424,823	424,823
250	Central Services	990,585	918,658	1,175,332	1,047,455	1,201,714	1,201,714
290	Support Services	1,468,332	1,700,814	2,405,986	3,763,070	2,734,063	2,734,063
TOTAL GENERAL GOVERNMENT		7,336,190	7,308,255	8,669,678	9,696,078	9,129,503	9,129,503
<u>PUBLIC SAFETY:</u>							
300	Police	15,414,918	15,916,893	16,450,352	16,520,308	17,013,635	17,013,635
337	Fire	5,120,074	5,168,689	4,950,347	5,251,465	5,565,490	5,565,490
TOTAL PUBLIC SAFETY		20,534,992	21,085,582	21,400,699	21,771,773	22,579,125	22,579,125
443	Planning, & Community Development	2,126,646	2,071,762	2,272,900	2,162,598	2,394,052	2,394,052
<u>PUBLIC SERVICES:</u>							
440	DPS Administration	438,847	452,892	478,995	481,230	507,524	507,524
442	Road Maint & Supervision	2,068,032	2,045,549	2,262,986	2,194,612	2,373,867	2,373,867
444	Building Maintenance	362,918	496,388	462,353	415,098	421,974	421,974
449	Engineering	1,956,391	1,794,306	1,941,991	1,818,840	1,950,736	1,950,736
450	DPW Maintenance Facility	1,102,324	1,090,360	1,209,066	1,161,859	1,225,712	1,225,712
451	Road Reimbursement	(2,436,435)	(2,358,816)	(2,485,407)	(2,485,407)	(2,547,542)	(2,547,542)
523	Waste Removal	3,282,923	3,316,265	3,471,197	3,362,924	3,443,768	3,443,768
TOTAL PUBLIC SERVICES		6,775,000	6,836,944	7,341,181	6,949,156	7,376,039	7,376,039
<u>SPECIAL SERVICES:</u>							
752	Administration	1,773,050	1,805,783	1,934,154	2,072,465	2,100,593	2,100,593
760	Youth Services	344,092	337,390	409,275	411,538	409,849	409,849
765	Senior Services	818,722	849,266	787,524	751,448	771,733	771,733
770	Parks Maintenance	1,457,608	1,493,661	1,585,748	1,643,282	1,833,742	1,833,742
775	Cultural Arts	277,434	305,625	297,948	325,293	323,026	365,026
780	Golf Course	627,183	651,835	733,676	1,005,028	732,809	732,809
785	Recreation Programs	552,913	559,291	558,251	549,009	569,482	569,482
TOTAL SPECIAL SERVICES		5,851,002	6,002,851	6,306,576	6,758,063	6,741,234	6,783,234
TOTAL EXPENDITURES		48,767,835	46,099,609	49,045,105	50,365,014	51,485,997	51,632,997
OTHER FINANCING USES							
299	Interfund Transfers	2,500,000	2,080,000	270,000	270,000	3,125,000	3,125,000
TOTAL EXPENDITURES AND OTHER FINANCING USES		51,267,835	48,179,609	49,315,105	50,635,014	54,610,997	54,757,997

GENERAL FUND REVENUES

City Property Taxes

The Major Source of Local Revenue for the General, Public Safety, Capital Improvement and Park Development Funds is generated by City Property Taxes. These taxes are levied on both real and personal property within the community. Real property is categorized in three major classifications: residential, commercial, and industrial parcels.



With the implementation of a State Constitutional Amendment commonly known as “Proposal A” (approved by the State electorate in 1994), increases in Taxable Value of individual parcels are limited to the Consumer Price Index or 5%, whichever is lower. This applies to all parcels that do not transfer ownership. Properties which change ownership or where new additions or construction takes place can be assessed at 50% of Fair Market Value.

Property Taxes are the function of two variables: Taxable Value and Tax Rate. The Taxable Value multiplied by the Tax Rate allocated to the General Fund will calculate the total property tax for the General Fund.

Property Taxes represent 62% of the General Fund, up from 58% just five years ago. The proposed General Operating Millage (\$1 per \$1,000 of Taxable Value) is 6.9423. The Taxable Value for FY 2006/07 was established on 12/31/06 and therefore is the **Actual Value for FY 2007/08**. Taxable Value for FY 2007/08 is \$4,438,529,490.

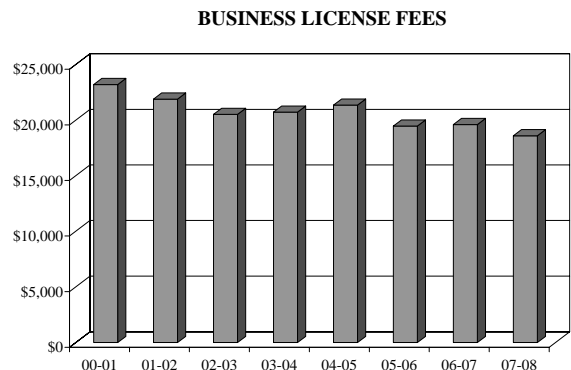
This category also consists of \$811,000 in delinquent tax collections, penalties, interest on delinquent taxes and IFT Payments. Total general fund property tax related revenues are projected at \$31,401,546 for FY 2007/08.

Real Property Taxes that are delinquent at March 1, 2007 will be sold to the County Treasurer. Therefore, real property taxes will be 100% collectable for cash flow purposes.

Business Licenses and Permits

Business licenses and permits are revenues derived from licenses issued to various classes of businesses conducting operations within the City boundaries.

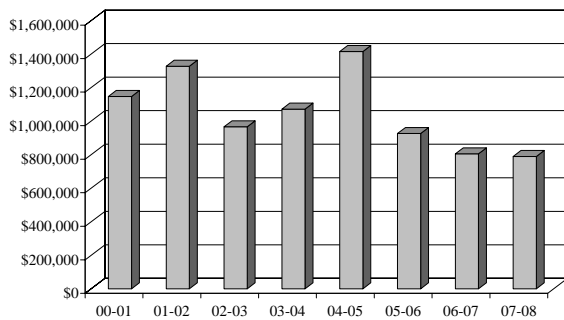
This category of revenue is projected at \$18,600.



Other Licenses and Permits

This revenue source represents fees charged to owners and contractors for permits that allow the construction of new structures as well as improvements to existing structures. Mechanical permits such as heating/air conditioning, electrical, and plumbing are also included in this category. Revenue estimates for this classification are \$789,350 of the General Fund Budget. These revenue estimates are a consensus of the Finance Director, Director of Planning & Community Development, and City Manager, based on Planning Commission activity, past revenues and expected development in the community.

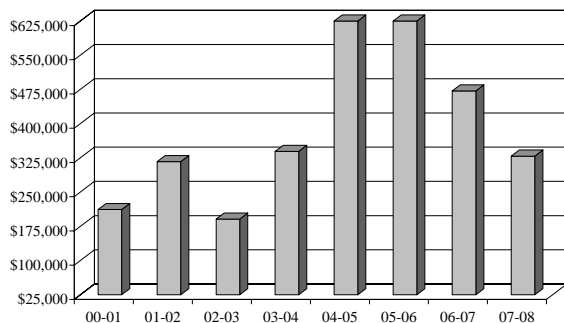
OTHER LICENSES AND PERMITS



Grants

Grant revenue is based on Suburban Mobility Authority for Regional Transportation Grants and a Police Training Grant from State Court fees. Revenues are estimated at \$328,845 for the FY 2007/08 General Fund Budget.

GRANTS



State Shared Revenues

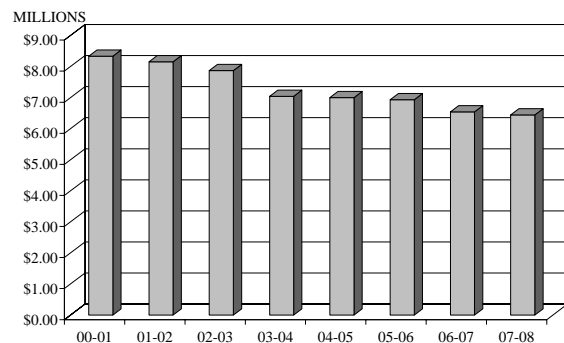
A major source of revenues for the City are State levied and collected taxes on sales, which are shared with local units of government. Distributions are based on formulas factoring in population using estimates from the 2000 Census and relative tax effort at the time of distribution.

At the end of the fall 1998 legislative session in December 1998, the legislature passed a new “statutory” sales tax distribution formula, which eliminated the previous “inventory reimbursement” to local government units. The new formula took effect with the State fiscal year beginning October 1, 1998.

The new equal three-part formula eliminates the relative tax effort component and is based on the following components: taxable value per capita, unit type, population and yield equalization.

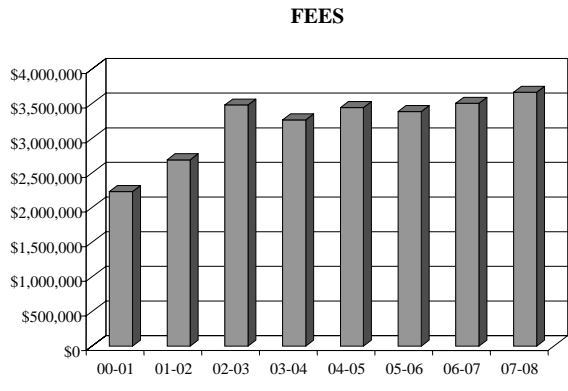
The FY 2007/08 revenues are based on the State Department of Management and Budget’s estimates, which due to economic difficulties were projected at 95% for FY 2006/07 appropriation. This amount is projected to be \$6,435,100 or 13% of the General Fund Budget, down from 25% just five years ago.

STATE SHARED REVENUES



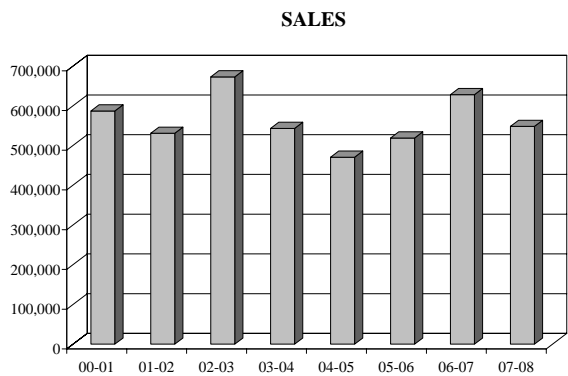
Fees

Sources for these revenues are fees charged for various services provided by the City. The single largest revenue item in this group is \$1,210,788 for curbside recycling. Other revenues are estimated on anticipated development and construction and past revenue trends. This category accounts for \$3,662,788 of the General Fund Revenues.



Sales

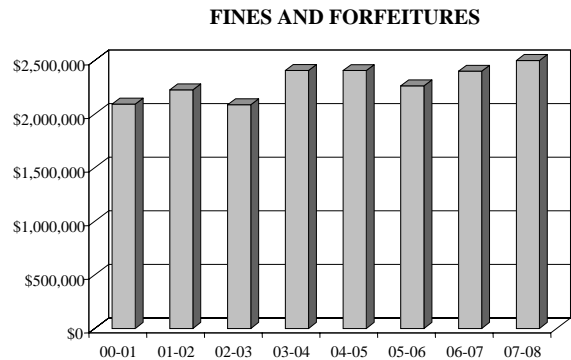
This category of revenue is generated by the sale of various products, fixed asset sales, vital statistics (birth and death records) and radio tower rentals for cellular antennas. At \$548,400 this comprises 1.1% of the General Fund Revenues.



Fines and Forfeitures

These revenues are collected from the 47th District Court for fines levied on individuals, businesses, and/or corporations who have violated various State statutes, local ordinances or laws. A major portion of this activity is initiated by the Police Department for traffic violations.

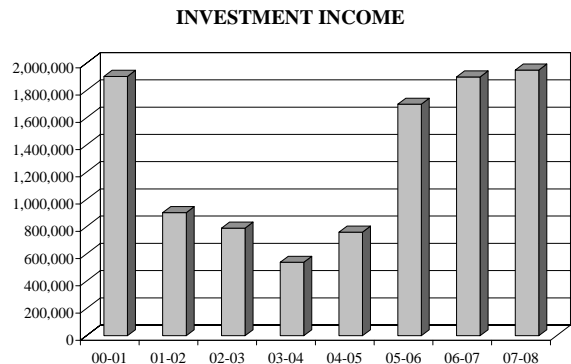
These revenues are projected at \$2,500,000 for FY 2007/08 and comprise 4.8% of the General Fund Budget. Actual collections through three quarters of FY 2006/07 provides the basis for this projection.



Investment Income

Investment Income is revenue derived from investing funds, which are not needed for disbursement for goods and/or services until a later date. This income is based on a return of 5.00% on available funds.

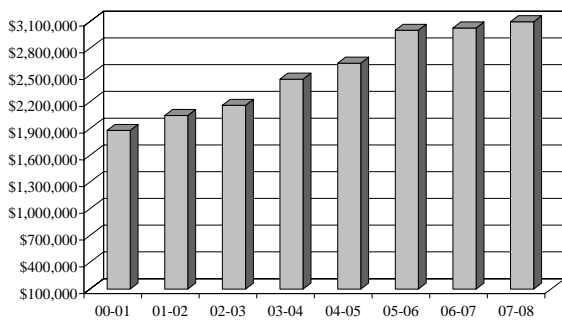
This investment or cash management program is anticipated to add \$ 1,950,000 to the City's revenue.



Recreation User Charges

This category includes fees for recreation, senior, and cultural programs conducted by the Parks and Recreation Department at the William M. Costick Center, Heritage and Founders Sports Park, and various school and recreational activity facilities throughout the community, including the City of Farmington. This group of revenue accounts for \$3,351,334 of the FY 2007/08 General Fund Budget.

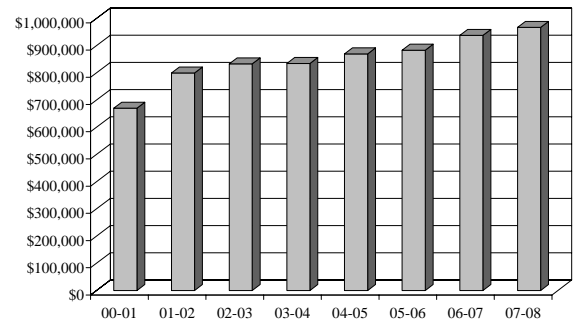
RECREATION USER CHARGES



Contributions from Other Funds

FY 2007/08 contributions will be \$967,034. This category represents \$952,919 from the Parks Millage Fund to assist in the funding of Special Service's programs for park maintenance, recreation, seniors, youth, and cultural programs contained in the General Fund and \$14,115 from the Drug Forfeiture Fund to cover the local match requirement for the auto theft grant.

CONTRIBUTIONS FROM OTHER FUNDS



Appropriation to/from Designated Fund Balance

\$3,000,000 has been appropriated from Designated Fund Balance. This is for the initial costs for reconstruction of a portion of City Hall. \$195,000 has been designated to reserves for additional contribution to the City of Farmington Hills Retiree Healthcare fund.

GENERAL FUND ESTIMATED REVENUE ANALYSIS

ACCT. NO.	DESCRIPTION	2004/05 Actual	2005/06 Actual	2006/07 Budget	2006/07 Estimated	2007/08 Budget
<u>PROPERTY TAXES</u>						
403	005	30,332,443	28,448,518	29,700,000	29,675,855	30,590,546
	010	9,166	200,000	4,000	200,000	200,000
	020	26,128	23,161	22,000	22,000	22,000
	025	417,007	469,097	405,000	470,000	480,000
	027	28,285	38,330	34,000	34,000	34,000
	030	13,039	12,408	13,000	13,000	13,000
	031	92,830	54,833	55,000	59,014	59,000
	035	2,917	2,700	3,000	3,000	3,000
		30,921,815	29,249,047	30,236,000	30,476,869	31,401,546
<u>BUSINESS LICENSES & PERMITS</u>						
451	005	1,304	0	0	0	0
	025	2,100	2,367	2,100	2,100	2,300
	030	2,744	3,135	3,300	3,300	3,100
	050	235	165	235	200	200
	055	14,970	13,800	16,000	14,000	13,000
		21,353	19,467	21,635	19,600	18,600
<u>OTHER LICENSES & PERMITS</u>						
476	006	285	549	100	2,500	250
	009	3,745	2,930	3,600	3,600	3,400
	010	925,181	547,211	700,000	450,000	425,000
	015	133,243	111,787	120,000	120,000	120,000
	020	140,996	130,618	130,000	120,000	120,000
	025	132,066	90,534	85,000	75,000	85,000
	035	850	600	1,100	1,100	1,100
	045	10,600	9,200	8,100	8,100	8,100
	050	1,937	2,308	1,900	1,900	2,100
	060	5,585	8,590	5,000	5,000	5,000
	065	45,360	14,400	20,000	14,400	14,400
	066	6,250	2,000	6,000	2,000	2,500
	070	9,360	5,500	6,600	1,800	2,500
		1,415,458	926,227	1,087,400	805,400	789,350
<u>GRANTS</u>						
505	004	0	4,411	0	0	0
	005	438,695	344,069	0	44,328	0
	029	256,771	231,364	250,000	250,000	250,000
	032	25,291	25,888	25,000	34,500	27,500
	033	9,116	5,824	9,000	9,744	9,000
	045	0	0	79,754	102,878	42,345
	050	56,249	41,647	0	30,374	0
		786,122	653,203	363,754	471,824	328,845

Estimated Revenue Analysis

ACCT. NO.	DESCRIPTION	2004/05 Actual	2005/06 Actual	2006/07 Budget	2006/07 Estimated	2007/08 Budget
<u>STATE SHARED REVENUES</u>						
574	005 Income, Sales & Intangibles	6,966,481	6,897,159	6,500,000	6,600,000	6,400,000
	010 Liquor License Tax	34,983	35,327	34,800	35,268	35,100
		<u>7,001,464</u>	<u>6,932,486</u>	<u>6,534,800</u>	<u>6,635,268</u>	<u>6,435,100</u>
<u>FEES</u>						
607	030 Police Accident Reports	33,679	34,299	32,000	32,000	32,000
	035 Miscellaneous Police Fees	13,369	10,671	9,000	12,000	12,000
	036 False Alarms	112,098	81,532	100,000	85,000	85,000
	037 Liquor License Processing	15,000	7,750	10,000	10,000	10,000
	038 Fire Department Cost Recovery	1,394	17,717	3,000	3,000	3,000
	039 Fire Inspection	49,103	42,391	45,000	45,000	45,000
	040 Weed Cutting	10,990	8,433	11,000	11,000	9,000
	041 Advance Life Support Fees	819,067	850,413	850,000	929,000	950,000
	045 Planning Commission	55,305	36,230	53,000	53,000	25,000
	047 Brownfield Revenues	0	0	0	0	0
	055 Zoning Board	14,890	21,659	15,000	15,000	15,000
	065 Zoning Site Plan Review	2,990	3,513	2,600	2,600	3,000
	070 Engineering Site Plan Review	132,310	96,043	113,000	36,500	57,000
	076 In-House Engineering Fees	421,896	455,568	320,000	520,000	520,000
	077 S.A.D. Administration Fees	0	1,849	20,000	20,000	20,000
	078 Soil Erosion Inspection	25,350	1,214	0	0	0
	082 S.A.D. Engineering Fees	77,162	9,582	0	1,000	166,000
	083 Revenues Cable TV	500,063	520,079	515,000	530,000	500,000
	085 Recycling Fees	1,157,725	1,186,583	1,198,800	1,198,800	1,210,788
		<u>3,442,391</u>	<u>3,385,526</u>	<u>3,297,400</u>	<u>3,503,900</u>	<u>3,662,788</u>
<u>SALES</u>						
642	005 Maps & Publications	1,738	998	1,800	1,800	1,500
	008 General forfeiture - Adjudicated	25	454	100	100	100
	009 Franklin Dispatch	42,282	43,551	45,000	45,000	46,500
	010 Police Auction	6,528	7,321	5,000	5,000	5,000
	012 Fire Training Transfers	891	0	1,000	1,000	1,000
	013 Permits Expired - Uncompleted	1,000	1,300	2,000	44,657	1,500
	014 Donations	100	0	0	0	0
	015 Miscellaneous Income	85,197	71,159	85,000	85,000	75,000
	016 Excess Nutrition Funds	16,152	0	0	48,012	0
	017 Recycling Products	12,735	11,645	16,000	12,000	12,000
	019 Health Care Co-Pay	0	15,345	0	90,000	115,000
	020 Vital Statistics	92,462	93,070	94,000	94,000	94,000
	021 Passport Fees	5,520	7,622	7,000	9,000	10,000
	025 Fixed Asset Sales	128,472	176,542	100,000	106,000	125,000
	030 Trust Transfer	0	0	0	0	0
	051 Sale of Blueprints	1,560	1,465	750	750	750
	052 Topo Maps, Plans, Specs.	5	0	100	50	50
	055 Building Demolition	10,280	5,994	0	0	0
	056 Rental Income (Radio Tower)	65,897	82,347	86,000	86,000	61,000
	057 Phone Franchise Fees	0	500	0	0	0
		<u>470,844</u>	<u>519,313</u>	<u>443,750</u>	<u>628,369</u>	<u>548,400</u>

Estimated Revenue Analysis

ACCT. NO.	DESCRIPTION	2004/05 Actual	2005/06 Actual	2006/07 Budget	2006/07 Estimated	2007/08 Budget
<u>FINES & FORFEITURES</u>						
655 001	Court Judgement Fees	151,202	160,835	155,000	155,000	155,000
002	Court Filing Fees	647,360	664,384	630,000	630,000	630,000
003	Probation Fees	230,721	229,780	230,000	230,000	230,000
004	PSI District Court	49,518	42,659	45,000	45,000	45,000
005	Ordinance Fines	976,590	878,397	1,075,000	1,075,000	1,175,000
007	Motor Carrier Enforcement Fines	47,581	38,190	50,000	50,000	50,000
015	Parking Fines	250,217	233,541	195,000	195,000	195,000
025	Bond Forfeitures	52,531	14,695	20,000	20,000	20,000
		2,405,720	2,262,481	2,400,000	2,400,000	2,500,000
<u>INTEREST EARNINGS</u>						
664 005	Interest Income	760,104	1,699,399	1,290,000	1,900,000	1,950,000
<u>INTERFUND REIMBURSEMENTS</u>						
214	Forfeiture Fund - Local Match Auto Theft	0	0	26,585	40,286	14,115
410	Parks Millage - Park Maint & Admin.	301,866	310,930	320,259	320,259	329,451
	Parks Millage - Naturalist	59,123	60,897	62,742	62,742	64,605
	Parks Millage - Youth	110,000	110,000	110,000	110,000	110,000
	Parks Millage - Activities Center Programs	288,835	291,491	294,236	294,236	296,863
	Parks Millage - Cultural Arts	110,000	110,000	110,000	110,000	152,000
		869,824	883,318	923,822	937,523	967,034
<u>RECREATION USER CHARGES</u>						
695 015	Administration	2,447	458	0	3,356	0
020	Youth & Family Contributions	147,182	165,551	205,000	165,000	165,000
201	Farmington Contributions					
	Farmington CDBG program	16,483	0	0	0	0
	Recreation Programs	63,081	62,461	65,642	65,642	66,000
	Senior Programs	82,313	86,616	118,193	118,193	119,000
	Cultural Arts	32,266	13,261	13,399	13,399	14,000
	Youth & Family Contributions-Farmington	31,915	32,391	40,713	40,713	41,000
027	Transportation Sponsorship	19,269	22,390	48,258	48,258	56,750
028	Kroger Transportation	12,240	12,360	12,000	12,000	12,000
029	Other Transportation Revenues	26,028	28,359	43,762	43,762	49,690
030	Senior Revenues	61,577	86,286	90,986	109,212	127,945
031	Mercy Meal Fees	205,935	216,482	59,981	46,130	2,500
032	Senex Program Revenues	57,315	68,153	62,273	67,470	71,350
033	Senior Trips	7,531	5,926	8,000	6,800	8,000
034	Special Functions Revenues	6,829	9,175	9,000	8,850	9,000
035	Grounds & Recreation	15,475	19,400	9,500	12,500	14,000
041	Swimming	263,456	279,410	274,591	278,861	280,715
044	Cultural Arts	146,756	187,701	160,200	212,056	213,600
045	After School Recreation	30,441	32,168	27,990	30,000	30,000
046	Horseback Riding	(260)	1,950	120	280	120
050	Summer Fun Centers	11,493	14,482	16,000	16,370	16,500
055	Day Camp	125,698	108,146	116,022	115,660	117,192
057	Gym	30,105	32,302	39,170	32,090	33,130
060	Classes	97,712	94,652	93,845	93,743	93,035
065	Tennis	23,836	22,276	22,275	21,106	21,150
070	Golf	2,595	1,826	3,604	2,427	2,864
071	Junior Golf League	6,794	4,292	2,425	2,401	1,845

Estimated Revenue Analysis

ACCT NO.	DESCRIPTION	2004/05 Actual	2005/06 Actual	2006/07 Budget	2006/07 Estimated	2007/08 Budget
695 075	Softball	46,978	28,735	41,540	36,085	35,660
085	Safety Clinic	728	858	840	744	1,270
105	Special Events	32,348	44,540	48,920	59,085	75,150
110	Youth Soccer	29,430	30,193	37,450	41,135	42,800
120	Youth Basketball	30,106	37,141	36,000	32,128	36,280
145	Adaptive Recreation	0	3,625	140	140	140
150	Outdoor Volleyball	0	400	1,080	1,020	1,080
170	Teen Programs	23,197	24,381	23,866	21,445	25,258
185	Cross Country Ski Touring	764	864	621	64	621
192	Downhill Skiing	10,092	2,640	15,360	3,897	10,500
200	Ticket Sales	710	(361)	300	813	300
202	Golf Course Revenues Farmington Hills Golf Club	493,627	783,288	808,416	800,000	975,834
203	Concessions Farmington Hills Golf Club	8,029	7,761	8,000	4,700	30,000
204	Reimbursement	17,312	28,547	23,000	7,000	30,000
205	Travel Trips	1,611	260	915	1,155	615
206	Driving Range Fees	214,074	213,466	218,000	214,000	217,000
208	Adult Chorale	8,990	9,320	11,300	10,524	10,900
212	Nature Study	17,104	11,536	17,320	13,932	16,600
215	Youth Bowling	254	0	0	0	0
216	Safety Town	14,609	14,170	13,600	14,260	15,300
217	Parkey Series	398	120	720	205	720
218	Children's Travel	22,601	30,048	27,170	27,291	27,170
300	Activities Center Rent	120,390	107,448	98,350	105,000	105,000
301	Grant Center Rental	0	1,487	27,000	18,900	25,000
302	Longacre House Rental	0	0	0	35,000	85,000
408	Heritage Rental Fees	15,054	14,959	16,750	15,122	16,750
		2,634,918	3,003,900	3,019,607	3,029,924	3,351,334
TOTAL OPERATING REVENUE		50,730,013	49,534,367	49,618,168	50,708,677	51,910,997
OTHER FUNDING SOURCES						
Appropriation (To)/From Fund Balance		581,689	(1,134,758)	(0)	(11,807)	0
Appropriation (To)/From Encumbrances		(13,364)	0	296,937	296,937	0
Appropriation (To)/From Other Reserves		0	0	0	41,207	0
Appropriations (To)/From						
Designated Fund Balances:						
Major Roads		0	0	0	0	0
Land		0	0	0	0	0
Capital Projects		0	1,780,000	0	(1,500,000)	3,000,000
Miscellaneous Reserves		(30,503)	(2,000,000)	(600,000)	1,000,000	(195,000)
Total Other Funding Sources		537,822	(1,354,758)	(303,063)	(173,663)	2,805,000
GRAND TOTAL		51,267,835	48,179,609	49,315,105	50,635,014	54,757,997

GENERAL FUND SUMMARY

	2004/05 Actual	2005/06 Actual	2006/07 Budget	2006/07 Estimated	2007/08 Adopted Budget
FUND BALANCE AT JULY 1					
Designated & Reserved	8,760,718	8,222,896	8,822,249	10,111,091	10,284,754
Undesignated	7,368,294	7,368,294	6,909,763	6,834,857	6,834,857
TOTAL FUND BALANCE	16,129,012	15,591,190	15,732,012	16,945,948	17,119,611
REVENUES					
Property Taxes	30,921,815	29,249,047	30,236,000	30,476,869	31,401,546
Business Licenses & Permits	21,353	19,467	21,635	19,600	18,600
Other Licenses & Permits	1,415,458	926,227	1,087,400	805,400	789,350
Grants	786,122	653,203	363,754	471,824	328,845
State Shared Revenues	7,001,464	6,932,486	6,534,800	6,635,268	6,435,100
Fees	3,442,391	3,385,526	3,297,400	3,503,900	3,662,788
Sales	470,844	519,313	443,750	628,369	548,400
Fines & Forfeitures	2,405,720	2,262,481	2,400,000	2,400,000	2,500,000
Interest Earnings	760,104	1,699,399	1,290,000	1,900,000	1,950,000
Recreation User Charges	2,634,918	3,003,900	3,019,607	3,029,924	3,351,334
TOTAL OPERATING REVENUE	49,860,189	48,651,049	48,694,346	49,871,154	50,985,963
EXPENDITURES					
Boards & Commissions	6,144,005	2,794,215	3,054,071	3,027,346	3,371,044
General Government	7,336,190	7,308,255	8,669,678	9,696,078	9,129,503
Public Safety	20,534,992	21,085,582	21,400,699	21,771,773	22,579,125
Planning & Community Development	2,126,646	2,071,762	2,272,900	2,162,598	2,394,052
Public Services	6,775,000	6,836,944	7,341,181	6,949,156	7,376,039
Special Services	5,851,002	6,002,851	6,306,576	6,758,063	6,783,234
TOTAL EXPENDITURES	48,767,835	46,099,609	49,045,105	50,365,014	51,632,997
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	1,092,354	2,551,440	(350,759)	(493,860)	(647,034)
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	869,824	883,318	923,822	937,523	967,034
Operating Transfers Out	(2,500,000)	(2,080,000)	(270,000)	(270,000)	(3,125,000)
TOTAL OTHER FINANCING FINANCING SOURCES (USES)	(1,630,176)	(1,196,682)	653,822	667,523	(2,157,966)
EXCESS OF REVENUE AND FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	(537,822)	1,354,758	303,063	173,663	(2,805,000)
FUND BALANCE AS OF JUNE 30					
Designated & Reserved	8,222,896	10,111,091	9,125,312	10,284,754	7,479,754
Undesignated	7,368,294	6,834,857	6,909,763	6,834,857	6,834,857
TOTAL FUND BALANCE	15,591,190	16,945,948	16,035,075	17,119,611	14,314,611

Undesignated Fund Balance

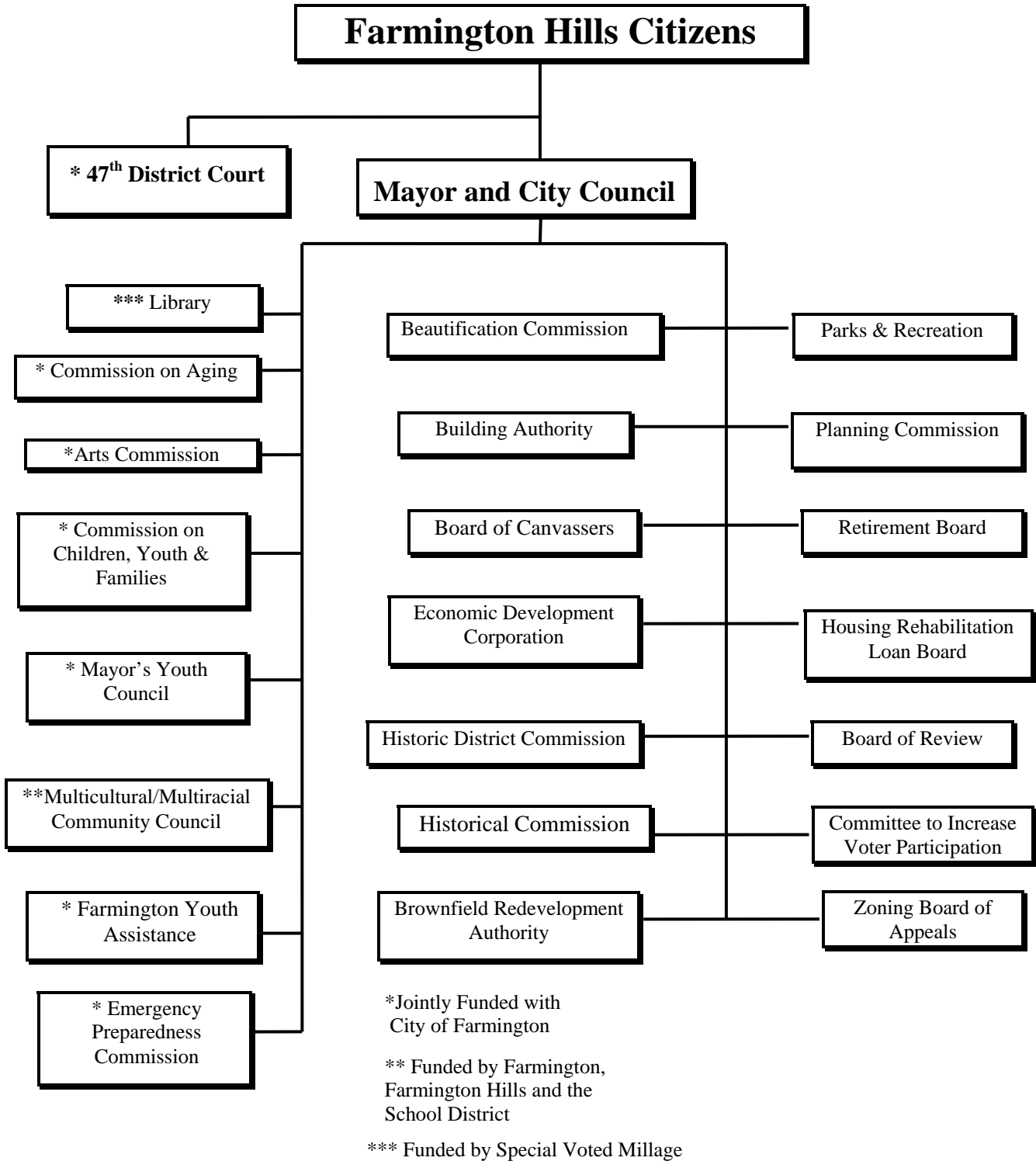
As Percent Of Expenditures

14.4%	14.2%	14.0%	13.5%	12.5%
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Fund balance decreased due to a transfer of funds to the Capital Improvement Fund.

CITY OF FARMINGTON HILLS

Table of Boards & Commissions



BOARDS, COMMISSIONS AND AGENCIES

FARMINGTON YOUTH ASSISTANCE

Farmington Youth Assistance is a volunteer organization serving the Farmington School District Area. It is not a Board or Commission of the City; but it works cooperatively with the Oakland County Probate Court, the schools, police, parents, youth and community resources to help families and young people. Its primary goal is to prevent delinquency and neglect by providing counseling. Funding is provided by both Cities.

FARMINGTON COMMUNITY LIBRARY

For many years, as a part of the budget process, the City of Farmington Hills has contributed general fund taxes to support the Farmington Community Library. In May of 2005, the Library Board of Trustees asked the voters to approve a dedicated 1-mill tax for 20 years for the operation of the Library. The voters approved the millage and as such, this budget does not include funding for the library.

47th DISTRICT COURT

The 47th Judicial District Court is a limited jurisdiction court serving the cities of Farmington and Farmington Hills. The Court has jurisdiction over criminal misdemeanors, civil cases in which the amount in dispute is \$25,000 or less, parking violations, traffic violations and other civil infractions, landlord-tenant disputes, and small claims matters. In addition, the Court has initial jurisdiction on criminal felony cases for the purpose of determining probable cause.

The Court has two full-time judges elected to six-year terms. The chief judge of the Court is appointed by the Michigan Supreme Court and serves a two-year term as chief judge. The Court utilizes the services of part-time magistrates, who are appointed by the chief judge. Magistrates handle criminal arraignments, informal hearings, small claims hearings, and plea and sentencing on certain violations as permitted by law.

The Court strives to provide outstanding service to the community. In establishing its goals and measuring its progress, the Court uses the following five standards:

- 1) Increasing access to court services
- 2) Ensuring expedition and timeliness of service
- 3) Ensuring equality, fairness and justice
- 4) Maintaining independence while also ensuring accountability
- 5) Enhancing public trust and confidence in the Court as an institution.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- **Access to Justice:** Strive to eliminate all unnecessary barriers to service including economic, procedural, linguistic, and physical. (1)
- **Expedition and Timeliness:** Eliminate any unnecessary delays in case management. (1,2)
- **Equality, Fairness and Integrity:** Demonstrate equal and unqualified respect for the rights and concerns of all individuals who contact the court for service and/or information. (1,11)
- **Independence and Accountability:** Assert and maintain the distinctiveness required of the judiciary while simultaneously working with other branches of government to ensure the most efficient and effective use of public resources. (2)
- **Public Trust and Confidence:** Continually focus on taking actions that inform the public of the Court's efforts and build the public's trust and confidence in the judiciary. (1,11)

PERFORMANCE OBJECTIVES

- Continue to identify areas for improvement in courthouse security and develop and implement policies and practices to ensure public safety.
- Continue to identify and implement case management strategies to minimize case processing time.
- Complete implementation of the Court's records imaging project.
- Continue to meet all reporting demands associated with finances, caseload and abstract processing.
- Continue to focus efforts on the collection of outstanding receivables including the use of the special "show cause" calendar and other collection strategies.
- Continue the Court's Sobriety Court project and work with the State Court Administrative Office on the evaluation component.
- Maintain the success of the Court's Community Work Program (CWP), which provides approximately 20,000 free labor hours for work projects in Farmington and Farmington Hills.
- Continue to work with the councils and administrations of both cities to address issues of mutual concern and coordinate services for the benefit of the public.
- Continue to be actively involved in the community through working with school and community groups to increase awareness of court-related issues affecting the public.

	Performance Indicators *	2005/06 Actual	2006/07 Projected	2007/08 Estimated
Service Level	Farm. Hills Contribution to Court Expenses	2,611,650	2,806,601	3,056,861
	Farmington Contribution to Court Expenses	394,393	506,195	461,626
	Total Farmington Hills Court Revenue	2,431,236	2,550,000	2,650,000
	Total Farmington Revenue	618,885	603,500	625,000
	Community Work Program Revenue	89,582	90,000	90,000
	Total New Case Filings (Calendar Year)	32,431	36,400	37,500
	Felony Filings	475	500	500
	Non-Traffic Misdemeanor Filings	1,032	1,200	1,300
	Non-Traffic Civil Infractions	1,057	1,100	1,200
	Traffic/Parking Filings	24,026	27,500	28,200
	Drunk Driving Filings	397	400	400
	General Civil Filings	2,393	2,500	2,500
	Small Claims Filings	662	700	750
	Landlord-Tenant Filings	2,389	2,500	2,650
	Reopened cases	2,874	3,000	3,000
	Total Dispositions (Calendar Year)	34,667	37,500	38,000
	Total Community Work Program Labor Hours	17,312	20,000	20,000
	Sec. of State Abstracts Processed Timely	98%	99%	99%
	Efficiency	Cost to Cities Per Case Disposition	\$86.71	\$88.34
Revenue to Cities Per Case Disposition (Excluding CWP Revenue)		\$87.98	\$84.09	\$86.18
Estimated Minimum Labor Value of Community Work Program to Cities (Based on minimum wage labor rate; includes insurance, supervision, and transportation costs paid).		\$239,000	\$230,000	\$235,000

*Case statistics reported are for the calendar year 2006, projected calendar year 2007, and projected calendar year 2008. Financial statistics reported are for fiscal year July 1 – June 30.

FARMINGTON AREA ARTS COMMISSION

An encouraging environment stimulates performing and creative artists to study and present their talents. This joint Farmington Hills/Farmington Commission works toward that end by defining and creating appropriate programs to implement artistic and cultural activities that touch many areas such as: music, theater, dance, education institutions, visual arts, literature and letters, architecture and architectural landscaping, museums, and allied arts and crafts. The Commission also encourages public interest in the cultural heritage of the community. This Commission is comprised of 9 members--6 from Farmington Hills and 3 from Farmington--each are appointed by their respective Mayors with concurrence by the City Councils for staggered 3-year terms. Meetings are held on the third Thursday of each month except June/July/August.

FARMINGTON AREA COMMISSION ON AGING

The goals of this joint Farmington Hills/Farmington Commission are all geared toward the betterment of daily living for older adults. The Commission examines social attitudes, creates community awareness, establishes a climate for living independently with dignity, and encourages recognition for their contribution to the past and present. The Commission holds public forums in Farmington Hills and Farmington to identify the needs of the older, adult community. (An advisory council has also been formed to represent their concerns, identify resources at local, County, State, and Federal levels for their assistance and work with elected and appointed representatives in the community to more effectively aid them and provide current factual information regarding the aged in the community.) The Commission is comprised of 11 members--8 from Farmington Hills and 3 from Farmington--each are appointed by their respective Mayors with concurrence of their City Councils for staggered 3-year terms. The Senior Adult Program Supervisor serves as a non-voting member and liaison to the Commission. Meetings are held the fourth Tuesday of each month.

ZONING BOARD OF APPEALS

The Board acts on all questions arising under the Zoning Ordinance. It hears and decides appeals from, and reviews any order, requirement, decision or determination made by an administrative official regarding the Zoning Ordinance. It is comprised of 6 members plus 2 alternates appointed by the Mayor with concurrence of the City Council for staggered 3-year terms. The Zoning Board of Appeals meets on the second and fourth Tuesday of the month, and on occasions when workload requires. The Board also meets the Sunday morning prior to the meeting to visit sites that have been assigned to the meeting agenda.

RETIREMENT BOARD

The Board has the authority to administer, manage, and operate the retirement system and to construe and make effective the provisions of the Pension Ordinance. The retirement system provides for the retirement of City employees. This 7 member Board is comprised of the City's Finance Director, 2 representatives from the Police/Fire union, 2 General Employee representatives, and 2 City Council appointed members. Meetings are held once every quarter at City Hall. Expenses are now paid through the Farmington Hills Retirement Plan.

ASSESSMENT BOARD OF REVIEW

This is a statutory board responsible for the review of the tax assessment role and to hear citizens' appeals of their assessments. The 3-member board has the authority to make corrections where necessary and to endorse the tax roll of the City for the year in which it has been prepared in accordance with Section 7.06 of the Charter. Board members are appointed by the Mayor with concurrence of the City Council for 3-year staggered terms. The Chairperson is chosen the first day of the meeting. The City Assessor serves on the Board but cannot vote. All other members cannot be City employees. The Board meets the second, third and fourth weeks in March; once during the third week of July; and once during the second week of December.

FARMINGTON HILLS BEAUTIFICATION COMMISSION

The purpose of the Beautification Commission is to report to City Council areas of the city in need of aesthetic and environmental attention, to encourage high standards of appearance among property owners, to be an example for others by supporting and participating in aesthetic and environmental projects, to be knowledgeable about city projects and to participate in the Annual Beautification Commission Awards ceremony. The commission consists of up to 21 members, appointed by the Mayor with concurrence of the City Council, for staggered 3-year terms. Beautification Commission meetings are held on the third Tuesday of the month.

HISTORICAL COMMISSION

The purpose of the Commission is to collect, arrange, and preserve historical material indicative of the lives, customs, dress, and resources of the early residents of the Farmington Hills area. They also publish source material and historical studies on the history of the area including such materials as may be furnished for that purpose by educational institutions and by the Michigan Historical Commission. The members are appointed by the Mayor with concurrence of the City Council, and there is no limit on membership. This Commission meets the second Wednesday of the month.

HISTORIC DISTRICT COMMISSION

The purpose of this Commission is to safeguard the heritage of Farmington Hills by establishing and preserving districts in the City which reflect elements of the cultural, social, economic, political or architectural history; stabilize and improve property values in and adjacent to such districts; promote civic beautification of structures and lands within the historic districts for historic and cultural preservation; and promote the use of historic districts and local history for the education, pleasure, and welfare of the citizens of the City. There are 7 members appointed by the Mayor with the concurrence of the City Council. They meet on the second Wednesday of each month except December.

PARKS AND RECREATION COMMISSION

The Commission's prime objective is to coordinate recreational programs and to improve, expand, and reflect the park, recreational and cultural needs of the community. It works with other communities and City departments to develop and maintain aesthetically pleasing site development, care, and adequate safety conditions. The Commission is comprised of 9 members appointed by the Mayor with concurrence of the City Council for staggered 3-year terms. Meetings are held the second Tuesday of each month or as needed.

MULTICULTURAL/MULTIRACIAL COMMUNITY COUNCIL

The purpose of this Council, representing schools, government, clergy, business, service groups and residents, is to enhance the basic human dignity of all people, and to assure that all residents of Farmington and Farmington Hills feel welcome and comfortable in their City, schools and neighborhoods. The Council promotes community awareness and acceptance of diversity through the development and implementation of appropriate action plans. The principles of the Council are to improve race relations in the community and to promote a climate of inclusion and welcome in the Farmington/Farmington Hills area. Anyone with an interest in the mission and goals of the Council is eligible to apply for membership. Limited funding for the Council is provided by the two Cities and the School District. Steering Committee meetings are held on the third Thursday of each month, and there are monthly forums/presentations for the general membership on designated dates.

COMMISSION ON CHILDREN, YOUTH & FAMILIES

This Commission was established to encourage an environment where children, youth, and families are happy, healthy, educated, and safe and have the opportunity to reach their full potential. The Commission consists of 12-19 members appointed by the Mayor with concurrence of the City Council for staggered 3-year terms. Meetings are held the first Thursday of every month.

COMMITTEE TO INCREASE VOTER PARTICIPATION

The purpose of this Committee is to stimulate and improve voter participation in all elections and to increase the quality and quantity of publicity and information regarding such elections. It consists of 9 members appointed by the Mayor with concurrence of the City Council for staggered 3-year terms. The Committee meets on the first Wednesday of each month.

PLANNING COMMISSION

The purpose of this Commission is to promote public health, safety, and welfare through sound land use planning. The Planning Commission's Capital Improvements Plan plans for a system of transportation, sewage disposal, safe and adequate water supply, recreation, and other public improvements. The Planning Commission is responsible for making and adopting a master plan as a guide for development, including a determination of the extent of probable future needs. The Commission consists of 9 members appointed by the Mayor with concurrence of the City Council for staggered 3-year terms. Meetings are held on the first, second and third Thursday of each month.

MAYOR'S YOUTH COUNCIL

The Mayor's Youth Council is an advisory Council charged with the authority and responsibility of making recommendations to the Cities of Farmington Hills and Farmington concerning the needs and concerns of youth and the community, and the appropriate means by which public and private agencies including volunteer efforts may address such needs and concerns. The Youth Council consists of eleven high school students from Farmington Hills, appointed by the Mayor with the concurrence of the City Council and two high school students from the City of Farmington, appointed by the Mayor with the concurrence of the City Council. Members serve for one year terms and until their successors are appointed and qualified. Members may serve for more than one term.

EMERGENCY PREPAREDNESS COMMISSION

This committee, established by the City Council, is comprised of residents, business owners, and representatives of the Police and Fire Departments. Its mission is to support and enhance the efforts of local public safety organizations in helping ensure that residents and business owners have the information, education and skills necessary to protect themselves, their families, homes and businesses in the event of a local emergency.

BROWNFIELD REDEVELOPMENT AUTHORITY

This authority established in accordance with Public Act 381, provides the mechanism for revitalizing environmentally distressed property. Public Act 381 establishes the process of using tax increment financing to pay for environmental activities and return property to a usable condition. The Authority is comprised of nine members appointed by the Mayor, subject to City Council approval. Meetings are held as needed.

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

OTHER BOARDS, COMMISSIONS AND COMMITTEES

109 – Planning Commission – 07/08 includes funding to update the master plan for future land use.

BOARDS, COMMISSIONS AND AGENCIES

DEPARTMENT NUMBER: 115

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(800) JOINTLY FUNDED AGENCIES							
021	Farmington Area Youth Assistance	65,745	64,627	64,634	64,634	64,627	164,627
023	Library	2,752,708	0	0	0	0	0
031	47th District Court	2,570,776	2,611,650	2,806,601	2,806,601	3,028,414	3,028,414
033	Farmington Area Arts Commission	0	775	1,215	1,215	1,215	1,215
034	Commission on Aging	2,742	1,024	2,701	2,701	2,700	2,700
039	Comm. on Children/Youth/Families	254	1,096	4,161	4,161	3,600	3,600
042	Mayor's Youth Council	2,952	4,417	5,806	5,806	5,806	5,806
043	Emergency Preparedness Commission	1,000	2,917	3,601	3,601	3,600	3,600
		<u>5,396,177</u>	<u>2,686,506</u>	<u>2,888,719</u>	<u>2,888,719</u>	<u>3,109,962</u>	<u>3,209,962</u>
(800) OTHER BOARDS, COMMISSIONS, AND COMMITTEES							
002	Zoning Board of Appeals	19,506	19,532	22,060	19,225	20,740	20,740
004	Retirement Board	632,459	0	0	0	0	0
005	Assessment Board of Review	3,875	4,239	4,500	7,500	7,500	7,500
024	Beautification Commission	6,858	6,738	8,000	8,000	8,000	8,000
032	Historical Commission	498	4,503	8,610	7,600	5,000	5,000
036	Historic District Commission	2,475	7,744	9,940	8,000	7,600	7,600
037	Parks & Recreation Commission	1,098	1,606	1,100	1,100	1,100	1,100
038	Multicultural/Multiracial Comm. Council	5,310	7,795	8,500	8,500	8,500	13,500
040	Comm. to Increase Voter Participation	0	100	1,000	1,000	1,000	1,000
200	Social Security	769	1,552	1,500	1,500	1,500	1,500
350	Workers Comp	17	38	40	40	40	40
109	Planning Commission	74,963	53,862	100,102	76,162	95,102	95,102
		<u>747,828</u>	<u>107,709</u>	<u>165,352</u>	<u>138,627</u>	<u>156,082</u>	<u>161,082</u>
DEPARTMENT TOTAL		<u>6,144,005</u>	<u>2,794,215</u>	<u>3,054,071</u>	<u>3,027,346</u>	<u>3,266,044</u>	<u>3,371,044</u>

Farmington Hills FY 07/08 - Boards, Commissions and Agencies

GENERAL GOVERNMENT SUMMARY

The General Government classification of the General Fund budget represents a group of departments and functions which provide primarily legislative, administrative and logistical support for departments generally regarded as operating departments. The operating departments provide the citizens and property owners of the community with direct services. Although most of the services performed by this General Government group are of an internal nature, some limited external public services are provided such as: election and voter services, property information, tax rates and collection, public information and employment opportunities.

A summary of the budget allocation for these components is contained in the schedule below:

DIV. NO.	Category and Line Item	2004/05 Actual Expenditures	2005/06 Actual Expenditures	2006/07 Adopted Budget	2006/07 Estimated Expenditures	2007/08 Proposed Budget	2007/08 Adopted Budget
GENERAL GOVERNMENT:							
101	City Council	115,506	114,979	120,788	121,816	123,483	123,483
172	City Administration	710,128	729,915	746,154	760,970	775,304	775,304
175	Public Information	263,001	302,691	332,475	331,158	349,837	349,837
202	Finance	2,105,123	2,033,454	2,142,651	2,035,505	2,227,948	2,227,948
210	Corporation Counsel	534,790	471,471	532,176	486,176	521,330	521,330
215	City Clerk	765,196	653,908	801,673	742,758	771,001	771,001
226	Human Resources	383,529	382,365	412,443	407,170	424,823	424,823
250	Central Services	990,585	918,658	1,175,332	1,047,455	1,201,714	1,201,714
290	Support Services	1,468,332	1,700,814	2,405,986	3,763,070	2,734,063	2,734,063
TOTAL GENERAL GOVERNMENT		7,336,190	7,308,255	8,669,678	9,696,078	9,129,503	9,129,503
OTHER FINANCING USES							
299	Interfund Transfers	2,500,000	2,080,000	270,000	270,000	3,125,000	3,125,000
TOTAL		9,836,190	9,388,255	8,939,678	9,966,078	12,254,503	12,254,503

CITY COUNCIL

MISSION STATEMENT: Provide policy leadership for the community and administration on all issues which affect the health, safety and welfare of Farmington Hills.

The citizens are represented by 7 elected officials. The Mayor is elected directly by the electorate for not more than two consecutive 2-year terms. The 6 City Council Members are elected for staggered terms of 4 years each. The Council meets at least twice monthly, and conducts specially scheduled Study Sessions on an as-needed basis.

The Mayor and Council members are collectively responsible for establishing public policy, adopting a budget, and hiring and directing the City Manager. In addition, the Council appoints the City Clerk and the City Attorney. The City Council represents the City in various local, regional, state, and national boards, commissions, and committees. The Council also provides public leadership and communicates with constituents about the various issues of the community.

One of the primary duties of the City Council is to establish policies. Policy is established in the approval of ordinances, the adoption of resolutions, the setting of goals and objectives, the determination of priorities for public services, and the approval of programs throughout the City. Policy is also established through the approval and amendment of the operational and capital budgets, the approval of grant applications, ratification of labor contracts, and the approval of land acquisitions and major purchases.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- To provide policy direction of the City Administration in the implementation and evaluation of various City programs. (2)
- To ensure the City's long-term financial stability by adopting a fiscally responsible budget, monitoring expenses, and continually seeking alternative revenue sources. (2)
- To preserve and improve the City's infrastructure and economic base.(5,12,13)
- To strengthen activities, programs and services that give adults and children the opportunity to enrich their lives, enhance their future, and help build a strong community. (4,6,12)
- To protect home rule so that local issues are decided by the City and its residents. (14)
- To enhance communications between the residents and the City government through cable programming, public hearings, community meetings, the Focus newsletter, surveys, and other media. (11)
- To work with state and federal officials to reduce and effectively manage legislative mandates that create administrative and financial challenges for local governments.(7,14)
- To shape public policy at the state and federal level by tracking pending legislation, coordinating a legislative response team, and advocating for initiatives beneficial to the City. (7,14)

PERFORMANCE OBJECTIVES

- Evaluate the recommendations of the Sustainability Study and engage the boards and commissions, public, and staff to implement some, all, or parts of the recommendations as determined to be appropriate for the future long-term health of the City.
- Participate in a study of the consolidation of services and operations with the City of Farmington.
- Encourage “green” efforts in the community by leading through example and continued public education.
- Move forward in the construction of a “sprayground” water recreation facility.
- Work with the Michigan Municipal League and legislators toward reform of state law regarding the issuance of liquor licenses.
- Expand communication with the public through further use of technology such as the City website, list-serves, the low frequency AM radio station, and other alternatives.
- Improve public bus transportation by continuing to monitor the Suburban Mobility Authority for Regional Transportation (SMART) service levels and working with other local governments and legislators to ensure appropriate levels of service.
- Educate the public regarding emergency preparedness through the Emergency Preparedness Commission and continue to increase the City’s ability to respond in the event of a major emergency.
- Continue to invest in the East Grand River and Eight Mile Road corridors to encourage reinvestment, redevelopment and improvements of their appearance.
- Encourage completion of the remaining phases of North Orchard Place consistent with the PUD agreement.
- Involve high school age students in City government through the Mayor’s Youth Council, to encourage their participation in other boards and commissions, and to bring awareness of City issues into the high schools.
- Address strategic policy issues in the areas of public safety, traffic, economic development, community development, telecommunications, transportation, and technology.
- Equitably administer the City’s tax abatement policy, encouraging economic development while protecting the long-term financial interests of the City.

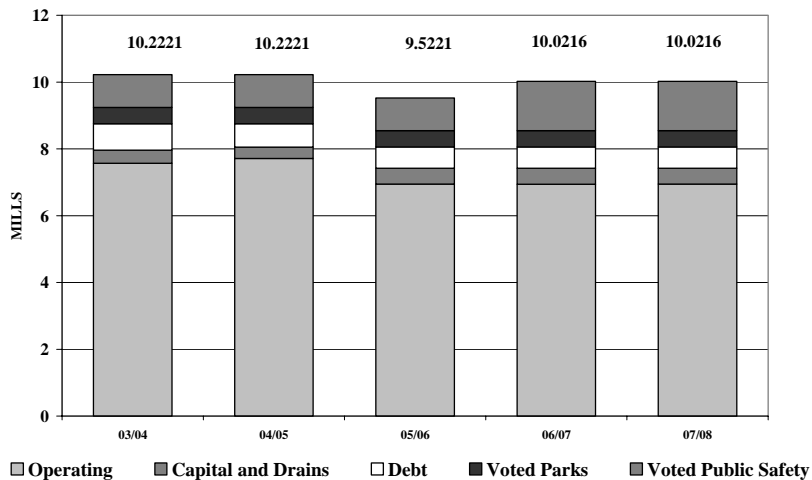
City Council

Service Level	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
	Regular Meetings Held	30	30	24
	Special Meetings Held	2	3	3
	Goals Sessions	1	1	1
	Study Sessions	21	22	22
	Public Hearings	17	20	20
	Ordinances Enacted	11	15	18
	Agenda Items Requiring Action/Resolutions Adopted	225	275	275

DEPARTMENT NUMBER: 101

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702)	SALARIES & WAGES						
010	Wages	41,753	39,233	44,156	44,210	44,924	44,924
200	Social Security	3,194	3,001	3,400	3,400	3,459	3,459
350	Workers Compensation	40	44	49	49	49	49
	Category Total	44,987	42,278	47,605	47,659	48,432	48,432
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conference & Workshops	29,458	31,044	30,490	30,490	30,220	30,220
002	Memberships & Licenses	38,489	38,910	39,193	40,167	41,331	41,331
070	Miscellaneous Expense	2,572	2,747	3,500	3,500	3,500	3,500
	Category Total	70,519	72,701	73,183	74,157	75,051	75,051
	DEPARTMENT TOTAL	115,506	114,979	120,788	121,816	123,483	123,483

CITY MILLAGE RATES



CITY ADMINISTRATION

MISSION STATEMENT:

Under the direction of the City Council, provide administrative leadership and management of the daily operations of the City government.

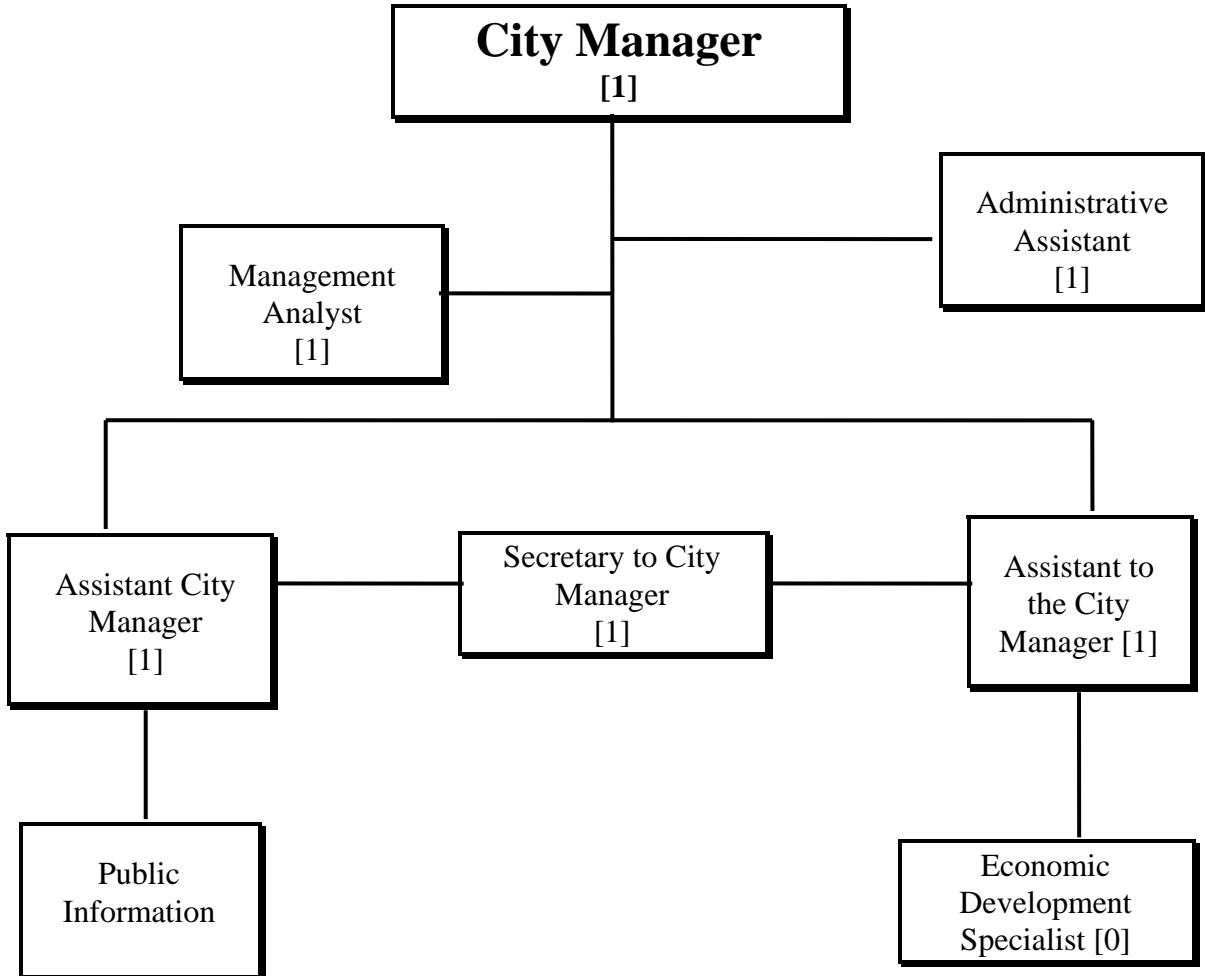
The City Manager's Office is responsible for the day-to-day administration of the municipal organization under the leadership of the City Manager. This office also provides staff support for the City Council. The Office undertakes special projects, handles citizens' inquiries, customer requests for service, and communications from other governments and agencies. The City Manager approves key purchases and personnel actions. This office provides direct supervision to the City departments noted on the Organization Chart.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- To continue to develop and maintain Farmington Hills as a quality community for the future generations. (1-14)
- To enhance revenues and to create a climate conducive to further economic development. (2,6,10)
- To identify key priorities and to establish management procedures that ensure effective management of available resources. (2)
- To develop a budget for City operations and capital improvements that encourages accountability, flexibility, creativity, and fiscal responsibility. (9,10,12,13)
- To provide effective leadership to the administrative departments, and to develop and maintain a climate of positive employee relations that facilitates the best service to the public. (1,8)
- To monitor legislative issues in order to protect the interests of the City and its residents. (7,14)
- To expand and retain the existing business base to maintain the current well-balanced tax base. (5)
- To commit to the redevelopment of the maturing sections of the City and the aging areas in the industrial parks. (5)
- To provide relevant and timely information to the City Council regarding local issues, and state and federal legislative developments. (7,14)
- To work in partnership with the City Council to achieve the City's mission and goals. (1-14)

CITY ADMINISTRATION



Total Full Time Equivalent [6.00]

STAFFING LEVELS

Acct.	Title	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(010) Administrative and Clerical					
	City Manager	1	1	1	1
	Assistant City Manager	1	1	1	1
	Assistant to City Manager	1	1	1	1
	Secretary to City Manager	1	1	1	1
	Administrative Assistant	1	1	1	1
	Economic Development Coordinator	1	0	0	0
	Management Analyst	0	1	1	1
Department Total		6	6	6	6

PERFORMANCE OBJECTIVES

- Continue to systematically review operations and service for greater efficiency and cost reduction.
- Promote and pursue additional outside funding for infrastructure improvements and other capital items.
- Analyze and evaluate recommendations of the Sustainability Study and direct the implementation of some, all, or portions of the recommendations as determined to be appropriate by the City Council.
- Participate in the study of the consolidation of services and operations with the City of Farmington, and provide necessary support and information on services and operations necessary for a thorough analysis.
- Oversee the planning and construction of a “sprayground” water recreation facility consistent with the vision of the City Council.
- Transition the management of the Farmington Hills Golf Club.
- Implement further technology initiatives and continue the phased implementation of the enterprise-wide InForum Gold integrated financial management software system, including the budget module.
- Facilitate the next phase of development for North Orchard Place by working with all parties to ensure a project that is an asset to Farmington Hills, and consistent with approved plans and the vision of the City Council.
- Continue the development of a City database of businesses and pertinent data for use in economic development efforts.

PERFORMANCE OBJECTIVES (con't)

- Negotiate fair, equitable and affordable collective bargaining agreements with employee associations having expiring contracts.
- Monitor the performance of the public utilities to ensure a high level of service to the residents and business community.
- Monitor the service provided by the Suburban Mobility Authority for Regional Transportation (SMART) and remain involved in its governing body, with the objective of improving public transportation services.
- Promote, sponsor or participate in events that foster a feeling of community, such as the City Open House and the Farmington Area Founders Fest.
- Continue efforts in emergency preparedness through training, staff and public education, and investment in necessary equipment and supplies.

Service Level	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
		Council, Board, and Commission Meetings staffed	83	82
	City Council Agenda Items prepared for Council Action	225	275	275
	Executive Staff Meetings	48	50	50
	Administrative Policies Implemented	4	5	4
Efficiency	Average Response Time to Citizen Inquiry	4 hours	4 hours	4 hours

DEPARTMENT NUMBER: 172

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702)	SALARIES & WAGES						
010	Administrative & Clerical	469,252	472,324	479,898	488,481	486,793	486,793
038	Part-time	3,064	1,145	3,200	3,200	3,200	3,200
106	Sick & Vacation	4,959	4,959	4,666	14,907	4,864	4,864
112	Overtime	3,884	628	0	1,016	0	0
200	Social Security	33,057	33,142	34,459	35,224	35,046	35,046
250	Blue Cross/Optical/Dental	61,316	63,481	68,290	64,000	64,037	64,037
275	Life Insurance	3,094	3,298	3,826	3,826	3,938	3,938
300	Pension	82,663	98,475	98,289	98,289	124,447	124,447
325	Longevity	15,755	17,561	19,878	20,182	21,764	21,764
350	Worker's Compensation	947	1,097	1,100	1,120	951	951
	Category Total	677,991	696,110	713,606	730,245	745,040	745,040

City Administration

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(740)	OPERATING SUPPLIES						
001	Gas & Oil	1,693	2,188	2,470	2,500	2,730	2,730
002	Books & Subscriptions	325	332	492	400	492	492
008	Supplies	3,447	2,345	3,300	3,200	3,300	3,300
040	Miscellaneous Expense	581	721	700	700	700	700
	Category Total	6,046	5,586	6,962	6,800	7,222	7,222
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	9,428	12,340	10,584	10,500	10,500	10,500
002	Memberships & Licenses	3,767	5,635	3,777	2,300	2,467	2,467
005	Fleet Insurance	2,640	2,700	2,700	2,700	2,250	2,250
006	Vehicle Maintenance	718	257	1,100	1,000	400	400
007	Office Equip. Maintenance	124	0	0	0	0	0
013	Education & Training	2,214	87	225	225	225	225
041	Vehicle Allowance	7,200	7,200	7,200	7,200	7,200	7,200
	Category Total	26,091	28,219	25,586	23,925	23,042	23,042
(970)	CAPITAL OUTLAY						
002	Office Equipment	0	0	0	0	0	0
	Category Total	0	0	0	0	0	0
	DEPARTMENT TOTAL	710,128	729,915	746,154	760,970	775,304	775,304

PUBLIC INFORMATION

MISSION STATEMENT: Disseminate information on City activities to the public through the most appropriate media available including print, TV, radio, the City's local cable Channel 8, the city's website, listserve, AM Radio Station, and electronic signs.

Keeping the public informed about City services is essential to maintaining the continued trust of those we serve.

The two components of public information in the City, Public Relations and Video Production, function together under the direction of the City Manager's Office. This cohesive, focused approach provides a comprehensive public information program. The municipal channel, The Great 8, offers up to 18 hours of local interest programming each day. Channel 8's production of *View From the Hills* is a valuable tool used to inform viewers of local issues. The schedule for Channel 8 programs can be found on the city website at:

www.fhgov.com/Community/Cable.asp

The *Annual Report* includes highlights of the previous year's activities and is distributed each January to every residential address in the City. The *Focus* newsletter informs residents of city activities, programs and services and is distributed to all residents twice annually. The City hosts an annual Open House and also offers informational workshops to homeowners on a variety of topics.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Keep residents, businesses, and organizations informed about municipal government activities, programs, and projects. (11)
- Continue to enhance public confidence and trust in City government. (1-14)
- Promote a vibrant and viable community. (11)
- Reinforce residents' confidence and pride in a City that cares about the needs of the community. (4,11)
- Give departments, boards, and commissions the opportunity to use Channel 8 for promotional and educational purposes. (11)
- Promote City events and services through various media. (11)
- Present information on issues and events that do not otherwise receive attention from mainstream media. (4,11)
- Inform listeners about emergencies, weather, traffic and road conditions through broadcasts on 1650 AM. (3,11)

STAFFING LEVELS

Acct. No.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
175	PUBLIC INFORMATION				
	(701) Salaries & Wages				
	Video Manager	1	1	1	1
	Production Specialist	2	2	2	2
	Public Information Specialist	1	1	1	1
	PUBLIC INFORMATION TOTAL	4	4	4	4

PERFORMANCE OBJECTIVES

- Promote the benefits of living and working in the City of Farmington Hills.
- Provide information to assist residents in making informed decisions about City Government.
- Disseminate information on City delivered services City events, and emergency conditions.

	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
Service Level	Programs produced	191	170	170
	Studio programs produced	63	85	85
	Remote programs produced	128	85	85
	Hours of regular play back	4,680	4,680	4,680
	Press releases produced	151	150	150
	Resolutions and proclamations produced	51	51	51
	Newspaper columns produced	19	19	19
	Newsletters/ annual report produced	4	3	3
Efficiency	% of households with Channel 8	60%	60%	60%
	Number of programs produced per full time staff	63	56	56
	Video awards and recognition	3	0	0

Public Information

DEPARTMENT NUMBER: 175

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702)	Salaries & Wages						
010	Salary - Full Time	122,163	156,523	177,210	177,900	182,936	182,936
038	Part-time Technicians	24,436	6,263	0	0	0	0
106	Sick & Vacation	671	671	671	807	0	0
112	Overtime	6,574	6,087	6,500	6,500	4,500	4,500
200	Social Security	12,087	13,257	14,464	14,580	14,800	14,800
250	Blue Cross/Optical/Dental	27,016	33,720	49,736	48,000	53,276	53,276
275	Life Insurance	593	1,654	1,165	1,165	1,189	1,189
300	Pension	21,999	26,056	36,497	36,497	44,038	44,038
325	Longevity	3,800	4,065	5,364	5,350	5,877	5,877
350	Worker's Compensation	341	422	445	420	400	400
	Category Total	219,680	248,718	292,052	291,219	307,016	307,016
(740)	Operating Supplies						
001	Gas and Oil	264	422	418	350	462	462
002	Books & Subscriptions	278	220	0	0	0	0
008	Supplies	4,301	5,225	6,195	4,977	4,977	4,977
	Category Total	4,843	5,867	6,613	5,327	5,439	5,439
(801)	Professional & Contractual						
002	Memberships & Licenses	385	0	0	0	0	0
006	Vehicle Maintenance	34	176	250	400	500	500
007	Equipment Maintenance	897	990	1,000	1,000	500	500
012	Registration Fee	136	139	0	0	0	0
013	Education & Training	1,201	1,989	0	0	1,000	1,000
015	Equipment Rental	278	692	1,000	1,000	0	0
024	Newsletter	35,547	44,120	31,560	32,212	35,382	35,382
	Category Total	38,478	48,106	33,810	34,612	37,382	37,382
	Capital Outlay						
001	Office Furniture	0	0	0	0	0	0
020	Production Equipment	0	0	0	0	0	0
	Category Total	0	0	0	0	0	0
	DEPARTMENT TOTAL	263,001	302,691	332,475	331,158	349,837	349,837

FINANCE DEPARTMENT

MISSION STATEMENT:

Maintain accurate and complete records of all financial transactions, assets and liabilities, safeguard City assets, prepare financial statements and reports and maintain investment grade status for City issued debt instruments with Wall Street rating agencies.

The Finance Department, at the direction of the Finance Director/Treasurer, serves the community in three primary areas assigned either by Charter, State Statute or the City Manager. These areas are Accounting, Treasury and Assessing.

The fiduciary and accounting functions include the control and accountability for all the monies received, disbursed or held in trust for all the financial activity of the City, which includes over 150 separate accounting entities. The Treasury's responsibilities, in addition to recording all City receipts/money, includes a cash management program aimed at maximizing investment income while safeguarding the principal. The Finance Department also maintains relationships with the financial firms servicing the City and the metropolitan Detroit area as well as serving as liaison with national rating agencies that rate the City's bond issues.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Issue the Comprehensive Annual Financial Report (CAFR) in accordance with Generally Accepted Accounting Principles (GAAP) that meets the Government Finance Officers Association (GFOA) Certification program for excellence in financial reporting. (9)
- Provide accurate and timely financial and accounting services to internal and external customers. (9)
- Provide accurate and timely payroll to employees and fulfill all federal and state reporting requirements. (8,9)
- Provide timely payments to vendors after appropriate internal approvals have been granted. (9)
- Ensure compliance with financial reporting standards set by the Governmental Accounting Standards Board (GASB) and State of Michigan Public Acts.(9)
- Provide risk management activities, which will safeguard all City assets in the most cost-effective manner. (2,9)
- Insure a competent audit firm performs an annual audit and that a comprehensive annual financial report is distributed to City Council and available to all residents. (9)
- Maintain investment grade rating at "AA" or above. (9,10)
- Provide professional money managers to manage and administer the City's Pension and Post-Retirement benefits. (2,9)
- Assist in developing and implementing needed programs to reduce costs, increase revenues, and add efficiencies. (2)
- Support the continuous professional development and empowerment of staff. (8)

Finance Department

PERFORMANCE OBJECTIVES

- Continue to train and cross-train accounting staff and update procedure manuals in order to better serve internal and external users.
- Continue to enhance financial software.
- Sustain the City’s strong financial status by maintaining the current bond rating.
- Limit the number of auditor adjusted journal entries.

	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
Service Level	Pension calculations prepared.	29	33	37
	Market value of pension assets.	\$129,301,785	\$150,000,000	\$162,000,000
	Number of tax bills mailed.	60,426	61,175	61,200
	Amount of interest income.	\$4,880,892	\$5,200,000	\$5,400,000
	City taxes billed	\$39,833,977	\$42,813,264	\$43,034,442
	Taxable value.	\$4,120,595,630	\$4,294,168,650	\$4,438,529,490
	Cash and cash equivalents at June 30 th	\$82,988,891	\$82,000,000	\$82,500,000
	Number of payroll direct deposits	13,049	13,200	13,200
	Number of payroll checks issued.	6,261	6,000	6,000
	Number of accounts payable checks.	8,444	9,500	9,000
Efficiency	City’s bond rating – Moody’s.	Aa2	Aa2	Aa2
	City’s bond rating – Standard & Poor’s.	AA	AA	AA
	Total percent of tax roll collected.	98.00	98.50	98.50
	Auditor’s Adjusted Journal Entries.	8	0	0
	Number of years G.F.O.A. Distinguished Budget Awards received.	20	21	22
	Number of years the Financial Reporting Achievement Awards received.	8	9	10

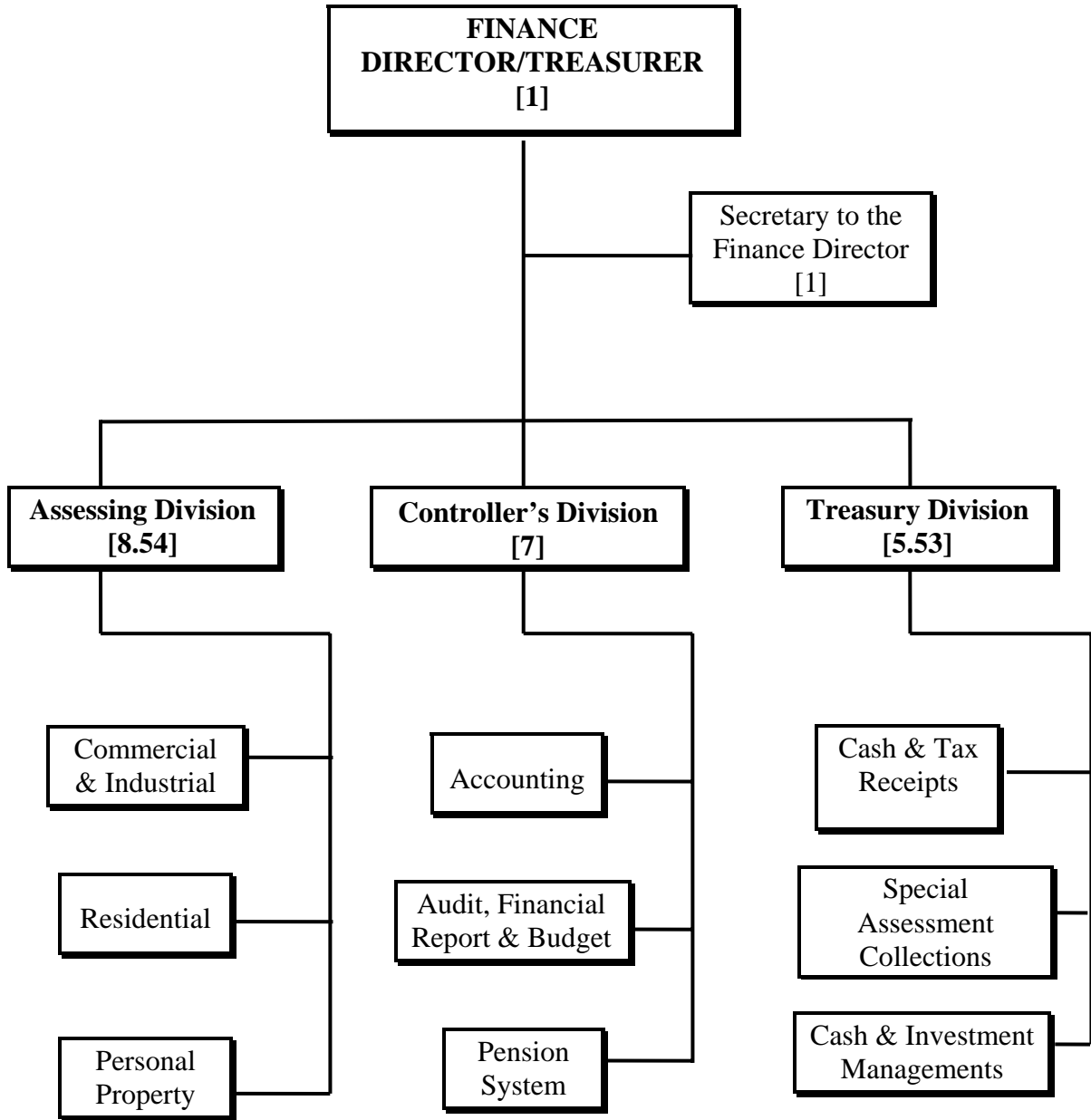
Bond Sales – FY 2006/07	Sale Date	Amount	True Interest Cost
Court House Refunding Bonds	3/14/07	\$6,550,000	3.932%

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Professional & Contractual

001 – Conference & Workshops – increased to allow Controller to return going to GFOA conference.

FINANCE DEPARTMENT



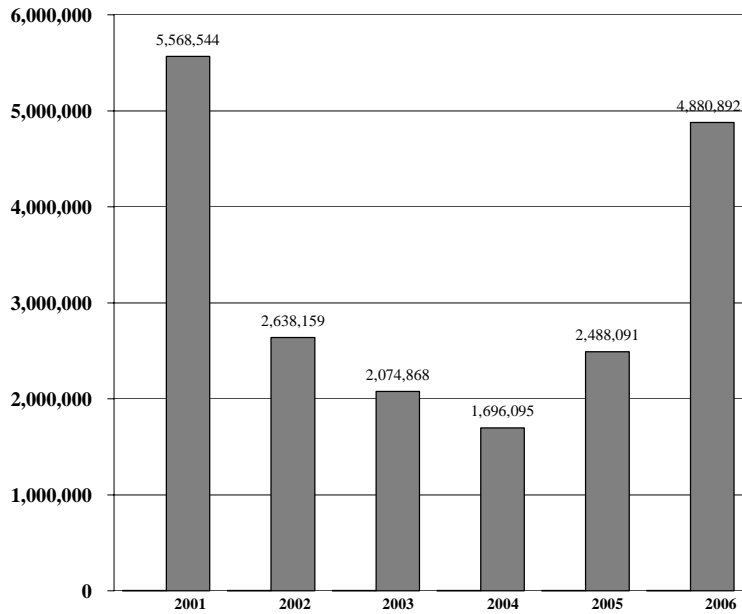
Total Full Time Equivalent [23.07]

Finance Department

STAFFING LEVELS

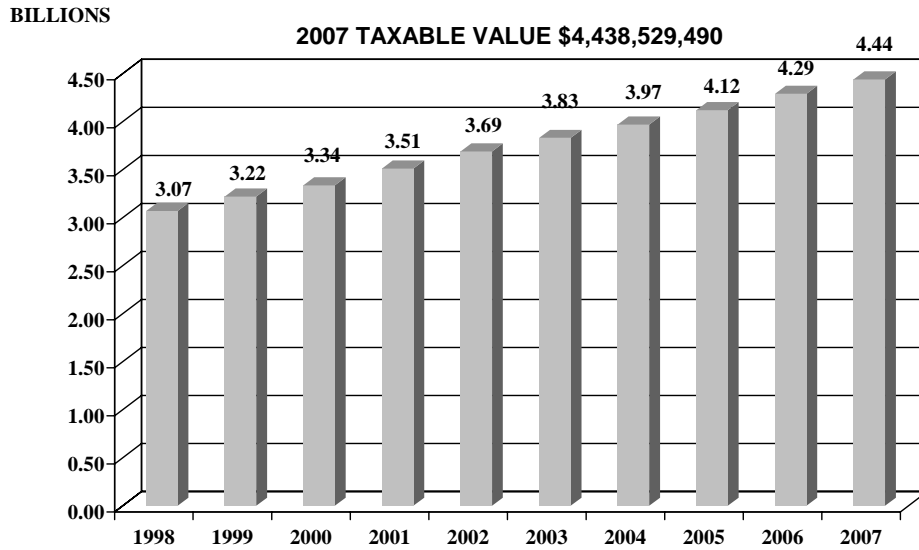
Acct.	Title	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(010)	ADMINISTRATION				
	Director/Treasurer	1	1	1	1
	Secretary to Finance Director	1	1	1	1
	Total	2	2	2	2
(011)	ACCOUNTING				
	Controller	1	1	1	1
	Accountant	3	3	3	3
	Account Processing Coordinator	1	1	1	1
	Accounting Technician	1	1	1	1
	Account Clerk II	1	1	1	1
	Account Clerk I	0	0	0	0
	Total	7	7	7	7
(012)	TREASURY				
	Deputy Treasurer	1	1	1	1
	Account Processing Supervisor	1	1	1	1
	Account Clerk II	1	1	1	1
	Account Clerk I	2	2	2	2
	Total	5	5	5	5
(038)	Part Time	1.15	0.53	0.53	0.53
FINANCE/ACCOUNTING/					
TREASURY TOTAL		15.15	14.53	14.53	14.53
209	ASSESSING				
(010)	ADMINISTRATIVE & CLERICAL				
	City Assessor	1	1	1	1
	Deputy City Assessor	1	1	1	1
	Assessor III	2	2	2	2
	Assessor II	2	2	2	2
	Assessor I	1	1	0	0
	Clerk Typist II	2	2	2	2
	Teleprocessing Operator	0	0	0	0
	Total	9	9	8	8
(038)	Part Time				
	Clerk Typist I	0	0	0.50	0.50
	BOR Secretary	0.04	0.04	0.04	0.04
	Total	0.04	0.04	0.54	0.54
ASSESSING TOTAL		9.04	9.04	8.54	8.54
FINANCE DEPARTMENT TOTAL		24.19	23.57	23.07	23.07

KEY DEPARTMENTAL TRENDS

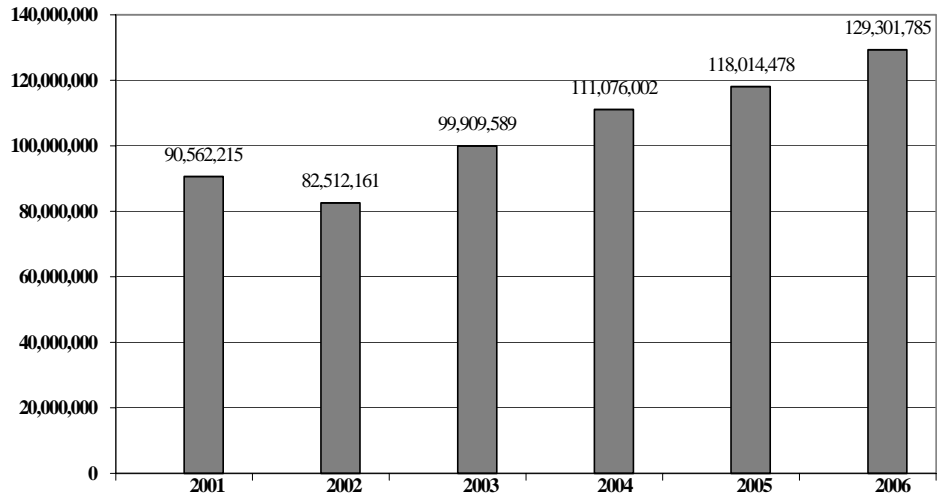


Total Interest Income at June 30th

TAXABLE VALUE HISTORY 1998-2007



Retirement System Assets at Market Value at June 30th



Assets in 2001 through 2005 were based on December 31 assets. The City changed the Retirement System fiscal year to June 30 effective in 2006.

ASSESSING DIVISION

MISSION STATEMENT:

To insure that all ad valorem assessments and taxable values in the City of Farmington Hills are accurate, uniform and equitable and made in conformance with all applicable State directives and statutes.

The Assessing Division's primary responsibility is to annually prepare the property tax assessment roll. This function requires the Division to maintain accurate and complete records of all taxable real and personal property in the City. In light of mandates in assessment administration brought about by Proposal A, the Assessing Division has had to continually monitor and comply with ever changing requirements in assessment administration including the classification of homestead and non-homestead exemptions, updating this information with the State of Michigan, and the filing and recording of property transfer affidavits. Presently, the City has approximately 27,000 real parcels and 3,400 personal property descriptions.

The Division provides accurate maintenance of the assessment rolls by field inspections of building permits issued by the City as well as random reviews of existing assessment records. The Division also provides information and assistance to taxpayers of the City by phone and in person.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Provide programs and procedures that ensure a fair and equitable assessment administration system, according to the City Charter and the Michigan General Property Tax Laws. (9)
- Provide a professionally certified and educated staff to meet objectives. (8)
- Prepare the staff for professional advancement opportunities. (8)
- Ensure customer service and easy access to our property records. (1)

PERFORMANCE OBJECTIVES

- Meet new statutory requirements in a timely and cost-effective manner.
- Expand the options through which the public can access property record information.
- Expand data retrieval and analysis options.
- Cooperate with Finance and Treasury on improving financial services.
- Provide professional development resources to educate all staff members in the numerous areas within the property tax/assessment administration system.

Finance Department

- Reduce coefficient of dispersion and standard deviation in residential sales study for greater uniformity in residential assessments.
- Utilize GIS information for greater departmental efficiency.
- Integrate new appraisal software with other departments within the City.
- Continue to receive 1.000 equalization factors for all property classes from the County.

	Performance Indicators	FY 2005/06	FY 2006/07	FY 2007/08
		Actual	Projected	Estimated
Service Level	Commercial/Industrial property appraisals	90	100	100
	Residential property appraisals	950	1,100	1,000
	Board of Review Appeals	837	650	650
	Preparation of Special Assessment rolls	4	5	5
	Property splits/combinations processed	18	15	15
	Homestead exemption affidavits processed	1,200	1,200	1,200
	Property Transfer Affidavits	1,100	1,000	1,000
Efficiency	County equalization factor applied.	1.000	1.000	1.000
	Cost of Board of Review.	4,238	4,600	4,600

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

ASSESSING

Salary & Wages

010 – Administrative & Clerical – Reduction due to employment of a part-time Clerk-Typist to replace a full-time Assessor I.

038 – Part-Time – Increase due to the aforementioned change.

Professional & Contractual

009 – Consultants – Increase due to the use of a third party appraiser for Michigan Tax Tribunal cases.

Finance Department

DEPARTMENT NUMBER: 202

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702)	SALARIES & WAGES						
010	Administrative Salaries	143,567	143,959	145,094	148,800	150,448	150,448
011	Accounting Salaries	343,399	354,194	355,396	353,000	359,949	359,949
012	Treasury Salaries	203,445	206,980	215,854	215,000	219,856	219,856
038	Part-time	52,307	40,418	38,742	39,799	41,107	41,107
106	Sick & Vacation	23,278	53,500	54,150	26,740	59,922	59,922
112	Overtime	31,150	16,854	14,000	15,000	15,000	15,000
200	Social Security	62,571	63,566	65,025	63,112	66,796	66,796
250	Blue Cross/Optical/Dental	107,534	107,088	134,283	130,000	150,374	150,374
275	Life Insurance	2,202	2,667	3,060	3,100	3,100	3,100
300	Pension	126,548	140,374	148,547	150,647	173,465	173,465
325	Longevity	27,712	29,737	26,764	26,649	26,872	26,872
350	Worker's Compensation	1,526	1,831	1,870	1,458	1,545	1,545
	Category Total	1,125,239	1,161,168	1,202,785	1,173,305	1,268,434	1,268,434
(740)	OPERATING SUPPLIES						
002	Books & Subscriptions	1,529	1,628	1,467	1,498	1,506	1,506
008	Supplies	10,676	12,005	13,000	12,500	13,000	13,000
041	Over & Short	33	(133)	0	0	0	0
	Category Total	12,238	13,500	14,467	13,998	14,506	14,506
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	3,137	3,614	3,600	3,600	3,400	3,400
002	Memberships & Licenses	1,795	1,890	2,000	2,040	2,065	2,065
004	Consultants	0	0	0	1,000	0	0
007	Office Equip. Main.	78	0	0	0	0	0
013	Education & Training	2,124	2,617	4,000	4,000	5,550	5,550
021	Audit Services	64,690	64,645	65,000	61,186	60,250	60,250
023	Data Processing	129,187	0	0	0	0	0
024	Printing Services	9,420	7,786	12,000	10,000	11,000	11,000
041	Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
042	Mileage Reimbursement	305	416	300	400	400	400
	Category Total	214,336	84,568	90,500	85,826	86,265	86,265
(970)	CAPITAL OUTLAY						
001	Office Furniture	0	0	0	0	0	0
002	Office Equipment	0	0	0	0	0	0
	Category Total	0	0	0	0	0	0
FINANCE/ACCOUNTING/ TREASURY TOTAL		1,351,813	1,259,236	1,307,752	1,273,129	1,369,205	1,369,205

Finance Department

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
209	<u>ASSESSING</u>						
(702)	SALARIES & WAGES						
010	Administrative & Clerical	477,460	481,425	510,964	413,895	479,227	479,227
038	Part-time	617	617	650	18,610	16,259	16,259
106	Sick & Vacation	11,622	14,760	10,424	17,012	31,542	31,542
112	Overtime	3,721	2,026	2,900	3,200	3,200	3,200
200	Social Security	38,662	39,011	41,086	38,800	42,300	42,300
250	Blue Cross/Optical/Dental	75,208	74,718	85,588	82,000	93,600	93,600
275	Life Insurance	1,272	1,380	1,608	1,300	1,544	1,544
300	Pension	90,377	98,110	106,922	106,922	110,519	110,519
325	Longevity	19,670	22,190	23,911	19,479	22,717	22,717
350	Worker's Compensation	3,695	4,035	4,267	2,900	3,539	3,539
	Category Total	722,304	738,272	788,320	704,118	804,447	804,447
(740)	OPERATING SUPPLIES						
001	Gas & Oil	2,689	3,310	3,800	5,000	5,670	5,670
002	Books & Subscriptions	460	479	685	685	685	685
008	Supplies	4,858	7,032	9,874	9,500	9,000	9,000
	Category Total	8,007	10,821	14,359	15,185	15,355	15,355
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	2,324	2,661	2,900	2,900	2,625	2,625
002	Memberships & Licenses	1,885	1,885	1,895	1,895	1,860	1,860
005	Fleet Insurance	5,240	5,340	4,440	4,440	3,840	3,840
006	Vehicle Maintenance	807	266	1,000	1,200	1,400	1,400
007	Office Equip. Maintenance	39	0	689	0	0	0
009	Consultants	0	0	0	10,138	5,000	5,000
013	Education & Training	2,506	3,541	2,900	2,400	2,900	2,900
023	Data Processing	1,032	3,001	9,296	8,500	9,716	9,716
024	Printing Services	2,396	4,831	5,500	8,000	8,000	8,000
041	Vehicle Allowance	3,600	3,600	3,600	3,600	3,600	3,600
080	Microfilming	3,170	0	0	0	0	0
	Category Total	22,999	25,125	32,220	43,073	38,941	38,941
(970)	CAPITAL OUTLAY						
001	Office Furniture	0	0	0	0	0	0
002	Office Equipment	0	0	0	0	0	0
	Category Total	0	0	0	0	0	0
ASSESSING TOTAL		753,310	774,218	834,899	762,376	858,743	858,743
TOTAL FINANCE DEPT		2,105,123	2,033,454	2,142,651	2,035,505	2,227,948	2,227,948

CORPORATION COUNSEL

MISSION STATEMENT:

Advise and represent the City Council and Administration in all legal matters.

Legal Services are provided through a contract with a private firm. Legal services include acting as legal advisor to the City Council, Boards and Commissions, and City Staff; preparing all legal documents; preparing for enactment all additions and amendments to the City Code; and representing the city in all legal proceedings in which the city may have an interest. There are no city employees in this budget.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- To provide legal services in an efficient, competent and cost effective manner. (2,9)
 - To identify key legal priorities of the City. (2)
 - To assist the City Council and other Boards and Commissions regarding legal issues that may arise at meetings. (2,9)
- To establish legal procedures, guidelines and standards in support of the City Council and City Administration's missions and goals. (1-14)
 - To advise and counsel the City regarding developing state and federal legislation, as well as recent court decisions. (7)

PERFORMANCE OBJECTIVES

- To provide the necessary support to diligently prosecute all ordinances as required by the 47th District Court.
- To provide the necessary support for handling all civil litigation involving the City in State and Federal Courts and administrative agencies.
- To render legal opinions, to prepare and review contracts, and to prepare ordinances in a timely manner.

DEPARTMENT NUMBER: 210

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(801)	PROFESSIONAL & CONTRACTUAL						
008	Legal Retainer	158,093	161,729	166,176	166,176	170,330	170,330
009	Prosecution	212,042	193,637	230,000	210,000	220,000	220,000
010	Circuit Court (Pltf./Def.)	114,509	66,351	100,000	60,000	80,000	80,000
011	Labor Relations	49,770	49,754	35,000	50,000	50,000	50,000
070	Miscellaneous Expense	376	0	1,000	0	1,000	1,000
	DEPARTMENT TOTAL	534,790	471,471	532,176	486,176	521,330	521,330

CITY CLERK

MISSION STATEMENT:

To serve the public sector, city departments and City Council by efficiently providing up-to-date information on the many diverse functions of the City Clerks office and by maintaining accurate and complete records of all business transactions of the City and to conduct in an orderly manner, all national, state, county and local elections.

The City Clerk's Office is responsible for many diverse functions of the City and is the information office of the City. The City Clerk attends and records all meetings of the City Council. A summary report of Council's actions is then prepared and distributed to City staff and the public. The City Clerk also prepares the tentative and final City Council meeting agendas and electronic information packets with the assistance of the City Manager. All public hearing notices are posted and submitted for publishing by the City Clerk's office. Additional responsibilities of the City Clerk's Office include answering and directing phone calls for all of city hall, maintaining all files and permanent records of the City and conducting elections and the maintenance of all voter registrations. The Clerk's Office is also responsible for the preparation of petitions and resolutions for special assessment improvements, the processing of Council Resolutions, and all legal advertising for the City. The Clerk's Office maintains all City Codes, Ordinances, Resolutions and other legal documents. In addition, the Clerk's Office processes birth and death records, certain business registrations/permits, new subdivision plats, easements and agreements, street/alley vacations, and is responsible for all recorded documents with the Oakland County Register of Deeds. The City Clerk's Office also acts as a Passport Acceptance Facility to process passport applications. The City Clerk functions as Secretary to the City Council and Building Authority and provides recording secretarial services to the Planning Commission, Zoning Board of Appeals, Economic Development Corporation, Parks & Recreation Commission, Historical Commission and various Ad-Hoc Commissions and Committees.

The proposed FY 2007/08 budget is based on three elections: the General Election (Mayor/City Council) to be held November 6, 2007, the Presidential Primary to be held February 26, 2008 and the General Election (School Boards, etc.) to be held May 6, 2008.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

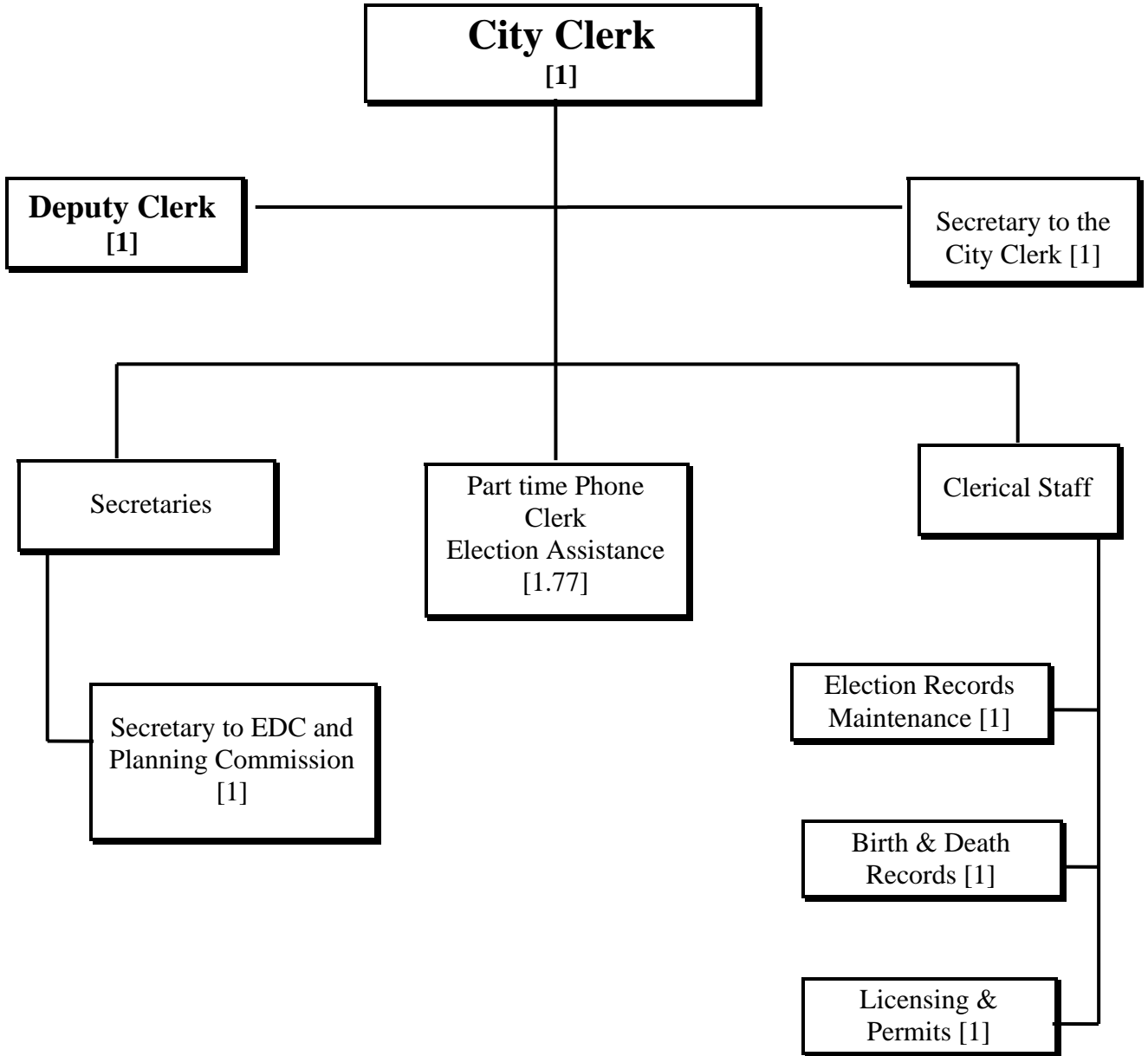
- Scan all past vital records and begin the process of issuing copies from the Imaging System. (2)
- Hold several passport fairs throughout the year as part of the extended reach program. (1)
- Cross-train new employee on various job functions within the Clerk's Office. (8)
- Implement new phone system in Clerk's Office to better serve residents and workers during peak election times. (2)
- Work with the State Bureau of Elections and vendors on improvements needed for the new ADA Election Equipment. (2,9)
- Provide more resident demonstrations and Public Relations on the new election equipment. (1,11)

PERFORMANCE OBJECTIVES

- Continue to scan all past documents and maintain the imaging system within the City Clerk’s Office to make documents more easily accessible for all city hall employees and residents.
- Maintain and update City Clerk Department information on the City’s website.
- Implement new procedures and laws with regard to accepting Passport Applications.
- Continue training and education with regard to new election laws and develop appropriate methods for implementation of these laws.
- Conduct the City General Election to be held November 6, 2007, the Presidential Primary to be held February 26, 2008 and General Election to be held May 6, 2008 in an efficient and proficient manner.
- Work with staff members and provide the appropriate training and equipment necessary to sustain the City Clerk’s Office strong reputation for being customer friendly and helpful.

Service Levels	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
	Birth Records Processed	778	813	857
	Death Records Processed	1,064	1,098	1,120
	Voter Registration Records Processed	4,129	5,730	7,200
	Sets of City Council Minutes (includes study sessions, special meetings)	51	49	49
	Sets of Planning Commission Minutes	21	23	25
	Sets of Zoning Board of Appeals Minutes	23	13	13
	Sets of Economic Development Corporation/Committees Minutes	11	11	11
	Sets of Minutes for other various city Committees and Commissions such as Youth/Family, etc.	87	87	93
	Absentee Ballots Issued	11,844	22,120	19,200
	Council Agendas/Packets Prepared	26	25	25
	No. of Elections Conducted	2	3	3
	No. of Public Notices Published	106	116	116
	No. of Documents Recorded	138	175	175
	No. of Special Event Permits	30	31	33
	No. of Passports Processed	249	425	750

CITY CLERK

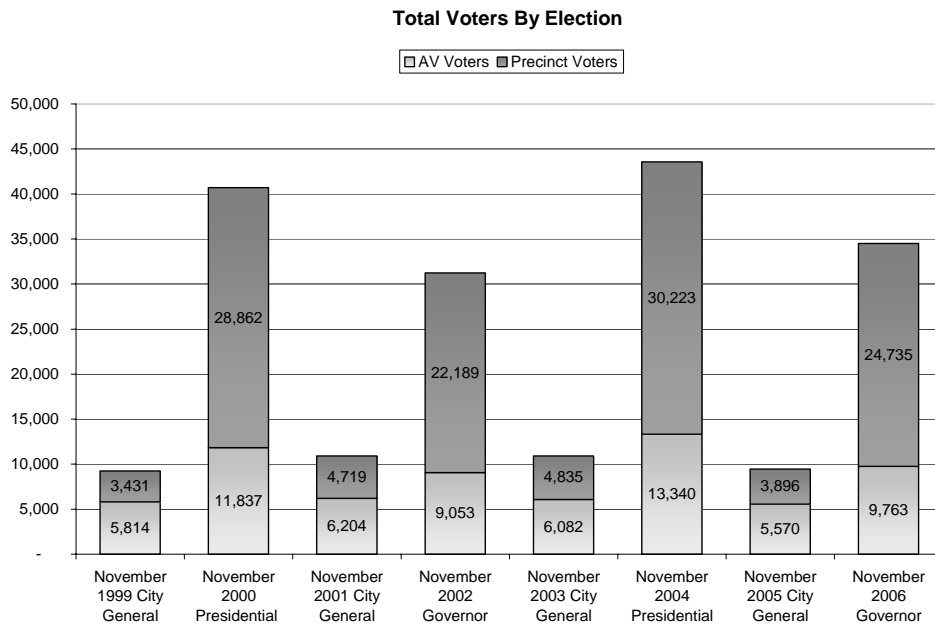


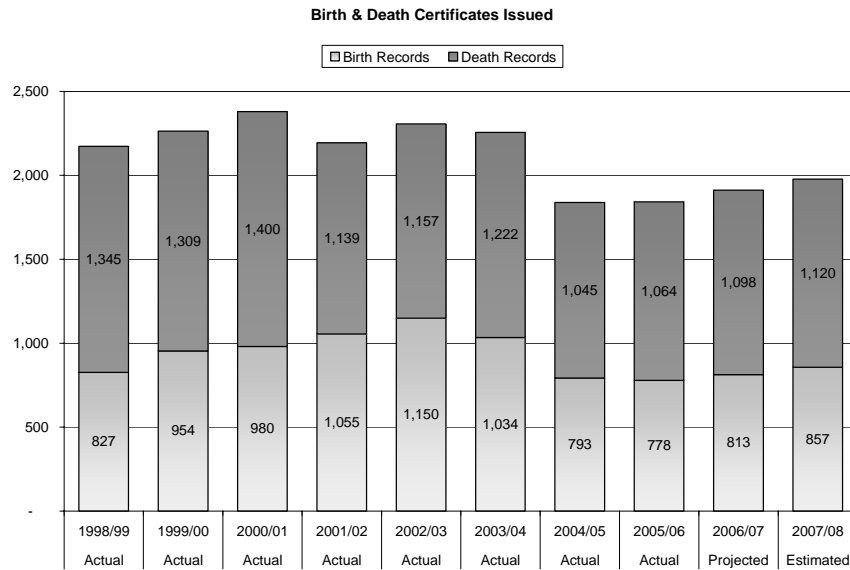
**Total Full Time Equivalent
[8.77]**

STAFFING LEVELS

Acct.	Title	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(010) Administrative and Clerical					
	City Clerk	1	1	1	1
	Deputy Clerk	1	1	1	1
	Secretary to the Clerk	1	1	1	1
	Clerk Typist II	2	2	2	2
	Secretary	1	1	1	1
	Voter Registration Coordinator	1	1	1	1
	Total	7	7	7	7
(038) Part Time (FTE)					
	Part Time Election Help	0.90	1.90	1.77	1.77
	Total	0.90	1.90	1.77	1.77
Department Total		7.90	8.90	8.77	8.77

KEY DEPARTMENTAL TRENDS





SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Salary & Wages –

039 -Election Workers – Represents an anticipated raise in pay for election Inspectors to remain competitive with other communities in Oakland County.

Operating Supplies –

012 - Election Supplies Accounts – This figure varies depending on number of elections each year. For 07/08 funds have been included to purchase additional voting booths and replacement ballot transfer cases.

013 – Election Exp. Reimbursement – 07/08 represents reimbursement for two Elections.

DEPARTMENT NUMBER: 215

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702)	SALARIES & WAGES						
010	Administrative & Clerical	394,814	343,427	360,090	350,000	368,734	368,734
038	Part-time	35,661	19,404	49,000	35,500	40,385	40,385
039	Election Workers	81,715	40,983	77,500	79,000	80,155	80,155
106	Sick & Vacation	8,255	16,526	2,571	3,362	6,486	6,486
112	Overtime	21,740	6,183	15,000	12,000	13,753	13,753
200	Social Security	35,425	30,305	34,032	31,600	33,193	33,193
250	Blue Cross/Optical/Dental	69,404	72,691	90,090	72,000	67,617	67,617
275	Life Insurance	1,790	1,775	2,006	2,006	2,043	2,043
300	Pension	74,862	80,831	76,650	76,650	88,197	88,197
325	Longevity	12,713	16,666	18,207	18,106	18,518	18,518
350	Worker's Compensation	1,057	913	833	833	950	950
	Category Total	737,436	629,704	725,979	681,057	720,031	720,031

City Clerk

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(740) OPERATING SUPPLIES							
001	Gas & Oil	1,434	1,818	1,795	1,900	2,100	2,100
002	Books & Subscriptions	225	244	250	250	250	250
008	Supplies	8,053	7,077	6,500	6,500	6,500	6,500
012	Election Supplies	24,496	19,157	40,570	40,500	49,200	49,200
013	Election Exp. Reimbursement	(40,889)	(51,085)	(39,000)	(39,000)	(70,000)	(70,000)
	Category Total	(6,681)	(22,789)	10,115	10,150	(11,950)	(11,950)
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	3,768	5,108	5,000	5,000	5,000	5,000
002	Memberships & Licenses	720	685	720	715	740	740
004	Consultants	0	10,750	22,000	17,900	19,700	19,700
005	Fleet Insurance	880	900	900	900	750	750
006	Vehicle Maintenance	549	733	500	400	600	600
007	Office Equip. Maintenance	2,923	377	7,180	1,600	8,300	8,300
012	Codification	4,153	5,177	3,346	3,346	3,500	3,500
013	Education & Training	0	88	500	500	500	500
014	Legal Notices	11,979	8,060	15,000	12,000	12,000	12,000
015	Election Site Rentals	2,384	1,500	2,510	2,790	2,730	2,730
024	Printing Services	4,418	4,758	4,423	4,400	5,600	5,600
078	Recording Fees	2,667	1,874	3,500	2,000	3,500	3,500
	Category Total	34,441	40,010	65,579	51,551	62,920	62,920
(970) CAPITAL OUTLAY							
001	Office Furniture	0	0	0	0	0	0
002	Office Equipment	0	6,983	0	0	0	0
007	Election Equipment	0	0	0	0	0	0
	Category Total	0	6,983	0	0	0	0
DEPARTMENT TOTAL		765,196	653,908	801,673	742,758	771,001	771,001

HUMAN RESOURCES

MISSION STATEMENT

Provide comprehensive personnel and organizational development services to the employees and operating units of the City.

The Human Resources Department provides service, consultation, and control in the areas of employment and recruitment, compensation administration, employee and labor relations, benefits administration, worker's compensation, safety, unemployment compensation, employee education and development, performance evaluations, discipline, union collective bargaining and contract administration, employment related outside agency complaints, state and federal labor law compliance, personnel records maintenance, organizational development, service and recognition, equal employment opportunity, and other personnel related issues.

GOALS

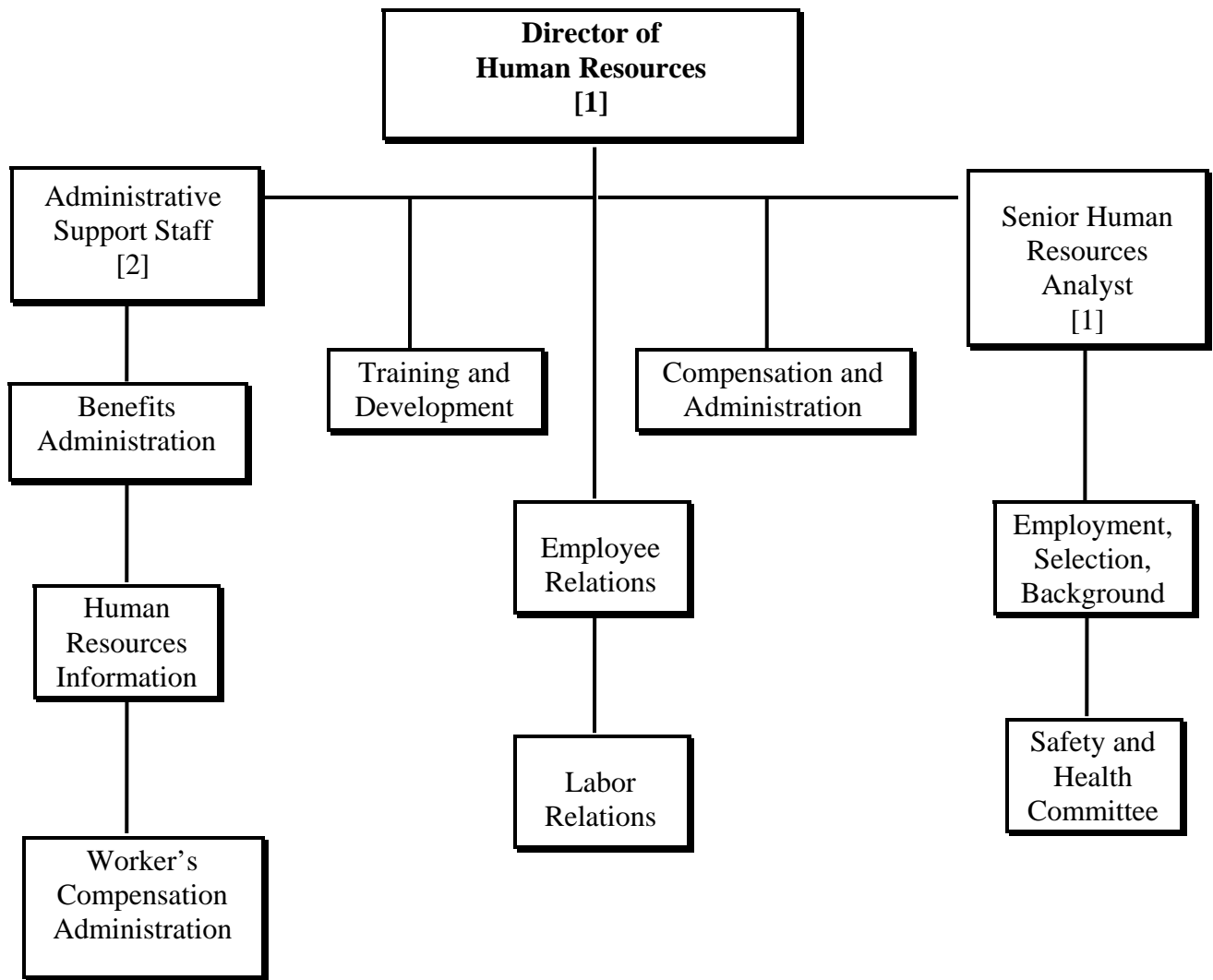
The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- To continue to effectively manage the HRIS software and encourage appropriate departmental utilization of the database. (2)
- Develop additional Standard Practice Policies to ensure uniform administration of policies, benefits and procedures. (8,9)
- To provide quality, efficient employee relations and personnel services to departments. (8)
- Recruit and hire the most qualified candidates using performance based criteria and equal opportunity. (8,9)
- To actively manage the benefit plans to maximize efficiency and maintain quality. (2,8)
- Maintain the Employee Safety Program and the careful administration of the worker's compensation program. To continue to receive an award for having the lowest experience modification factor among cities of comparable size by the Michigan Municipal League Worker's Compensation Fund. (2,8)
- To work in partnership with employee groups to continue to provide a positive, productive and satisfying work environment (8)

PERFORMANCE OBJECTIVES

- To attract and retain a highly skilled, service oriented work force.
- To maintain the lowest modification factor for Worker’s Compensation.
- To monitor health insurance costs by implementing cost maintenance measures and increasing employee education.
- To provide education opportunities to enhance employee development.

	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
Service Level	Full-time new hires	19	20	20
	Part-time/seasonal new hires	168	151	150
	Full-time terminations	22	20	20
	Part-time/seasonal terminations	122	120	120
	Health Insurance Administration (including FT, COBRA and retirees)	498	524	530
	Applications received	1,720	1,950	2,000
	Salary changes processed	631	650	650
	Occupational injuries or illnesses	42	55	45
	Drivers license checks processed	507	389	400
	Criminal checks processed	508	389	400
	Compensation Reviews conducted	3	7	5
	Membership/Record changes processed	471	489	480
	Employee consultations	3,380	3,450	3,640
	Standard Practice Guide Policies Issued	3	3	2
Efficiency	Number of years awarded MML Lowest Modification Factor for Workers Compensation	13	14	15
	Average # work days to complete internal recruitment	60	28	30
	Average # work days to complete external recruitment	51	63	55
	% Labor grievances resolved before arbitration	65%	95%	100%
	Full-time employee turnover rate (excluding retirements)	3%	1%	1%



**Total Full Time Equivalent
[4.00]**

Human Resources

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Operating Supplies-

003 - Personnel Testing and 004 - Personnel Advertising – Reductions were made in personnel advertising and testing in consideration of lower employee turnover.

Professional and Contractual

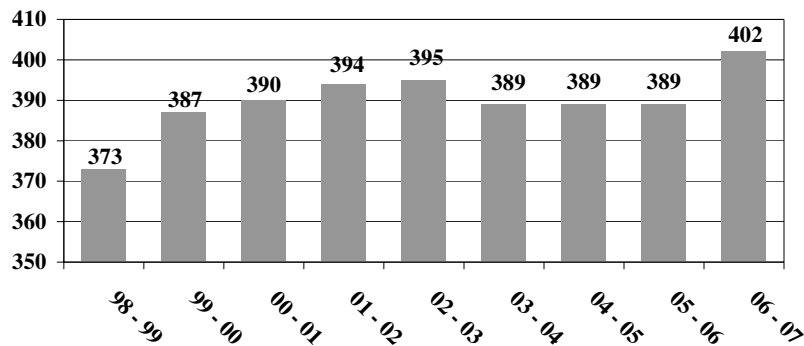
001 – Conferences and Workshops – Attendance at the Eden Users Conference was incorporated into this budget. This educational opportunity will assist in the continued implementation of the Human Resources software.

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(010) Administrative and Clerical					
	Director of Human Resources	1	1	1	1
	Senior Human Resources Analyst	1	1	1	1
	Secretary to the Director	1	1	1	1
	Human Resources Department Aide	1	1	1	1
	Total	4	4	4	4
(038) Part time (FTE)					
	Part time wages	0	0	0	0
	Total	0	0	0	0
	Department Total	4	4	4	4

KEY DEPARTMENTAL TRENDS

FULL-TIME EMPLOYEES



Human Resources

DEPARTMENT NUMBER: 226

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702)	SALARIES & WAGES						
010	Administrative Salaries	227,808	231,823	237,885	242,321	250,061	250,061
038	Part-time	0	0	0	320	0	0
106	Sick & Vacation	6,017	1,382	0	2,685	0	0
112	Overtime	6,759	2,858	6,769	4,000	3,710	3,710
200	Social Security	18,185	17,578	19,155	18,844	19,400	19,400
250	Blue Cross/Optical/Dental	38,396	47,275	51,956	42,812	45,090	45,090
275	Life Insurance	1,371	1,464	1,857	1,857	1,943	1,943
300	Pension	40,217	44,618	48,701	48,701	60,326	60,326
325	Longevity	3,784	4,659	5,745	5,765	5,990	5,990
350	Worker's Compensation	427	494	547	490	470	470
	Category Total	342,964	352,151	372,615	367,795	386,990	386,990
(740)	OPERATING SUPPLIES						
001	Gas & Oil	102	255	300	300	300	300
002	Books & Subscriptions	437	26	50	50	50	50
003	Personnel Testing	1,142	1,196	1,530	1,500	1,310	1,310
004	Personnel Advertising	6,030	3,096	4,300	4,000	3,650	3,650
008	Supplies	1,442	1,291	1,500	1,300	1,300	1,300
	Category Total	9,153	5,864	7,680	7,150	6,610	6,610
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	2,371	3,011	2,965	2,850	4,515	4,515
002	Memberships & Licenses	689	674	665	675	700	700
004	Consultants/CDL	2,466	2,573	3,102	2,900	2,852	2,852
005	Fleet Insurance	700	900	900	900	750	750
007	Office Equip. Maintenance	554	0	0	0	0	0
013	Education & Training	10,683	686	11,810	11,000	8,500	8,500
024	Printing Services	707	1,887	1,500	1,200	1,200	1,200
025	Safety & Health Committee	1,024	1,577	1,606	1,600	1,606	1,606
026	Physical Exams	8,618	9,442	6,000	7,500	7,500	7,500
041	Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
	Category Total	31,412	24,350	32,148	32,225	31,223	31,223
(970)	CAPITAL OUTLAY						
001	Office Furniture	0	0	0	0	0	0
002	Office Equipment	0	0	0	0	0	0
	Category Total	0	0	0	0	0	0
	DEPARTMENT TOTAL	383,529	382,365	412,443	407,170	424,823	424,823

CENTRAL SERVICES

MISSION STATEMENT:

Provide efficient internal support services through effective Information Technology, Purchasing and Telecommunications.

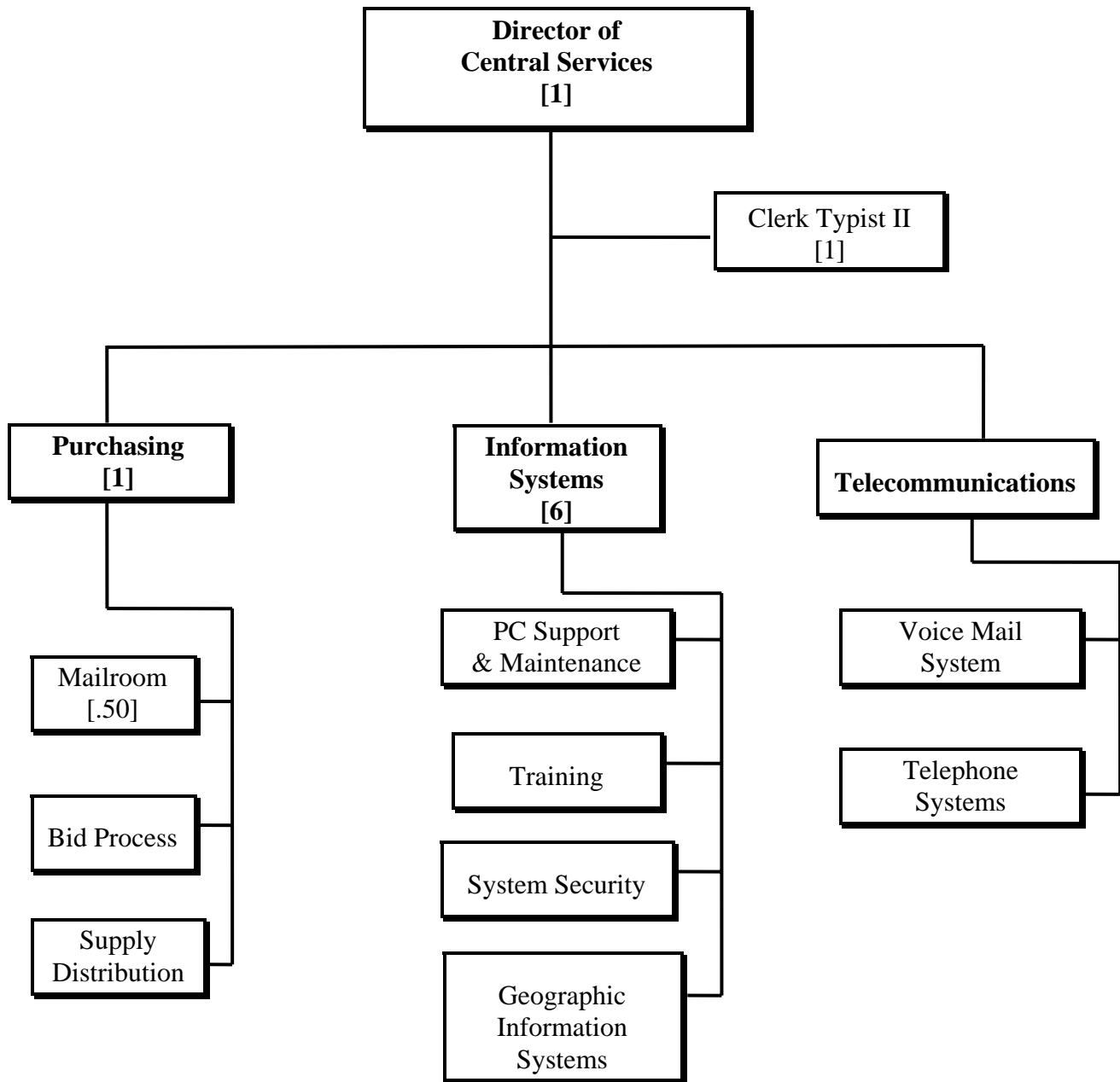
The Department of Central Services provides internal support for Information Technology, Purchasing, Mail Services and Telecommunications. Information Technology staff provides technical support and maintenance of information systems, telecommunications systems and GIS. Supplies and services are procured by purchasing staff for all departments and divisions within the City. Mail services for incoming and outgoing mail are managed by Central Services staff.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Streamline routine work-flow with the use of technology. (2)
- Provide software training opportunities for employees. (2,8)
- Replace obsolete and ineffective technology equipment prior to it becoming a support problem. (2)
- Promote the use of e-Procurement and expand the membership of vendors and agencies. (2)
- Update city purchasing policies and procedures. (2,9)
- Develop a long term, financially feasible solution to replace data and voice T-1's. (2,10)
- Add wireless e-mail capabilities. (2)
- Review, promote and implement creative ways to save money and improve operations.(2)
- Educate staff about the purchasing process. (2,9)
- Expand the use of GIS technology. (2,8)
- Promote, support and expand networked phone system. (2)
- Promote, educate and expand the use of the p-card program. (2,8)

CENTRAL SERVICES



Total Full Time Equivalent [9.50]

STAFFING LEVELS

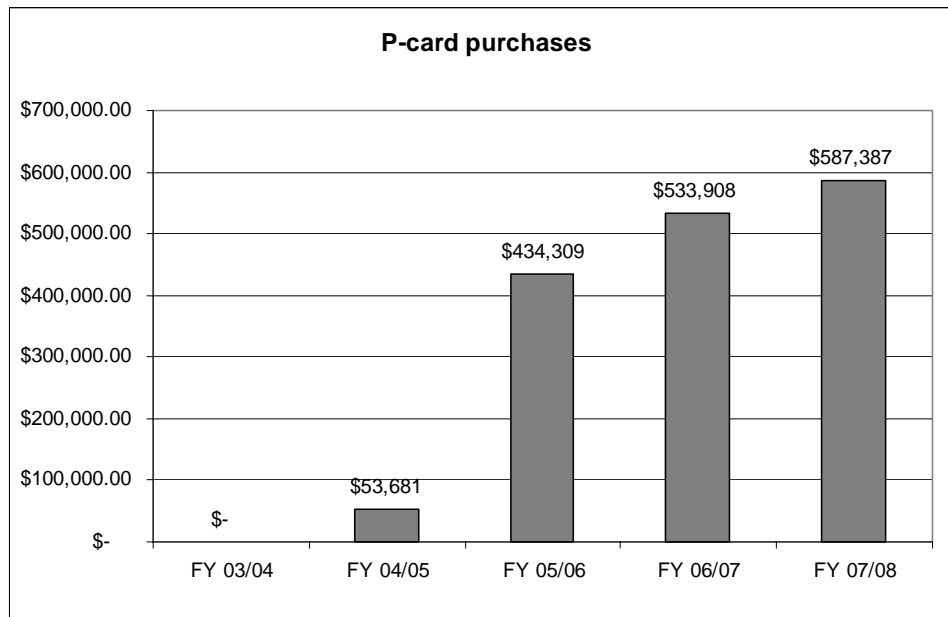
Title or Position	Authorized Positions		Requested Positions	Authorized Positions
	FY 2005/06	FY 2006/07	FY 2007/08	FY 2007/08
	Budget	Budget	Positions	Positions
ADMINISTRATIVE & CLERICAL				
Director of Central Services	1	1	1	1
Senior Buyer	1	1	1	1
Manager of Information Technology	1	1	1	1
Senior Information Systems Analyst	1	0	0	0
Information Systems Analyst II	3	3	3	3
Information Systems Analyst I	0	1	1	1
GIS Technician	1	1	1	1
Clerk Typist II	0	0	0	0
Aide	1	1	1	1
Total	9	9	9	9
Part time (FTE)	0.5	0.5	0.5	0.5
DEPARTMENT TOTAL	9.5	9.5	9.5	9.5

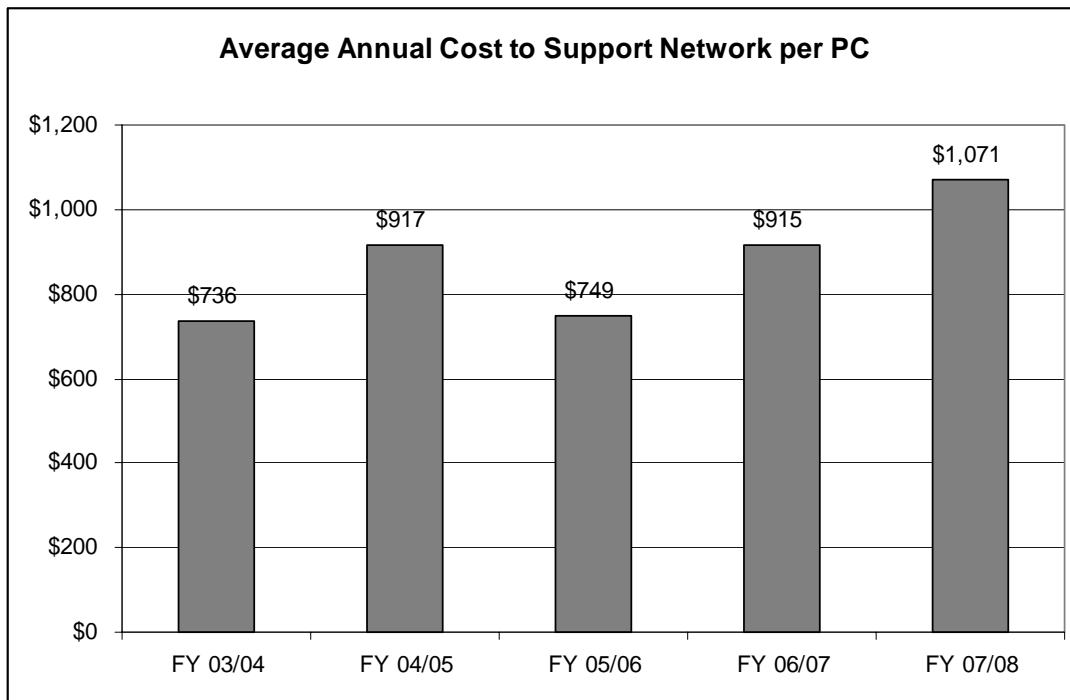
PERFORMANCE OBJECTIVES

- Provide outstanding customer service.
- Replace networked PC's after four years of use.
- Promote the use of technology to improve efficiencies and the delivery of City services.
- Support end users in a timely and professional manner without secondary visits.
- Utilize the City website to disseminate information about the City.
- Implement pro-active contracts with multi year renewal capabilities.
- Eliminate redundancy of information and promote information sharing.
- Support and maintain network to provide uninterrupted work for staff.
- Expand the networked telecommunication system to reduce costs and improve communications.
- Encourage and promote the use of existing software systems to their fullest capacity.

	Performance Indicators	FY 2005/06	FY 2006/07	FY 2007/08
		Actual	Projected	Estimated
Service Level	Wireless phones	118	135	135
	Pagers	120	85	83
	Software Systems Supported	203	203	205
	Software Training Classes Provided	20	23	25
	Computer Hardware Supported (PC's)	450	455	465
	Network Printers	63	68	65
	Desktop Printers	213	218	223
	Portable PC's Supported	68	72	75
	Servers Maintained	15	16	16
	Scanners	38	44	46
	PDA's	35	39	46
	Sealed Bids/RFP's Issued	80	85	87
	P-card purchases	\$434,309	\$533,908	\$587,387
	MITN e-Procurement members	20	22	25
	City Manager Reports	71	55	60
	Purchase Orders Issued	719	750	765
	Total Purchased Orders Issued	\$6,239,479	\$10,106,938	\$10,351,847
	Outbound U.S. Mail Processed	267,000	274,750	278,250
	Bulk Mailings	25	41	45
	Purchasing Net Aggregate Savings	\$275,684	\$295,572	\$295,000
	Total sales of city property	\$173,741	\$185,398	\$194,667
Efficiency	Ratio of FTE's to PC's	.88:1	.87:1	.88:1
	Average Annual Cost to Support Network per PC	\$749	\$915	\$1,071
	Average Amount of Purchase Order	\$8,678	\$13,476	\$13,532
	Savings per \$1 expended	.06	.04	.04
	Average user P-card transactions per month	0	14	16

KEY DEPARTMENTAL TRENDS





DEPARTMENT NUMBER: 250

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702) SALARIES & WAGES							
010	Administrative Salaries	495,599	508,049	558,176	565,000	583,447	583,447
038	Part-time	14,486	11,714	14,500	12,000	14,500	14,500
106	Sick & Vacation	17,877	8,541	6,650	6,772	7,100	7,100
112	Overtime	6,550	1,220	7,000	3,500	6,500	6,500
200	Social Security	40,501	40,086	45,634	45,500	47,150	47,150
250	Blue Cross/Optical/Dental	76,832	72,074	106,011	80,000	82,796	82,796
275	Life Insurance	2,555	2,809	3,664	3,664	3,726	3,726
300	Pension	95,148	95,204	113,616	113,616	139,824	139,824
325	Longevity	9,397	9,502	10,189	10,348	13,526	13,526
350	Worker's Compensation	989	1,143	1,312	1,100	1,125	1,125
	Category Total	759,934	750,342	866,752	841,500	899,694	899,694
(740) OPERATING SUPPLIES							
001	Gas & Oil	1,328	1,535	1,950	1,750	1,900	1,900
002	Books & Subscriptions	537	0	210	210	210	210
008	Supplies	7,505	3,838	6,900	4,000	6,500	6,500
	Category Total	9,370	5,373	9,060	5,960	8,610	8,610

Central Services

Acct.		2004/05	2005/06	2006/07	2006/07	2007/08	2007/08
No.	Category and Line Item	Actual	Actual	Budgeted	Estimated	Proposed	Adopted
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	2,481	4,115	5,900	5,700	6,100	6,100
002	Memberships & Licenses	105,991	134,791	163,475	154,000	164,415	164,415
004	Consultants/Website Dev.	41,722	10,492	93,250	25,000	86,000	86,000
005	Fleet Insurance	880	900	900	900	900	900
006	Vehicle Maintenance	13	10	40	30	40	40
007	Office Equip. Maintenance	6,546	6,843	22,260	6,000	22,260	22,260
013	Education & Training	5,440	1,966	8,210	3,500	8,210	8,210
024	Printing Services	631	207	1,750	1,200	1,750	1,750
041	Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
042	Mileage Reimbursement	12	19	135	65	135	135
	Category Total	167,316	162,943	299,520	199,995	293,410	293,410
(970)	CAPITAL OUTLAY						
001	Office Furniture	0	0	0	0	0	0
002	Office Equipment	53,965	0	0	0	0	0
	Category Total	53,965	0	0	0	0	0
	DEPARTMENT TOTAL	990,585	918,658	1,175,332	1,047,455	1,201,714	1,201,714

SUPPORT SERVICES

MISSION STATEMENT:

Provide those services and activities necessary to the overall day-to-day operation of the City government.

This cost center provides support for the entire organization and accounts for all general costs that cannot be allocated to any one particular department.

Some of the highlights of this budget include City-wide beautification used to fund right-of-way tree plantings throughout the City on a "cost matching" basis. This budget funds such outreach events as Student Government Day, Mayor's Exchange Day and several others. There are no employees in this budget.

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Operating Supplies

034 – Publications for Resale – Increase in 07/08 due to the printing of the city map. The map is reprinted every other year.

Professional & Contractual

004 – Consultants –The 07/08 request is lower because the five-year management audit is complete.

018-Postage and Machine Rental – The 07/08 increase is due to postal rate increase and the leasing of a new mail machine.

996 – Reduction of UAAL - Additional contribution in 06/07 to retiree health care pension plan.

DEPARTMENT NUMBER: 290

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(740) OPERATING SUPPLIES							
001	Gas & Oil Pool Cars	4,839	4,403	5,000	5,400	5,670	5,670
008	Miscellaneous Expense	15,265	19,169	21,370	23,000	20,000	20,000
014	Copier Supplies	5,511	4,807	5,750	5,750	5,750	5,750
034	Publications for Resale	526	8,744	4,000	2,500	8,800	8,800
046	City-Wide Beautification	27,221	34,169	78,883	85,000	75,000	75,000
	Category Total	53,362	71,292	115,003	121,650	115,220	115,220

Support Services

Acct.		2004/05	2005/06	2006/07	2006/07	2007/08	2007/08
No.	Category and Line Item	Actual	Actual	Budgeted	Estimated	Proposed	Adopted
(801) PROFESSIONAL & CONTRACTUAL							
003	Public Relations	44,828	44,824	51,000	45,000	45,000	45,000
004	Consultants	6,278	30,636	188,390	185,000	95,000	95,000
005	Fleet Insurance	10,560	10,800	10,800	10,800	9,000	9,000
006	Vehicle Maintenance	2,784	5,111	5,000	4,000	5,000	5,000
007	Office Equip. Maintenance	3,728	8,984	2,400	2,400	2,750	2,750
008	Homeland Security Consultant	329	0	22	27	0	0
015	Copier Rental	14,676	11,533	41,346	35,000	39,993	39,993
016	Phone Expense	111,267	136,741	150,000	145,000	155,000	155,000
018	Postage & Machine Rental	105,753	111,472	155,000	125,000	157,100	157,100
019	Gen. Liability & Contents	784,981	963,078	950,000	750,000	825,000	825,000
020	Liability Claims Settlement	55,000	3,872	7,000	7,000	7,000	7,000
024	Printing Services	3,424	4,843	17,525	13,000	13,000	13,000
050	Overhead Lighting Utilities	99,485	90,612	92,000	92,000	92,000	92,000
082	Unemployment Compensation	48,792	50,724	60,000	60,000	60,000	60,000
083	Disability Funding	13,095	20,461	13,000	13,000	13,000	13,000
084	Pest Abatement	16,712	18,382	3,000	19,000	19,000	19,000
085	Cobra Insurance	0	(10,231)	0	0	0	0
996	Reduction of UAAL	0	0	0	2,000,000	0	0
997	Reserve Appropriations	0	0	450,000	0	950,000	950,000
998	Disaster Emergency Fund	10,904	1,750	5,000	5,000	10,000	10,000
999	Tax Tribunal Refunds	62,315	79,791	55,000	100,000	100,000	100,000
	Category Total	1,394,911	1,583,383	2,256,483	3,611,227	2,597,843	2,597,843
(970) CAPITAL OUTLAY							
002	Office Equipment	18,339	0	2,500	1,138	13,500	13,500
015	Vehicles	0	22,514	23,000	27,500	0	0
020	Equipment	0	23,625	1,500	1,555	0	0
036	Building Improvement	0	0	7,500	0	7,500	7,500
055	Land Acquisition	1,720	0	0	0	0	0
	Category Total	20,059	46,139	34,500	30,193	21,000	21,000
DEPARTMENT TOTAL		1,468,332	1,700,814	2,405,986	3,763,070	2,734,063	2,734,063

Support Services

CAPITAL OUTLAY

Department Number: 290

Acct.			Unit	Budget	Manager's Budget	
970	Quantity	Item Description	Cost	Request	Quantity	Amount
002		OFFICE EQUIPMENT				
	1	HP 4500 Plotter	11,000	11,000	1	11,000
		Miscellaneous Office Equipment		2,500		2,500
		Total Office Equipment		13,500		13,500
036		BUILDING IMPROVEMENTS				
		Misc. Improvements		7,500		7,500
		Total Building Improvements		7,500		7,500
		CAPITAL OUTLAY TOTAL		21,000		21,000

INTERFUND TRANSFERS

In accordance with generally accepted accounting principles, the Interfund Transfers section of the budget centralizes all transfers and operating subsidies for various funds.

The Interfund Transfer function provides a budget appropriation for the City's General Fund contribution to the Ice Arena due to a projected shortfall in unrestricted net assets and a contribution to the Capital Improvement Fund for a future municipal building improvement.

DEPARTMENT NUMBER: 299

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(801) PROFESSIONAL & CONTRACTUAL							
TRANSFERS FROM OPERATING BUDGET							
202	To Major Road Construction	0	100,000	100,000	100,000	0	0
590	To Ice Arena	0	200,000	170,000	170,000	125,000	125,000
404	To Capital Improvement Fund:						
	Financial Software	500,000	0	0	0	0	0
	Fire Station No.3	2,000,000	1,780,000				
	Municipal Improvement	0	0	0	0	3,000,000	3,000,000
	Total Operating Budget	2,500,000	2,080,000	270,000	270,000	3,125,000	3,125,000
DEPARTMENT TOTAL		2,500,000	2,080,000	270,000	270,000	3,125,000	3,125,000

PUBLIC SAFETY SUMMARY

DIV. NO.	Category and Line Item	2004/05 Actual Expenditures	2005/06 Actual Expenditures	2006/07 Adopted Budget	2006/07 Estimated Expenditures	2007/08 Proposed Budget	2007/08 Adopted Budget
PUBLIC SAFETY:							
300	Police	15,414,918	15,916,893	16,450,352	16,520,308	17,013,635	17,013,635
337	Fire	5,120,074	5,168,689	4,950,347	5,251,465	5,565,490	5,565,490
TOTAL PUBLIC SAFETY		20,534,992	21,085,582	21,400,699	21,771,773	22,579,125	22,579,125

POLICE DEPARTMENT

MISSION STATEMENT

The Farmington Hills Police Department is committed to maintaining the safety and quality of life of this community, through the delivery of superior police services.

Throughout 2006, the Police Department continued its efforts in the fight against drug and alcohol abuse in our community. Officers responded to over 850 drug or alcohol related incidents and as a result affected over 800 arrests. Additionally, the Department continued providing substance abuse awareness education, counseling referral assistance and drug testing resources to the community. By the end of school year 2006/2007, officers will have presented a drug education course known as T.H.I.N.K. (Teaching, Helping, Involving, Noticing, Kids) to over 950 elementary students. The Department also distributed over 300 drug testing kits under its L.E.A.D. (Law Enforcement Against Drugs) program during the year. L.E.A.D. makes in-home drug and alcohol testing kits available to residents of Farmington and Farmington Hills.

The S.O.N.I.C. (South Oakland Narcotics Intelligence Consortium) Unit continued to be involved in the dismantling of major narcotics distribution organizations. One major investigation, which began in March 2004, involved executing search warrants at several Farmington Hills homes and locations in six other states in July 2005. These raids netted S.O.N.I.C. departments over \$1.1 million in forfeited narcotics proceeds, with Police Chief William Dwyer receiving the latest installment, totaling over \$300,000, from federal authorities in October 2006. As a result of this ongoing investigation, authorities charged 27 individuals with various drug trafficking and money laundering crimes. This narcotics organization was responsible for the distribution of more than 30,000 kilograms (66,000 pounds) of marijuana and generated tens of millions of dollars for the distributors.

Early in the year, the Department implemented the CRISNET Records Management System. This software program allows officers to prepare and file incident reports from any station-based desktop computer or in-car mobile data computer, thereby eliminating the need to produce time-consuming handwritten reports. One mouse click then submits the report for supervisory approval, allows it to be assigned to a follow-up investigator, archives it in the Department's Records Section and completes mandatory reporting of the incident to the Michigan State Police.

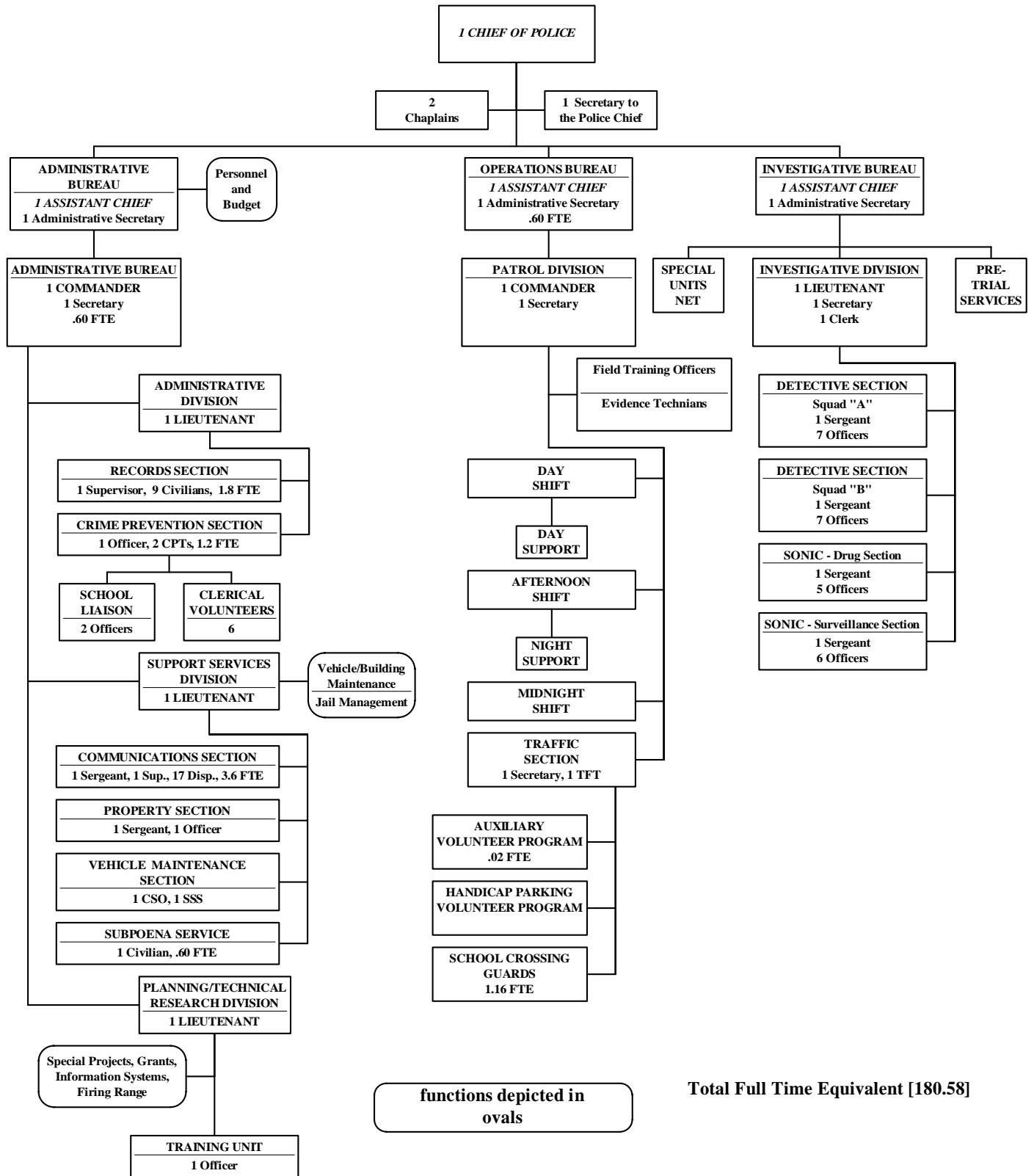
Although total police incidents increased in 2006 by 3.9%, serious crime decreased significantly. "Group A" offenses, which consist of the 21 crimes which have the greatest impact on quality of life, decreased by 5.1%. Categories which experienced significant reductions within this group include: Homicide, down 100% (zero offenses for the year), Robbery (down over 17%), Assault (down over 21%), Burglary/home invasion (down over 20%) and Arson (down over 35%). "Group B" offenses, the next 12 most serious offenses, decreased by a significant 69.5%. Categories which experienced significant reductions within this group include: Obstructing/escape (down over 80%), Disorderly conduct/vagrancy (down over 90%) and Local Ordinance Violations (down 84%). "Group C" offenses, which consist of numerous minor criminal/traffic offenses and many non-criminal called-for-services, increased by 18.2%. Categories which resulted in significant increases included; Traffic Offenses (up over 42%) and Warrant Arrests (up over 111%).

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Implement a fully-integrated inter-operable radio communications system. (2,3)
- Secure the ability to observe and record incidents which occur on the City freeway system. (3)
- Perform several technology equipment upgrades, increasing department effectiveness. (2,3)
- Secure a further ability to monitor and record events which occur on the City Hall/Police campus. (2,3)
- Maintain in-patrol-car connectivity with the CLEMIS network, by upgrading on-board technology. (2)
- Enhance the department's ability to obtain and analyze crime occurrence data. (2,3)
- Update the mechanics by which emergency procedures for public schools facilities are made available to field personnel. (2,3)
- Improve the Department's ability to reconstruct serious traffic crashes. (2,3)
- Reduce traffic crashes through improved engineering efforts and cooperative programs involving residents. (2,3)
- Implement special patrols to more effectively deal with fluid crime patterns in the city. (3)
- Continue to reduce the occurrence of serious crime in the city. (3)
- Expedite the process by which local arrest warrants are issued. (3)
- Ensure greater compliance with Sex Offender Registry procedures. (3,9)
- Expose patrol officers to the investigative function and provide experience, preparing them for full-time assignments to the Investigative Bureau. (3,8)

FARMINGTON HILLS POLICE DEPARTMENT ORGANIZATIONAL CHART



Police Department

STAFFING LEVELS

Acct.	Title or Position	Authorized		Requested	Authorized
		Positions	Positions	Positions	Positions
300		05/06	06/07	07/08	07/08
		Budget	Budget	Budget	Budget
(010) Administrative & Clerical					
	Chief of Police	1	1	1	1
	Secretary to the Chief of Police	1	1	1	1
	Records Division Supervisor	1	1	1	1
	Dispatch Coordinator	3	3	3	3
	Subpoena Service Officer	1	1	1	1
	Secretary	4	4	4	4
	Clerk Dispatcher	9	9	9	9
	Teleprocessing Coordinator	1	1	1	1
	Teleprocessing Operator	2	2	2	2
	Clerk Typist II	5	5	5	5
	Clerk Typist I	1	1	1	1
	Community Service Officers	1	1	1	1
	Crime Prevention Technicians	2	2	2	2
	Administrative Secretary	3	3	3	3
	Traffic Technician	1	1	1	1
	Records Section Coordinator	1	1	1	1
	Support Services Specialist	1	1	1	1
	Total	38	38	38	38
(017)	Assistant Chiefs	3	3	3	3
(018)	Commanders	2	2	2	2
(019)	Lieutenants	8	8	8	8
(020)	Sergeants	14	14	14	14
(021)	Police Officers	70	71	71	71
(023)	Cadets	7	8	8	8
(050)	Auxiliary Officers (FTE)	0.02	0.02	0.02	0.02
(051)	Crossing Guards (FTE)	1.25	1.25	1.16	1.16
(038)	Part-time (Dispatch & Clerical) (FTE)	9.25	9	8.4	8.4
	Total	114.52	116.27	115.58	115.58
Total		152.52	154.27	153.58	153.58

Police Department

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
705	PUBLIC SAFETY MILLAGE				
(010)	Administrative & Clerical				
	Communications Supervisor (Civilian)	1	1	1	1
	Dispatchers	5	5	5	5
		6	6	6	6
(020)	Sergeant	1	1	1	1
(021)	Police Officers	15	20	20	20
	Total	22.00	27.00	27.00	27.00
	DEPARTMENT TOTAL	174.52	181.27	180.58	180.58

PERFORMANCE OBJECTIVES

- Complete implementation of the 800 MHz inter-operable Open Sky radio system.
- Complete a project whereby “freeway cams” are monitored and recorded.
- Perform several technology equipment upgrades, including securing a new cellblock live scan.
- Complete implementation of the Dedicated Micros Closed Circuit T.V. monitoring and recording system.
- Replace aging in-patrol-car mobile data terminals with new technology.
- Secure additional crime analysis training for Crime Prevention Section personnel; implement a formalized crime analysis program.
- Field a “school resource disk” containing emergency procedures for all public school facilities.
- Complete training of traffic reconstruction officers and obtain computer software to assist in the reconstruction of serious traffic crashes.
- Work with the Engineering Department and the Traffic Engineer to improve the traffic infrastructure to reduce crashes. Expand the SAFETE3 program to further involve citizens in traffic safety.
- Implement a Directed Patrol Unit, tasked with effectively dealing with temporary crime trends and spikes in the city.
- Review manpower deployment, give increased special attention to problem areas and aggressively enforce applicable laws to continue the reduction of serious crime.

PERFORMANCE OBJECTIVES (Continued)

- Streamline the process for obtaining arrest warrants from the City attorney by developing a database to track local warrant submissions and their status.
- Amend the sex offender registration procedure, including home visits, to more fully ensure compliance with sex offender laws and to monitor local offenders.
- Create a rotating temporary training assignment in the Investigative Bureau to provide additional training and exposure to investigative processes.

	Performance Indicators	2005 Actual	2006 Actual	2007 Projected
Service Level	Neighborhood Watch Groups	121	133	135
	Speech Requests	205	183	205
	False Alarm Fees Collected	\$79,157	\$62,687	\$73,982
	Report Copy Requests	5,196	4,522	4,411
	Pistol Permits Issued	531	717	600
	Investigative Division Cases	4,501	4,241	5,844
	Investigative Division Arrest Warrants	530	471	514
	Investigative Division Juvenile Petitions	165	137	134
	Fire Service Calls	6,730	6,664	6,779
	Adults Arrested	2,623	3,293	3,408
	Juveniles Arrested	166	190	188
	O.U.I.L. Arrests	208	301	302
	Traffic Violations Issued	13,347	17,770	17,894
	Graduating T.H.I.N.K. Students-5th Grade	850	938	900
	Dispatched Runs	37,447	37,868	39,278
	Group A Crimes per 1,000 Population	53.54	50.77**	50.51
	Group B Crimes per 1,000 Population	42.83	13.03**	13.56
	Villages of Franklin & Bingham Farms Runs	2,400	2,471	2,459
	Burglaries-residential	306	208	200
	Burglaries-commercial	102	118	109
Robberies	38	29	29	
Moving Violations	7,553	9,102	9,842	
Non-Moving Violations	5,794	8,668	8,052	
Efficiency	Residential Burglaries/1,000 Housing Units	8.66	5.86	5.41
	Cases Closed	1,798	4,009*	3,969
	Average Response Time to Primary Calls (Group A Crimes)	6.4	5.5	5.3

*With the introduction of the CLEMIS NetRMS on 1-4-06, many cases previously classified as “inactive” may now be classified “closed” for case management purposes. **The NetRMS utilizes the Michigan Incident Crime Reporting (MICR) and may result in different classifications for reported offenses shifting some offenses into different crime groups.

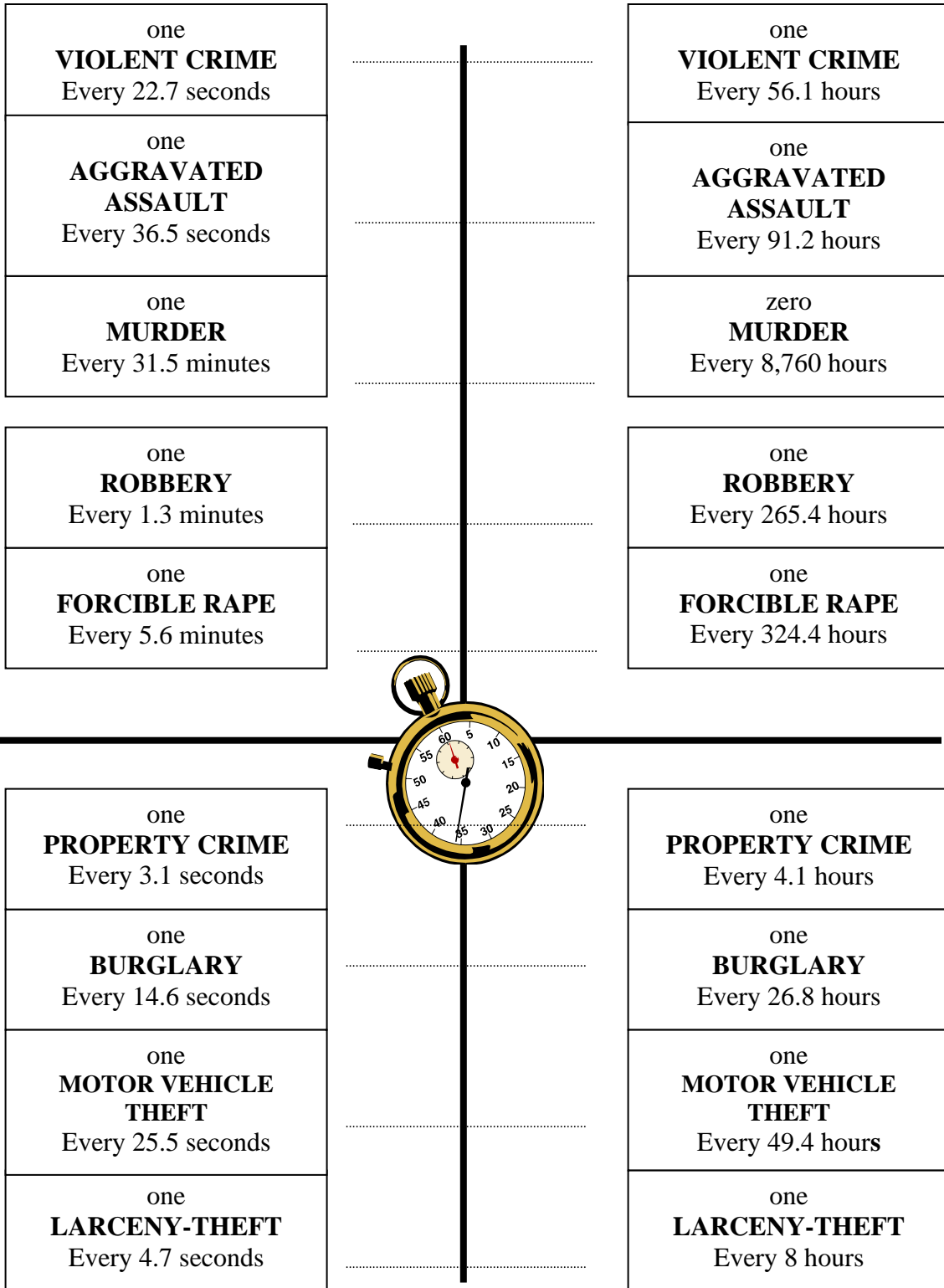
**CRIME TIMES IN THE UNITED STATES COMPARED TO FARMINGTON HILLS
CRIME CLOCK**

United States

Note: U.S. Statistics reflect 2005 occurrences

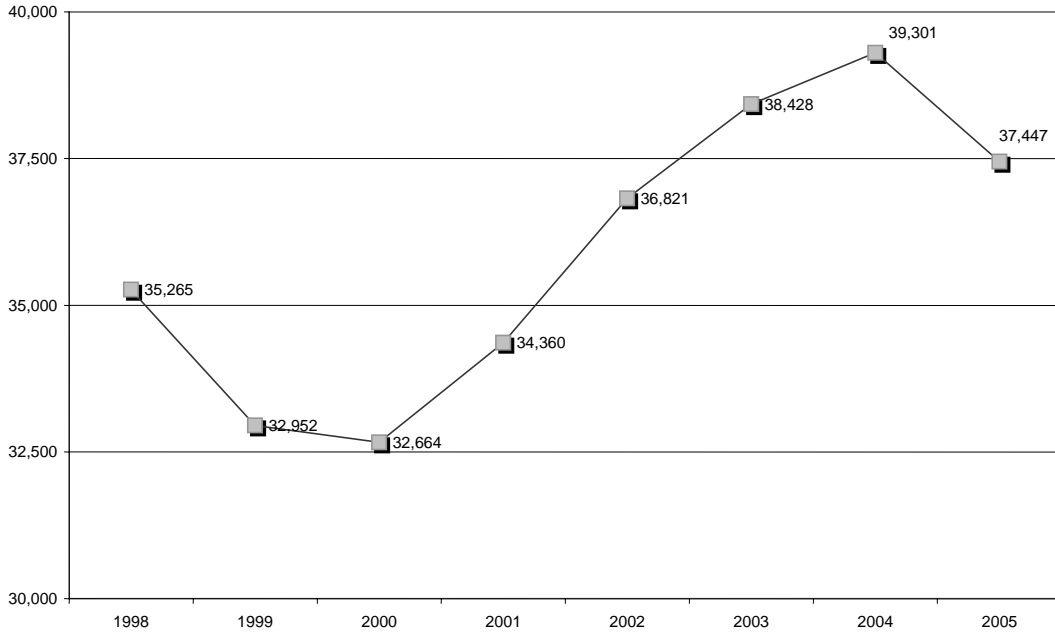
Farmington Hills

Note: Farmington Hills Statistics reflect 2006 occurrences

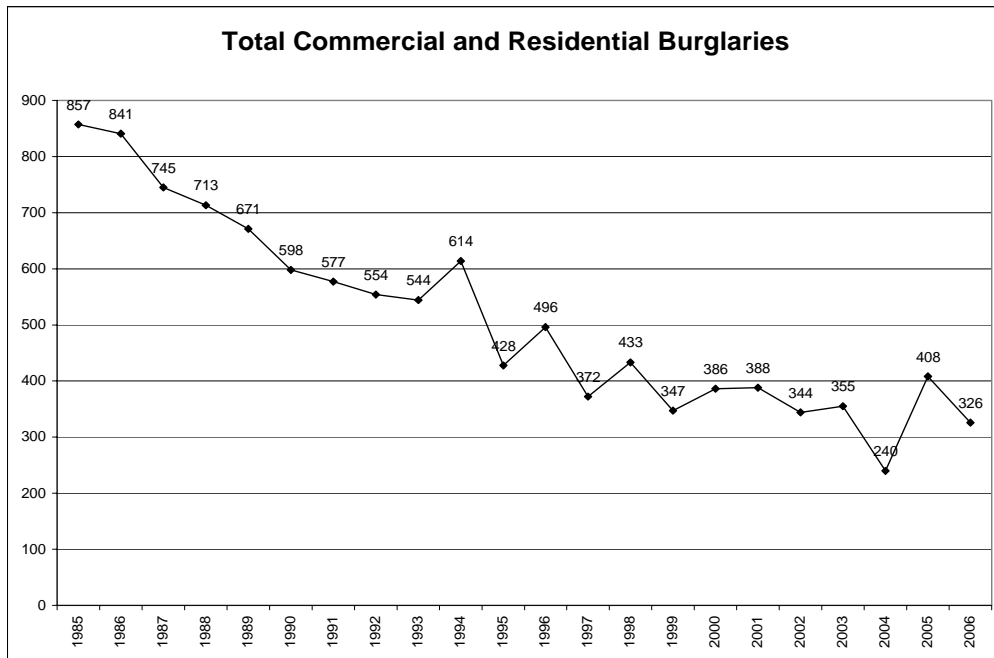


KEY DEPARTMENT TRENDS

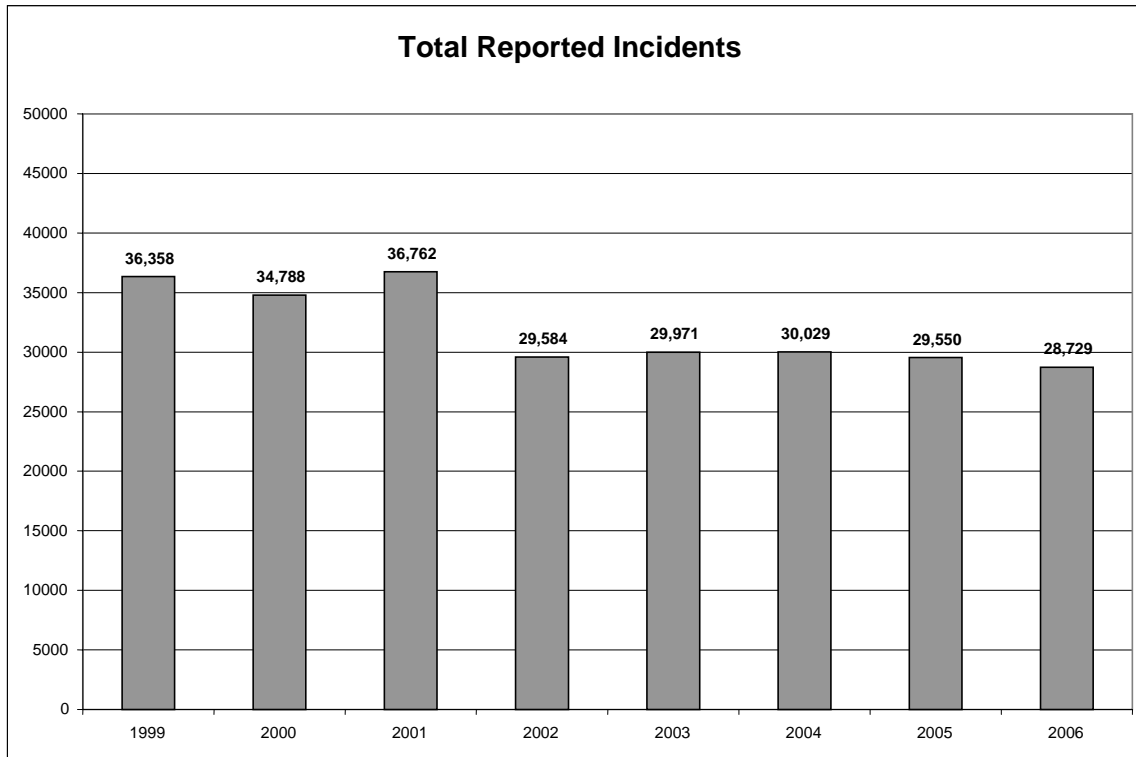
Total Dispatched Runs



Total Commercial and Residential Burglaries



Police Department



DEPARTMENT NUMBER: 300

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(700) COST REIMBURSEMENT							
205	Public Safety Millage	(1,949,350)	(2,042,307)	(2,756,827)	(2,716,100)	(2,863,952)	(2,863,952)
400	School Reimbursement	(67,531)	(69,557)	(71,643)	(71,643)	(73,793)	(73,793)
	Category Total	(2,016,881)	(2,111,864)	(2,828,470)	(2,787,743)	(2,937,745)	(2,937,745)
(702) SALARIES & WAGES							
010	Administrative & Clerical	1,584,523	1,567,675	1,608,056	1,639,400	1,670,872	1,670,872
017	Assistant Chiefs	262,687	266,057	272,694	273,883	280,872	280,872
018	Commanders	169,389	169,691	173,922	179,140	179,140	179,140
019	Lieutenants	613,521	610,641	612,072	634,114	649,344	649,344
020	Sergeants	977,239	993,016	983,034	1,021,596	1,021,592	1,021,592
021	Patrol	3,914,249	3,980,505	4,007,000	4,129,219	4,054,461	4,054,461
023	Cadets	202,559	192,663	233,691	203,970	238,400	238,400
038	Part-time	210,286	220,174	237,339	261,231	240,000	240,000
041	Court Time	213,441	176,393	241,908	195,000	210,000	210,000
042	Holiday Pay	333,408	348,864	347,785	343,500	357,880	357,880

Police Department

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
050	Auxiliary Pay	40	289	400	672	504	504
051	Crossing Guards	23,693	24,063	24,000	24,000	24,100	24,100
106	Sick/Personal Leave	264,397	332,950	306,172	284,750	242,177	242,177
112	Overtime	408,594	436,075	393,504	400,000	410,000	410,000
200	Social Security	725,055	741,155	760,000	771,318	772,673	772,673
250	Blue Cross/Optical/Dental	1,363,288	1,316,715	1,595,685	1,550,000	1,703,385	1,703,385
275	Life Insurance	16,605	18,019	21,103	21,103	21,575	21,575
300	Pension	2,064,316	2,441,213	2,521,000	2,521,000	2,790,457	2,790,457
325	Longevity	497,239	517,575	522,487	487,325	520,000	520,000
350	Worker's Compensation	77,805	94,809	100,000	105,797	107,000	107,000
	Category Total	13,922,334	14,448,542	14,961,852	15,047,018	15,494,432	15,494,432
(705) PUBLIC SAFETY MILLAGE							
010	Administrative & Clerical	270,744	242,134	275,885	247,123	293,832	293,832
020	Sergeants	71,459	71,557	70,187	73,700	74,462	74,462
021	Patrol	881,537	868,722	1,143,911	1,150,000	1,133,896	1,133,896
041	Court Time	44,028	39,167	61,560	61,824	66,984	66,984
042	Holiday Pay	59,352	57,899	74,449	63,936	74,811	74,811
106	Sick/Personal/Vacation	6,735	5,020	8,530	8,530	19,601	19,601
112	Overtime	80,966	82,044	84,086	101,959	105,000	105,000
200	Social Security	109,888	107,040	134,000	133,400	138,300	138,300
250	Blue Cross/Optical/Dental	209,655	200,858	330,205	298,761	323,798	323,798
275	Life Insurance	1,924	2,347	3,225	3,225	3,225	3,225
300	Pension	310,221	361,527	466,574	466,574	519,757	519,757
325	Longevity	24,924	30,059	36,000	34,293	40,000	40,000
350	Worker's Compensation	11,630	13,652	15,640	17,000	18,806	18,806
	Category Total	2,083,063	2,082,026	2,704,252	2,660,325	2,812,472	2,812,472
(740) OPERATING SUPPLIES							
001	Gas & Oil	135,519	192,878	200,000	212,000	220,500	220,500
002	Books & Subscriptions	4,178	3,963	3,910	3,910	2,575	2,575
003	Pers. Testing & Advert.	7,957	11,665	23,475	18,250	12,240	12,240
008	Supplies	103,293	105,422	93,692	107,100	92,060	92,060
009	Supplies - General Forf.	550	0	0	0	0	0
011	Rental Equipment	19,046	12,252	18,304	17,000	16,184	16,184
014	Copier Supplies	54	0	0	0	0	0
018	Ammunition & Weapons	12,569	9,899	21,849	21,849	20,380	20,380
019	Uniforms/Uniform Equip.	100,388	75,719	102,099	98,800	98,419	98,419
040	Miscellaneous Expense	15,839	24,681	13,100	13,100	13,100	13,100
041	Over and Short	4	2	0	0	0	0
	Category Total	399,397	436,481	476,429	492,009	475,458	475,458

Police Department

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	4,729	4,487	9,186	8,750	7,448	7,448
002	Memberships & Licenses	3,693	3,805	4,910	4,610	5,450	5,450
005	Fleet Insurance	83,170	84,150	84,150	84,150	72,400	72,400
006	Vehicle Maintenance	85,486	98,100	105,597	112,700	103,570	103,570
007	Office Equip. Maint.	29,121	44,653	41,731	40,000	44,756	44,756
008	Firearms Range Maint.	2,003	2,100	4,800	3,800	5,150	5,150
009	In-Car Camera Maint.	17,233	17,341	10,000	9,500	4,000	4,000
013	Education & Training	76,321	50,791	69,000	53,300	59,500	59,500
014	State Act 302 Training	14,788	33,749	27,500	34,500	27,500	27,500
015	State Act 32 Training	2,855	6,312	10,042	10,042	9,744	9,744
016	Telephone Expense	61,101	72,152	87,050	85,000	87,000	87,000
023	Data Processing	52,240	51,159	66,534	63,000	65,040	65,040
024	Printing Services	21,309	15,140	24,899	22,800	21,245	21,245
026	Physical Examinations	4,761	6,941	4,000	4,000	3,150	3,150
027	Vehicle Radio Maint.	60,454	60,926	43,040	43,040	39,750	39,750
028	Prisoner Care	9,249	12,832	13,570	19,400	18,550	18,550
029	Building Maintenance	20,127	20,167	20,380	23,500	20,075	20,075
041	Auto Allowances	18,000	18,000	18,000	18,000	18,000	18,000
043	Auto Washing	8,679	10,284	10,000	10,000	10,000	10,000
044	Towing	3,270	2,688	2,000	750	500	500
056	Utilities	87,704	98,995	98,000	96,500	102,900	102,900
065	Uniform Cleaning	25,917	25,195	35,000	32,500	31,000	31,000
070	Crime Prevention	8,535	6,995	4,400	4,400	4,250	4,250
098	Polygraph/DNA Services	3,948	637	5,000	3,500	4,000	4,000
	Category Total	704,693	747,599	798,789	787,742	764,978	764,978
(970)	CAPITAL OUTLAY						
001	Office Furniture	0	0	0	0	3,000	3,000
002	Office Equipment	9,878	0	0	0	0	0
015	Automotive/Auto Equip.	294,372	293,928	327,500	307,757	233,500	233,500
019	Radio & Radar Equip.	8,953	5,931	0	0	3,200	3,200
020	Miscellaneous Equipment	1,798	0	0	0	140,000	140,000
036	Building Improvements	7,311	14,250	0	0	0	0
	Category Total	322,312	314,109	327,500	307,757	379,700	379,700
(971)	MILLAGE CAPITAL OUTLAY						
019	P.S. Radio Equipment	0	0	10,000	13,200	3,340	3,340
020	P.S. Miscell Equipment	0	0	0	0	21,000	21,000
	Category Total	0	0	10,000	13,200	24,340	24,340
	DEPARTMENT TOTAL	15,414,918	15,916,893	16,450,352	16,520,308	17,013,635	17,013,635

Police Department**CAPITAL OUTLAY**

Department Number: 300

Acct.			Unit	Budget	Manager's Budget	
970	Quantity	Item Description	Cost	Request	Quantity	Amount
001		OFFICE FURNITURE				
		Reconfigure Two Secretarial Workstations		3,000		3,000
		Total Office Furniture		3,000		3,000
015		AUTOMOTIVE & AUTO EQUIPMENT				
	3	Unmarked Cars - Class B	17,500	52,500	3	52,500
	7	Marked Cars - Class L	20,500	143,500	7	143,500
	1	SUB 4x4 - Class F	30,000	30,000	1	30,000
	3	Overhead Emergency Light Bars	2,500	7,500	3	7,500
		Total Automotive & Auto Equipment		233,500		233,500
019		RADIO & RADAR EQUIPMENT				
	2	Radio Console Control Stations	1,600	3,200	2	3,200
		Total Radio & Radar Equipment		3,200		3,200
020		MISCELLANEOUS EQUIPMENT				
	1	Camera Monitoring Workstation	5,000	5,000	1	5,000
	18	In-Car MDCs	7,000	126,000	18	126,000
	5	Vigilanti CCTS System	1,000	5,000	5	5,000
	1	H.E.P.A Vacuum for Range	4,000	4,000	1	4,000
		Total Automotive & Auto Equipment		140,000		140,000
		CAPITAL OUTLAY TOTAL		379,700		379,700

MILLAGE CAPITAL OUTLAY

Department Number: 300

Acct.			Unit	Budget	Manager's Budget	
971	Quantity	Item Description	Cost	Request	Quantity	Amount
019		RADIO & RADAR EQUIPMENT				
	1	M/A - Com Prep Radios	3,340	3,340	1	3,340
		Total Radio & Radar Equipment		3,340		3,340
020		MISCELLANEOUS EQUIPMENT				
	3	In-Car MDC's	7,000	21,000	3	21,000
				21,000		21,000
		MILLAGE CAPITAL OUTLAY TOTAL		24,340		24,340

FIRE DEPARTMENT

Mission Statement:

The Farmington Hills Fire Department, utilizing a combination of career and part-paid personnel in an efficient and effective manner, has the responsibility to preserve the resources of the community through fire prevention and suppression, to reduce the adverse effects of injury or sudden illness through quality emergency medical service as first responders, and to provide the necessary services during natural or man-made disasters.

The Fire Department serves the community in four primary areas: fire suppression, fire prevention, EMS/rescue services, and emergency disaster management. Fire suppression includes the response to fires and the other preparation needed to be ready and capable, including training and equipment maintenance. Fire prevention includes inspection, plan review, public safety education and fire investigation. The code enforcement functions are coordinated with other appropriate departments of the City to create and maintain safe conditions in buildings and during events. The Fire Department also responds to all calls for emergency medical services and rescue situations using seven vehicles that have been equipped with advanced life support (ALS) capability. Fire fighter/Paramedics respond and provide ALS on the scene and transport the patient, if necessary, to the hospital.

Emergency Management involves the preparation for and response to natural or man-made disasters. The Emergency Manager within the Fire Department along with the City Management have taken significant steps to prepare for such events by conducting Terrorism Awareness training as well as Unified Incident Command System training for Fire, Police, DPW, Special Services and Emergency Operations Center personnel. Additionally a major terrorism related exercise was coordinated by the Fire Department along with the Police Department and Farmington Public Schools to test the City's capabilities and learn valuable lessons for improvement. The Emergency Manager is also responsible for the coordination of all of the Homeland Security Department grants for the City.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- To provide service to the community during emergency and disaster events. (3)
- To maintain personnel training levels and also expand them to meet the ever-changing response needs of the community. (3,8)
- To evaluate all aspects of the Department's activities for effectiveness and efficiency. (2,3)
- To educate adults and children in fire and other safety principles. (3)
- To prepare the Department and City Staff to safely and effectively handle all hazards in the Community. (3)
- To provide City-wide planning and coordination of governmental services in the event of a catastrophic event. (3)
- To implement the personnel and equipment criteria of the Public Safety Millage renewal. (3)
- To emphasize personal and team safety in task performance. (3,8)

PERFORMANCE OBJECTIVES

- Complete technical rescue training for response and specialized team personnel.
- Expand training related to terrorism events including recognition and mitigation of hazards created by such events.
- Continue Integration of the National Incident Management System criteria for both Fire Department and other critical City personnel.
- Conduct exercises of the disaster preparedness capability of the emergency First Responders.
- Enhance the wellness/fitness awareness of all Department personnel and encourage healthy lifestyles thereby minimizing the frequency and severity of job related injury and illness.
- Enhance the safety of fire ground and technical rescue events by training personnel in self-survival techniques.
- Evaluate individual and team skill levels to ensure performance to the expected standards.
- Develop and implement personnel career paths and training criteria for succession planning.

Service Level	Performance Indicators	2005/06 Actual	2006/07 Actual	2007/08 Estimated
	Number of Incidents	6,822	6,668	6,870
Number of Emergency Medical Incidents	4,147	4,168	4,195	
Number of Public Education Programs	192	174	210	
Number of Training Hours	18,527	33,000	26,500	

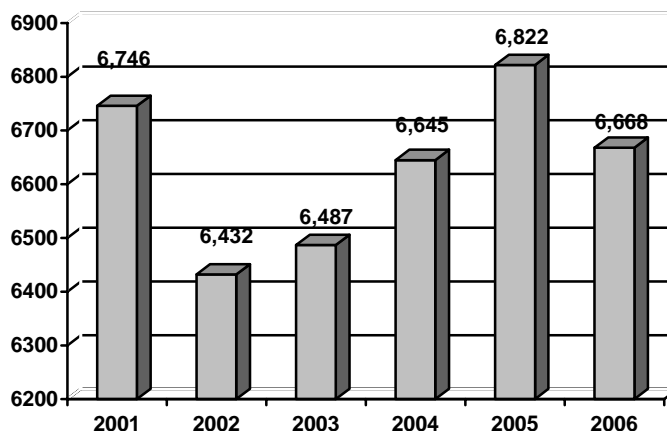
SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Operating Supplies

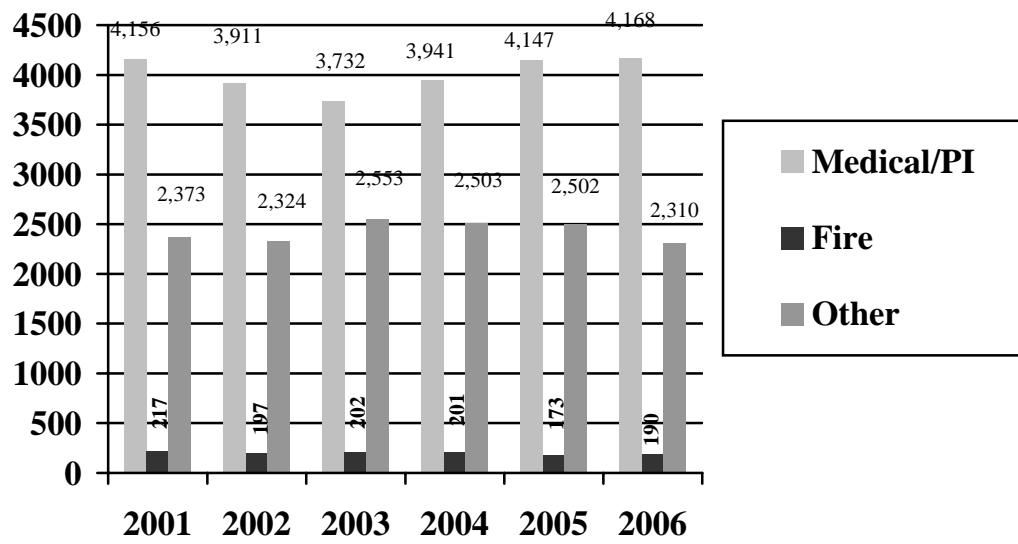
020 Protective Clothing – Reduction due to the purchase of turnout gear in 2006/07.

KEY DEPARTMENTAL TRENDS

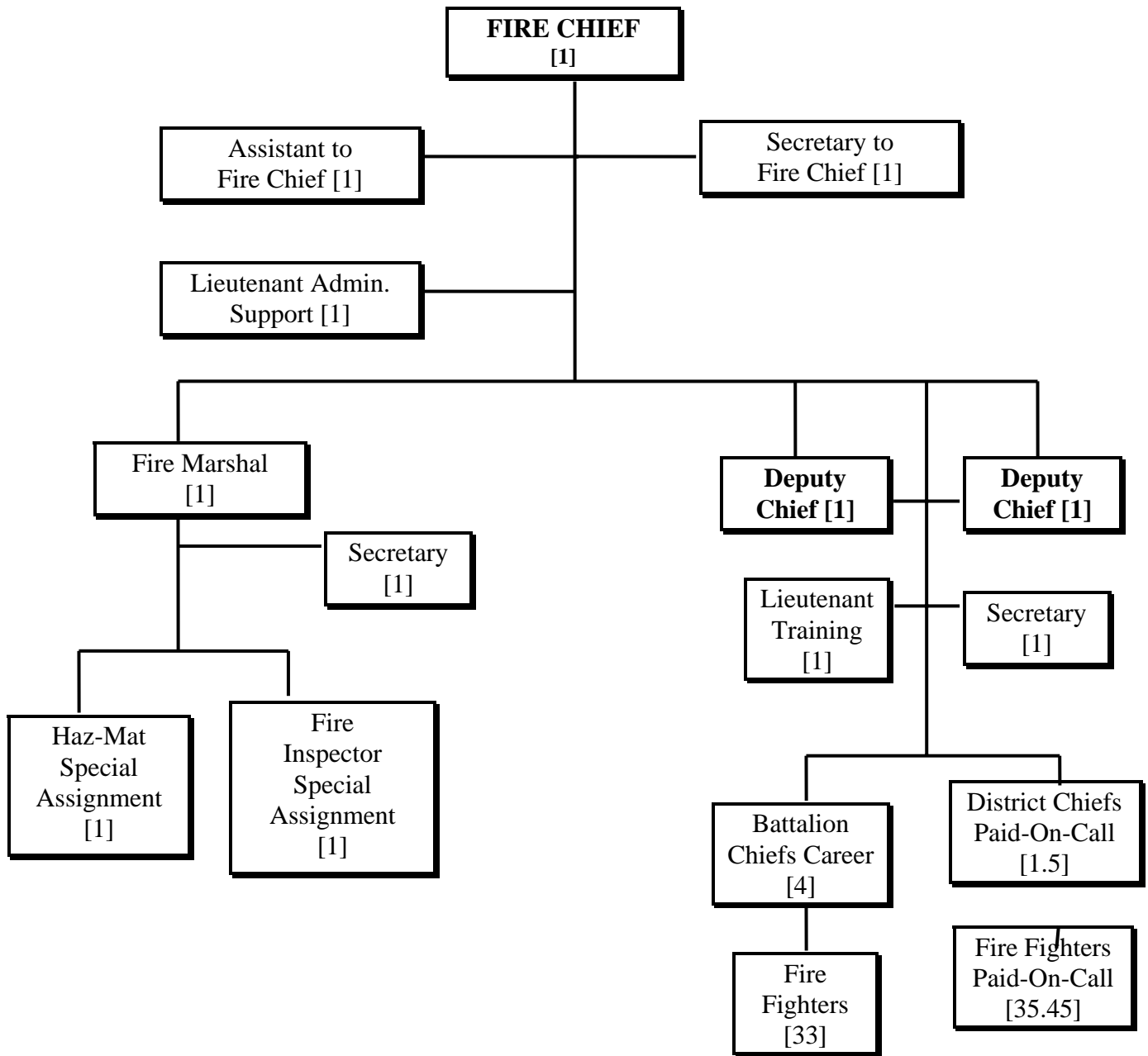
Number of Incidents



Incidents By Type



FIRE DEPARTMENT



**Total Full Time Equivalent
[85.95]**

Fire Department

STAFFING LEVELS

Acct.	Title	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(010)	Full Time Wages				
	Fire Chief	1	1	1	1
	Deputy Chief	2	2	2	2
	Lieutenants	2	2	2	2
	Fire Marshal	1	1	1	1
	Secretary to the Fire Chief	1	1	1	1
	Administrative Secretary	1	1	1	1
	Secretary	1	1	1	1
	Full-time Fire Fighters	15	15	15	15
	Assistant to the Chief	1	1	1	1
	Fire Fighter/Inspector	1	1	1	1
	Hazardous Material Specialist	1	1	1	1
	Total	<u>27</u>	<u>27</u>	<u>27</u>	<u>27</u>
(025)	Paid Callback System (FTE)				
	Paid-Callback Wages	31.27	31.27	31.27	31.27
	Total	<u>31.27</u>	<u>31.27</u>	<u>31.27</u>	<u>31.27</u>
PUBLIC SAFETY MILLAGE					
(010)	Administrative and Clerical				
	Full-time Fire Fighter	13	13	18	18
	Career Supervisor	4	4	4	4
	Total	<u>17</u>	<u>17</u>	<u>22</u>	<u>22</u>
(025)	Paid-Callback System (FTE)				
	Paid Callback Wages	5.68	5.68	5.68	5.68
	Total	<u>5.68</u>	<u>5.68</u>	<u>5.68</u>	<u>5.68</u>
	Department Total	<u>80.95</u>	<u>80.95</u>	<u>85.95</u>	<u>85.95</u>

Fire Department

DEPARTMENT NUMBER: 337

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(700)	COST REIMBURSEMENT						
205	Public Safety Millage	(1,949,350)	(2,042,307)	(2,923,433)	(2,882,452)	(2,973,335)	(2,973,335)
(702)	SALARIES & WAGES						
010	Administrative & Clerical	1,709,357	1,728,019	1,762,552	1,775,000	1,803,978	1,803,978
025	Paid Callback Wages	964,746	919,492	856,601	1,025,000	1,050,000	1,050,000
038	Part-time	280	2,707	2,000	1,500	2,000	2,000
042	Holiday Pay	41,770	44,503	43,241	50,150	55,106	55,106
106	Sick & Vacation	63,588	52,917	56,775	52,000	67,771	67,771
112	Overtime	190,926	179,409	140,000	168,000	175,000	175,000
200	Social Security	224,280	216,608	228,072	240,000	249,000	249,000
250	Blue Cross/Optical/Dental	289,747	276,334	344,443	340,000	387,553	387,553
275	Life Insurance	4,323	4,688	5,418	5,414	5,486	5,486
300	Pension	421,109	479,524	482,698	482,698	494,416	494,416
325	Longevity	68,024	71,295	76,886	76,656	85,959	85,959
350	Workers Compensation	46,808	54,586	46,700	47,000	48,500	48,500
	Category Total	4,024,958	4,030,082	4,045,386	4,263,418	4,424,769	4,424,769
(705)	PUBLIC SAFETY MILLAGE						
010	Full Time Wages	1,129,106	1,122,927	1,371,532	1,321,000	1,390,078	1,390,078
025	Paid Callback Wages	263,799	273,518	236,900	276,000	284,000	284,000
042	Holiday	49,525	51,927	65,532	52,080	55,218	55,218
106	Sick & Vacation	20,096	20,319	17,808	17,800	19,580	19,580
112	Overtime	198,514	173,993	165,000	170,000	175,100	175,100
200	Social Security	126,932	131,476	144,989	143,443	150,679	150,679
250	Blue Cross/Optical/Dental	176,053	195,422	275,094	263,000	272,321	272,321
275	Life Insurance	1,734	1,938	2,750	2,750	2,750	2,750
300	Pension	268,829	295,631	363,362	363,362	369,825	369,825
325	Longevity	28,412	34,469	38,511	38,197	45,688	45,688
350	Workers Compensation	23,333	32,945	28,455	26,000	27,000	27,000
	Category Total	2,286,333	2,334,565	2,709,933	2,673,632	2,792,239	2,792,239
(740)	OPERATING SUPPLIES						
001	Gas & Oil	49,765	63,471	65,000	65,000	68,500	68,500
002	Books & Subscriptions	4,075	5,993	5,851	5,800	6,874	6,874
008	Supplies	90,614	157,837	89,971	114,000	97,080	97,080
011	Medical Supplies	41,800	41,617	37,500	40,000	41,500	41,500
019	Uniforms	26,332	28,625	39,734	39,500	35,500	35,500
020	Protective Clothing	30,298	31,164	261,313	260,000	7,000	7,000
040	Miscellaneous	31,965	27,598	23,077	23,000	22,250	22,250
075	Fire Equipment Repair Parts	12,061	16,321	14,725	12,500	11,250	11,250
076	Fire Prevention Materials	1,796	5,058	4,000	4,000	5,950	5,950
	Category Total	288,706	377,684	541,171	563,800	295,904	295,904

Fire Department

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	4,549	2,375	5,330	5,200	5,330	5,330
002	Memberships & Licenses	6,684	8,766	12,720	12,700	13,730	13,730
005	Fleet Insurance	34,920	35,000	35,000	35,000	31,800	31,800
006	Vehicle Maintenance	42,124	31,164	36,100	36,000	35,000	35,000
007	Office Equip. Maintenance	9,890	5,557	5,745	5,360	7,125	7,125
008	Vehicle Refurbishment	(2,398)	(7,586)	0	0	1,425	1,425
009	Consultants	60,528	44,422	30,000	50,000	50,000	50,000
013	Education and Training	53,388	21,416	52,410	50,000	47,330	47,330
016	Phone Expense	19,202	20,734	21,750	21,000	21,000	21,000
023	Data Processing	18,854	27,270	31,764	31,500	29,626	29,626
025	Utilities	101,822	133,543	125,000	150,000	165,000	165,000
026	Physical Examinations	23,764	28,830	33,571	33,500	44,495	44,495
027	Radio Maintenance	6,759	8,788	8,200	8,100	9,300	9,300
029	Building Maintenance	23,418	40,372	35,000	35,000	51,652	51,652
031	Fire Hydrant Rentals	24,000	24,015	24,015	25,075	25,075	25,075
032	Fire Equipment Maint.	1,736	0	0	0	0	0
	Category Total	429,240	424,666	456,605	498,435	537,888	537,888
(970)	CAPITAL OUTLAY						
001	Station Furnishings	0	0	0	0	0	0
002	Office Equipment	1,950	0	0	0	0	0
007	Equipment	12,500	13,771	12,890	12,865	246,740	246,740
015	Vehicles	24,405	24,069	86,020	85,915	50,000	50,000
019	Radio/Communications	0	3,488	0	20,038	0	0
036	Building Improvements	0	0	0	0	13,760	13,760
075	Training Equipment	0	0	6,000	4,725	75,000	75,000
077	Hazardous Materials Equip.	1,332	2,671	2,275	2,269	0	0
	Category Total	40,187	43,999	107,185	125,812	385,500	385,500
(971)	MILLAGE CAPITAL OUTLAY						
001	Station Furnishings	0	0	10,500	8,820	4,200	4,200
007	Fire Fighting Equipment	0	0	3,000	0	72,000	72,000
075	Training Equipment	0	0	0	0	25,000	25,000
076	Hazardous Materials	0	0	0	0	1,325	1,325
	Category Total	0	0	13,500	8,820	102,525	102,525
	DEPARTMENT TOTAL	5,120,074	5,168,689	4,950,347	5,251,465	5,565,490	5,565,490

Fire Department**CAPITAL OUTLAY**

Acct.			Unit	Budget	Manager's Budget	
970	Quantity	Item Description	Cost	Request	Quantity	Amount
007		FIRE FIGHTING EQUIPMENT				
	1	Master tent 10 x 15	3,400	3,400	1	3,400
	3	Automatic External Defibrillators	1,780	5,340	3	5,340
	56	Self-Contained Breathing Apparatus	4,250	238,000	56	238,000
		Total Equipment		246,740		246,740
015		VEHICLES				
	2	Replacement vehicles	25,000	50,000	2	50,000
		Total Vehicles		50,000		50,000
036		BUILDING IMPROVEMENTS				
		Furnace & A/C Replacement (Sta. 4)		13,760		13,760
		Total Training Equipment		13,760		13,760
075		TRAINING EQUIPMENT				
		Video Conferencing Equipment		75,000		75,000
		Total Training Equipment		75,000		75,000
		CAPITAL OUTLAY TOTAL		385,500		385,500

MILLAGE CAPITAL OUTLAY

Acct.			Unit	Budget	Manager's Budget	
970	Quantity	Item Description	Cost	Request	Quantity	Amount
001		STATION FURNISHINGS				
	1	Fitness Equipment	4,200	4,200	1	4,200
		Total Station Furnishings		4,200		4,200
007		FIRE FIGHTING EQUIPMENT				
	2	Replacement Air Chisel	2,000	4,000	2	4,000
	16	Self-Contained Breathing Apparatus	4,250	68,000	16	68,000
		Total Equipment		72,000		72,000
075		TRAINING EQUIPMENT				
		Video Conferencing Equipment		25,000		25,000
		Total Training Equipment		25,000		25,000
076		HAZARDOUS MATERIALS EQUIPMENT				
	1	Multi-Gas Monitor	1,325	1,325	1	1,325
		Total Station Furnishings		1,325		1,325
		MILLAGE CAPITAL OUTLAY TOTAL		102,525		102,525

PLANNING AND COMMUNITY DEVELOPMENT

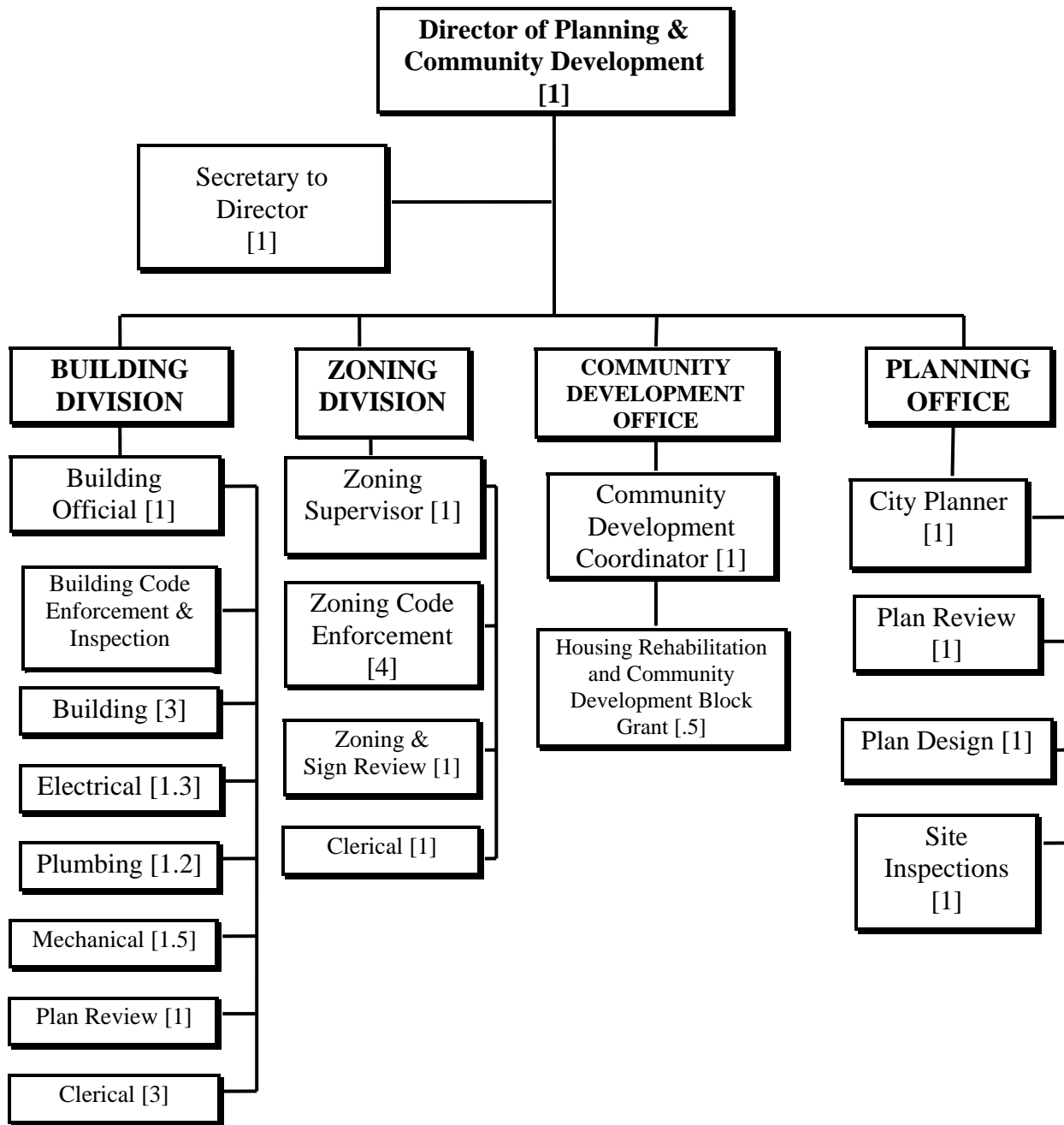
MISSION STATEMENT:

Provide professional planning, community and economic development services as required by the City's codes and ordinances with an appreciation for a participatory approach to community change involving residents and property owners.

ADMINISTRATION

The Department of Planning and Community Development is comprised of the Building Division, Zoning and Code Enforcement Division, Community Development Office and Planning Office. Under the Director, the primary responsibility of the department is to monitor the City's development and redevelopment through enforcement of all applicable codes and ordinances. The department as well undertakes special planning projects and assignments as directed by the City Manager. Twenty-six full time equivalent employees make the department an efficient operation. Funding for the department continues to be supported in part by permit fees. The department provides professional staff support to City Council, Planning Commission, Zoning Board of Appeals, Beautification Commission, Historic District Commission, Housing Rehabilitation Loan Board and Building Boards.

PLANNING & COMMUNITY DEVELOPMENT



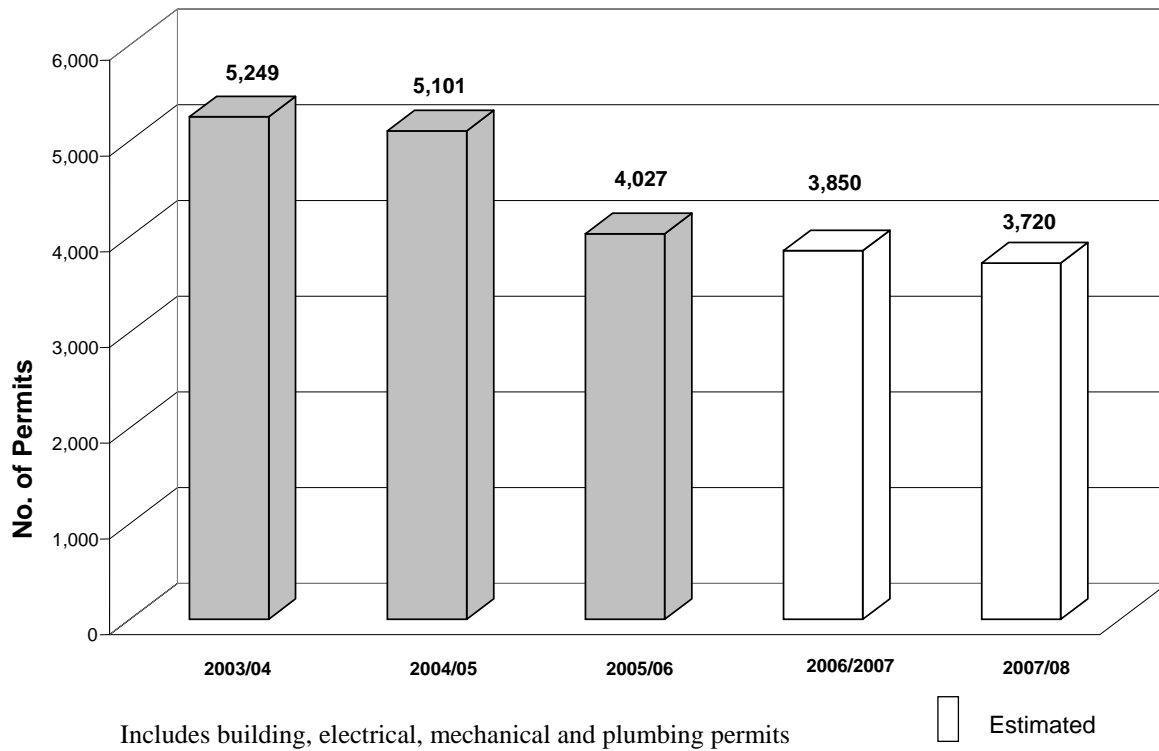
Total Full Time Equivalent [26.5]

STAFFING LEVELS

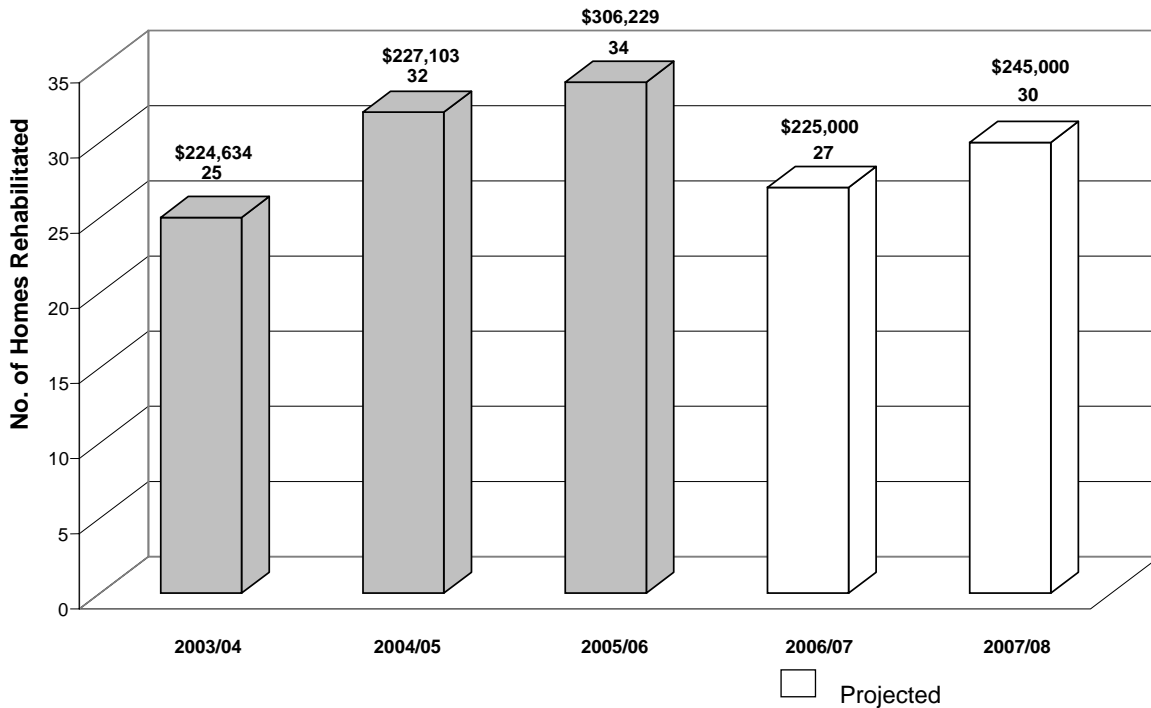
Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(010) Administrative & Clerical					
	Community Development Director	1	1	1	1
	Community Development Coordinator	1	1	1	1
	Building Official	1	1	1	1
	City Planner	1	1	1	1
	Zoning Office Supervisor	1	1	1	1
	Staff Planner II	1	1	1	1
	Staff Planner I	1	1	1	1
	Secretary to the Director	1	1	1	1
	Secretary	1	1	1	1
	Aide	2	2	2	2
	Clerk Typist II	1	1	2	2
	Clerk Typist I	1	1	0	0
	Total	13	13	13	13
(032) Code Inspectors					
	Building Inspector	4	4	4	4
	Electrical Inspector	1	1	1	1
	Plumbing Inspector	1	1	1	1
	Heating Inspector	1	1	1	1
	Zoning Code Inspectors	5	5	5	5
	Total	12	12	12	12
Part time (FTE)					
	Vacation Inspectors/Clerical	1	1	1	1
	Housing Rehabilitation Specialist	0.5	0.5	0.5	0.5
	Total Part-time	1.5	1.5	1.5	1.5
DEPARTMENT TOTAL		26.50	26.50	26.50	26.50

KEY DEPARTMENTAL TRENDS

Building Permits Issued/Estimated

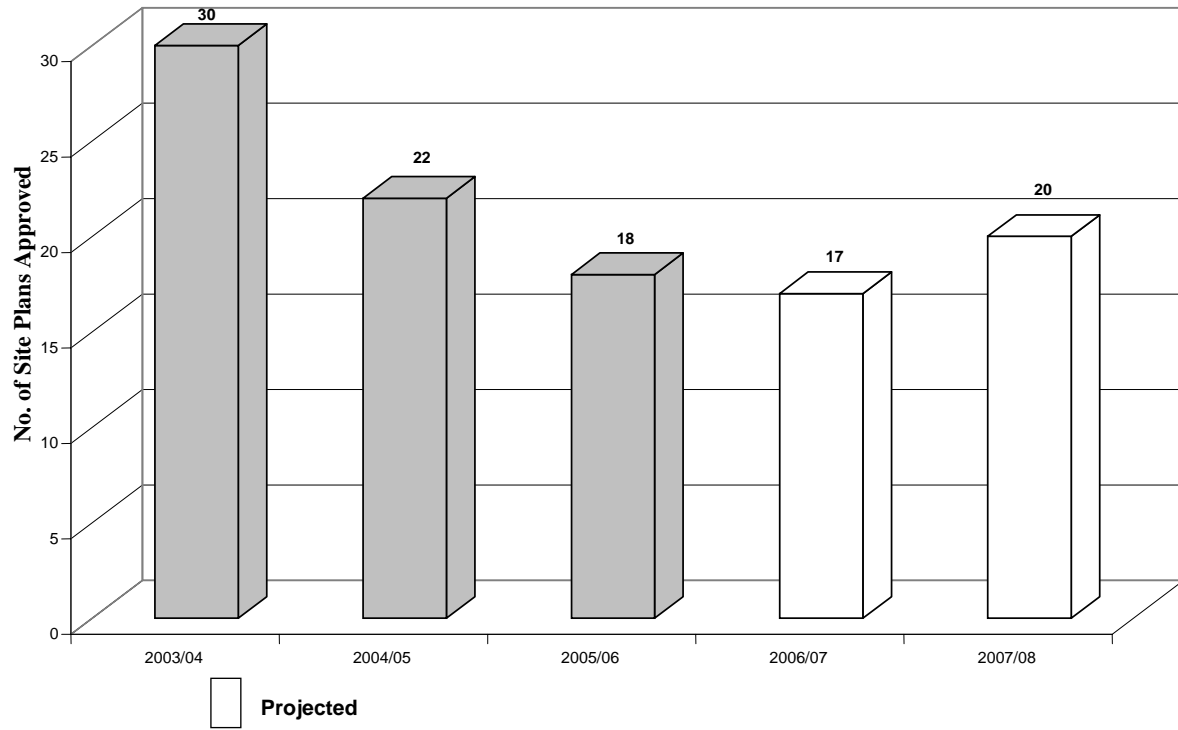


Housing Rehabilitation Program Homes Assisted/Projected

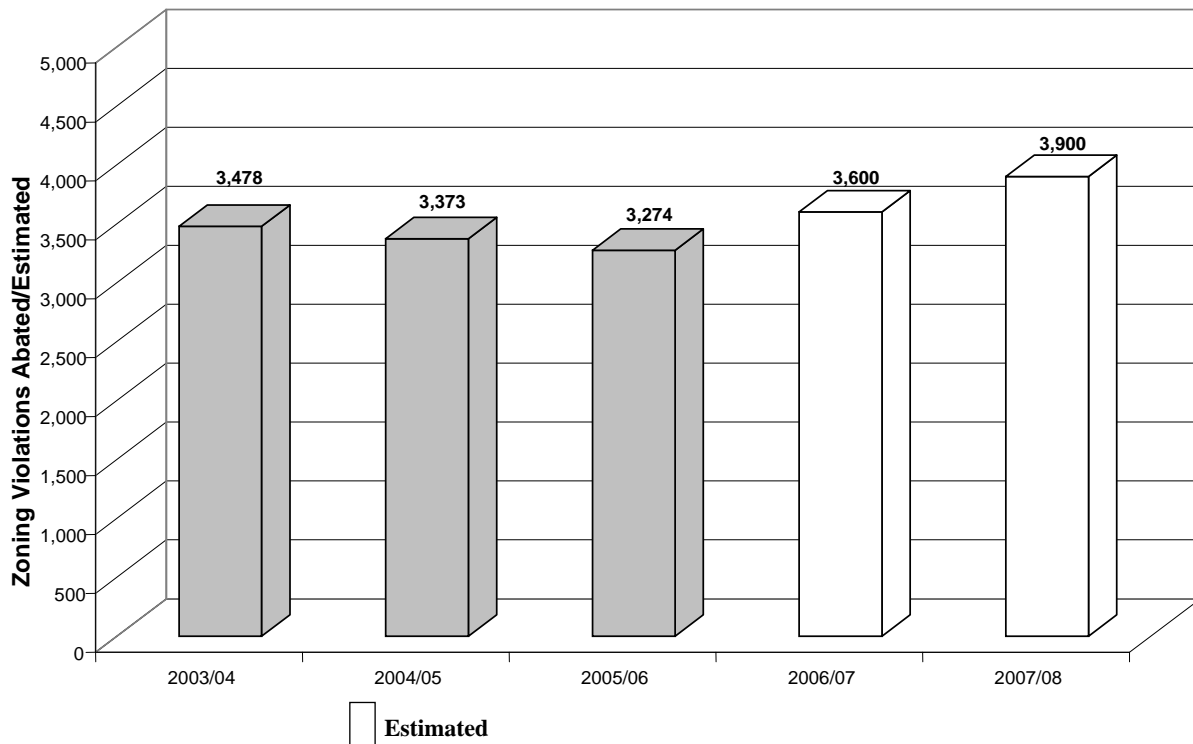


KEY DEPARTMENTAL TRENDS (Continued)

Site Plans Approved/Projected



Zoning Violations Abated/Estimated



BUILDING DIVISION

The Building Division's primary duties include the review of construction plans and documents, the issuance of building, electrical, mechanical and plumbing permits and the inspection of new and renovated structures for compliance with applicable codes and standards. The Building Official oversees a staff of ten full time employees: 2 Building Inspectors; 1 Electrical Inspector; 1 Plumbing Inspector; 1 Mechanical Inspector; 1 Housing Maintenance Inspector; 1 Plan Reviewer; 1 Building Aide; and 2 Clerk Typists. Additional duties include the registration of all contractors performing work within the city and responding to service requests from residents. Statistical reports are sent monthly to the U. S. Census Bureau, the F. W. Dodge Report and the Southeast Michigan Council of Governments (SEMCOG) in addition to other city departments. The Building Division maintains permit and plan records in accordance with the State of Michigan record retention schedule and processes numerous requests for copies of plans and construction documents each year. The Building Division also responds to resident complaints associated with substandard housing and dangerous buildings as well as property maintenance issues. Division staff initiates enforcement action through the District Court when warranted.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Pursue professional training and education related to “green building technologies” and LEED (Leadership in Energy and Environmental Design) certification. (2,8)
- Enforce the Property Maintenance Code to protect the City’s housing stock. (9,10,12)
- Continue to provide efficient permit processing and inspection. (1,12)

PERFORMANCE OBJECTIVES

- To eliminate dangerous buildings and improve substandard structures through the Hearing Officer process in a timely manner.
- To perform inspections within 24 hours of request.
- To improve operational efficiency through greater utilization of permit processing software.

	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
Service Level	Building Permits Issued	1,325	1,250	1,200
	Electrical Permits Issued	809	825	800
	HVAC Permits Issued	1,061	975	950
	Plumbing Permits Issued	744	725	700
	Change of Occupancy Permits	57	45	40
	Demolition Permits Issued	31	30	30
	Certificates of Occupancy Issued	2,204	1,650	1,475
	Building Inspections	5,801	5,500	5,300
	Electrical Inspections	2,136	2,000	1,900
	HVAC Inspections	4,826	4,500	4,450
	Plumbing Inspections	1,934	1,900	1,875
Efficiency	Inspections/Inspector/Year	2,939	2,780	2,705
	Inspections Performed within 24 hrs.	99%	99%	99%
	Fees Collected	\$760,970	\$755,000	\$750,000

COMMUNITY DEVELOPMENT OFFICE

The Community Development Coordinator administers the Community Development Block Grant (CDBG) Program and oversees various special projects. The purpose of the block grant program is to provide assistance to low and moderate income areas and individuals. In 2006, 34 homes were rehabilitated through the housing program and sidewalk was installed on Independence, Nine Mile and Tuck. The Community Development Office coordinated the City's participation in Rebuilding Together. Eleven houses were rehabilitated by more than 600 volunteers as part of that program. This office is also responsible for administering the CDBG program for the City of Farmington, which includes funding for improvements and staffing for senior adult programs at the Activities Center.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Successfully administer CDBG funds for capital projects and housing rehabilitation program, including the implementation of the lead based paint regulations. (9)
- Administer the City of Farmington CDBG funds at the Activities Center in a timely manner in accordance with HUD regulations. (9)

PERFORMANCE OBJECTIVES

- To rehabilitate 30 homes with a budget of \$245,000.
- To complete capital projects on time and on budget.
- To manage special projects as directed including intersection enhancement efforts.

Service Level	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
	Housing Rehabilitations Completed	34	27	30
Housing Rehabilitation Dollars	\$306,229	\$225,000	\$245,000	
CDBG Capital Dollars	\$96,159	\$122,700	\$177,500	
CDBG Loan Board Meetings	6	7	7	
Special Project Meetings/ Corridor Redevelopment	2	2	2	
Efficiency	% of CDBG Admin. Cost/Total Entitlement (below HUD 20% guideline)	17.7%	17.8%	18.3%
	% of Capital Projects completed within one year	100%	100%	100%
	Dollars/Housing Rehab Completed	\$9,007	\$8,333	\$8,167

PLANNING OFFICE

The Planning Office, under the supervision of the City Planner, is responsible for the long-range land use planning for the City including review of all development and redevelopment activity. The office consists of two professional planners, a landscape architect and a secretary. The office provides professional administrative staff to the Planning Commission, Historic District Commission and Beautification Commission. Administrative duties to the commissions include preparation of agendas, coordination of reviews and public notification. Additional staff duties involve site plan and landscape plan review, site development inspection, tree removal permit review and inspection, city-wide addressing, review of construction permits for zoning ordinance compliance including single family houses, special landscape project design and implementation, and processing of all rezoning and development requests.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Provide professional planning assistance to residents, property owners and developers. (1,12)
- Continue to utilize GIS applications in land use matters. (2)
- Provide professional assistance to the Planning Commission, Historic District Commission and Beautification Commission. (1,12)
- Assist the Planning Commission with the updating of the City's Master Plan for Future Land Use. (12)

PERFORMANCE OBJECTIVES

- To examine the findings in the Sustainability Study and the Redevelopment Report for inclusion in the updated Master Plan for Future Land Use.
- To complete a comprehensive land use study for incorporation in the updated Master Plan for Future Land Use.
- To assist in the creation of amended zoning ordinance standards resulting from updated Master Plan and studies.

Planning Office

	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
Service Level	Planning Commission meetings	22	26	28
	Beautification Commission meetings	10	11	11
	Historic District Commission meetings	14	11	11
	Site Plans	18	17	20
	Rezoning Requests	4	4	5
	Zoning Text Amendments	3	5	6
	Landscape Plans	9	11	12
	Land Divisions	10	12	12
	Plat/Site Condominium	1	1	2
	PUD Option	1	1	1
	PUD Plan	0	1	1
	Cluster Options	1	1	1
	New Building Permits (off.,comm.,ind)	6	8	8
	Tree Permits	48	49	50
	Residential Permits	27	22	23
	Change of Occupancy Permits	36	43	44
	Miscellaneous Permits (inc. Signs)	350	345	355
	Certificate of Occupancy Inspections	45	39	40
Efficiency	% of tree permits reviewed within 5 days	100%	100%	100%
	% of permit requests reviewed within 5 days	98%	99%	100%
	% of occupancy inspections performed within 5 days	100%	100%	100%

ZONING DIVISION

The Zoning and Code Enforcement Division is responsible for the enforcement of the Zoning Ordinance and of those parts of the City Code that relate to property, including the blight ordinance and the noxious weed ordinance. The division is comprised of a supervisor, 5 field inspectors and a secretary. The division conducts inspections and contacts residents and business owners to obtain compliance with the City Code. If necessary, violators are taken to district court for a hearing before a magistrate or a judge. The magistrate or judge is empowered to order abatement of the violations that are civil infractions. Zoning coordinates the court ordered clean ups and vehicle towing, and the weed cutting program. The Zoning Division and Building Division work cooperatively to remove dangerous buildings and to upgrade the housing stock in the City by responding to resident complaints and observed violations. The division also provides staff support for the Zoning Board of Appeals. This included site review, case preparation, notification mailings, and presentation of 107 cases in 2006.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Participate in public forums to educate the public about code requirements. (11,12)
- Update ordinances when changes are required to meet community standards. (12)
- Enforce blight laws and zoning ordinance to help maintain community sustainability. (12)

PERFORMANCE OBJECTIVES

- Continue to improve code enforcement tracking and reporting.
- To respond within 24 hours of a report of a violation of the City Code.
- To improve efficiency by uniform and enhanced use of code enforcement software.

	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
Service Level	ZBA-Regular Meetings	22	20	22
	ZBA-Special Meetings	1	2	2
	ZBA Cases	107	90	95
	ZBA Mailings	4,825	4,500	4,600
	Junk Vehicles Inspections	1,401	1,600	1,750
	Blight Inspections	4,322	4,800	5,200
	Sign Inspections	2,664	2,950	3,100
	Zoning Inspections	3,150	3,450	3,800
	Total Number of Inspections	11,537	12,800	13,850
Efficiency	Average # of Inspections/Inspector	2,307	2,560	2,770
	Number of Abatements	3,274	3,600	3,900

Planning & Community Development

DEPARTMENT NUMBER: 443

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(700)	COST REIMBURSEMENT						
275	HUD Block Grant	(81,327)	(80,476)	(83,500)	(83,500)	(83,500)	(83,500)
	Category Total	(81,327)	(80,476)	(83,500)	(83,500)	(83,500)	(83,500)
(702)	SALARIES & WAGES						
010	Administrative & Clerical	640,602	666,550	683,156	646,000	700,400	700,400
013	Temporary Help	1,904	936	2,000	1,000	1,000	1,000
032	Code Inspectors	590,451	585,544	612,404	604,700	633,968	633,968
038	Part-time	107,795	81,352	75,000	75,000	75,000	75,000
106	Sick & Vacation	42,631	15,657	59,000	50,000	50,000	50,000
112	Overtime	79,303	65,126	76,140	60,000	75,000	75,000
200	Social Security	112,940	109,768	118,875	112,000	118,824	118,824
250	Blue Cross/Optical/Dental	234,466	216,654	286,273	250,000	308,108	308,108
275	Life Insurance	3,033	3,302	3,878	3,878	3,933	3,933
300	Pension	233,180	250,978	270,000	270,000	326,462	326,462
325	Longevity	54,374	59,671	61,191	58,120	58,707	58,707
350	Worker's Compensation	9,805	10,167	11,403	11,000	12,000	12,000
	Category Total	2,110,484	2,065,705	2,259,320	2,141,698	2,363,402	2,363,402
(740)	OPERATING SUPPLIES						
001	Gas & Oil	8,053	11,381	11,000	13,000	13,650	13,650
002	Books & Subscriptions	1,975	499	1,300	1,200	1,200	1,200
008	Supplies	11,167	9,431	9,000	10,000	11,000	11,000
019	Uniforms	3,529	4,668	4,000	4,000	5,000	5,000
	Category Total	24,724	25,979	25,300	28,200	30,850	30,850

Planning & Community Development

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	5,584	3,261	6,500	6,500	6,500	6,500
002	Memberships & Licenses	3,474	2,830	2,780	2,700	2,700	2,700
004	Engineering Consultant	18,965	13,683	13,000	14,500	15,000	15,000
005	Fleet Insurance	14,080	14,400	14,400	14,400	12,000	12,000
006	Vehicle Maintenance	3,035	2,494	4,000	5,000	4,000	4,000
007	Office Equip. Maintenance	381	0	0	0	0	0
013	Education & Training	6,399	6,752	8,000	8,000	8,000	8,000
024	Printing Services	3,272	2,280	3,000	3,000	3,000	3,000
041	Vehicle Allowance	3,600	3,600	3,600	3,600	3,600	3,600
085	Weed Cutting	5,198	7,808	6,500	8,500	8,500	8,500
086	Building Board-Up	6,855	3,446	5,000	5,000	10,000	10,000
087	Building Demolition	1,922	0	5,000	5,000	10,000	10,000
	Category Total	72,765	60,554	71,780	76,200	83,300	83,300
(970)	CAPITAL OUTLAY						
001	Office Furniture	0	0	0	0	0	0
002	Equipment	0	0	0	0	0	0
	Category Total	0	0	0	0	0	0
	DEPARTMENT TOTAL	2,126,646	2,071,762	2,272,900	2,162,598	2,394,052	2,394,052

PUBLIC SERVICES SUMMARY

DIV. NO.	Category and Line Item	2004/05 Actual Expenditures	2005/06 Actual Expenditures	2006/07 Adopted Budget	2006/07 Estimated Expenditures	2007/08 Proposed Budget	2007/08 Adopted Budget
PUBLIC SERVICES:							
440	DPS Administration	438,847	452,892	478,995	481,230	507,524	507,524
442	Road Maint & Supervision	2,068,032	2,045,549	2,262,986	2,194,612	2,373,867	2,373,867
444	Building Maintenance	362,918	496,388	462,353	415,098	421,974	421,974
449	Engineering	1,956,391	1,794,306	1,941,991	1,818,840	1,950,736	1,950,736
450	DPW Maintenance Facility	1,102,324	1,090,360	1,209,066	1,161,859	1,225,712	1,225,712
451	Road Reimbursement	(2,436,435)	(2,358,816)	(2,485,407)	(2,485,407)	(2,547,542)	(2,547,542)
523	Waste Removal	3,282,923	3,316,265	3,471,197	3,362,924	3,443,768	3,443,768
TOTAL PUBLIC SERVICES		6,775,000	6,836,944	7,341,181	6,949,156	7,376,039	7,376,039

PUBLIC SERVICES

MISSION STATEMENT:

The mission of the Department of Public Services is to provide, protect, and maintain the infrastructure of the City without unwarranted interruption or delay. Further, it provides the City's public services including refuse and recycling pick-up.

DPS ADMINISTRATION

The Department of Public Services Administration provides the overall management for the Department's three operating divisions: Public Works, Engineering and Building Maintenance. The department consists of the Director and four administrative staff members. The salary of the Civil Engineer III is reimbursed from the sewer interceptor fund.

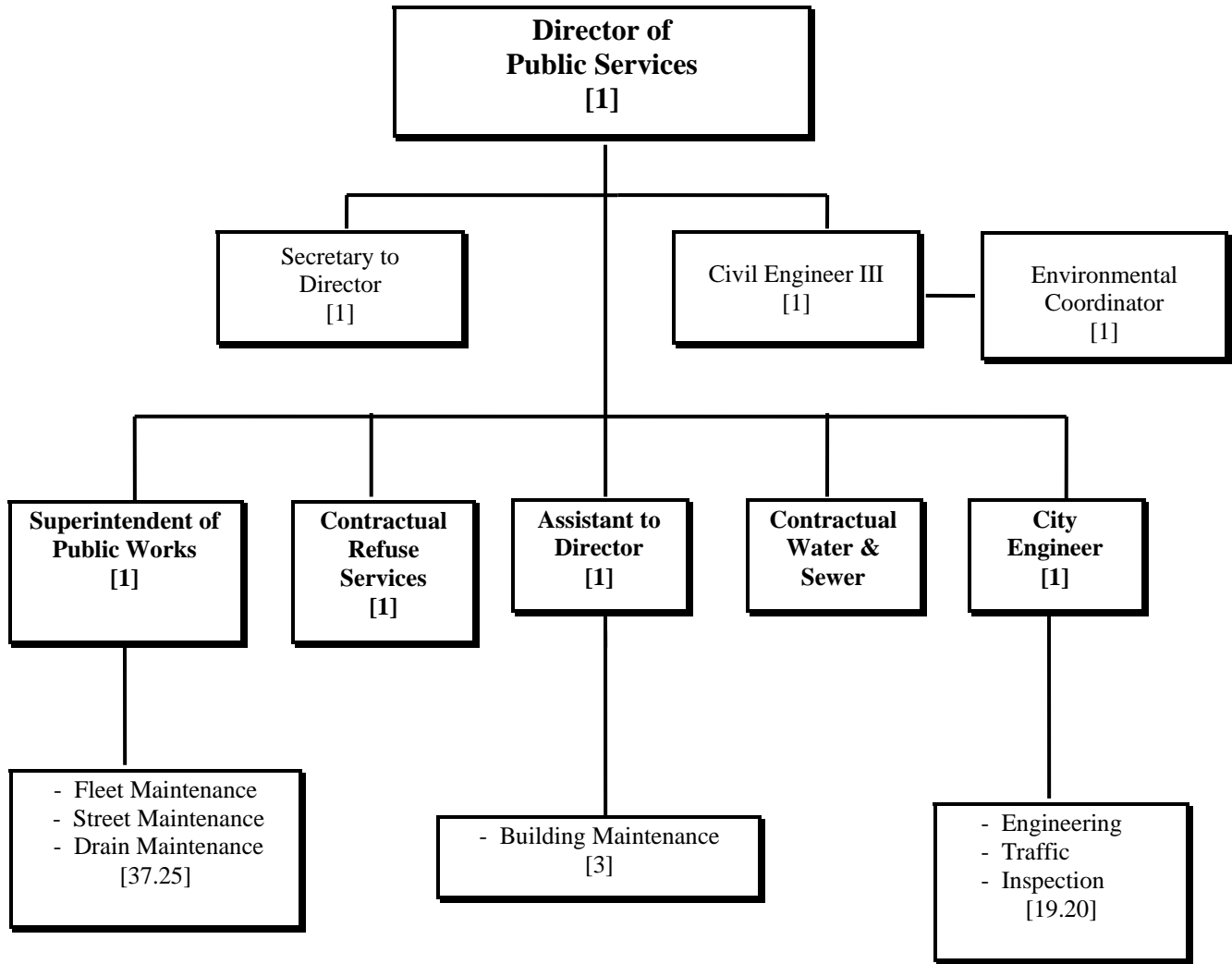
GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- To provide administration for the Department of Public Services including refuse disposal within the City, maintenance and repair of all public streets, public utilities, review and inspection of all right-of-way installations, and the maintenance of public buildings and properties. (1,13)
- To represent the City's interests with federal, state, county and other agencies coordinating programs relative to the roads, sewers, drainage, water supply, solid waste, and public facilities. (9,13)
- To eliminate inefficiencies and redundancies for all City buildings and properties regarding construction and maintenance projects. (2)
- To develop and implement a citywide geographical information system (GIS). (2)
- To continue to improve the water and sanitary sewer system. (10)
- To report to City Manager and City Council regarding City infrastructure and departmental activities. (1,10)
- To conduct or attend various meetings with a variety of city personnel and outside agencies regarding departmental activities. (8)
- To participate in sound management practices to protect and enhance the Rouge River Watershed. (9,12)

Service Level	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
		Reports to council	59	60
	Meetings attended impacting the delivery of public services	203	220	220
Efficiency	% of City Council meetings attended	97%	97%	97%
	% of site plans for sewer fees reviewed within 48 hours	98%	98%	98%

PUBLIC SERVICES



**Total Full Time Equivalent
[76.45]**

PERFORMANCE OBJECTIVES

- Coordinate the construction and maintenance for all City buildings and properties including materials, personnel and equipment.
- Enroll staff in classes, seminars, conventions, etc. which highlight current state-of-the-art technology and information.
- Work with Rouge River Watershed communities and the Michigan Department of Environmental Quality (MDEQ) on the General Storm Water Permit.
- Work with Oakland County to develop base maps for the GIS system.
- Pursue and promote additional funding for road maintenance and improvement utilizing the pavement management system.
- Pursue and promote additional funding for maintaining existing drainage systems and capital improvement projects for new drainage systems.
- Evaluate the Oakland County Evergreen/Farmington system and complete the master sanitary sewer plan.

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		04/05 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(010)	Administrative and Clerical				
	Director of Public Services	1	1	1	1
	Assistant to Director	1	1	1	1
	Secretary to Director of Public Services	1	1	1	1
	Environmental Coordinator	1	1	1	1
	Civil Engineer III	1	1	1	1
	Total	5	5	5	5
	Department Total	5	5	5	5

DEPARTMENT NUMBER: 440

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(700)	COST REIMBURSEMENT						
592	Sewer Fund - Drain Specialist	(110,986)	(111,079)	(115,957)	(115,261)	(125,295)	(125,295)
(702)	SALARIES & WAGES						
010	Administrative & Clerical	329,576	333,423	340,657	346,226	352,438	352,438
038	Part-time	0	0	2,565	1,760	2,565	2,565
106	Sick & Vacation	7,941	8,058	3,519	3,649	3,620	3,620
112	Overtime	13,311	9,152	13,962	11,155	16,557	16,557
200	Social Security	26,516	26,360	29,000	29,309	29,020	29,020
250	Blue Cross/Optical/Dental	45,214	48,371	56,047	56,047	58,492	58,492

DPS Administration

(702) SALARIES & WAGES con't		2004/05	2005/06	2006/07	2006/07	2007/08	2007/08
Acct.		Actual	Actual	Budgeted	Estimated	Proposed	Adopted
No.	Category and Line Item						
275	Life Insurance	1,806	2,010	2,450	2,450	2,517	2,517
300	Pension	62,746	66,362	72,150	72,150	87,825	87,825
325	Longevity	18,963	19,753	20,275	20,635	21,154	21,154
350	Worker's Compensation	1,165	1,295	1,377	1,150	1,150	1,150
	Category Total	507,238	514,784	542,002	544,531	575,338	575,338
(740) OPERATING SUPPLIES							
001	Gas & Oil	1,592	2,437	2,400	1,900	2,100	2,100
002	Books & Subscriptions	321	305	358	358	358	358
008	Supplies	3,860	2,869	4,450	4,450	5,210	5,210
	Category Total	5,773	5,611	7,208	6,708	7,668	7,668
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	3,642	4,973	4,346	4,350	5,315	5,315
002	Memberships & Licenses	26,950	32,271	34,557	34,557	37,493	37,493
005	Fleet Insurance	1,760	1,800	1,800	1,800	750	750
006	Vehicle Maintenance	246	426	624	130	130	130
007	Office Equip. Maintenance	39	0	40	40	0	0
013	Education & Training	585	506	775	775	925	925
041	Auto Allowance	3,600	3,600	3,600	3,600	3,600	3,600
	Category Total	36,822	43,576	45,742	45,252	48,213	48,213
(970) CAPITAL OUTLAY							
001	Office Furniture	0	0	0	0	0	0
002	Office Equipment	0	0	0	0	1,600	1,600
	Category Total	0	0	0	0	1,600	1,600
DEPARTMENT TOTAL		438,847	452,892	478,995	481,230	507,524	507,524

CAPITAL OUTLAY

Acct.	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget Quantity	Manager's Budget Amount
002		OFFICE EQUIPMENT				
	1	8 Megapixel GIS Camera	1,600	1,600	1	1,600
		Total Office Equipment		1,600		1,600
		CAPITAL OUTLAY TOTAL		1,600		1,600

ROAD MAINTENANCE

The road maintenance and supervision budget provides funding for the staff assigned to right-of-way maintenance. The City's street network currently includes 58 miles of major streets and 245 miles of local streets. Farmington Hills has the ninth largest municipal street network in the State of Michigan and the largest municipal network in Oakland County. Routine maintenance of the City's street system includes pavement patching, road grading, litter control, forestry maintenance, storm drain maintenance and improvements, sign maintenance and snow/ice control. Additionally, City crews provide mowing and litter control services to 40 miles of county roads.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Improve road safety. (3,10,13)
- Reduce complaints. (8,11)
- Improve snow and ice control response time. (3,13)
- Control cost of road maintenance services. (2,10)
- Improve employee and work zone safety. (8)
- Contribute to the City's beautification program. (12,13)
- Utilize the new Pavement Management System to improve the efficiency of road maintenance operations. (2)

PERFORMANCE OBJECTIVES

- Dedicate training time to staff development programs.
- Utilize best (maintenance) management practices.
- Use new Maintrac software to improve response to service requests.

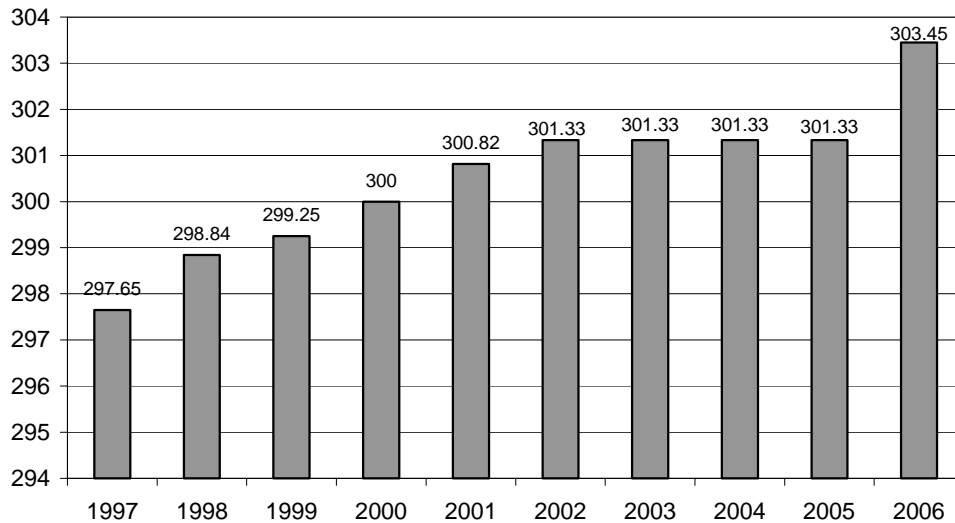
Service Level	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
	Maintenance contracts completed	33	33	33
Utility structure inspections	34	32	30	
Community work programs work days supervised	27	27	27	
Hours of education	700	750	750	
Efficiency	Service requests	942	957	966
	Unit cost for concrete (cubic yards).	\$162	\$178	\$196
	Unit cost for asphalt (tons).	\$93	\$107	\$123
	Unit cost for ditching (per lineal feet).	\$7.34	\$7.70	\$8.08

STAFFING LEVELS

Acct.	Title	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(010) Administrative and Clerical					
	Supervisors	3	3	3	3
	Equipment Operator III	4	4	4	4
	Equipment Operator II	12	12	12	12
	Equipment Operator I	1	1	1	1
	Traffic Technician	1	1	1	1
	Laborer II	1	1	1	1
	Laborer I	1	1	1	1
	Total	23	23	23	23
(038) Seasonal Aides (FTE)					
		3.5	4.25	4.25	4.25
Department Total		26.5	27.25	27.25	27.25

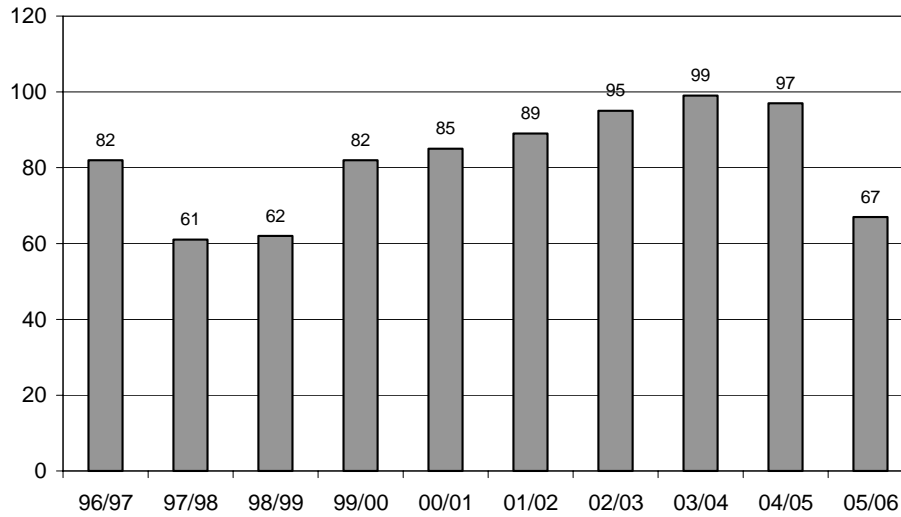
KEY DEPARTMENTAL TRENDS

Road Miles Maintained by the City



Road Maintenance

Emergency Call-Ins (Roads)



SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Salaries & Wages

106 - Sick and Vacation—Increase is the result of two anticipated retirements and associated sick time payment.

Road Maintenance

DEPARTMENT NUMBER: 442

Acct.		2004/05	2005/06	2006/07	2006/07	2007/08	2007/08
No.	Category and Line Item	Actual	Actual	Budgeted	Estimated	Proposed	Adopted
(702)	SALARIES & WAGES						
010	Administrative & Clerical	980,216	1,025,869	1,086,325	1,027,502	1,109,423	1,109,423
015	Seasonal Aides	100,552	75,991	79,390	79,390	79,390	79,390
106	Sick & Vacation	941	19,408	1,457	1,413	16,928	16,928
112	Overtime	136,242	88,938	79,735	95,000	95,000	95,000
200	Social Security	97,767	97,053	99,050	95,900	103,700	103,700
250	Blue Cross/Optical/Dental	215,031	213,083	253,523	255,672	276,274	276,274
275	Life Insurance	1,802	2,082	2,300	2,200	2,300	2,300
300	Pension	190,848	207,443	226,748	226,748	266,979	266,979
325	Longevity	46,535	50,697	54,031	49,984	55,097	55,097
350	Worker's Compensation	30,614	34,558	38,125	34,080	32,720	32,720
	Category Total	<u>1,800,548</u>	<u>1,815,122</u>	<u>1,920,684</u>	<u>1,867,889</u>	<u>2,037,811</u>	<u>2,037,811</u>
(740)	OPERATING SUPPLIES						
001	Gas & Oil	78,339	97,287	110,900	105,000	115,000	115,000
002	Books & Subscriptions	0	235	250	220	300	300
008	Supplies	906	-627	3,100	3,100	3,000	3,000
019	Uniforms	13,619	12,115	19,750	17,000	17,000	17,000
030	Tools & Misc. Small Equip.	14,885	7,835	15,350	15,000	15,300	15,300
034	Safety Equipment	12,683	6,909	9,475	9,000	9,180	9,180
	Category Total	<u>120,432</u>	<u>123,754</u>	<u>158,825</u>	<u>149,320</u>	<u>159,780</u>	<u>159,780</u>
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	2,855	1,435	4,425	3,200	3,570	3,570
002	Memberships & Licenses	524	505	893	890	921	921
005	Fleet Insurance	32,510	32,850	32,850	32,850	27,950	27,950
006	Vehicle Maintenance	53,599	49,896	63,000	59,000	59,700	59,700
008	Equipment Maintenance	2,173	1,770	3,700	3,300	3,400	3,400
013	Education & Training	8,946	3,441	9,510	9,500	9,460	9,460
029	Cemetery Maintenance	0	0	1,000	2,000	1,000	1,000
030	Emergency Meal Allowance	894	420	900	800	900	900
071	Contractual Projects	0	0	1,000	1,000	1,000	1,000
	Category Total	<u>101,501</u>	<u>90,317</u>	<u>117,278</u>	<u>112,540</u>	<u>107,901</u>	<u>107,901</u>
(970)	CAPITAL OUTLAY						
002	Office Equipment	0	0	0	0	17,500	17,500
020	Equipment	17,226	16,356	36,349	36,000	21,025	21,025
058	Trucks	28,325	0	29,850	28,863	29,850	29,850
	Category Total	<u>45,551</u>	<u>16,356</u>	<u>66,199</u>	<u>64,863</u>	<u>68,375</u>	<u>68,375</u>
	DEPARTMENT TOTAL	<u>2,068,032</u>	<u>2,045,549</u>	<u>2,262,986</u>	<u>2,194,612</u>	<u>2,373,867</u>	<u>2,373,867</u>

CAPITAL OUTLAY

Acct. 970	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget Quantity	Amount
002		OFFICE EQUIPMENT				
	7	Tablet PCs w/ software	2,500	17,500	7	17,500
		Total Office Equipment		17,500		17,500
020		EQUIPMENT				
	1	Chloride Transfer Pump	4,000	4,000	1	4,000
	1	Plotter/Cutter (Sign Shop)	4,400	4,400	1	4,400
	1	Hydraulic Jack Hammer	2,625	2,625	1	2,625
	1	Landscape Trailer	8,000	8,000	1	8,000
	1	Hydraulic Cutoff Saw	2,000	2,000	1	2,000
		Total Equipment		21,025		21,025
058		Trucks				
	1	Pick-up Truck	26,000	26,000	1	26,000
	1	Plow	3,850	3,850	1	3,850
				29,850		29,850
		CAPITAL OUTLAY TOTAL		68,375		68,375

BUILDING MAINTENANCE

The operation and maintenance expenses for City Hall and the Police Facility (86,801 total square feet) are charged to this account. Principal expenses are for salaries and supplies to keep the buildings in good repair. The building maintenance staff is responsible for monthly inspections of all heating, ventilation and air conditioning (HVAC) equipment for 14 City-owned buildings.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Create an organized environment for all departments for record storage and retrieval. (2,8)
- Meet all safety standards prescribed by the State and Federal regulations. (8,9)
- Continue to utilize the Community Service Work Program for various maintenance projects. (2)
- Provide preventative maintenance programs on all mechanical, electrical, and plumbing equipment for all City buildings. (2,8)
- To operate efficiently, reduce unnecessary spending and effectively maintain the City's facilities. (2)
- Ensure that residents and employees have clean and safe facilities to carry on their day-to-day business. (13)

PERFORMANCE OBJECTIVES

- To maintain within the budgetary framework, 14 City facilities in a safe, clean and economical manner.
- To test and maintain backflow prevention devices for all City facilities.
- To conduct monthly preventative maintenance inspections on a timely basis and oversee quarterly inspections performed by contractors.
- To coordinate the storage or disposal of any unused furniture or equipment for City auctions.

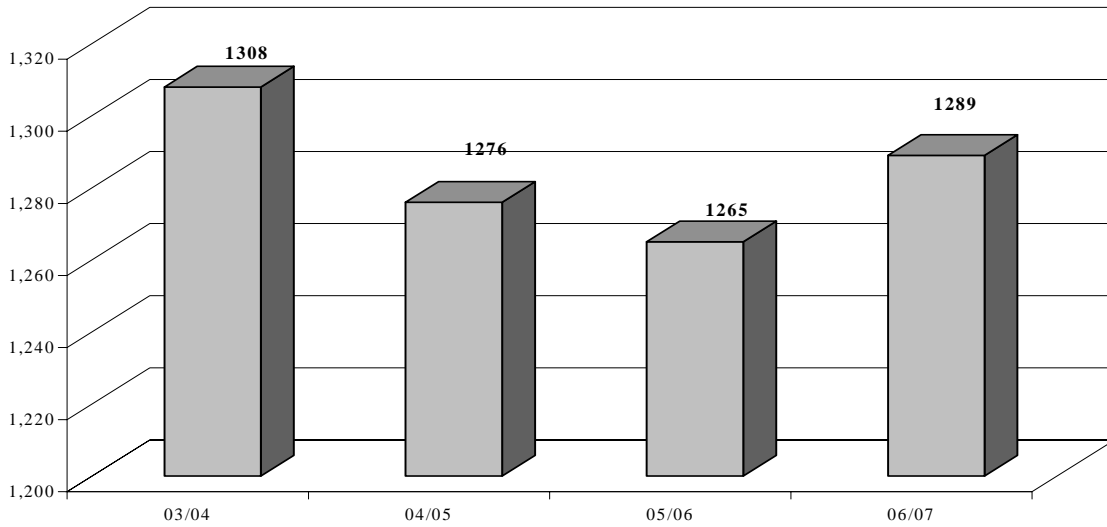
	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
Service Level	Community Work Program "worker days"	321	330	363
	Requests for maintenance service	1,265	1,289	1,280
	Number of monthly inspections (HVAC)	168	168	168
	Number of buildings maintained	14	14	14
Efficiency	Percentage of service requests met within 10 days	90%	90%	90%
	Percentage of emergency call-ins responded to within 30 minutes	95%	95%	95%

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(010)	Salaries				
	Building Maintenance Supervisor	1	1	1	1
	Building Maintenance Technician	1	1	1	1
	Building Maintenance Worker	1	1	1	1
	Total	3	3	3	3
DEPARTMENT TOTAL		3	3	3	3

KEY DEPARTMENTAL TRENDS

Service Requests for Maintenance



Building Maintenance

DEPARTMENT NUMBER: 444

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702)	SALARIES & WAGES						
010	Salaries	123,358	125,032	128,750	128,750	130,881	130,881
106	Sick & Vacation	1,301	1,301	1,331	1,293	1,331	1,331
112	Overtime	9,664	7,111	15,363	13,560	14,379	14,379
200	Social Security	11,807	12,038	13,204	13,037	13,556	13,556
250	Blue Cross/Optical/Dental	33,029	30,535	35,983	35,983	38,496	38,496
275	Life Insurance	245	274	300	300	300	300
300	Pension	22,345	24,165	26,628	26,628	32,027	32,027
325	Longevity	3,317	3,602	4,459	4,382	5,239	5,239
350	Worker's Compensation	2,198	2,713	2,548	2,300	2,400	2,400
	Category Total	207,264	206,771	228,566	226,233	238,609	238,609
(740)	OPERATING SUPPLIES						
001	Gas & Oil	553	749	855	900	945	945
002	Books & Subscriptions	0	66	50	50	50	50
008	Supplies	9,354	8,537	11,000	10,200	11,000	11,000
019	Uniforms	831	857	1,250	1,250	1,250	1,250
	Category Total	10,738	10,209	13,155	12,400	13,245	13,245
(801)	PROFESSIONAL & CONTRACTUAL						
002	Memberships & Licenses	327	0	527	595	370	370
005	Fleet Insurance	880	900	900	900	750	750
006	Vehicle Maintenance	89	70	500	400	500	500
013	Education & Training	0	790	1,000	1,000	1,000	1,000
025	Utilities	88,192	94,295	113,200	98,000	101,500	101,500
029	Building Maintenance	23,606	38,602	60,505	36,000	42,000	42,000
046	Custodial Contract	3,570	3,570	8,000	3,570	4,000	4,000
	Category Total	116,664	138,227	184,632	140,465	150,120	150,120
(970)	CAPITAL OUTLAY						
015	Vehicles	0	0	0	0	0	0
020	Equipment	0	132,850	26,000	26,000	10,000	10,000
036	Building Improvements	28,252	8,331	10,000	10,000	10,000	10,000
	Category Total	28,252	141,181	36,000	36,000	20,000	20,000
	DEPARTMENT TOTAL	362,918	496,388	462,353	415,098	421,974	421,974

CAPITAL OUTLAY

Acct.			Unit	Budget	Manager's Budget
970	Quantity	Item Description	Cost	Request	Quantity Amount
020		EQUIPMENT			
		Miscellaneous as needed		<u>10,000</u>	<u>10,000</u>
		Total Equipment		<u>10,000</u>	<u>10,000</u>
036		BUILDING IMPROVEMENTS			
		Miscellaneous as needed		<u>10,000</u>	<u>10,000</u>
		Total Building Improvements		<u>10,000</u>	<u>10,000</u>
		CAPITAL OUTLAY TOTAL		<u><u>20,000</u></u>	<u><u>20,000</u></u>

ENGINEERING DIVISION

Activities of the Engineering Division include municipal project design and administration, as well as, plan review and inspection of new developments. In addition, the Division addresses traffic concerns and considerable requests for information by engineers, builders and residents. The Division strives to improve the safety and mobility of the transportation system of the City.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Eliminate basement flooding. (1,10,12)
- Incorporate GIS technology into delivery of engineering services. (2)
- Improve condition of city streets. (3,10,13)
- Maintain effective soil erosion control program. (9,12)

PERFORMANCE OBJECTIVES

- Reduce initial review time for sites and subdivisions.
- Complete requested and budgeted capital improvement projects.
- Reduce vehicle crash rate citywide.
- Assist neighborhoods with Traffic SAFE-TE³ Program implementation (Safety Awareness for Everyone through Education, Enforcement and Engineering).

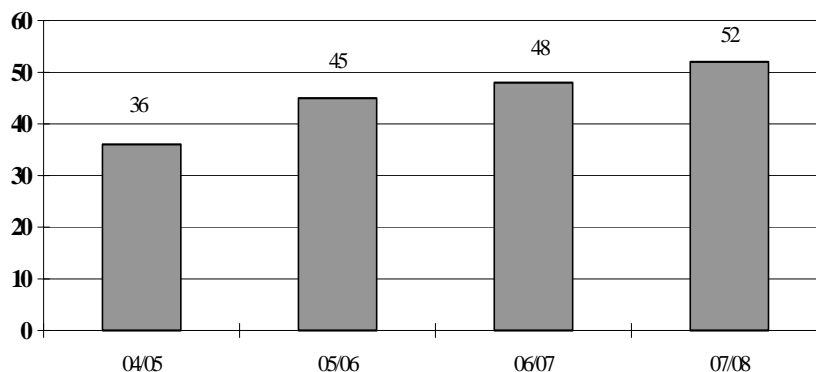
	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Estimated	FY 2007/08 Projected
Service Level	Contracts Let (number)	7	6	8
	Contracts Let (amount)	\$3,194,496.00	\$1,652,277.00	\$4,407,000.00
	Site Plans Reviewed	21	14	14
	Subdivision/Locations Participating in SAFE-TE ³	45	48	52
	Citizen Service Requests	255	204	165
Efficiency	Percent first reviews within four weeks	67%	75%	80%

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(010)	Salaries and Wages				
	City Engineer	1	1	1	1
	Chief Engineering Inspector	1	1	1	1
	Senior Engineer	2	2	2	2
	Design Engineer	1	1	1	1
	Civil Engineer III	1	1	1	1
	Civil Engineer II	0	2	2	2
	Civil Engineer I	4	2	1	1
	Engineering Aide IV	1	1	1	1
	Engineering Aide III	2	2	2	2
	Engineering Aide II	2	1	1	1
	Engineering Aide I	2	3	3	3
	Administrative Secretary	1	1	1	1
	Clerk Typist II	1	0	0	0
	Clerk Typist I	0	1	1	1
	Engineering Office Aide	1	1	1	1
	Total	20	20	19	19
(038)	Part time (FTE)				
	Part time wages	1.07	1.2	1.2	1.2
	Total	1.07	1.2	1.2	1.2
	Department Total	21.07	21.2	20.2	20.2

KEY DEPARTMENTAL TRENDS

Subdivisions/Locations Participating in SAFE-TE³



SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Salaries and Wages -

010 – Salaries & Wages – Eliminated one vacant Civil Engineer position due to decrease in workload.

Professional and Contractual

009 – Consulting and Review – Plan review workload continued to decrease.

013 - Education and Training – WaterCAD training is every other year. Not included this year.

DEPARTMENT NUMBER: 449

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(700) COST REIMBURSEMENT							
592	Sewer Fund	0	(83,936)	(80,223)	(80,223)	(92,363)	(92,363)
	Category Total	0	(83,936)	(80,223)	(80,223)	(92,363)	(92,363)
(702) SALARIES & WAGES							
010	Salaries & Wages	1,062,124	1,036,466	1,098,463	999,000	1,073,717	1,073,717
038	Part-time	48,343	34,883	30,276	42,084	33,297	33,297
106	Sick & Vacation	15,975	28,132	14,678	24,165	22,141	22,141
112	Overtime	90,364	57,909	71,000	53,600	56,030	56,030
200	Social Security	94,183	90,303	96,470	87,725	93,800	93,800
250	Blue Cross/Optical/Dental	206,776	197,036	236,179	217,037	243,636	243,636
275	Life Insurance	4,747	4,830	6,025	5,427	5,762	5,762
300	Pension	191,792	207,443	228,900	228,900	268,537	268,537
325	Longevity	35,850	40,414	46,625	46,045	50,499	50,499
350	Worker's Compensation	8,926	9,422	9,958	7,000	7,400	7,400
	Category Total	1,759,080	1,706,838	1,838,574	1,710,983	1,854,819	1,854,819
(740) OPERATING SUPPLIES							
001	Gas & Oil	13,166	16,964	17,860	17,000	19,740	19,740
002	Books & Subscriptions	412	29	339	339	269	269
008	Supplies	16,213	12,058	10,924	14,000	11,900	11,900
	Category Total	29,791	29,051	29,123	31,339	31,909	31,909

Engineering Division

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(801)	PROFESSIONAL & CONTRACTUAL						
001	Conferences & Workshops	5,021	4,496	5,480	4,680	7,250	7,250
002	Memberships & Licenses	666	1,130	1,812	1,700	1,896	1,896
004	Consultants	30,922	6,414	8,907	6,000	8,800	8,800
005	Fleet Insurance	11,440	11,700	11,700	11,700	9,750	9,750
006	Vehicle Maintenance	5,448	3,706	5,750	6,000	5,750	5,750
007	Office Equip. Maintenance	4,622	1,320	4,150	4,150	4,150	4,150
009	Consulting & Review Fee	94,609	79,894	23,000	40,000	10,000	10,000
013	Education & Training	9,462	4,670	17,900	14,250	13,425	13,425
024	Printing Services	1,530	650	650	980	600	600
027	Radio Maintenance	200	0	150	100	150	150
041	Vehicle Allowance	3,600	3,600	3,600	3,600	3,600	3,600
	Category Total	<u>167,520</u>	<u>117,580</u>	<u>83,099</u>	<u>93,160</u>	<u>65,371</u>	<u>65,371</u>
(970)	CAPITAL OUTLAY						
001	Office Furniture	0	0	0	0	15,000	15,000
002	Office Equipment	0	0	3,000	0	29,500	29,500
006	Survey Equipment	0	0	34,718	34,718	13,500	13,500
015	Inspection Vehicles	0	24,773	33,700	28,863	33,000	33,000
	Category Total	<u>0</u>	<u>24,773</u>	<u>71,418</u>	<u>63,581</u>	<u>91,000</u>	<u>91,000</u>
	DEPARTMENT TOTAL	<u>1,956,391</u>	<u>1,794,306</u>	<u>1,941,991</u>	<u>1,818,840</u>	<u>1,950,736</u>	<u>1,950,736</u>

CAPITAL OUTLAY

Acct.	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget	
					Quantity	Amount
001		OFFICE FURNITURE				
	6	Workstations	2,500	15,000	6	15,000
		Total Office Equipment		<u>15,000</u>		<u>15,000</u>
002		OFFICE EQUIPMENT				
	1	Laptop	2,000	2,000	1	2,000
	11	Tablet PCs	2,500	27,500	11	27,500
		Total Office Equipment		<u>29,500</u>		<u>29,500</u>
006		SURVEY EQUIPMENT				
	1	Leica GPS System	13,500	13,500	1	13,500
		Total Survey Equipment		<u>13,500</u>		<u>13,500</u>
015		INSPECTION VEHICLES				
	1	Survey Vehicle (Replacement)	33,000	33,000	1	33,000
		Total Inspection Vehicles		<u>33,000</u>		<u>33,000</u>
		CAPITAL OUTLAY TOTAL		<u><u>91,000</u></u>		<u><u>91,000</u></u>

DPW MAINTENANCE FACILITY

The DPW maintenance facility budget provides funding for the administrative office and fleet maintenance operations. The office staff processes all service requests and inquiries from residents for street, drainage, roadside maintenance, as well as refuse/recycling services. The office staff also serves as the communications link between residents and the DPW field staff, via cell phones and two-way radio, ensuring a quick response to citizen service requests.

The DPW's garage is responsible for maintaining the City's fleet of 212 vehicles, 91 units of heavy equipment, plus an additional 78 units of light duty equipment (power tools, landscaping equipment, etc.) The fleet maintenance operation utilizes two facilities; the main garage at the DPW and a satellite garage located at Police Department headquarters. Emission controls, fuel economy, computerized engine controls, safety enhancements, and new standard equipment contribute significantly to the fleet maintenance workload.

The cornerstone of the DPW garage is the preventative maintenance (PM) program. The objective of preventative maintenance is to extend the service life of equipment, minimize downtime and avoid equipment failures through scheduled inspection and service.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Improve fleet safety, reliability, and equipment longevity. (2,8)
- Improve contract management (bid preparation and inspection of contracted maintenance services). (2)
- Interface GIS Technology with DPW services. (2)
- Ensure a safe work environment. (8,9)

PERFORMANCE OBJECTIVES

- Reduce vehicle downtime and life cycle cost.
- Improve the preparation, scheduling, and oversight of contracted maintenance services.
- Better utilization of computer systems to improve the efficiency of services.

DPW Maintenance Facility

	Performance Indicators	FY 05/06	FY 06/07	FY 07/08
		Actual	Projected	Estimated
Service Level	Service Contracts	35	36	36
	Incoming Telephone Calls	9,938	9,722	9,814
	Service Requests	922	934	950
	Purchase Orders	104	90	85
	Brake System Repairs	306	310	323
	Steering and Suspension	143	145	151
	Heating and Cooling	184	190	198
	Transmission and Drive Train	215	210	231
	Exhaust System	52	52	107
	Electrical	1,381	1,381	1,632
	Glass and Body Repair	225	225	225
	Tires Replaced	496	496	588
	Preventative Maintenance Inspections	872	872	1,032
	Other Equipment/Vehicle Repairs	1,127	1,127	1,367
	Hours of Education	484	510	500
Efficiency	Fleet maintenance cost per vehicle*	\$1,855	\$2,013	\$2,160
	Operational cost per vehicle**	\$3,098	\$3,350	\$3,647

*Does not include shop overhead.

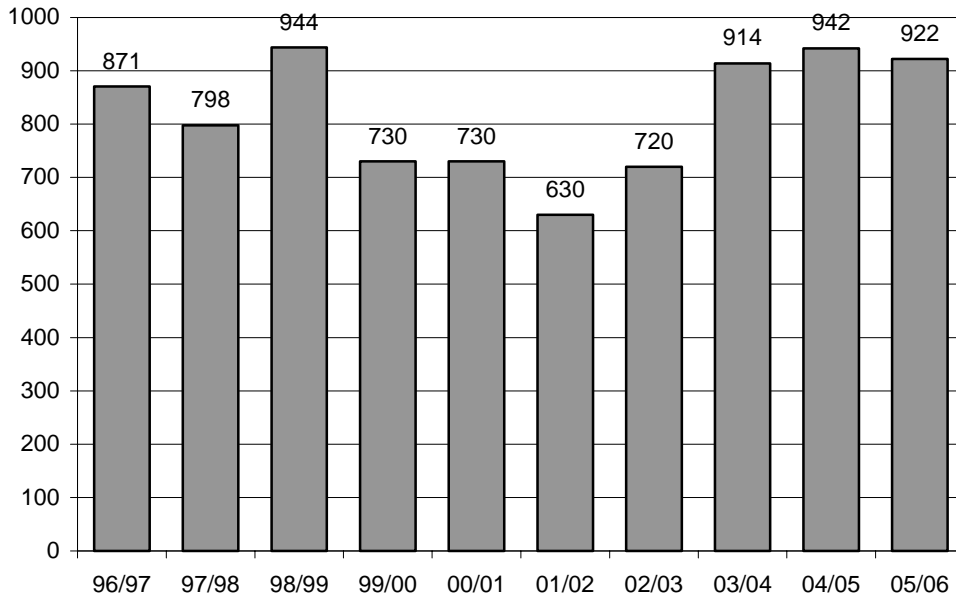
**Includes all costs except capital (purchase price) and insurance.

STAFFING LEVELS

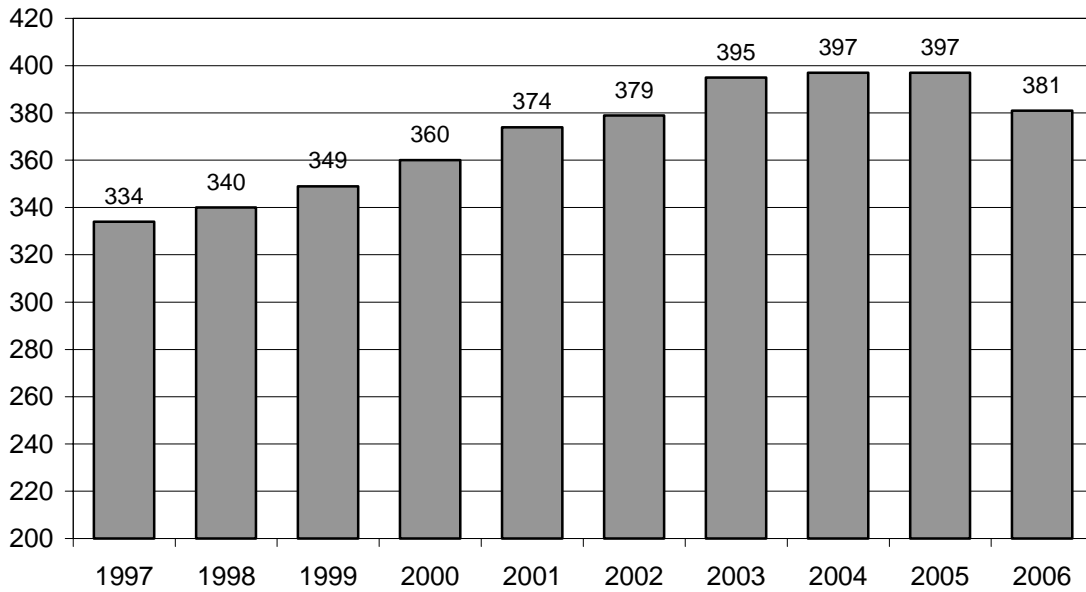
Acct.	Title or Position	Authorized Positions		Requested	Authorized
		05/06	06/07	07/08	07/08
450		Budget	Budget	Budget	Budget
(015)	Supervision/Secretary/Mechanics				
	DPW Superintendent	1	1	1	1
	Secretary	1	1	1	1
	DPW Contract Technician	1	1	1	1
	Fleet & Facility Maintenance Supervisor	1	1	1	1
	Mechanic III	3	3	3	3
	Mechanic II	1	1	1	1
	Mechanic I	1	1	1	1
	Inventory & Repair Coordinator	1	1	1	1
	Building Maint Tech.	1	1	1	1
	Total	11	11	11	11
(038)	Part time (FTE)				
	Part time wages	0.5	0	0	0
	Total	0.5	0	0	0
	DEPARTMENT TOTAL	11.5	11	11	11

KEY DEPARTMENTAL TRENDS

Service Requests Processed



Number of Vehicles and Equipment Maintained



DPW Maintenance Facility

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Professional and Contractual

023- Data Processing—Decrease due to replacement of road maintenance software program. New program does not currently require an annual service fee.

046-Custodial Contract—Increase due to need for consistent custodial services. Will not be rehiring current contractor, who bid extremely low. Due to past experience, we anticipate higher bid results.

DEPARTMENT NUMBER: 450

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702) SALARIES & WAGES							
015	Supervision/Sec./Mech.	541,515	546,439	566,307	559,798	576,933	576,933
038	Part-time	12,915	13,558	0	0	0	0
046	In-house Maint. Employee	16,060	0	0	0	0	0
106	Sick & Vacation	1,742	1,742	2,622	2,100	2,798	2,798
112	Overtime	42,158	25,944	29,241	32,000	29,384	29,384
200	Social Security	48,678	46,831	48,457	48,000	48,800	48,800
250	Blue Cross/Optical/Dental	119,886	107,862	136,514	117,000	122,831	122,831
275	Life Insurance	1,219	1,324	1,500	1,500	1,519	1,519
300	Pension	100,955	109,734	119,808	119,808	142,905	142,905
325	Longevity	31,520	33,369	35,033	34,686	37,031	37,031
350	Worker's Compensation	6,258	6,789	6,701	6,316	6,074	6,074
	Category Total	922,906	893,592	946,183	921,208	968,275	968,275
(740) OPERATING SUPPLIES							
001	Fuel & Oil Inventory	393,825	493,550	518,344	530,900	566,456	566,456
002	Books & Subscriptions	3,109	3,012	3,880	3,800	3,985	3,985
008	Supplies	5,587	10,098	21,000	11,000	12,000	12,000
009	Gas & Oil	1,695	4,860	5,130	5,100	5,670	5,670
012	Mechanics Tool Allowance	3,839	4,149	3,750	3,750	3,750	3,750
076	Auto/Truck Parts	122,803	107,121	149,932	146,200	150,500	150,500
085	Misc. Auto/Truck Supplies	10,466	8,661	15,000	13,000	13,300	13,300
	Category Total	541,324	631,451	717,036	713,750	755,661	755,661
(801) PROFESSIONAL & CONTRACTUAL							
001	Conferences & Workshops	2,843	2,744	5,080	5,075	5,750	5,750
002	Memberships & Licenses	772	814	1,020	1,044	1,044	1,044
006	Vehicle Maintenance	2,514	2,032	2,500	2,700	2,500	2,500
007	Office Equip. Maintenance	2,131	2,252	6,310	4,000	6,810	6,810
008	Garage Equip. Maintenance	3,937	5,200	4,000	4,000	4,000	4,000

DPW Maintenance Facility

Acct.		2004/05	2005/06	2006/07	2006/07	2007/08	2007/08
No.	Category and Line Item	Actual	Actual	Budgeted	Estimated	Proposed	Adopted
(801)	PROFESSIONAL & CONTRACTUAL con't						
013	Education & Training	157	887	2,310	2,310	2,330	2,330
019	Fleet Insurance	2,640	2,700	2,700	2,700	2,250	2,250
023	Data Processing	5,250	5,814	6,040	5,090	5,250	5,250
025	Utilities Expense	78,068	86,929	90,000	86,929	89,548	89,548
027	Radio Maintenance	365	375	650	600	650	650
029	Building Maintenance	16,716	22,862	17,000	16,900	17,400	17,400
046	Custodial Contract	0	6,016	8,240	8,240	15,600	15,600
056	Refuse Removal	9,079	7,669	15,024	10,000	10,400	10,400
104	Subcontract Repairs	28,863	24,408	28,000	27,185	28,000	28,000
	Category Total	153,335	170,702	188,874	176,773	191,532	191,532
(970)	CAPITAL OUTLAY						
001	Office Furniture	0	0	0	0	0	0
002	Office Equipment	0	0	0	0	0	0
007	Garage Equipment	1,881	1,199	18,517	18,500	4,350	4,350
015	Vehicles	0	25,319	33,400	35,913	50,850	50,850
036	Building Improvements	0	7,653	0	0	0	0
	Category Total	1,881	34,171	51,917	54,413	55,200	55,200
	Total Expenditures	1,619,446	1,729,916	1,904,010	1,866,144	1,970,668	1,970,668
	Less Interdepartment Billings	(517,122)	(639,556)	(694,944)	(704,285)	(744,956)	(744,956)
	DEPARTMENT TOTAL	1,102,324	1,090,360	1,209,066	1,161,859	1,225,712	1,225,712

CAPITAL OUTLAY

Acct.		Unit	Budget	Manager's Budget		
970	Quantity	Item Description	Cost	Request	Quantity	Amount
007		GARAGE EQUIPMENT				
	2	OTC Update	2,175	4,350	2	4,350
		Total Garage Equipment		4,350		4,350
015		VEHICLES				
	1	Passenger vehicle	18,000	18,000	1	18,000
	1	Pick-up Truck	29,000	29,000	1	29,000
	1	Plow	3,850	3,850	1	3,850
		Total Building Improvements		50,850		50,850
		CAPITAL OUTLAY TOTAL		55,200		55,200

ROAD REIMBURSEMENT

The Road Reimbursement Budget represents the Major and Local Road Funds reimbursement for the cost of labor and equipment to the General Fund for the maintenance of the City’s road network. These activities include street sweeping, grading, pavement striping and dust control as well as many other road related functions. The General fund is reimbursed on a per-hour basis for both labor, including fringe benefits, and equipment.

DEPARTMENT NUMBER: 451

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(700) COST REIMBURSEMENT							
200	Road Fund Reimbursement	(2,436,435)	(2,358,816)	(2,485,407)	(2,485,407)	(2,547,542)	(2,547,542)
DEPARTMENT TOTAL		(2,436,435)	(2,358,816)	(2,485,407)	(2,485,407)	(2,547,542)	(2,547,542)

WASTE COLLECTION/RECYCLING

The City has a long-term contract for refuse, recycling and yard waste collection with a private contractor. This long-term contract was made possible through the efforts of the Resource Recovery and Recycling Authority of Southwest Oakland County (RRRASOC). The City is one of eight member communities that participated in a private/public partnership and built a Materials Recovery Facility (MRF) on Eight Mile Road in Southfield.

The DPW is responsible for monitoring day-to-day refuse/recycling services, dispatching complaints to the contractor's supervisory staff, and responding to questions and special requests from residents. Beginning in 1999, the Hazardous Materials Collection program was expanded to allow Farmington Hills residents to participate in other RRRASOC member Hazardous Materials Collection events, with 6 events scheduled for 2007. This program enables residents to properly dispose of oil-based paint, pesticides, chemicals, solvents, used computer equipment, and other hazardous materials. The refuse/recycling agreement expires in 2008. Staff is currently working with RRRASOC and officials from member communities to prepare for future contracted refuse/recycling services.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Improve waste collection services and reduce complaints. (1,13)
- Provide waste collection, recycling, and composting in a cost-effective manner. (1,2,12,13)
- Increase recycling and yard waste diversion rate. (1,12,13)
- Decrease landfilled waste volume.(1,2)

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions	Authorized Positions	Requested Positions	Authorized Positions
702		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(038) Part time (FTE)					
	Teleprocessing Operator	0.5	0.5	0.5	0.5
	Clerk Typist I	0.5	0.5	0.5	0.5
	Total	1	1	1	1
	Department Total	1	1	1	1

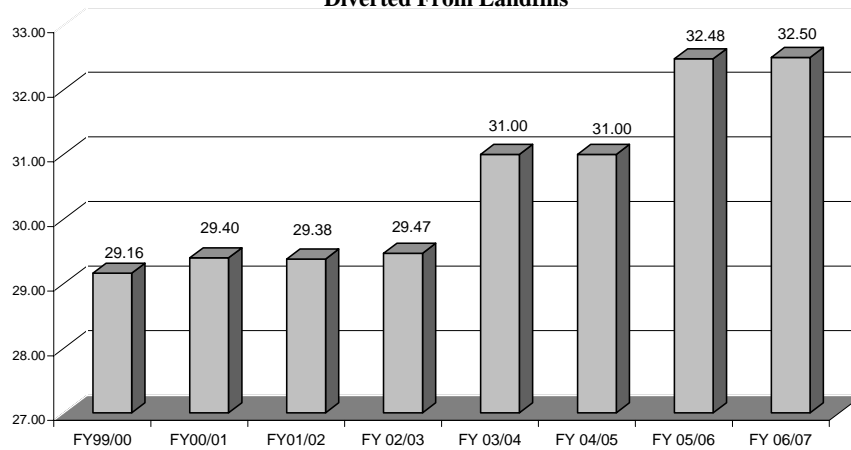
PERFORMANCE OBJECTIVES

- Promote recycling through education.
- Increase recycling rates.
- Improve recycling services through better contractor performance.
- Expand spectrum of recyclable materials.
- Encourage recycling of yard waste through composting and mulch mowing.

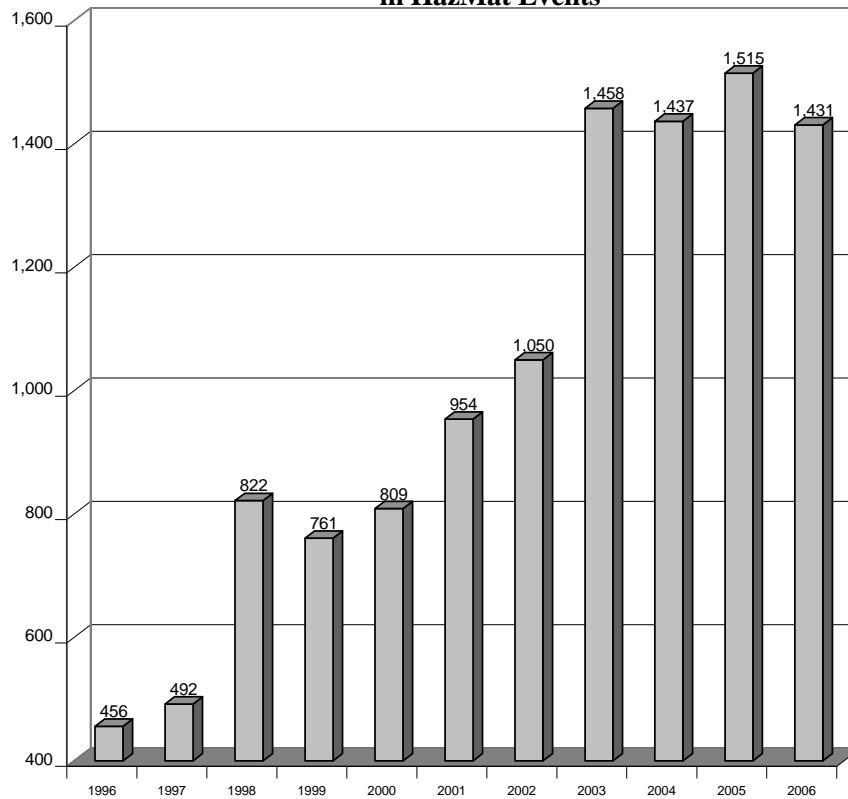
Service Level	Performance Indicators	FY 05/06 Actual	FY 06/07 Estimated	FY 07/08 Estimated
	Pounds waste per household	3,028	3,100	3,100
Dwelling units served	22,980	23,049	23,121	
Efficiency	Average contractor completion time	5:30	5:30	5:30
	Diversion rate	32.48%	32.50%	33%
	Waste Landfilled	67.52%	67.5%	67%

KEY DEPARTMENTAL TRENDS

**Percent of Recycled and Composted Materials
Diverted From Landfills**



**Number of Cars Participating
in HazMat Events**



SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Professional & Contractual

056 - Collection Contract – An estimated 2.2% escalation is included as part of Waste Management’s curbside collections for FY 07/08, based on the average Consumer Price Index rate for the past five years. The contractual maximum increase is 3%. The actual rate increase in FY 06/07 was also 2.2%.

058 – Recycling Center – Increase due to increased demand for compost material, offered to residents during the spring and summer at the Soccer Soccer facility, 12 Mile and Drake.

060 - Disposal of Household Hazardous Materials – Significant increase due to new, higher bid prices.

DEPARTMENT NUMBER: 523

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702) SALARIES & WAGES							
038	Part-time	35,742	14,889	29,667	28,211	29,056	29,056
200	Social Security	2,893	1,313	2,284	2,158	2,237	2,237
350	Workers Compensation	71	37	65	59	64	64
	Category Total	38,706	16,239	32,016	30,428	31,357	31,357
(740) OPERATING SUPPLIES							
008	Miscellaneous	10,351	3,161	18,759	10,000	10,000	10,000
	Category Total	10,351	3,161	18,759	10,000	10,000	10,000
(801) PROFESSIONAL & CONTRACTUAL							
056	Collection Contract	3,077,848	3,117,213	3,255,214	3,142,145	3,220,850	3,220,850
058	Recycling Center	16,932	26,862	22,166	27,000	27,836	27,836
059	Contribution to RRRASOC	100,586	100,586	100,586	100,586	100,586	100,586
060	Disposal of Household Hazardous Materials	38,500	56,689	47,000	57,250	58,967	58,967
	Category Total	3,233,866	3,301,350	3,424,966	3,326,981	3,408,239	3,408,239
	Total Expenditures	3,282,923	3,320,750	3,475,741	3,367,409	3,449,596	3,449,596
	Less Farmington Contribution	0	(4,485)	(4,544)	(4,485)	(5,828)	(5,828)
	DEPARTMENT TOTAL	3,282,923	3,316,265	3,471,197	3,362,924	3,443,768	3,443,768

SPECIAL SERVICES SUMMARY

DIV. NO.	Category and Line Item	2004/05 Actual Expenditures	2005/06 Actual Expenditures	2006/07 Adopted Budget	2006/07 Estimated Expenditures	2007/08 Proposed Budget	2007/08 Adopted Budget
SPECIAL SERVICES:							
752	Administration	1,773,050	1,805,783	1,934,154	2,072,465	2,100,593	2,100,593
760	Youth Services	344,092	337,390	409,275	411,538	409,849	409,849
765	Senior Services	818,722	849,266	787,524	751,448	771,733	771,733
770	Parks Maintenance	1,457,608	1,493,661	1,585,748	1,643,282	1,833,742	1,833,742
775	Cultural Arts	277,434	305,625	297,948	325,293	323,026	365,026
780	Golf Course	627,183	651,835	733,676	1,005,028	732,809	732,809
785	Recreation Programs	552,913	559,291	558,251	549,009	569,482	569,482
TOTAL SPECIAL SERVICES		5,851,002	6,002,851	6,306,576	6,758,063	6,741,234	6,783,234

SPECIAL SERVICES

MISSION STATEMENT

Provide municipal services for the physical, recreational, leisure and cultural well-being of the residents of the City of Farmington Hills. The Department provides activities, services and facilities for fitness, athletics, cultural arts, conservation and general open space use in a safe and enjoyable environment for all age groups.

ADMINISTRATION

The Department has gradually evolved from the Farmington Area Recreation Commission established in 1948 to the Parks and Recreation Department in 1978 and finally by authority of the City Council as stated in the City Charter, to the Department of Special Services in 1985. The department consists of eight divisions including Administration, Cultural Arts, Senior Division, Youth and Families Division, Recreation Division, Parks & Golf Division, Activities Center Division and the Ice Arena.

The Department provides a wide variety of programs, services and facilities to the residents. The City has experienced rapid growth since the early 1980's, and the Department is endeavoring to keep pace with the growing and diverse requests for leisure activities and facilities. Land acquisition, facility development, program expansion and diversification have been paramount. The public parks are open to all residents and their guests.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

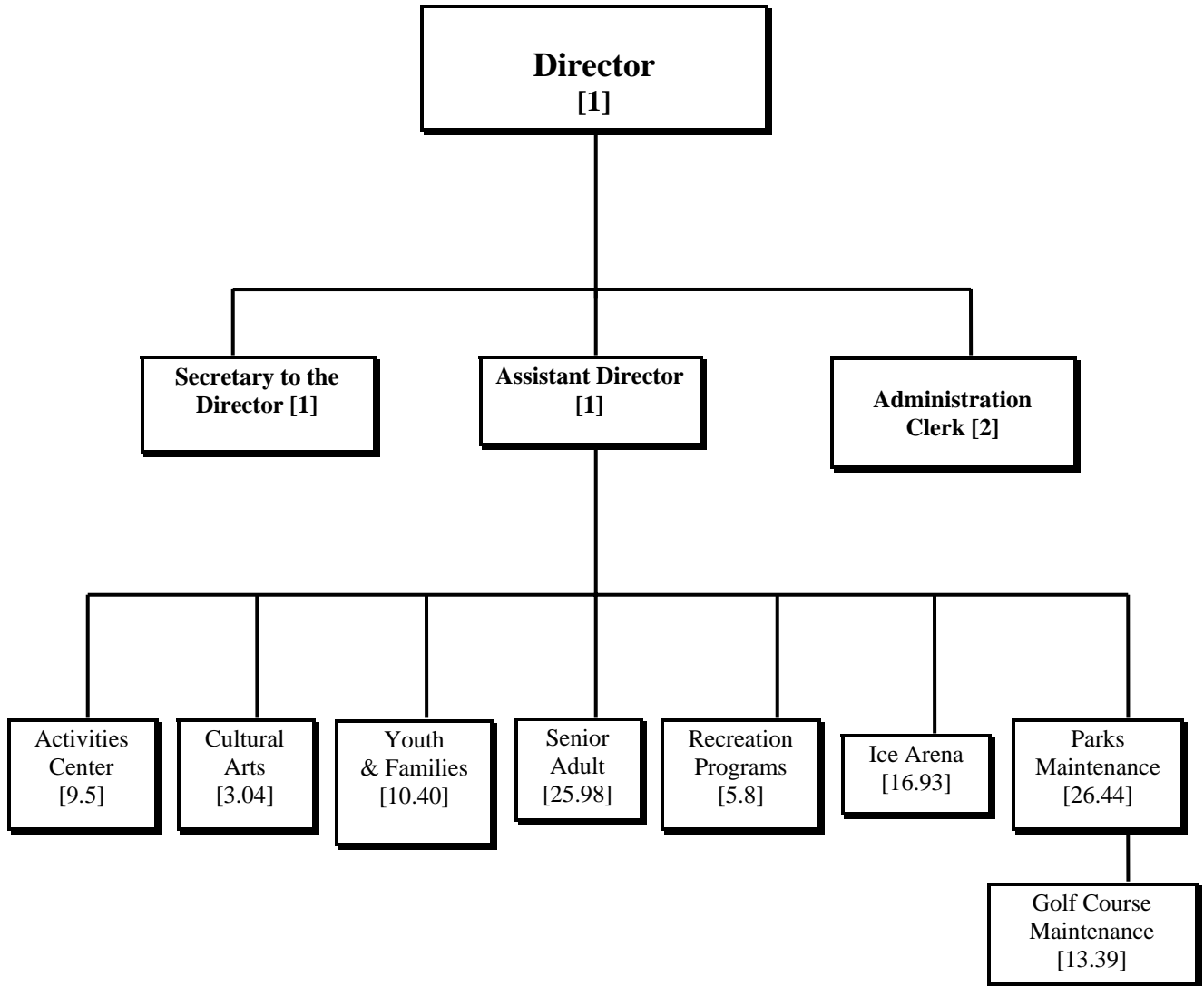
- Implement a web-base registration program for the department's programs and classes. (2)
- Provide the equipment and training staff needs to complete their duties in a safe and efficient manner. (2,8)
- Evaluate the department's services, programs, and classes, to ensure they meet the needs of our residents. (2)
- Protect natural resources and remain good environmental stewards. (12)
- Provide administrative oversight and support to each division within the department. (8)
- Prepare for millage campaign. (12,13)
- Strengthen and create new partnerships. (2)
- Provide high quality facilities, services and programs. (1,6,13)
- Respond proactively to emerging trends and issues in order to remain a vital force in the community. (6,12,13)
- Increase public awareness by developing a department-wide marketing plan. (11)
- Create a Department Safety & Risk Management team. (8)
- Continue to work closely with other City Departments to ensure the deliver of high-quality services to our residents.(12,13)

Administration

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(702)	<u>ADMINISTRATION</u>				
(010)	Administration				
	Director	1	1	1	1
	Assistant Director	1	1	1	1
	Facility Supervisor	1	1	1	1
	Facilities Coordinator	1	1	1	1
	Secretary to the Director	1	1	1	1
	Bldg. Maintenance Tech. Aide	1	1	1	1
	Clerk Typist II	1	2	2	2
	Clerk Typist I	1	0	0	0
	Total	9	9	9	9
(011)	Program Management				
	Recreation Supervisor	4	4	4	4
	Recreation Superintendent	1	1	1	1
	Total	5	5	5	5
(038)	Part time	4.3	5.5	6.3	6.3
	ADMINISTRATION TOTAL	18.30	19.50	20.3	20.3

SPECIAL SERVICES



Total Full Time Equivalent [116.48]

Administration

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Salaries & Wages –

038 - Part-Time - Increase in part-time due to the addition of Longacre House

Operating Supplies –

001 – Gas & Oil - Increase due to the addition of Longacre House

008 – Supplies - Increase due to the addition of Longacre House

Professional & Contractual –

066 - Contract Services - Increase due to the addition of Longacre House

DEPARTMENT NUMBER: 752

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702) ADMINISTRATION							
Salaries & Wages							
010	Administrative & Clerical	460,101	427,596	452,790	449,000	470,895	470,895
011	Program Management	220,900	252,890	260,476	260,476	260,476	260,476
038	Part-time	97,415	113,443	134,604	178,284	190,174	190,174
106	Sick & Vacation	33,727	31,239	11,195	8,758	25,962	25,962
112	Overtime	18,040	12,245	12,000	11,242	12,180	12,180
200	Social Security	64,776	65,293	67,650	70,700	71,430	71,430
250	Blue Cross/Optical/Dental	128,510	130,608	163,296	163,296	155,796	155,796
275	Life Insurance	2,171	2,343	2,328	2,328	2,367	2,367
300	Pension	124,108	134,680	146,099	146,099	178,110	178,110
325	Longevity	18,748	17,281	17,589	17,492	20,914	20,914
350	Worker's Compensation	5,335	7,986	7,817	7,368	7,538	7,538
Category Total		1,173,831	1,195,604	1,275,844	1,315,043	1,395,842	1,395,842
(740) Operating Supplies							
001	Gas & Oil	1,424	2,302	2,200	3,000	5,175	5,175
002	Books & Subscriptions	84	96	315	295	315	315
008	Supplies	71,795	82,363	92,493	114,160	96,140	96,140
Category Total		73,303	84,761	95,008	117,455	101,630	101,630
(801) Professional & Contractual							
001	Conferences & Workshops	4,155	3,041	5,475	3,019	4,700	4,700
002	Memberships & Licenses	3,454	2,909	2,340	4,520	4,575	4,575
004	Personnel Advertisement	0	273	1,800	1,100	1,400	1,400
005	Fleet Insurance	3,400	3,750	2,700	2,700	2,250	2,250
006	Vehicle Maintenance	1,665	586	1,200	1,100	1,100	1,100
007	Office Equip. Maint. & Rent	29,386	25,447	23,688	31,000	31,700	31,700
013	Education & Training	4,728	1,666	8,400	2,200	8,200	8,200

Administration

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
016	Telephone	3,794	5,804	5,400	8,020	7,320	7,320
018	Postage & Bulk Mailing	18,866	18,622	21,421	19,125	20,400	20,400
024	Printing Costs	45,046	38,333	30,475	39,750	35,200	35,200
025	Utilities	185,091	205,741	215,000	215,000	218,620	218,620
029	Maintenance & Repair	97,417	65,197	75,461	94,600	85,100	85,100
035	Credit Card Fees	20,489	24,374	30,000	30,000	33,600	33,600
041	Auto Allowance	0	0	3,600	3,600	3,600	3,600
042	Mileage Reimbursement	2,462	3,315	2,700	2,900	2,900	2,900
044	Film Processing & Rental	25	232	0	0	0	0
066	Contract Services	98,701	115,049	117,492	165,973	126,206	126,206
067	Scholarships	188	8,963	10,650	8,500	10,750	10,750
068	ADA Accommodations	0	0	500	250	500	500
072	Special Projects	5,005	2,116	5,000	5,000	5,000	5,000
	Category Total	523,872	525,418	563,302	638,357	603,121	603,121
(970)	Capital Outlay						
001	Office Furniture	0	0	0	0	0	0
002	Office Equipment	2,044	0	0	1,610	0	0
004	Recreation Equipment	0	0	0	0	0	0
	Category Total	2,044	0	0	1,610	0	0
ADMINISTRATION TOTAL		1,773,050	1,805,783	1,934,154	2,072,465	2,100,593	2,100,593

YOUTH & FAMILIES DIVISION

MISSION STATEMENT: Provide an after-school and summer program for middle school youth that offers a safe, fun environment, free from inappropriate influences. Reduce the use and abuse of alcohol, tobacco, and drugs by middle school youth.

Farmington Hills Area Youth & Family Services has developed and implemented a structured program for middle school age students. The program targets youth eleven through fifteen years of age that would benefit from supervised after-school activities consisting of educational tutoring, group discussions, recreation, and social skill development. Throughout its history, the program has been a model of innovation.

The program is consistently seeking input from youth in creating and implementing programs, while simultaneously providing leadership opportunities for program participants. Youth Center members and Mayors Youth Council representatives have attended local, state, and national conferences and workshops representing both Middle and High School age youth from our communities.

The program sites offer services to each of the four quadrants of Farmington Hills offering opportunities to middle school age youth in Farmington Hills and Farmington. There are 6,000 current members and approximately 275 youth attend on a daily basis. The 2006 Summer Program saw 200 participants enrolled in the Drop-In Center, averaging 70 youth per day and averaging 50 youth on each of the 24 field trips that were offered.

In 2006 we experienced great success and popularity with the opening of the new Jon Grant Center adjacent to Fire Station #3 at Grand River and Middlebelt. This is our fifth Youth Center, allowing the Farmington and Farmington Hills residents that attend Clarenceville Middle School and others, throughout the communities a safe place to go after school.

Youth & Families Division

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Offer Summer Program Field Trips presenting members the opportunity to visit 24 fun-filled venues. (1,6)
- Add new enrichment opportunities and continue some former programs for the After School Youth Members, such as Girl Power and the Warner Pom-Pom Club, while maintaining existing programs like the Junior Optimist Clubs, Scrapbooking, and the Warner Craft Club. (1,6)
- Continue to offer group Tutoring through a partnership with Club Z! Tutoring, a professional tutoring organization. (1,6)
- Utilize the new “Shockwave Live Homework Help,” a new tutorial program offered through the Farmington Community Libraries. (1,6)
- Implement on-going community service programs with the Senior Division, the Goodfellows and other service organizations, i.e. holiday gifts for homebound seniors, holiday shopping, and gift box packaging. (6,12)
- Continue to expand our partnership with the Clarenceville School District allowing us to better service the Southeast corner of Farmington Hills and Farmington. (2,6)
- Sponsor events in partnership with the Farmington Hills Recreation Division, Farmington Public Schools, the Farmington Family YMCA, and other community youth organizations to continue to engage the youth in our communities in the good-decision making process. (2,6,12)
- Offer a Winter/Spring Camp Retreat at the Lions Bear Lake Camp Grounds, a Lions Club organization, for:
 1. Able-bodied campers collaborated with Special Needs campers
 2. Middle School Leadership Camps
 3. Mayors Youth Council Leadership Retreat (6)
- Find new and creative ways to provide sustainable funding for existing programs by continuing and establishing new community partnerships. (2)
- Continue to offer and promote new programs at the new Jon Grant Center, adjacent to Fire station #3, enabling us to better service the youth of the Southeast corner of Farmington Hills and Farmington. (6)
- Continue to increase program enrollment. (6)

PERFORMANCE OBJECTIVES

- Enroll 400 new incoming 6th Graders as Youth Center Members this fall.
- Continue to have 275 Youth Center Members attend the youth centers daily.
- Offer new opportunities for youth to be part of the decision making process in their youth centers.
- Pursue new programs in partnership with the Farmington Family YMCA and other youth organizations in our communities.
- Explore new partnerships to secure sustainable funding for current and future youth programs.
- Continue our partnership with the Clarenceville School District to provide transportation and Youth Member information allowing us to better service the Southeast corner of Farmington Hills and Farmington.
- Continue our partnership with Botsford Hospital to formulate new health related programs for the Youth Center Members.

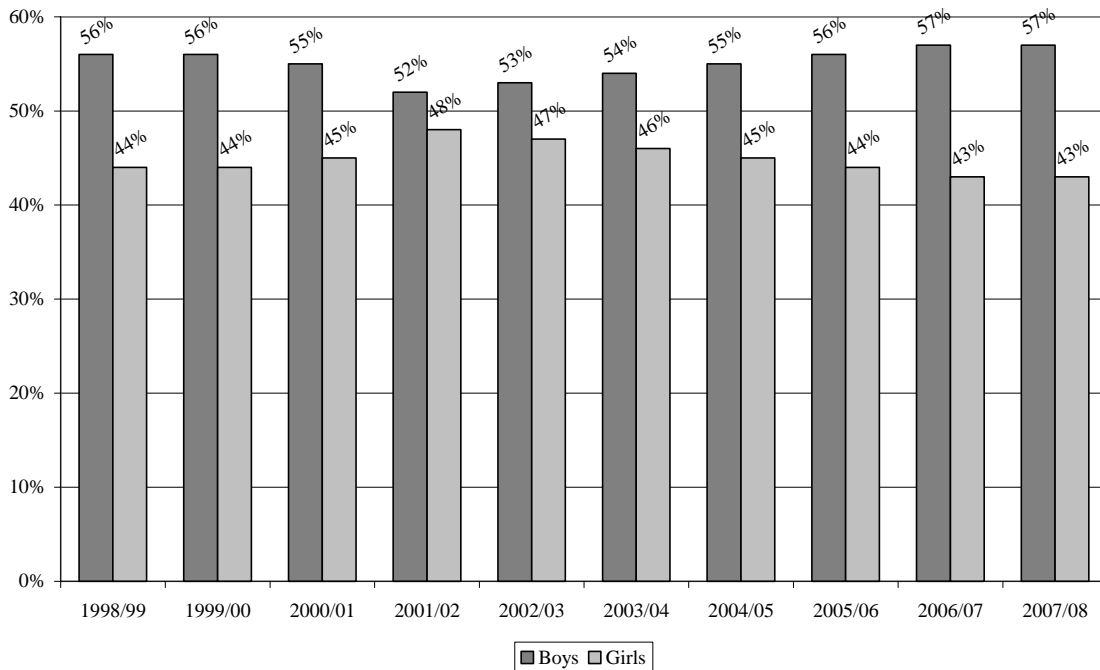
	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
Service Level Summer	Summer program drop in center participants	185	200	175
	Daily average summer drop in center attendance	65	75	70
	Summer program field trip participants	1,200	1,440	1,250
	Daily average summer field trip attendance	50	60	50
	Number of summer field trips	24	24	24
Service Level School Year	Total number of enrolled youth members (6 th – 9 th Grade)	2,600	2,850	2,500
	Total yearly participants visits (Not Including the YMCA)	31,550	38,000	33,000
	Total daily average attendance at the four youth centers	242	280	275
	Special program & activity participants	175	250	250
	YMCA program participants	8,312	8,500	8,000
	Total youth center program participants (All Youth Centers)	39,862	46,500	41,000
Efficiency	Percent of boys and girls enrolled in the program	56% - Boys 44% - Girls	57% - Boys 43% - Girls	57% - Boys 43% - Girls
	Percent of middle school and 9 th grade students enrolled in the program	70%	74%	65%

STAFFING LEVELS

Acct.	760 Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(760) YOUTH & FAMILIES					
010	Youth Services Supervisor	1	1	1	1
	Total	1	1	1	1
038	Part time (FTE)	6.24	9.40	9.40	9.40
DEPARTMENT TOTAL		7.24	10.40	10.40	10.40

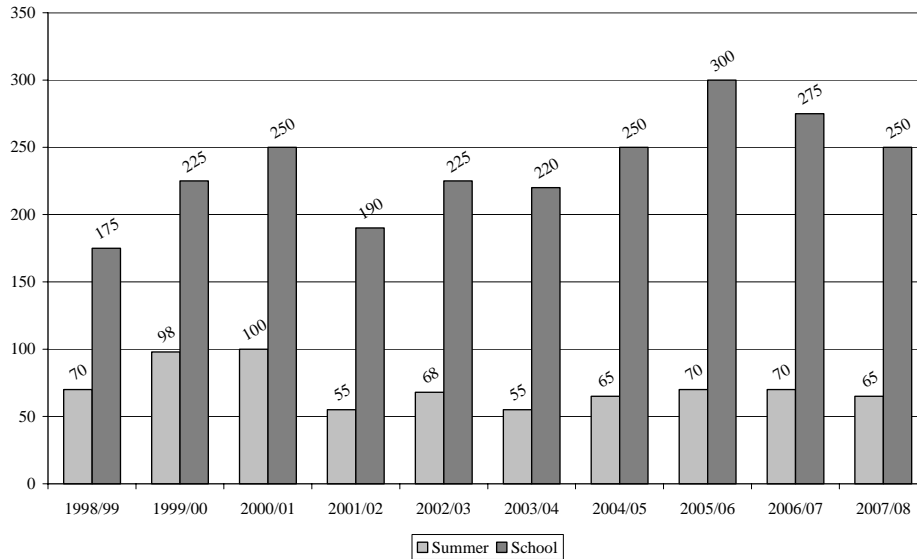
KEY DEPARTMENT TRENDS

Percentage of Boys to Girls

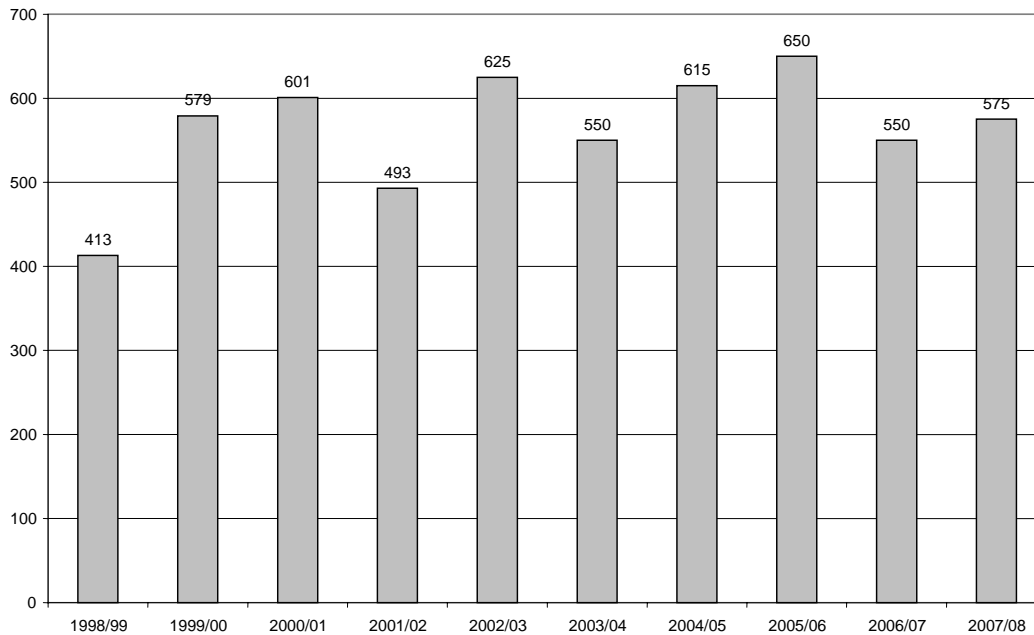


KEY DEPARTMENT TRENDS (con't)

Summer & School Year Daily Average Attendance



Registered Youth Members



SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Professional & Contractual -

066 - Contractual Services – Increase due to the addition of field trips.

Youth & Families Division

DEPARTMENT NUMBER: 760

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702)	Salaries & Wages						
010	Administrative & Clerical	55,866	56,019	57,696	57,696	57,696	57,696
038	Part-time	149,692	143,197	197,242	197,242	201,080	201,080
106	Sick & Vacation	2,012	1,216	0	1,132	1,200	1,200
112	Overtime	7,424	8,136	6,824	9,800	7,072	7,072
200	Social Security	16,496	16,014	20,024	20,500	20,514	20,514
250	Blue Cross/Optical/Dental	9,527	10,274	13,094	11,672	6,736	6,736
275	Life Insurance	82	91	100	100	100	100
300	Pension	9,942	10,962	11,995	11,995	14,345	14,345
325	Longevity	1,088	1,333	2,308	2,308	2,308	2,308
350	Worker's Compensation	2,094	2,488	3,272	2,840	3,000	3,000
	Category Total	254,223	249,730	312,555	315,285	314,051	314,051
(740)	Operating Supplies						
002	Books & Subscriptions	234	403	225	243	243	243
008	Supplies	47,490	43,266	49,500	49,500	40,250	40,250
	Category Total	47,724	43,669	49,725	49,743	40,493	40,493
(801)	Professional & Contractual						
001	Conferences & Workshops	1,254	2,233	2,625	2,500	2,500	2,500
002	Memberships & Licenses	722	1,612	1,200	1,140	1,535	1,535
007	Office Equip. Maint. & Rent	30,000	31,228	34,470	34,470	34,470	34,470
013	Education & Training	0	44	400	100	100	100
042	Mileage Reimbursement	3,172	4,214	3,300	3,300	3,700	3,700
066	Contractual Services	5,114	4,660	5,000	5,000	13,000	13,000
	Category Total	40,262	43,991	46,995	46,510	55,305	55,305
(970)	Capital Outlay						
002	Office Equipment	0	0	0	0	0	0
020	Miscellaneous Equipment	1,883	0	0	0	0	0
	Category Total	1,883	0	0	0	0	0
	Total Youth & Families	344,092	337,390	409,275	411,538	409,849	409,849

SENIOR DIVISION

The Farmington Hills Senior Division provides a comprehensive array of activities and services to meet the varied and dynamic needs of **Adults 50 & Better**, in the areas of health and wellness, education, recreation and socialization. Emphasis is placed on innovative programs and ideas to foster activity, vitality, and independence with increased attention to the “boomer” population. Community service programs available for adult residents include: specialized transportation, chore services, home delivered meals, nutritional supplements, prescriptions, adult respite/day care, care giving and support groups specialized to enhance and maintain quality of life. Inter-community partnerships expand opportunities for a more diverse program. The Area Agency on Aging 1-B has designated the Farmington Hills Senior Division as an area Community Focal Point, a highly visible facility that coordinates, houses and disseminates information and services for adults. Planned events and daily activities are located within the Costick Center, Longacre House and the Jon Grant Community Center.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Provide service and activities for 3 generations with innovative programs to fit the spectrum of interest and lifestyles. (6)
- Foster community awareness of the offerings and resources available to benefit **Adults 50 & Better** residents through publications, local cable TV, mailings and the City’s web site. (11)
- Improve community mobility and independence addressing the needs of seniors and handicapped through a specialized Transportation Program. (1,12,13)
- Promote wellness with healthier menu options in the Nutrition Program. (1,12)
- Encourage success and self-sufficiency of the adult respite program by focusing on the increasing need of early Alzheimer’s care for younger adults plus increasing efforts to reach family caregivers. (12)
- Expand the scope of intergenerational activities by using retired volunteers to promote joint programs with the schools in programs such as Senior Adults Giving to Education, (S.A.G.E.). (2)
- Support life long learning opportunities thru computer classes, speaker’s series and professional affiliations. (6)
- Focus efforts on creating programs for “active” adults through evening and weekend events designed to respond to the trends for working young-old adults. (6)
- Increase cultural unity through programs and experiences that promote cultural understanding and celebrate diversity. (6,12)
- Actively access community resources for grants, sponsorships, fund raising, corporate partnerships, teaming with local business. (2)
- Emphasize member update registration and accurate tracking methods through the swipe/identification card system improving the collection of annual non-user fee for all non-residents. (2)
- Enhance programs attracting increased participation to the various sites. (6)
- Utilize a corps of volunteers drawing from professional/life experiences to enhance offerings. (2)

Senior Adult Division

PERFORMANCE OBJECTIVES

- Enhance innovative programs attracting greater number of adults with an open and inviting environment where a variety of interests, programs and service needs are met.
- Create a setting that promotes intergenerational interaction and multi-cultural program participation and socialization.
- Cultivate a customer focused service environment that encourages and creates an informed, effective and sensitive staff, one that is equally receptive to all participants.

Service Level	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
	Participation in Daily Activities	97,248	97,350	97,500
Participation in Special Events	4,250	4,320	4,540	
Number of Meals On Wheels Delivered	82,358	74,450	75,346	
Number of Congregate Meals Served	18,158	20,859	20,925	
Number of Rides Provided	36,272	36,400	36,600	

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		2005/06 Budget	2006/07 Budget	2007/08 Budget	2007/08 Budget
(765)	<u>SENIOR ADULTS</u>				
010	Administrative & Clerical				
	Senior Adult Program Supervisor	1	1	1	1
	Senior Adult Supervisor	1	1	1	1
	Senior Adult Specialist - Programming	1	1	1	1
	Senior Adult Specialist - SENEX	1	1	1	1
	Senior Adult Nutrition Coordinator	1	1	1	1
	Total	5	5	5	5
038	Part time (FTE)				
	Part-time	4.65	4.74	5.68	5.68
	Part-time Nutrition Grant	6.06	4.29	4.44	4.44
	Maintenance	0.26	0.55	0.55	0.55
	Part-time Transportation Grant	8.78	8.44	10.31	10.31
	Total	19.75	18.02	20.98	20.98
	SENIOR ADULTS TOTAL	24.75	23.02	25.98	25.98

Senior Adult Division

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Salaries & Wages -

038 - Part time increased to reflect the need for additional staffing hours with the increased programs, services and people being served with the expansion of sites.

039 - Part time Nutrition Grant is increased to correct the FY 06-07 projection for time actually needed to prepare meals for Farmington Hills Nutrition services.

075 - Part time Transportation salaries increased because the number of clients being served increased. Over 116 ride avg per day necessitates increase driver's hours.

Operating Supplies -

009 - Kitchen Food and Supplies decreased as a result of the loss of the MSA Contract. FY 06-07 figured in 3 months of MSA's contract. FY 07-08 is the projection of FH Nutrition services only.

Professional & Contractual -

066 - Contract Services - Projections for FY 06-07 and Estimated FY 07-08 reflect contractual teachers and instructors. Funds are only paid if class meets minimum to meet expense of this account.

Capital Outlay -

016 - Smart Transportation Vehicles - FY 2006-07 line item reflects a replacement van from City of Farmington CDBG funds. FY 2007-08 Farmington Community Credit contribution for city vehicle replacement due to high mileage and replacement of SMART 2002 vehicles in the 95/5 % program.

DEPARTMENT NUMBER: 765

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(700)	Cost Reimbursement						
281	Nutrition Administration Reimbursement	(388,057)	(377,460)	(416,111)	(419,522)	(419,522)	(419,522)
(702)	Salaries & Wages						
010	Administrative & Clerical	220,470	225,755	233,783	236,339	236,339	236,339
038	Part-time	99,715	106,210	103,894	115,354	122,406	122,406
039	Part-time Nutrition Grant	128,423	126,086	92,600	94,619	96,267	96,267
040	Maintenance	8,502	6,457	8,505	6,143	8,094	8,094
075	Part-time Transportation	149,838	170,510	159,784	178,050	180,000	180,000
106	Sick & Vacation	804	804	832	1,562	1,331	1,331
112	Overtime	2,537	599	1,000	350	1,000	1,000
200	Social Security	46,907	48,889	46,691	48,671	49,828	49,828
250	Blue Cross/Optical/Dental	46,349	41,875	53,583	53,583	56,813	56,813
275	Life Insurance	535	585	663	663	668	668
300	Pension	39,251	43,918	47,726	47,726	57,593	57,593
325	Longevity	3,408	4,288	4,966	4,954	5,527	5,527
350	Worker's Compensation	7,283	8,997	7,600	7,801	8,085	8,085
	Category Total	754,022	784,973	761,627	795,815	823,951	823,951

Senior Adult Division

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(740)	Operating Supplies						
002	Subscriptions	152	152	152	152	152	152
008	Supplies	8,945	10,058	14,837	12,000	14,000	14,000
009	Kitchen Food & Supplies	298,287	291,998	220,782	189,659	184,222	184,222
010	Special Events	1,060	1,087	1,000	1,000	1,000	1,000
072	Special Function Expense	5,565	6,517	9,474	7,742	8,178	8,178
	Category Total	314,009	309,812	246,245	210,553	207,552	207,552
(801)	Professional & Contractual						
001	Conferences & Workshops	662	1,595	1,950	1,950	1,950	1,950
002	Memberships & Licenses	195	362	560	560	560	560
004	Advertising Personnel	0	383	1,000	800	1,000	1,000
006	Vehicle Maint	0	15	0	0	0	0
013	Education & Training	688	222	848	150	848	848
024	Printing Costs	4,822	4,700	6,253	5,416	5,416	5,416
030	Luncheon Paper Products	3,040	3,040	3,040	3,040	3,040	3,040
042	Mileage Reimbursement	831	523	1,074	624	1,103	1,103
066	Contract Services	12,017	12,299	12,400	19,723	24,770	24,770
075	SMART Transportation	34,471	49,433	64,504	62,715	64,115	64,115
076	Dial - A - Ride	56,841	48,074	56,693	49,361	50,400	50,400
	Category Total	113,567	120,646	148,322	144,339	153,202	153,202
(970)	Capital Outlay						
001	Office Furniture	0	0	0	0	0	0
002	Office Equipment	4,343	0	0	0	0	0
016	Smart Transportation - Vehicles	16,483	11,295	47,441	20,263	6,550	6,550
020	Miscellaneous Equipment	4,355	0	0	0	0	0
	Category Total	25,181	11,295	47,441	20,263	6,550	6,550
	Total Senior Adults	818,722	849,266	787,524	751,448	771,733	771,733

CAPITAL OUTLAY

Acct. No.	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget	
					Quantity	Amount
016		SMART VEHICLES				
	1	Replacement of 24 ft Vehicle	3,400	3,400	1	3,400
	1	Replacement of 21 ft Vehicle	3,150	3,150	1	3,150
		Total Smart Vehicles		6,550		6,550
		CAPITAL OUTLAY TOTAL		6,550		6,550

PARKS DIVISION

The Parks Division operates, maintains and provides security for over 600 acres of parkland, including 47 baseball diamonds and 48 soccer fields. This includes turf management on all sites, grading, re-building, dragging and lining of baseball diamonds, layout, lining, and goal and net replacement on soccer fields, mowing and landscaping on all sites, the care and replacement of amenities at all sites, and trash collection and disposal. The Parks Division also provides for mowing, landscape maintenance, leaf removal, snow and ice removal and melting compound application at all city sites including Fire Stations, Costick Activities Center, 47th District Court and the recently acquired Longacre House. The Nature Center is staffed and operated by the Parks Division, in cooperation with Farmington Public Schools, under the supervision of the City Naturalist. The Visitor Center and Day Camp Building at Heritage Park are operated and maintained by the Parks Division and assistance to park users and security for all sites is provided by the Park Ranger Service.

The Parks Division works very closely with other Divisions of the Department of Special Services, other City departments, the City of Farmington, Farmington Public Schools, baseball and soccer associations and various community groups to provide a wide variety of athletic, recreational and special needs for the citizens of the community. Some examples of the diverse functions of the Parks Division include the pick up and distribution of food commodities for the Senior Adult Division, and the pick up, installation, removal and storage of voting devices at all precincts for school district, city, state and national elections. The division is also responsible for the set-up and takedown for many special events such as the holiday lighting, banners, Founder's Festival, Art On The Grand, Festival of the Arts, Kids' Day in the Park, Haunted Hike, Special Olympics, special tournaments in baseball and soccer and the City open house.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Assign Heritage Park as a satellite maintenance operation to provide detailed attention to the entire complex and increase efficiency to the grounds and their facilities. (2)
- Provide and assist the Longacre House staff to establish it as a friendly and beautiful venue. (12)
- Work closely with other Special Services Divisions to review and evaluate programs to control operational costs within the Department. (2)
- Continue to deliver assistance in fundraising and implementation of the Riley Skate Park. Once the project comes to fruition we intend to provide maintenance in all aspects to insure its appearance and success. (2)
- With the addition of the new permanent structure amphitheater we will provide landscaping to create a premier location for concerts, special events, and ceremonies for the public to enjoy. (6,12,13)
- Continue to implement upgrades to all sites whether it is with building renovations and or landscape enhancements. (2)

PERFORMANCE OBJECTIVES

- Continue to encourage turf maturity and enhance all landscapes such as Memorial Park and the memorials at Founders Sports Park and City Hall.
- Increase focus on our ongoing program to step up maintenance levels on all athletic fields.
- Continue efforts to upgrade landscaping and turf for increased “curb appeal” of the Activities Center campus and athletic facilities.
- Continue to absorb increased levels of athletic field usage necessitated by Farmington Public School’s multi-year athletic renovation projects on all middle and high school sites and the anticipated renovation of the City of Farmington sites.
- Continue to develop programs to increase the utilization of the Nature Center in cooperation with Farmington Pubic Schools and the City Naturalist.
- Improve service and maintenance levels at Heritage Park by increasing staff levels in the satellite operation.
- Begin improvements to Heritage Caretaker House building and site to prepare for use as community historic museum.
- Complete site renovations and landscaping improvements at the Longacre House to provide for proper access to the facility and renewed beauty in the setting.

	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
Service Level	Fields Maintained	95	85	90
	Total acreage maintained	520	526	526
	Flower beds maintained (Square feet)	15,000	17,000	17,000
	Acres mowed	112	119	119
Efficiency	Numbers of acres maintained per FTE	21.28	21.52	21.52
	Acres of parkland per 1,000 population	7.35	7.45	7.45

STAFFING LEVELS

Acct.	770 Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(770) PARKS DIVISION					
(010)	Salaries & Wages				
	Parks & Golf Superintendent	0	0	1	1
	Park Maintenance Supervisor	2	2	2	2
	Small Engine Mechanic	1	2	2	2
	Laborer II	5	4	4	4
	Park Maintenance Technician	2	3	3	3
	Naturalist	1	1	1	1
	Clerk Typist II	1	1	1	1
	Total	12	13	14	14
(038)	Part Time	12.44	12.44	12.44	12.44
PARKS DIVISION TOTAL		24.44	25.44	26.44	26.44

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Salaries & Wages –

010 –Salaries & Wages - Increase in 06/07 due to addition of second Mechanic

DEPARTMENT NUMBER: 770

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702)	Salaries & Wages						
010	Salaries & Wages	464,325	480,670	495,336	536,645	608,726	608,726
038	Part-time	216,386	233,205	248,959	244,570	256,090	256,090
106	Sick & Vacation	11,528	7,496	8,178	11,359	11,752	11,752
112	Overtime	90,975	84,859	80,000	80,000	80,000	80,000
200	Social Security	60,146	62,327	64,900	68,018	74,933	74,933
250	Blue Cross/Optical/Dental	117,200	123,447	138,431	141,000	180,603	180,603
275	Life Insurance	1,216	1,221	1,369	1,460	1,574	1,574
300	Pension	85,204	98,052	102,166	118,556	147,250	147,250
325	Longevity	11,361	14,252	15,751	16,547	23,513	23,513
350	Worker's Compensation	6,484	7,744	7,500	7,558	7,728	7,728
	Category Total	1,064,825	1,113,273	1,162,590	1,225,713	1,392,169	1,392,169

Parks Division

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(740)	Operating Supplies						
001	Gas & Oil	28,691	41,436	40,275	42,000	44,035	44,035
002	Books & Subscriptions	243	131	250	250	250	250
008	Supplies	86,971	72,249	70,380	80,400	84,200	84,200
014	Chemical Supplies	28,060	32,258	42,771	37,700	41,500	41,500
019	Uniforms & Clothing	6,706	7,930	8,403	8,669	8,967	8,967
030	Miscellaneous Tools	2,043	1,994	2,225	3,300	4,950	4,950
	Category Total	152,714	155,998	164,304	172,319	183,902	183,902
(801)	Professional & Contractual						
001	Conferences & Workshops	760	794	810	620	810	810
002	Memberships & Licenses	704	876	825	575	815	815
005	Fleet Insurance	13,794	16,200	16,200	16,200	16,200	16,200
006	Vehicle Maintenance	22,224	12,184	17,250	16,000	17,500	17,500
007	Equipment & Radio Maint.	28,201	15,370	16,767	16,000	16,500	16,500
013	Education & Training	2,870	1,071	800	800	800	800
025	Park Utilities	77,907	90,422	109,200	100,500	109,200	109,200
029	Park Buildings Maintenance	41,939	27,185	36,360	36,000	35,500	35,500
042	Mileage Reimbursement	161	0	325	300	325	325
056	Refuse Dumpster	13,962	11,715	19,317	13,980	16,381	16,381
066	Contract Services	30,752	36,106	41,000	42,990	43,640	43,640
	Category Total	233,274	211,923	258,854	243,965	257,671	257,671
(970)	Capital Outlay						
015	Vehicles	6,795	12,467	0	0	0	0
020	Maintenance Equipment	0	0	0	1,285	0	0
	Category Total	6,795	12,467	0	1,285	0	0
	PARKS TOTAL	1,457,608	1,493,661	1,585,748	1,643,282	1,833,742	1,833,742

CULTURAL ARTS DIVISION

The Cultural Arts Division was formed to answer the community's desire for distinct cultural programs and services in the Farmington/Farmington Hills area. Over the past seven years, the division has provided an increasingly wide variety of classes, exhibits, events, performances and activities. As demand for programs continues to grow, the division has successfully sought new, high-quality instructors in visual arts, performing arts, dance, instrumental and vocal music, photography, and even fashion illustration. The division is also responsible for creating the Farmington Youth Theatre, a rapidly growing program that presents two large performances a year as well as classes, workshops and summer camps. The division also presents, through collaboration with other organizations, the Festival of the Arts in the spring; Art on the Grand, a fine arts show in July; and the Heritage Festival, as well as professional concerts, a free summer concert series, art exhibits in four locations, including the City Gallery, and other special events.

The Division also supports cultural activities in the community by acting as a direct connection for the Cities to the area's various cultural organizations, the Farmington Area Art Commission, the Community Arts Council, media and our citizens in order to enhance the presence of the arts in the community by means of strategic planning, information, education and the sharing of resources.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Continue to add cultural programs at newly acquired Jon Grant and Longacre House sites. (6,12,13)
- Continue to offer high-quality theater experiences to both children and adults, while physically improving facility through theater revenues and donations. (6)
- Explore and enhance strategies to reach wider audiences more quickly and efficiently in order to increase awareness of variety of offerings and value of our Division and Department to the community. (11)
- Continue to add high-quality instructors and innovative cultural programs, including full-day arts camps and a Farmington Area Youth Choir. (6)
- Work with Farmington Area Arts Commission to utilize its advocacy and advisory potential and to explore recommendations identified in Sustainability Study. (2)
- Contract with Farmington Players for continued use of Barn Theatre until a replacement facility can be provided. (2)
- Work closely with Multiracial/Multicultural Council to increase multicultural nature of programming. (6)
- Enhance summer concert series at new amphitheatre. (6)

PERFORMANCE OBJECTIVES

- Continue to promote activities of Cultural Arts Division and Department more widely to community, through innovative and dedicated publicity efforts.
- Continue to improve festivals and events, by adding new themes, performers, and wider community participation.
- Open and utilize new structure (amphitheater) in Heritage Park for summer concerts.
- Explore possibilities of adding/renovating space for cultural programs in D Wing, if purchased.
- Utilize exhibit areas more fully to enhance public spaces, including City Gallery, City Halls, and Nature Center. Encourage new artists to exhibit in area, by continuing to ensure good coverage in promotional pieces and newspapers.
- Explore idea of creating a published guide to the arts in the community.
- Improve theater venue at Costick Center by adding equipment to stage area where needed, while seeking a more permanent venue.
- Improve classroom/studio space at stables with additional equipment; explore means to expand area for pottery classes.
- Time allowing, add additional professional artists as instructors, and continue to expand on current classes, adding to variety of offerings to answer demands of community.
- Develop a Farmington Youth Choir.

Service Level	Performance Indicators	FY 2005-06 Actual	FY 2006-07 Projected	FY 2007-08 Estimated
	Art, Dance and Music Class Participants	780	1,280	1,400
	Professional Concert Series Attendance	1,700	1,700	1,800
	Summer Concerts Attendance (est.)	5,000	5,500	6,000
	Youth Theatre Classes & Performance Part.*	440	610	620
	Festival of the Arts Attendance (est.)	5,000	5,000	5,000
	Art on the Grand Attendance (est.)	13,000	14,000	14,000

*With 16 Youth Theater school performances, 18 performances at the Costick Center, City Open House and Program Showcase night, audiences for this program totaled over 10,000 this past year.

Cultural Arts Division

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Salaries & Wages – most line items increase in 07/08 because of the additional full-time employee.

Operating Supplies

010 - Special Functions: Expenses were higher due to costs of bringing in large dinner theatre production (Tony and Tina’s Wedding); ticket revenues balance additional costs.

Professional & Contractual

042 - Mileage: Increase in mileage expenses due to the addition of two new locations for classes and events (Longacre and Jon Grant), additional programs at these locations and at Stables Studio and Players Barn, and rise in mileage rate.

Staffing Levels

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		2005/06 Budget	2006/07 Budget	2007/08 Budget	2007/08 Budget

(775) CULTURAL ARTS

010 Administrative & Clerical

Cultural Arts Supervisor	1	1	1	1
Cultural Arts Coordinator	0	0	0	1

038 Part time (FTE)

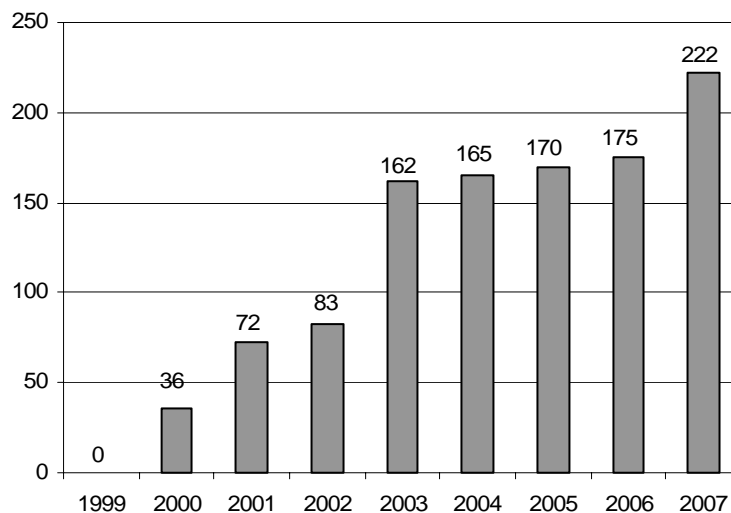
	2.04	2.04	2.04	1.32
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CULTURAL ARTS TOTAL

	3.04	3.04	3.04	3.32
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KEY DEPARTMENTAL TRENDS

Cultural Arts Events & Programs



Cultural Arts Division

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702) Salaries & Wages							
010	Administrative & Clerical	52,565	54,238	57,696	57,696	57,696	101,980
038	Part-time	56,520	57,842	58,626	62,000	60,375	36,840
106	Sick & Vacation	0	0	0	0	0	0
112	Overtime	4,275	4,994	3,739	4,275	4,275	4,415
200	Social Security	8,702	8,998	9,184	9,535	9,450	11,035
250	Blue Cross/Optical/Dental	4,946	5,603	5,750	5,750	5,766	19,746
275	Life Insurance	82	91	100	100	100	200
300	Pension	9,185	10,461	11,668	11,668	14,069	19,287
325	Longevity	293	542	673	664	1,154	1,154
350	Worker's Compensation	1,161	1,447	1,478	1,270	1,289	1,517
	Category Total	137,729	144,216	148,914	152,958	154,174	196,174
(740) Operating Supplies							
002	Subscriptions	33	77	37	37	37	37
008	Supplies	11,687	13,845	13,201	12,115	12,900	12,900
010	Special Functions	51,974	56,687	48,201	57,298	52,000	52,000
	Category Total	63,694	70,609	61,439	69,450	64,937	64,937
(801) Professional & Contractual							
001	Conferences & Workshops	775	818	1,100	1,166	1,171	1,171
002	Memberships & Licenses	380	340	395	344	344	344
013	Education & Training	262	52	100	75	100	100
042	Mileage Reimbursement	789	716	900	1,200	1,300	1,300
066	Contractual Services	73,805	82,496	81,000	98,000	98,000	98,000
	Category Total	76,011	84,422	83,495	100,785	100,915	100,915
(970) Capital Outlay							
020	Equipment	0	6,378	4,100	2,100	3,000	3,000
	Category Total	0	6,378	4,100	2,100	3,000	3,000
Total Cultural Arts		277,434	305,625	297,948	325,293	323,026	365,026

CAPITAL OUTLAY

Acct. No.	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget	
					Quantity	Amount
020		Equipment				
		Miscellaneous Equipment		3,000		3,000
		Total Equipment		3,000		3,000
CAPITAL OUTLAY TOTAL				3,000		3,000

GOLF DIVISION

The new Farmington Hills Golf Club, located at 11 Mile and Halstead, offers one of the best golfing venues in the area. Established in 2002, Farmington Hills Golf Club offers 18 championship holes, measuring 6,413 yards. A driving range is located in the middle of the front nine, is very accessible from the parking lot and offers 30 plus tee areas. A tunnel connects two distinctively different nines, each offering beauty and character with bent grass tees, fairways, and greens. The full service clubhouse offers dining, a pro shop, and wonderful views of the course. Special services is excited with the changes in 2007 including a new contractor in the restaurant, new golf carts, and a city run pro-shop.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9

- Implement a synergistic relationship with the club house staff in order to better care for golf course and provide better management with the end result being a more user friendly operation. (2)
- Continue to aggressively encourage the maturation of turf and continue a forestry and tree replacement program. (12,13)
- Create clinics and group lesson programs to introduce the game of golf and The Farmington Hills Golf Club to all ages and skill levels. (6)
- Aggressively publicize all phases of the course and generate a committee to brain storm ideas to put the golfing venue on the map. (11)
- Promote golf to the youth in our community. (6)

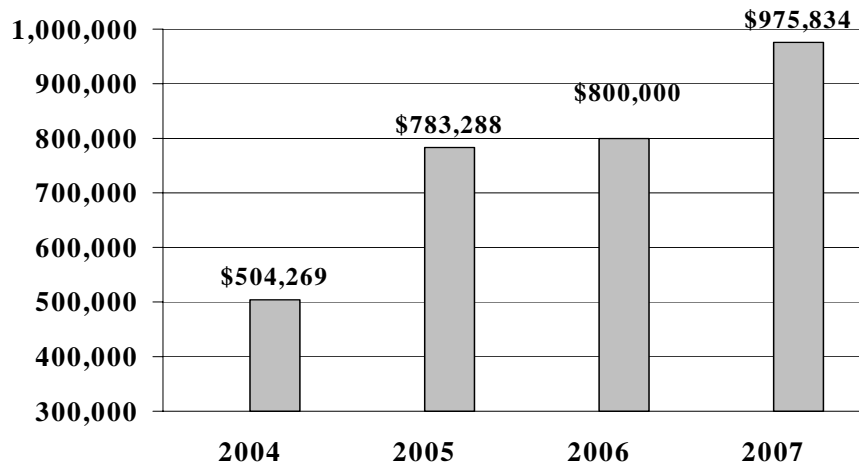
PERFORMANCE OBJECTIVES

- Create a strong working relationship with the new restaurant operator. Promote the new management of the clubhouse and pro-shop.
- Increase usage on driving range and golf course with an aggressive marketing campaign.
- Complete irrigation improvements.

	Performance Indicators	FY 2005/06	FY 2006/07	FY 2007/08
		Actual	Projected	Estimated
Service Level	Total number of rounds	42,476	43,419	43,660
	Resident	31,117	31,202	37,500
	Non-Resident	11,359	12,217	16,500
	9/18 Holes Weekdays	15,627	17,500/8,400	18,250/8,900
	9/18 Holes Weekend	9,350	9,200/3,450	9,700/3,600
	Seniors 9/18 hole	8,819	8,000/3,000	8,250/3,000
	Efficiency	Total Revenue	\$ 783,288	\$ 800,000
Cost for 9 holes of golf (weekday resident)		\$ 15.00	\$15.00	\$15.00

KEY DEPARTMENTAL TRENDS

Total Revenue



Increase in 2007 revenues reflects the addition of golf carts

STAFFING LEVELS

Acct.	Title or Position	Authorized Positions		Requested Positions	Authorized Positions
		05/06 Budget	06/07 Budget	07/08 Budget	07/08 Budget
(780)	GOLF COURSE				
(010)	Salaries & Wages				
	Golf Supervisor	1	1	0	0
	Laborer II	2	3	3	3
	Park Maint. Technician	1	0	0	0
	Total	4	4	3	3
(038)	Part Time (FTE)	6.39	6.39	10.39	10.39
	GOLF COURSE TOTAL	10.39	10.39	13.39	13.39

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Salary & Wages

038 - Part-time - Wages have increased with the addition of the Pro-Shop operation.

Professional & Contractual

066 – Contract Services - The contract services account contains the golf management fee to operate the pro-shop, starters, rangers, cashiers, and lesson program.

Capital Outlay

020 – Miscellaneous Equipment – Purchase of golf carts in 2006/07.

Golf Division

DEPARTMENT NUMBER: 780

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(702)	Salaries & Wages						
010	Salaries & Wages	157,125	167,133	175,099	175,800	121,089	121,089
038	Part-time	116,329	114,871	140,954	148,500	211,474	211,474
106	Sick & Vacation	3,615	3,016	3,329	4,217	0	0
112	Overtime	56,880	49,435	40,000	43,026	40,000	40,000
200	Social Security	25,421	26,187	27,720	28,850	28,694	28,694
250	Blue Cross/Optical/Dental	40,300	36,813	49,010	49,010	36,494	36,494
275	Life Insurance	306	365	400	400	300	300
300	Pension	29,314	32,816	36,047	46,163	29,242	29,242
325	Longevity	4,512	4,163	5,226	5,225	1,934	1,934
350	Worker's Compensation	2,490	3,051	2,780	2,350	2,327	2,327
	Category Total	436,292	437,850	480,565	503,541	471,554	471,554
(740)	Operating Supplies						
001	Gas & Oil	5,202	8,624	11,340	12,300	13,400	13,400
008	Supplies	35,082	52,673	39,088	45,000	33,300	33,300
014	Fertilizer & Insect Control	38,701	40,415	68,503	59,200	63,525	63,525
019	Uniforms	1,744	1,423	2,272	2,252	2,302	2,302
	Category Total	80,729	103,135	121,203	118,752	112,527	112,527
(801)	Professional & Contractual						
001	Conferences & Workshops	18	15	650	250	650	650
002	Memberships & Licenses	1,105	1,575	1,145	1,210	1,560	1,560
005	Fleet Insurance	880	900	900	900	750	750
006	Vehicle Maintenance	2,249	1,526	2,250	1,250	2,250	2,250
007	Equipment Maintenance	17,512	14,102	20,000	20,000	20,500	20,500
013	Education & Training	50	0	600	200	600	600
024	Printing Costs	1,602	3,490	350	350	3,250	3,250
025	Utilities	69,067	51,581	75,775	68,275	75,775	75,775
027	Radio Equipment Maint.	232	744	500	500	500	500
029	Maintenance & Repairs	2,844	3,408	3,000	3,000	3,000	3,000
056	Refuse Dumpster	4,079	2,853	5,238	4,750	5,593	5,593
066	Contractual Services	10,524	30,656	21,500	19,610	34,300	34,300
	Category Total	110,162	110,850	131,908	120,295	148,728	148,728
(970)	Capital Outlay						
015	Vehicles	0	0	0	0	0	0
020	Miscellaneous Equipment	0	0	0	262,440	0	0
036	Building & Land Improvement	0	0	0	0	0	0
	Category Total	0	0	0	262,440	0	0
	GOLF TOTAL	627,183	651,835	733,676	1,005,028	732,809	732,809

RECREATION DIVISION

The Recreation Division enjoyed a banner year of bringing programs and facilities to the community. Staff developed the programs ideas from State Conference, Workshops and Committee involvement. New partnerships were created with the private sector, seeking specialized abilities to offer classes. The Recreation Division now includes the Grant Community Center and the Longacre House as facilities where programs are offered as well as utilizing the beautiful park system, Costick Center and various public school facilities.

During fiscal year 2006/07, the Recreation Division continued to provide quality programming while adding new programs for the residents. The number of programs decreased from 2,454 in 2005/06 to 2,430 in 2006/07. Enrollment increased from 22,780 in 2005/06 to 23,582 in 2006/07 and the total hours of participation in recreation increased from 300,746 to 303,835.

New programs added were: Boy's and Girl's 5th/6th grade lacrosse, Math Classes, Yoga, Stroller Striders, Magic Classes, Scrap Booking, Boo Bash, 6 new preschool programs, Sight Word Blast, U-Box Plus, X-Gravity, Advance Cardio Plus, Judo, Sailing Classes, Youth Flag Football, Adult Flag Football, Longacre House Cook Shows, Knitting and Crochet, Founders Volleyball Camp, Holiday Shopping Expo, Halloween Battle of the Bands, Summer Family Camp Out, Club 2nd Floor Special Shows, Ladies Night Out, Holiday Skater Party, Teen Music Festival and Health Seminar.

The Division also raised more than \$600,000 for the completion of a world class Skate Park that should be completed for use in the fall of 2007.

We look forward to continuing the tradition of high quality service and developing new activities to offer you a well rounded selection of programs for your enjoyment.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Continue developing sponsorships/partnerships for the construction of Riley Skate Park in 2007. (2)
- Continue successful identification and implementation of 5 new revenue producing programs. (2)
- Continue to maintain an effective and efficient staff by providing proper training and supervision. (8)
- Continue to establish new programs in Longacre House, Grant Community Center and Heritage Park Visitor Center. (6)
- Implementation of on-line program registration. (2)

PERFORMANCE OBJECTIVES

- Creation of 15 new programs for 2007/08.
- Complete construction of Riley Skate Park and implement new programs for 2007.
- Increase total programs offered, participation and hours participated.
- Continue Division one day retreat. Creating new program ideas and reviewing existing ones.

Recreation Division

Service Level	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
	Total participation hours	300,746	303,835	308,000
	Recreation programs offered	2,454	2,430	2,450
	Number of people participating in programs	22,780	23,582	24,000
	Number of new programs created	20	26	15
	Number of days athletic field reserved	7,113	5,454	5,600
	Number of shelters/canopies reservations	315	281	300
	Volunteer hours donated	2,500	2,650	2,700

DEPARTMENT NUMBER: 785

Acct.		2004/05	2005/06	2006/07	2006/07	2007/08	2007/08
No.	Category and Line Item	Actual	Actual	Budgeted	Estimated	Proposed	Adopted
(965)	<u>RECREATION PROGRAMS</u>						
001	Over & Short	515	154	0	0	0	0
041	Swimming	138,642	136,015	148,650	145,973	148,648	148,648
045	After School Recreation	26,834	31,643	24,815	21,725	22,165	22,165
050	Summer Fun Centers	25,121	27,293	27,415	25,478	20,815	20,815
055	Day Camp	73,512	71,032	59,315	59,521	62,792	62,792
057	Gym	18,654	17,151	15,102	14,633	14,486	14,486
060	Classes	70,213	69,446	59,834	65,822	65,111	65,111
065	Tennis Lessons	20,200	16,700	17,426	17,201	17,426	17,426
070	Golf	534	1,016	2,350	1,405	1,977	1,977
075	Softball	26,070	18,384	21,538	18,075	18,994	18,994
105	Special Events	21,367	41,673	35,371	47,565	52,322	52,322
110	Youth Soccer	9,049	8,604	12,750	12,622	13,675	13,675
120	Youth Basketball	19,378	21,076	17,428	18,651	18,668	18,668
145	Adaptive Recreation	3,741	215	120	215	120	120
150	Outdoor Volleyball	83	0	532	384	592	592
170	Teen Programs	13,524	20,252	20,438	18,641	19,978	19,978
185	Cross Country Skiing	1,437	167	414	115	414	414
192	Downhill Skiing	7,055	2,299	11,592	2,948	8,592	8,592
208	Adult Chorus	6,685	9,796	9,000	7,143	7,500	7,500
212	Nature Study	11,593	10,491	11,785	10,797	10,975	10,975
216	Safety Town	11,189	8,537	10,878	11,105	12,702	12,702
217	Parkey Series	0	0	397	105	397	397
218	Children's Travel	20,411	21,816	23,196	22,864	23,196	23,196
219	Sled Hill	567	917	1,055	218	1,087	1,087
720	Social Security	23,183	21,301	23,100	22,491	23,100	23,100
735	Worker's Compensation	3,356	3,313	3,750	3,312	3,750	3,750
TOTAL REC. PROGRAMS		552,913	559,291	558,251	549,009	569,482	569,482

SPECIAL REVENUE FUNDS

Special Revenue Funds are maintained to account for specific revenue sources that are legally restricted to expenditures for specific functions or activities. The legal restrictions are imposed by State Statute or Constitution, City Council Resolution or action of the City's electorate through the approval of special dedicated millages.

Funds in this group of primary financial importance and impact on City services and infrastructure are:

Major and Local Road Funds are restricted by State Statute to finance the maintenance and construction of the major and local street system. Funds are derived from State levied and collected gas taxes and vehicle registration fees shared with local units of government.

The Public Safety Millage Fund was established to account for a \$1 Mill (\$1.00 per \$1,000 of Taxable Value) levy approved by the electorate of the City on November 7, 1995. This millage is to be utilized to expand Police and Fire staffs, construct a central fire station, and acquire equipment and technology for the Police and Fire services. The millage was renewed on November 4, 2003 for a ten year period. An additional .5 mill was also approved. The renewed millage becomes effective with the July 2006 levy.

The Parks Millage Fund provides for the accounting and budgeting of \$0.5000 Mill (\$0.5000 per \$1,000 of Taxable Value). The initial millage was approved in June of 1986. These funds are dedicated to the acquisition, development and equipping of parks and recreational and cultural facilities in the City. The funds also support the senior program and debt payments for the William M. Costick Activities Center. This \$0.5000 Mill that was scheduled to expire on June 30, 1999 was renewed for the second time in November 1997 for a ten-year period by 72% of the voters. The millage expires on June 30, 2009.

Other Special Revenue Funds in this group are:

- **The Police Forfeiture Fund** into which all monies seized in arrests for illegal drug activities are deposited.
- **The Revolving Special Assessment Fund** to conduct major repairs and advance construction funds for special assessment projects.
- **The Deferred Special Assessment Fund** was established by City Council to provide interim financing of special assessment installments for citizens who are not eligible for State Programs but meet criteria for the City's deferment program.
- **Justice Assistance Grant Funds** were established to account for grants received from the United States Office of Justice for the purpose of preventing and controlling crime based on local needs and conditions.

- **The Local Law Enforcement Block Grant Funds** were established accounts for a series of Local Law Enforcement Grants. These grants are to provide funding for enhanced security and crime prevention programs and equipment to improve the department's ability to provide public safety services to the citizens of the community.
- **The Nutrition Grant Fund** for meals and services to seniors is financed primarily by Federal Grants.
- **The Golf Course Capital Improvement Fund**, established in 1992, is financed by a per round surcharge on green fees for improvements at the San Marino Golf Course.

Revenue

The primary revenue sources for major Special Revenue Funds are summarized in the following paragraphs:

Road Funds

Sales tax on gasoline use, diesel fuel, driver's license fees, and vehicle registration fees are collected at the State level and are the funding mechanism for the construction and maintenance of local roads. These State revenues are shared with the City based on miles of roads and population. Projections are based on estimates prepared by the Michigan Department of Transportation. These revenues can be leveraged with Federal and State grants and locally assessed Special Assessments to benefiting properties. In July 1997, the State Legislature increased the gas tax by 4 cents per gallon. The revenues generated by the additional four cents per gallon are to be distributed to the following formula: one cent to the critical bridge fund for state projects only; three cents through the current Act 51 distribution formula.

Voted Millage

The electorate of the community has approved two special millages:

- 0.5000 Mill (\$0.5000 per \$1,000 Taxable Value) for parks acquisition and development approved on November 9, 1997, for 10 years.
- One Mill (\$1.000 per \$1,000 Taxable Value) for Police and Fire Public Safety approved for 10 years on November 7, 1995. The millage was renewed on November 4, 2003 and includes a .5 mill increase. It became effective with the July, 2006 levy.

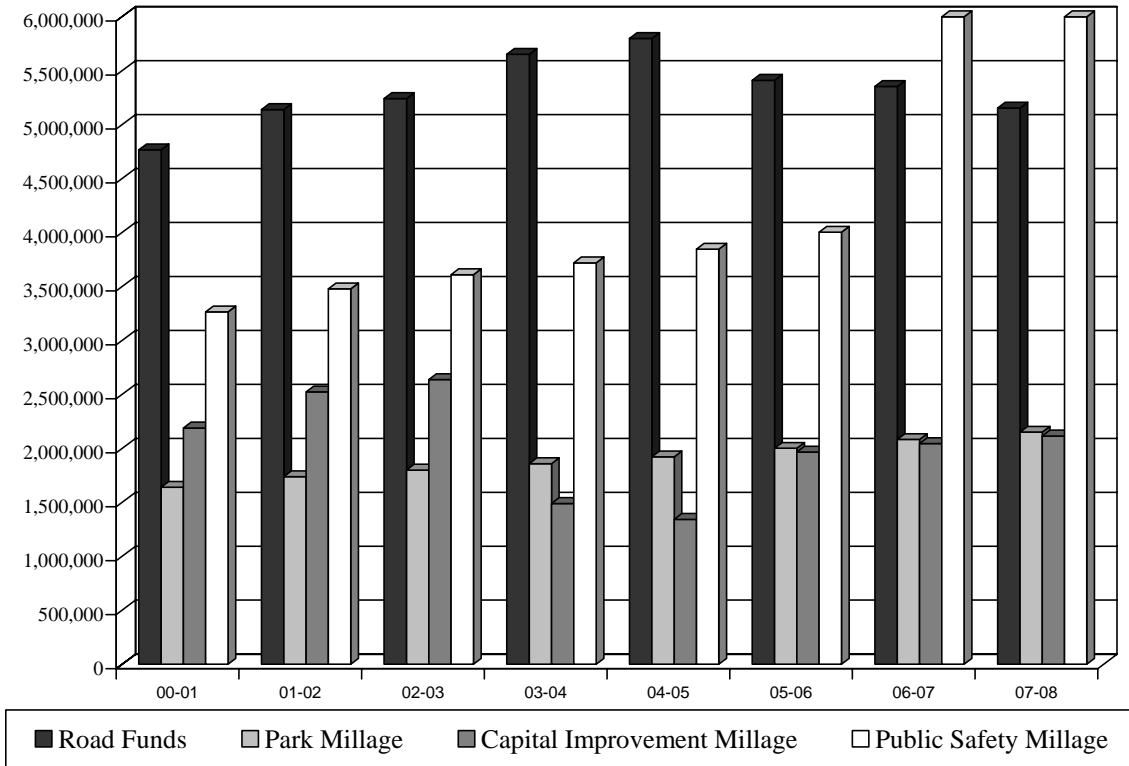
These revenues are calculated by multiplying the Taxable Values by the Millage rate and reducing the figure for estimated delinquent taxes.

Capital Improvement Fund

Millage is allocated to this fund from within the City Charter millage to finance capital improvements and acquisitions exceeding \$25,000. Again, this is a function of multiplying the Tax Rate times the Taxable Value.

Tax and State Shared Revenue

Primary Special Revenue Funds



SPECIAL REVENUE FUNDS SUMMARY

	Total Capital Funds	Total Recreation Funds	Total Public Safety Funds	C.D.B.G Fund #275	Total Special Revenue Funds
FUND BALANCE AT JULY 1, 2007	11,976,989	673,080	1,604,056	0	14,254,125
REVENUES					
Property Taxes	2,115,072	2,154,780	6,512,256	0	10,782,108
Intergovernmental	7,929,683	279,201	275,000	460,315	8,944,199
Interest Income	462,000	108,700	210,000	0	780,700
Miscellaneous	490,508	161,821	53,020	60,000	765,349
Total Revenues	10,997,263	2,704,502	7,050,276	520,315	21,272,356
EXPENDITURES					
Highways & Streets	13,428,278	0	0	0	13,428,278
Public Safety	0	0	6,348,021	0	6,348,021
Land Acquisition, Capital Improvements and Other	7,113,130	1,343,657	0	520,315	8,977,102
Total Expenditures	20,541,408	1,343,657	6,348,021	520,315	28,753,401
Revenues over/(under) Expenditures	(9,544,145)	1,360,845	702,255	0	(7,481,045)
OTHER FINANCING SOURCES AND USES					
Transfers In	5,610,099	0	0	0	5,610,099
Transfers Out	(1,043,336)	(1,574,619)	(14,115)	0	(2,632,070)
Total	4,566,763	(1,574,619)	(14,115)	0	2,978,029
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(4,977,382)	(213,774)	688,140	0	(4,503,016)
FUND BALANCE AT JUNE 30, 2008	6,999,607	459,306	2,292,196	0	9,751,109

**SPECIAL REVENUE FUNDS
CAPITAL FUNDS SUMMARY**

	Major Roads Fund #202	Local Roads Fund #203	Revolving Special Assessment Fund #247	Deferred Special Assessment Fund #255	Capital Improvement Fund #404	Total Capital Funds
FUND BALANCE AT JULY 1, 2007	3,200,165	648,258	4,455,368	50,786	3,622,412	11,976,989
REVENUES						
Property Taxes	0	0	0	0	2,115,072	2,115,072
Intergovernmental	6,608,683	1,321,000	0	0	0	7,929,683
Interest Income	100,000	30,000	180,000	2,000	150,000	462,000
Miscellaneous	384,000	0	0	0	106,508	490,508
Total Revenues	7,092,683	1,351,000	180,000	2,000	2,371,580	10,997,263
EXPENDITURES						
Highways & Streets	9,265,522	4,162,756	0	0	0	13,428,278
Public Safety	0	0	0	0	0	0
Land Acquisition, Capital Improvements and Other	0	0	11,000	130	7,102,000	7,113,130
Total Expenditures	9,265,522	4,162,756	11,000	130	7,102,000	20,541,408
Revenues over/(under) Expenditures	(2,172,839)	(2,811,756)	169,000	1,870	(4,730,420)	(9,544,145)
OTHER FINANCING SOURCES AND USES						
Transfers In	407,900	2,202,199	0	0	3,000,000	5,610,099
Transfers Out	(407,900)	0	(535,436)	0	(100,000)	(1,043,336)
	0	2,202,199	(535,436)	0	2,900,000	4,566,763
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(2,172,839)	(609,557)	(366,436)	1,870	(1,830,420)	(4,977,382)
FUND BALANCE AT JUNE 30, 2008	1,027,326	38,701	4,088,932	52,656	1,791,992	6,999,607

**SPECIAL REVENUE FUNDS
RECREATION FUNDS SUMMARY**

	Nutrition Fund #281	Recreation Special Millage Fund #410	Golf Course Improv. Fund #412	Total Recreation Funds
FUND BALANCE AT JULY 1, 2007	0	660,861	12,219	673,080
REVENUES				
Property Taxes	0	2,154,780	0	2,154,780
Intergovernmental	279,201	0	0	279,201
Interest Income	7,500	100,000	1,200	108,700
Miscellaneous	132,821	0	29,000	161,821
Total Revenues	419,522	2,254,780	30,200	2,704,502
EXPENDITURES				
Highways & Streets	0	0	0	0
Public Safety	0	0	0	0
Land Acquisition, Capital Improvements and Other	419,522	893,985	30,150	1,343,657
Total Expenditures	419,522	893,985	30,150	1,343,657
Revenues over/(under) Expenditures	0	1,360,795	50	1,360,845
OTHER FINANCING SOURCES AND USES				
Transfers In	0	0	0	0
Transfers Out	0	(1,574,619)	0	(1,574,619)
Total	0	(1,574,619)	0	(1,574,619)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	0	(213,824)	50	(213,774)
Residual Equity Transfer	0	0	0	0
FUND BALANCE AT JUNE 30, 2008	0	447,037	12,269	459,306

**SPECIAL REVENUE FUNDS
PUBLIC SAFETY FUNDS SUMMARY**

	Public Safety Fund #205	Police Forfeiture Fund #214	Total Public Safety Funds
FUND BALANCE AT JULY 1, 2007	856,666	747,390	1,604,056
REVENUES			
Property Taxes	6,512,256	0	6,512,256
Intergovernmental	0	275,000	275,000
Interest Income	180,000	30,000	210,000
Miscellaneous	0	53,020	53,020
Total Revenues	6,692,256	358,020	7,050,276
EXPENDITURES			
Highways & Streets	0	0	0
Public Safety	5,837,287	510,734	6,348,021
Land Acquisition, Capital Improvements and Other	0	0	0
Total Expenditures	5,837,287	510,734	6,348,021
Revenues over/(under) Expenditures	854,969	(152,714)	702,255
OTHER FINANCING SOURCES AND USES			
Transfers In	0	0	0
Transfers Out	0	(14,115)	(14,115)
	0	(14,115)	(14,115)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	854,969	(166,829)	688,140
FUND BALANCE AT JUNE 30, 2008	1,711,635	580,561	2,292,196

MAJOR ROADS

Ensuring safe driving conditions is the primary objective of the street maintenance program. Improving the aesthetic quality of the street network in Farmington Hills is also a priority for the DPW. In keeping with these goals, routine maintenance of the City's 58 mile major road system includes pavement patching and replacement, shoulder grading, litter control, roadside mowing and landscaping, forestry services, storm drain maintenance, street sweeping, ditching, sign installation and repair, and snow/ice control.

The DPW employs the services of private contractors to supplement the work performed by the staff. Contracted programs include pavement striping and marking, crack sealing, catch basin cleaning, forestry services, signal maintenance, guardrail replacement, and street sweeping.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Improve major road safety. (3,13)
- Extend longevity of the major road infrastructure. (10,13)
- Improve snow and ice control services. (3)
- Fulfill National Pollutant Discharge Elimination System (NPDES) permit requirements. (9,12)
- Improve storm drain maintenance services—reduce frequency and severity of major street flooding. (10,12,13)

PERFORMANCE OBJECTIVES

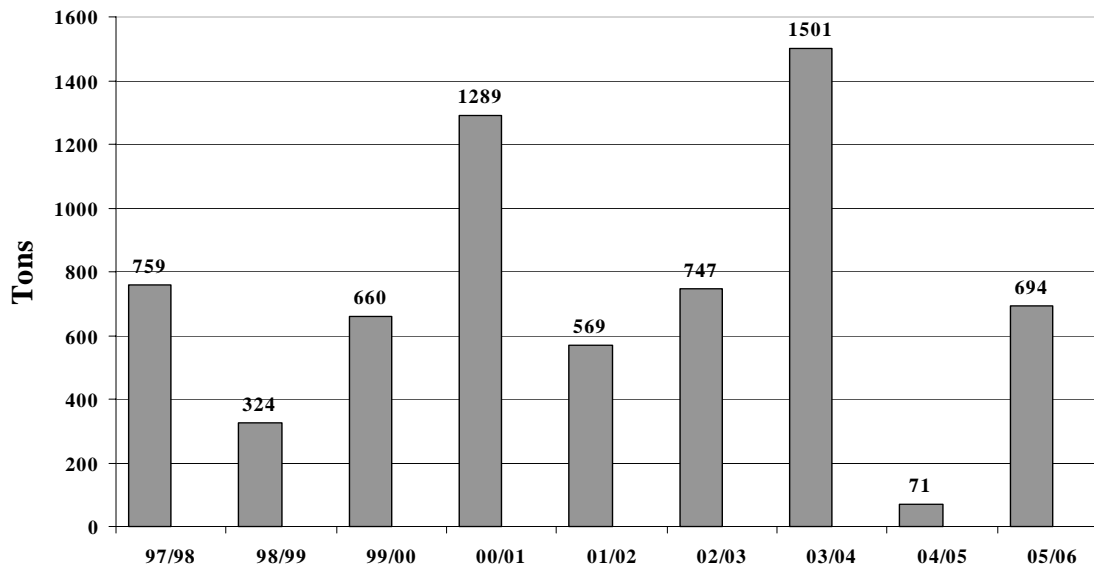
- Improve street safety by replacing deteriorated pavement, utilizing innovative traffic controls, such as raised (lane delineation) reflectors, and upgrading guardrails.
- Improve effectiveness of street signs by utilizing state-of-the-art reflective sign sheeting materials
- Fulfill NPDES mandate, adopt best management (maintenance) practices.

Major Roads

	Performance Indicators	FY 2005/06 Actual	FY2006/07 Projected	FY 2007/08 Estimated
	Service Level	Pothole Patching – tons of cold patch	355	360
Pavement Replacement – tons of asphalt		694	700	800
Pavement Replacement – cubic yards of concrete		530	550	600
Sidewalk Repair – square feet		19,102	19,000	18,500
Joint Sealing – lineal feet		253,252	77,805	212,926
Sweeping – curb miles		1,156	1,200	1,200
Snow/Ice Control – tons of salt		6,199	6,500	6,500
Storm Drain Structure Repairs – each		33	35	40
Edge Drain installed – lineal feet		879	800	850
Ditching – lineal feet		6,400	6,500	6,500
Traffic Counts - approaches		188	113	88
Roadside Cleanup – roadside miles		1,454	1,500	1,500
Roadside Mowing – swath mile (5 ft. wide cut)		160	150	140
Lawn Mowing – acres		1,307	1,300	1,000
Sign Install/Repair – each		602	640	660
Pavement Marking – miles		166	166	166
Efficiency		Labor hours assigned to ditching/drainage activities.	715	700
	Maintenance cost/major road mile	\$39,071	\$44,603	\$49,284
	Percentage of major street network with raised reflectors.	60%	62%	65%

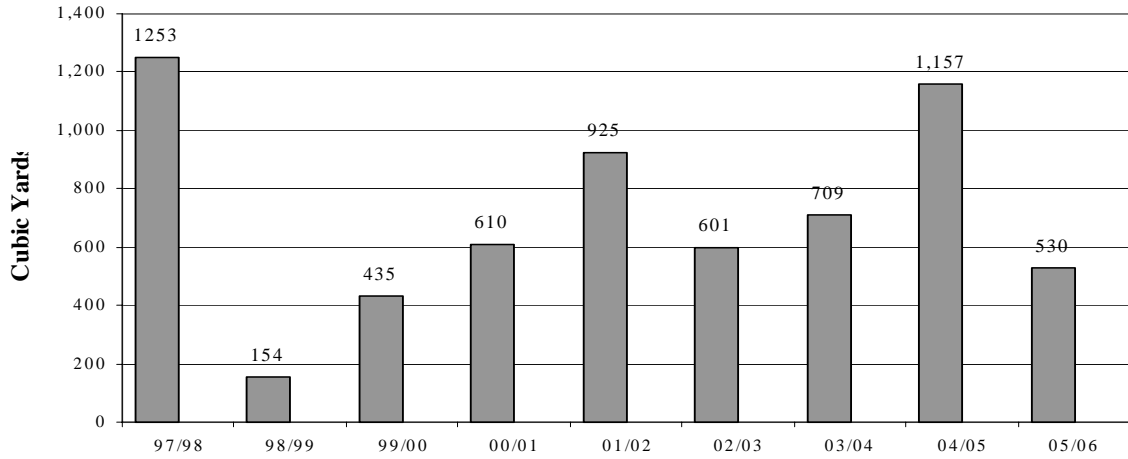
KEY DEPARTMENTAL TRENDS

ASPHALT REMOVED AND REPLACED (Tons)

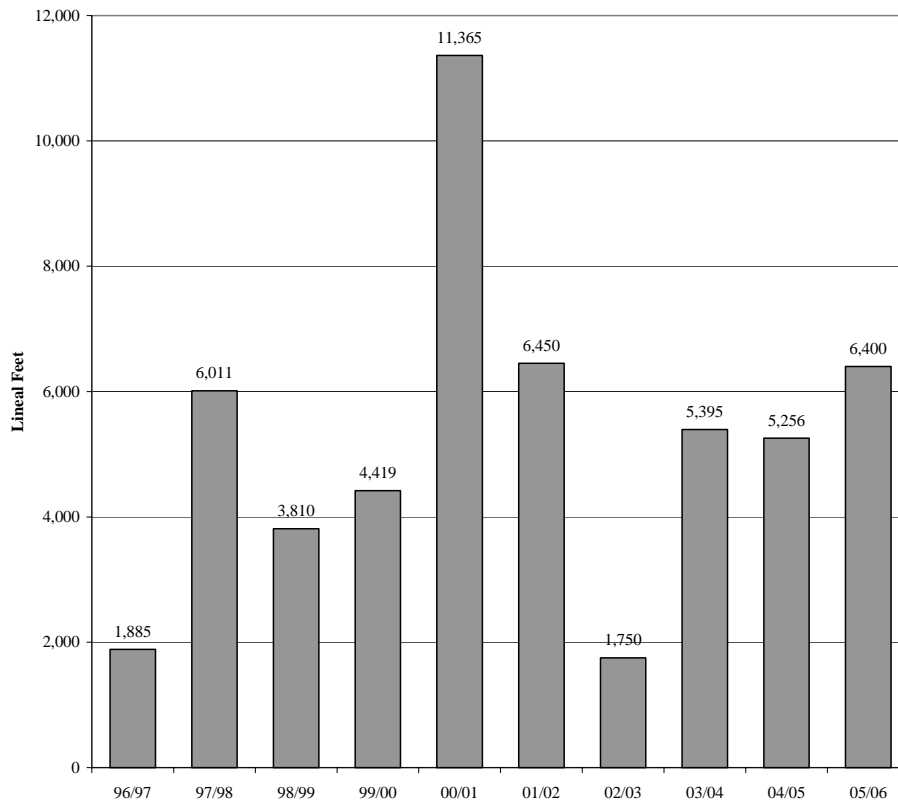


KEY DEPARTMENTAL TRENDS (con't)

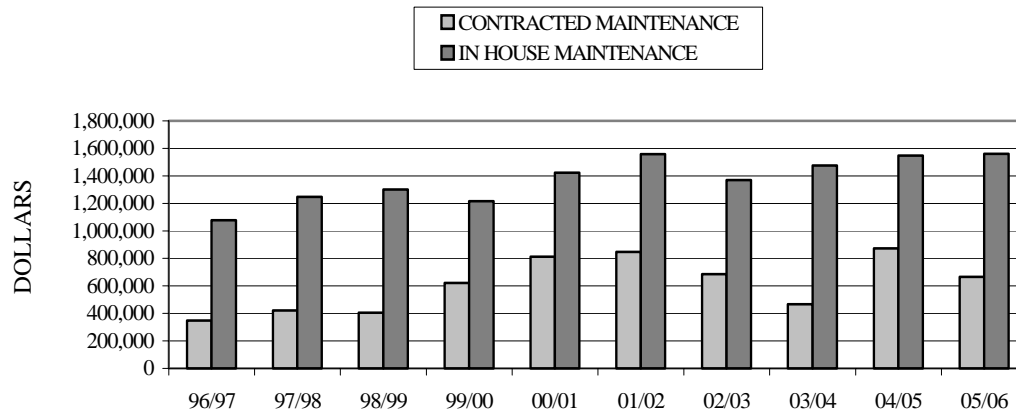
CONCRETE REMOVED AND REPLACED (Cubic yards)



DITCHING/LINEAL FEET



**CONTRACTED MAINTENANCE VS
IN HOUSE MAINTENANCE**



REVENUE

These funds are restricted by state statute to finance the maintenance and construction of the major street system.

Gas & Weight Tax (Act 51) Comes from state levied and collected gas taxes, drivers license and vehicle registration fees and are shared with local units of government based on population, miles, and classification of road types. Gas & Weight Tax revenue is projected to decrease in 07/08 because of the high price of gas, sales have decreased.

Build Michigan Program Revenue This is money from the Michigan Department of Transportation for road and bridge infrastructure improvements. It has remained consistent over the years.

Other Government This is money received from the county and other communities. There is an increase in 07/08 because of the 10 Mile/Middlebelt Intersection tri party project.

Federal/State Grants This is money from the state or federal government for road work. There is an increase from last year because of two large projects, the repaving of Halsted from Eight Mile to Nine Mile and Nine Mile W of Tuck to Middlebelt.

Miscellaneous Income This is money put on deposit by developers. The increase for 07/08 is for trees for the living wall.

Interest on Investment There are fewer funds in 07/08 because of commitments to projects.

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Routine Maintenance

014 - Joint Sealing – Contract – Significant increase due to needs identified during inspections of major roads by Maintenance Supervisor.

015 - Pavement Replacement – Contract – Significant increase due to results of inspection of major roads by Maintenance Supervisor. Industrial roads in particular are in need of concrete removal and replacement.

Major Roads

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR, con't

Routine Maintenance, con't

024 – Guardrails – Contract – No need for major road guardrail replacement in FY 06/07 per traffic engineer's condition analysis.

034 – Sweep & Flush – Contract – Significant decrease due to favorable bid pricing.

051, 052, 054 – Forestry – Labor, Equipment and Contract – Estimated actuals for FY 06/07 are significantly higher due to the cost of cleaning up the ice storm debris in January and February.

Traffic Services

050 – Overhead Lighting – Estimated actuals for FY 06/07 are significantly higher due to the installation of street lighting near new developments. This expense will be reimbursed by developers.

Major Roads

FUND NUMBER: 202

Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1	3,588,272	3,269,656	2,904,485	3,462,953	3,200,165	3,200,165
REVENUES						
Intergovernmental Revenues						
Gas & Weight Tax (Act 51) Build Michigan Program Revenue	3,926,437	3,878,017	3,850,000	3,850,000	3,700,000	3,700,000
Other Government	272,050	250,693	690,667	310,720	922,700	922,700
Federal/State Grants	574,376	7,576	230,360	290,630	1,852,983	1,852,983
Total Intergovernmental Revenues	4,905,768	4,269,046	4,904,027	4,584,350	6,608,683	6,608,683
Miscellaneous Income	38,224	0	384,000	5,000	384,000	384,000
Interest on Investments	62,383	96,747	110,000	135,000	100,000	100,000
Total Other Revenues	100,607	96,747	494,000	140,000	484,000	484,000
TOTAL REVENUES	5,006,375	4,365,793	5,398,027	4,724,350	7,092,683	7,092,683
OTHER FINANCING SOURCES						
Contributions from other Funds:						
Capital Improvement Fund						
Northwestern Highway	0	0	0	0	0	0
Farmington Hills GC Tunnel	26,699	5,639	0	0	0	0
Northwestern Enhancement	18,123	129,274	0	94,393	0	0
Living Wall	0	0	0	0	0	0
10 Mile Tri-Party	0	0	200,000	0	100,000	100,000
Community Dev. Block Grant						0
Inkster ROW Imp	321,053	0	0	103,417	0	0
Sewer Fund						0
Northwestern Highway	0	(19,724)	0	0	0	0
Water Fund						0
Inkster Rd.	0	0	0	19,193	0	0
Northwestern Highway	0	185,677	0	0	0	0
General Fund	0	100,000	100,000	100,000	0	0
Act 175 Debt Fund 1990	0	30,801	0	0	0	0
General Debt Service	517,225	493,225	323,450	323,450	307,900	307,900
TOTAL OTHER FINANCING SOURCES	883,100	924,892	623,450	640,453	407,900	407,900
TOTAL REVENUES AND OTHER FINANCING SOURCES	5,889,475	5,290,685	6,021,477	5,364,803	7,500,583	7,500,583

Major Roads

FUND NUMBER: 202

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
EXPENDITURES							
(451) CONSTRUCTION							
	Category Total	2,854,631	2,265,853	5,162,212	2,445,218	5,751,585	6,351,585
(463) ROUTINE MAINTENANCE							
011	Surface Maint – Labor	345,689	321,912	337,000	335,000	362,308	362,308
012	Surface Maint-Equip Rent	153,250	152,268	175,000	170,000	178,500	178,500
013	Surface Maint-Materials	41,350	25,373	31,000	40,000	35,000	35,000
014	Joint Sealing Program	48,701	94,855	60,668	60,000	91,284	91,284
015	Pavement Replacement	406,781	0	242,978	330,162	320,000	320,000
016	Surface Maint-Contract	26,930	22,024	38,500	38,000	38,000	38,000
021	Guard Rails-Labor	8,537	4,387	9,900	9,500	10,647	10,647
022	Guard Rails-Equip Rent	2,141	1,010	3,600	3,500	3,690	3,690
023	Guard Rails-Materials	1,502	2,116	1,000	1,000	1,000	1,000
024	Guard Rails-Contract	28,791	0	0	0	14,300	14,300
031	Sweep & Flush-Labor	28,553	31,674	26,500	27,000	28,495	28,495
032	Sweep, Flush-Equip Rent	58,392	71,762	54,000	55,000	55,350	55,350
033	Sweep, Flush – Materials	2,794	0	2,200	2,250	2,250	2,250
034	Sweep, Flush – Contract	22,530	11,902	27,150	14,450	16,000	16,000
041	Shoulder Maint – Labor	26,629	32,420	43,500	42,000	46,761	46,761
042	Shoulder Maint-Eq. Rent	28,887	39,655	35,000	34,000	35,850	35,850
051	Forestry Maint – Labor	32,576	81,410	51,500	75,000	55,320	55,320
052	Forestry Maint-Equip Rent	20,441	47,652	26,500	50,000	27,150	27,150
054	Forestry Maint – Contract	61,285	159,754	82,473	170,000	90,000	90,000
061	Drain Structures – Labor	18,130	20,149	19,500	19,400	20,875	20,875
062	Drain Structures – Equip	12,799	13,920	13,800	13,500	14,150	14,150
063	Drain Structures – Mat	1,355	3,225	3,000	3,000	3,000	3,000
064	Drain Structures – Contract	4,823	3,281	7,635	5,638	17,035	17,035
071	Ditching, Bk Slope-Labor	33,632	47,837	48,000	47,000	51,615	51,615
072	Ditching, Bk Slope-Equip	25,768	35,554	35,500	35,000	36,400	36,400
073	Ditching, Bk Slope-Mat	140	5,924	2,700	2,700	2,700	2,700
081	Road Cleanup – Labor	80,694	85,328	66,000	65,000	70,977	70,977
082	Road Cleanup-Equip Rent	18,230	16,240	16,000	15,700	16,400	16,400
091	Grass/Weed – Labor	35,384	40,463	68,000	67,000	73,065	73,065
092	Grass/Weed-Equip Rental	40,809	36,449	60,000	59,000	61,500	61,500
093	Grass/Weed – Materials	2,989	7,354	10,000	10,000	10,000	10,000
094	Grass/Weed – Contract	90,681	139,284	178,842	178,242	196,210	196,210
	Category Total	1,711,193	1,555,182	1,777,446	1,978,042	1,985,832	1,985,832

Major Roads

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(474)	TRAFFIC SERVICES - MAINT.						
011	Sign Maint - Labor	82,753	92,422	71,000	74,000	79,328	79,328
012	Sign Maint - Equip Rent	8,902	10,687	12,000	10,000	11,000	11,000
013	Sign Maint - Materials	37,611	20,784	45,000	35,000	40,000	40,000
024	Signal Maint - Contract	89,080	158,481	113,000	113,000	116,500	116,500
031	Pavement Striping - Labor	41	0	400	400	500	500
032	Pavement Striping - Equip	8	0	500	500	500	500
033	Pavement Striping - Mat.	493	0	350	350	350	350
034	Pavement Striping-Contract	93,346	97,486	115,840	76,880	124,100	124,100
041	Traffic Count - Labor	10,644	7,029	8,900	8,800	9,394	9,394
042	Traffic Count - Equip Rent	2,482	1,743	2,150	2,250	2,200	2,200
043	Traffic Counts - Other	70		400	400	400	400
050	Overhead Lighting	0	(20,560)	500	20,801	0	0
	Category Total	325,430	368,072	370,040	342,381	384,272	384,272
(478)	WINTER MAINTENANCE						
001	Snow/Ice Control - Labor	88,525	65,919	78,000	62,400	83,868	83,868
002	Snow/Ice Control - Equip	81,036	54,363	77,000	61,600	79,000	79,000
003	Snow/Ice Control - Mat	214,813	181,741	257,000	205,600	267,500	267,500
	Category Total	384,374	302,023	412,000	329,600	430,368	430,368
(482)	ADMIN., RECORDS, ENGINEERING						
001	Admin., Records, Eng. Traffic Improvement	86,738	81,683	55,000	80,000	85,000	85,000
002	Assoc.	28,500	27,300	30,000	26,900	27,700	27,700
003	Pavement Mgmt. update	0	4,050	2,000	2,000	765	765
	Category Total	115,238	113,033	87,000	108,900	113,465	113,465
TOTAL EXPENDITURES		5,390,866	4,604,163	7,808,698	5,204,141	8,665,522	9,265,522
(485)	OTHER FINANCING USES						
	Contributions to other Funds:						
001	Local Roads	300,000	0	100,000	100,000	100,000	100,000
320	Act 175 1990	217,000	205,750	0	0	0	0
322	Act 175 1992	300,225	287,475	323,450	323,450	307,900	307,900
TOTAL OTHER FINANCING USES		817,225	493,225	423,450	423,450	407,900	407,900
TOTAL EXPENDITURES AND OTHER FINANCING USES		6,208,091	5,097,388	8,232,148	5,627,591	9,073,422	9,673,422
Revenues over/(under) Expenditures		(318,616)	193,297	(2,210,671)	(262,788)	(1,572,839)	(2,172,839)
FUND BALANCE AT JUNE 30		3,269,656	3,462,953	693,814	3,200,165	1,627,326	1,027,326

Fund Balance – increase from 2006/07 budget due to the delay of completion of major road projects.

Major Roads

MAJOR ROAD CONSTRUCTION DETAIL

PROJECTS	Project Commitment Remaining	To Be Expended in 06/07					Portion of Remaining Amount to be Spent in 2007/08
		Act 51	Grants	Other Funds	Other Govt.		
<u>1993-94</u>							
Orchard Lake Road	(14,239)	(14,239)	0	0		0	0
<u>1997-98</u>							
Farmington Widening, 8 Mile N -083	10,000	10,000	0	0		0	0
<u>1999/00</u>							
Orchard Lake Widening/ROW/Const -111	10,000	10,000	0	0		0	0
Reconstruction of I-275 -045	10,000	10,000	0	0		0	0
<u>2000/01</u>							
12 Mile, Inkster to Telegraph-172	5,000	5,000	0	0		0	0
NW Hwy Reconst. (Inkster - 14) -173	70,000	35,000	0	0		0	35,000
<u>2002/03</u>							
8 Mile under I-275 (Wayne County) - 075	15,455	15,455	0	0		0	0
<u>2003/04</u>							
12 Mile, Orchard Lk to Middlebelt - 182	10,000	10,000	0	0		0	0
2003 3R -204	10,000	10,000	0	0		0	0
<u>2004/05</u>							
Freedom RD 3 R - 158	5,000	5,000	0	0		0	0
I-275 Living Wall - 174	589,000	0	115,000	5,000	trust	0	469,000
Inkster Rd Rehab (8 Mile to Shiawassee) - 215	122,610	0	0	103,417	CDBG	0	0
				19,193	W		
Landscape Enhancement - Northwestern Hwy-220	90,544	(120,447)	45,878	94,393	CIF	70,720	0
<u>2005/06</u>							
Halsted Rd. (8 Mile e to 9 Mile) -225	834,908	509,908	0	0		0	325,000
<u>2006/07</u>							
2006 Major Rd. Resurfacing -228	943,750	943,750	0	0		0	0
9 Mile (Middlebelt to Inkster)							
9 Mile (Drake to Gill)							
Folsom (Orchard Lake Rd east)							
Halsted Rd. (Grand River to 11 Mile Rd) - 216	996,500	100,000	0	0		0	896,500
9 Mile (W. of Tuck to Middlebelt) -217	961,875	70,000	0	0		0	891,875
Halsted Safety Project N. of 8 Mile -229	231,700	32,438	129,752	0		0	69,510
10 Mile/Middlebelt Intersection (Tri-Party)	1,019,000	0	0	0		0	1,019,000
Bikepath Extension-9 Mile Rd (Halsted to Baywood)	100,000	100,000	0	0		0	0
Walnut Lane Signal	130,000	130,000	0	0		0	0
	6,151,103	1,861,865	290,630	222,003	0	70,720	3,705,885
Total Construction Projected 06/07	<u>2,445,218</u>						

Major Roads

PROJECTS	Project Commitment Remaining	To Be Expended in 07/08				Other Govt.	Portion of Remaining Amount to be Spent in 2008 & Past
		Act 51	Grants	General Fund & CIF	trust		
<u>2006/07</u>							
Carryover Projects							
NW Hwy Reconst. (Inkster - 14) -173	35,000	(349,000)	0	0		0	0
I-275 Living Wall - 174	469,000	0	85,000	384,000	trust	0	0
Halsted Rd. (8 Mile e to 9 Mile) -225	325,000	325,000	0	0		0	0
Halsted Rd. (Grand River to 11 Mile Rd) - 216	896,500	0	896,500	0		0	0
9 Mile (W. of Tuck to Middlebelt) -217	891,875	200,000	691,875	0		0	0
Halsted Safety Project N. of 8 Mile -229	69,510	13,902	55,608	0		0	0
10 Mile/Middlebelt Intersection (Tri-Party)	1,019,000	236,300		100,000	CIF	682,700	0
<u>2007/08</u>							
2007 Major Rd Resurfacing							
14 Mile Rd. (Middlebelt to Inkster)	900,000	900,000	0	0		0	0
Power Rd. (10 Mile to Rockycrest)	380,000	380,000	0	0		0	0
14 Mile Rd. (NW Hwy - Middlebelt)Adv constr.	930,000	0	0	0		0	930,000
14 Mile Rd. (Farmington to Orchard Lk)Adv constr	990,000	0	0	0		0	990,000
14 Mile Rd. (Drake to Farmington)Adv constr	1,100,000	0	0	0		0	1,100,000
Farmington Rd. (13 Mile to 14 Mile)Adv constr	700,000	0	0	0		0	700,000
Haggerty Rd. (8 Mile to 10 Mile)	50,000	50,000	0	0		0	0
Halsted Rd. (11 Mile to I-696)	957,000	95,700	0	0		0	861,300
9 Mile Rd. (Power to Freedom)	140,000	0	0	0		0	140,000
Signals							
Pebble Creek Condos	130,000	6,000	124,000	0		0	0
Gill at Colfax	130,000	130,000	0	0		0	0
NW Hwy connector Ph 1 (14/Farm roundabout)	294,000	294,000	0	0		0	0
NW Hwy connector Ph 1 (Remainder Phase 1)	600,000	300,000	0	0		0	300,000
Bikepath Accommodations at Halsted/I696 Bridge)	200,000	100,000	0	0		0	100,000
Tri-Party Undesignated	383,191	0	0	0		0	383,191
Halsted Bridge	1,200,000	600,000					600,000
Miscellaneous	50,000	50,000	0	0		0	0
	12,840,076	3,331,902	1,852,983	484,000		682,700	6,104,491
Total Construction Projected 07/08	6,351,585						

LOCAL ROADS

The local road budget provides funding for the maintenance of the City's 245 miles of paved and unpaved local streets. Local street services include pavement patching and replacement, road grading, dust control, forestry maintenance, storm drain maintenance, sign repair, guardrail repairs, snow/ice control, roadside mowing and litter control. The DPW supervisory staff establishes pavement repair priorities in consultation with engineering and subdivision associations.

Private contractors are used to supplement the work performed by the DPW staff. Contracted services include crack/joint sealing, catch basin cleaning, dust control, street sweeping, forestry services and pavement replacement.

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Improve local road safety. (3,13)
- Extend longevity of the local road infrastructure. (10,13)
- Improve snow and ice control services. (3)
- Fulfill National Pollutant Discharge Elimination System (NPDES) permit requirements. (9,12)
- Improve storm drain maintenance services – reduce frequency and severity of local street flooding. (10,12,13)

PERFORMANCE OBJECTIVES

- Improve street safety by replacing deteriorated pavement, repairing guardrails and upgrading intersection signs.
- Improve effectiveness of street signs by utilizing state-of-the-art reflective sign sheeting materials.
- Fulfill NPDES mandate, adopt best management (maintenance) practices.

Local Roads

	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
Service Level	Pothole Patching – tons of cold patch	355	375	380
	Pavement Replacement – tons of asphalt	516	550	600
	Pavement Replacement – cubic yards of concrete	1,077	1,100	1,300
	Gravel Road Grading – miles	397	390	385
	Joint Sealing – lineal feet	302,034	266,976	225,744
	Sweeping – curb miles	1,000	1,000	1,050
	Storm Drain Structure Repairs	29	30	35
	Edge Drain – lineal feet (sump pump program)	398	350	300
	Ditching – lineal feet	8,000	8,100	8,400
	Plowing – complete plowing of local rd. network	5	7	7
	Culvert Installations	24	25	26
	Roadside Cleanup – roadside miles	4	4	4
	Roadside Mowing – swath mile (5 ft. wide cut)	86	86	85
	Lawn Mowing – acres	95	90	85
	Sign Installations and Repairs	464	500	530
Efficiency	Labor hours assigned to storm drain maintenance	2,002	2,100	2,150
	Maintenance cost/local road mile	\$6,689	\$8,765	\$8,983

REVENUE

Local Road funds are restricted by state statute to finance the maintenance and construction of the local street system. Revenue fluctuates from year to year based on the number and size of local road improvement Special Assessment District (SAD) projects. In 07/08 there are two SAD local road rehabilitation projects planned, Barrington Green and Ramble Hills.

Gas & Wight Tax (Act 51) Comes from state levied and collected gas taxes, drivers license and vehicle registration fees and are shared with local units of government based on population, miles and classification of road type. The Gas & Weight Tax revenue is projected to decrease in 07/08 because the sale of gas had decreased, due to its high price.

Build Michigan Fund This is money from the Michigan Department of Transportation for road and bridge infrastructure improvements. It has remained consistent over the years.

Miscellaneous No income projected this year.

Interest on Investments Has decreased for 07/08 because of less revenue and commitments to projects.

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

Routine Maintenance

014—Joint Sealing Program: Decrease due to work completed during previous two programs, resulting in a reduction in the need for joint sealing for FY 07/08.

015— Pavement Replacement: Estimated actuals for FY 06/07 are significantly higher due to FY 05/06 contract not being completed until the second month of FY 06/07, resulting in two programs paid out of one fiscal year. FY 07/08 increase due to annual inspection of Local Road surface conditions by supervisory staff.

Local Roads

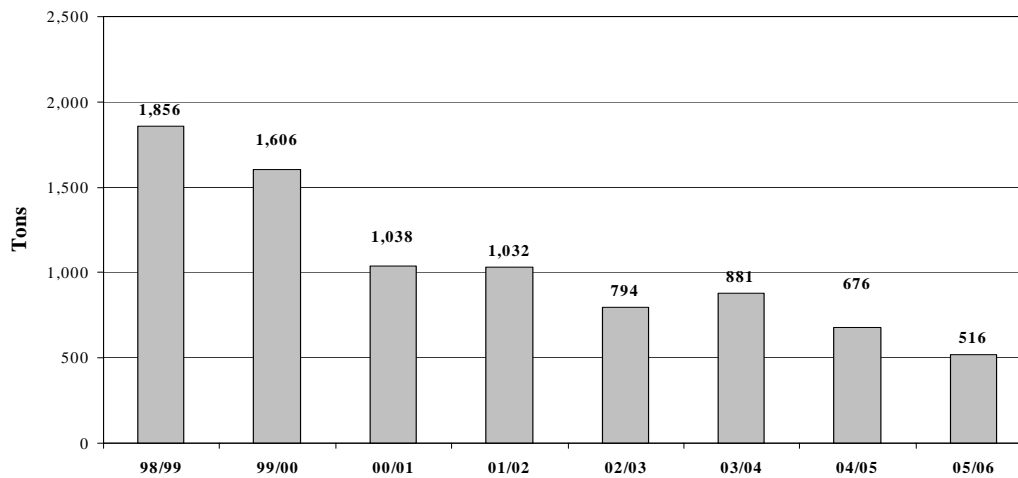
SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR con't

051, 052, 054 – Forestry – Labor, Equipment and Contract: Estimated actuals for FY 06/07 are significantly higher due to the cost of cleaning up the ice storm debris in January and February. In FY 07/08, Contracted Forestry Services has been decreased due to the volume of ash trees removed during the past few years. It is anticipated that contracted forestry services will gradually return to past expenditure levels as the demand for ash tree removals declines.

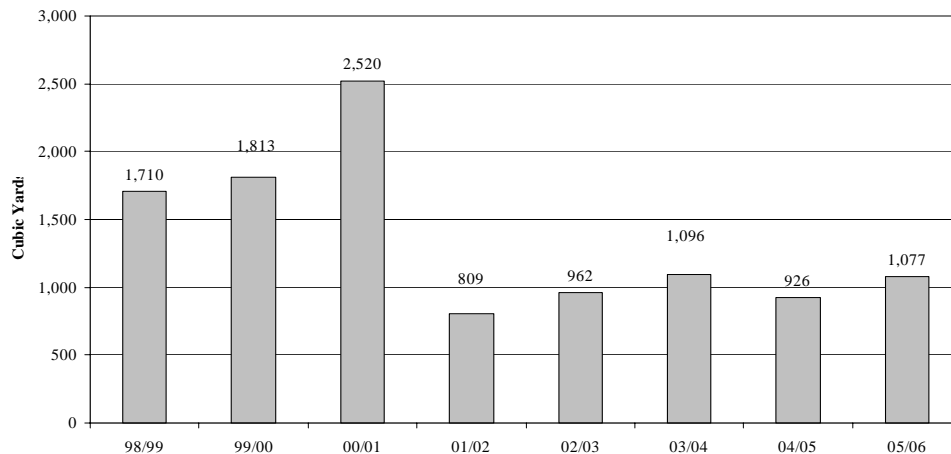
064—Drain Structures (Contracted): Significant increase due to the number of catch basins scheduled for cleaning in FY 07/08.

KEY DEPARTMENTAL TRENDS

ASPHALT REMOVED AND REPLACED (TONS)

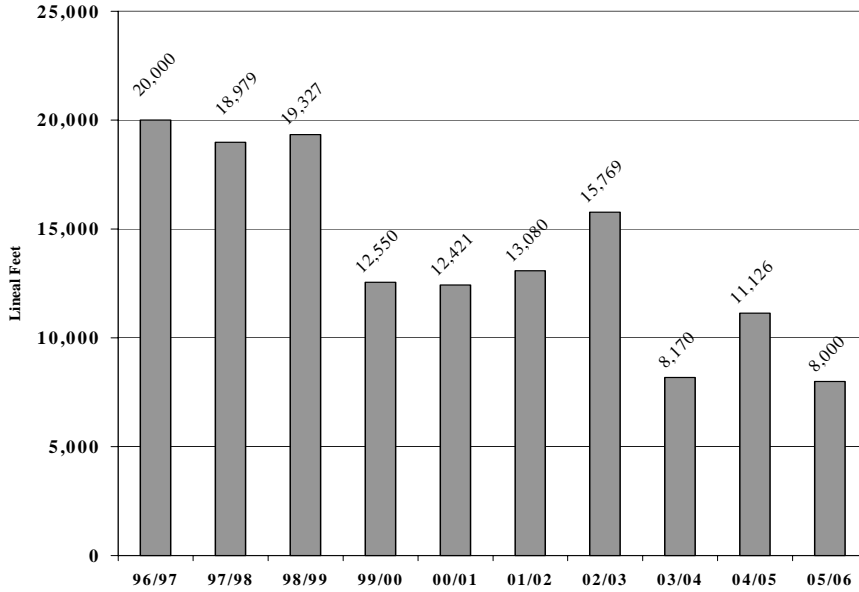


CONCRETE REMOVED AND REPLACED (Cubic yards)

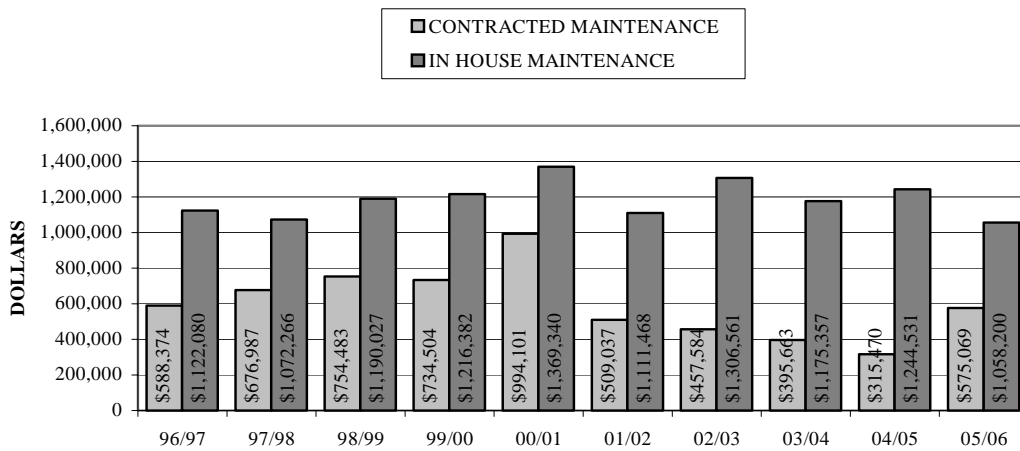


KEY DEPARTMENTAL TRENDS (con't)

DITCHING/LINEAL FEET



**CONTRACTED MAINTENANCE VS
IN HOUSE MAINTENANCE**



Local Roads

FUND NUMBER: 203						
Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1	1,651,490	1,345,691	728,563	1,149,205	648,258	648,258
REVENUES						
Intergovernmental Revenues:						
Gas & Weight Tax (Act 51)	1,365,931	1,353,496	1,325,000	1,325,000	1,275,000	1,275,000
Build Michigan Fund	46,233	46,336	46,000	46,000	46,000	46,000
Total	1,412,164	1,399,832	1,371,000	1,371,000	1,321,000	1,321,000
Other Revenues:						
Miscellaneous	4,763	1,155	0	0	0	0
Interest on Investments	36,207	46,972	50,000	50,000	30,000	30,000
Total	40,970	48,127	50,000	50,000	30,000	30,000
TOTAL REVENUES	1,453,134	1,447,959	1,421,000	1,421,000	1,351,000	1,351,000
OTHER FINANCING SOURCES						
Contributions from other Funds:						
Special Assessments	588,922	57,546	1,443,400	8,162	1,566,763	1,566,763
Major Roads	300,000	0	100,000	100,000	100,000	100,000
SAD Revolving	78,087	11,943	343,600	337,840	535,436	535,436
TOTAL OTHER FINANCING SOURCES	967,009	69,489	1,887,000	446,002	2,202,199	2,202,199
TOTAL REVENUES AND OTHER FINANCING SOURCES	2,420,143	1,517,448	3,308,000	1,867,002	3,553,199	3,553,199

Local Roads

FUND NUMBER: 203

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
EXPENDITURES							
(451)	CONSTRUCTION						
	Category Total	671,699	69,469	1,802,000	10,202	1,952,221	1,952,221
(463)	ROUTINE MAINTENANCE						
011	Surface Maint - Labor	263,275	235,202	293,000	285,000	307,838	307,838
012	Surface Maint - Equip Rent	272,333	236,270	280,000	272,000	280,000	280,000
013	Surface Maint - Materials	84,866	68,279	113,000	115,000	118,000	118,000
014	Joint Sealing Program	152,771	150,675	158,890	170,000	200,000	200,000
015	Pavement Replacement	397,194	124,334	165,000	337,840	164,978	164,978
016	Surface Main - Contract	8,980	7,341	12,835	13,000	12,835	12,835
021	Rails/Posts - Labor	5,757	1,521	2,200	2,300	2,421	2,421
022	Rails/Posts - Equip Rent	2,783	171	1,100	1,000	1,100	1,100
023	Rails/Posts - Materials	218	0	500	450	500	500
024	Rails/Posts - Contract	0	0	11,000	5,000	14,100	14,100
031	Sweep & Flush - Labor	7,645	9,287	11,500	11,000	12,160	12,160
032	Sweep & Flush - Equip Rent	26,053	20,805	35,000	33,000	35,350	35,350
034	Sweep & Flush - Contract	52,418	31,862	61,000	53,375	54,925	54,925
041	Shoulder Maint - Labor	376	469	1,400	1,350	1,462	1,462
042	Shoulder Maint - Equip Rent	568	847	1,350	1,300	1,350	1,350
051	Forestry Maint - Labor	35,567	45,894	65,000	132,500	69,412	69,412
052	Forestry Maint - Equip Rent	26,690	36,670	45,000	112,500	45,900	45,900
054	Forestry Maint - Contract	93,103	171,560	133,661	128,207	85,000	85,000
061	Drain Structures - Labor	29,221	30,783	41,000	40,000	42,795	42,795
062	Drain Structures - Equip	19,235	19,546	28,000	28,000	28,500	28,500
063	Drain Structures - Mat	5,029	2,780	3,300	5,000	3,300	3,300
064	Drain Structures - Contract	34,281	31,895	45,340	43,025	69,600	69,600
071	Ditching & Bk Slope - Labor	68,997	66,479	110,000	105,000	114,816	114,816
072	Ditching & Bk Slope - Equip	49,004	45,850	82,000	80,000	82,000	82,000
073	Ditching & Bk Slope - Mat	2,818	8,420	7,700	12,000	7,700	7,700
081	Road Cleanup - Labor	1,395	1,224	7,000	7,100	7,620	7,620
082	Road Cleanup - Equip Rent	14,746	5,960	10,000	9,000	10,000	10,000
091	Grass/Weed - Labor	14,589	13,336	18,000	19,000	20,145	20,145
092	Grass/Weed - Equip Rental	13,955	14,432	12,000	18,000	15,000	15,000
093	Grass/Weed - Materials	1,226	229	3,400	3,000	3,400	3,400
094	Grass/Weed - Contract	1,411	2,473	3,014	2,900	2,500	2,500
104	Dust Control - Contract	56,766	54,929	80,000	82,000	78,204	78,204
	Category Total	1,743,270	1,439,523	1,842,190	2,128,847	1,892,911	1,892,911

Local Roads

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(474)	TRAFFIC SERVICES - MAINT.						
011	Sign Maint - Labor	15,564	25,425	24,000	23,000	25,573	25,573
012	Sign Maint - Equip Rent	4,807	6,987	8,700	8,400	8,750	8,750
013	Sign Maint -Materials	23,632	4,500	31,000	20,000	31,000	31,000
	Category Total	44,003	36,912	63,700	51,400	65,323	65,323
(478)	WINTER MAINTENANCE						
001	Snow/Ice Control - Labor	134,785	81,173	107,000	74,900	114,816	114,816
002	Snow/Ice Control - Equip	119,402	75,227	118,000	82,600	121,000	121,000
003	Snow/Ice Control - Material	0	467	0	0	0	0
004	Snow/Ice Control - Contract	0	0	8,000	0	0	0
	Category Total	254,187	156,867	233,000	157,500	235,816	235,816
(482)	ADMIN., RECORDS, ENGINEERING						
001	Admin., Records, Eng.	12,783	11,163	17,000	12,000	13,000	13,000
003	Pav't Mgt System Update	0	0	8,000	8,000	3,485	3,485
	Category Total	12,783	11,163	25,000	20,000	16,485	16,485
TOTAL EXPENDITURES AND OTHER FINANCING USES		2,725,942	1,713,934	3,965,890	2,367,949	4,162,756	4,162,756
Revenues over/(under) Expenditures		(305,799)	(196,486)	(657,890)	(500,947)	(609,557)	(609,557)
FUND BALANCE AT JUNE 30		1,345,691	1,149,205	70,673	648,258	38,701	38,701

Fund Balance – decreased due to the completion of local road projects.

Local Roads

LOCAL ROAD CONSTRUCTION DETAIL

PROJECT	Project Commitment Remaining	<u>To Be Expended in 2006/07</u>					Major Road
		Act 51 Local	S.A.D.	C.D.B.G.	S.A.D. Revolving Fund		
<u>2006/07</u>							
Robinson C-321	10,202	2,040	8,162	0	0	0	
Total Construction Projected 06/07	10,202	2,040	8,162	0	0	0	

PROJECT	Total Project Cost	<u>To Be Expended in 2007/08</u>					Other Funds
		Act 51 Local	S.A.D.	C.D.B.G.	S.A.D. Revolving Fund		
<u>2007/08</u>							
Residential Speed Control	15,000	15,000	0	0	0	0	
Local Road Rehab (Barrington Green)	1,037,221	0	837,763	0	199,458		
Local Road Rehab (Ramble Hills)	900,000	0	729,000	0	171,000	0	
Total Construction Projected 07/08	1,952,221	15,000	1,566,763	0	370,458	0	

REVOLVING SPECIAL ASSESSMENT FUND

Overview

This fund was established by City Council in 1986 to be utilized for special assessment construction advances, loans to special assessment districts in lieu of selling special assessment bonds for small projects, elimination of deficits in special assessment districts too small to warrant the expense of reassessing, and for repairs and required maintenance activities related to the original special assessment district.

Expenditures

Local Road rehabilitation in Barrington Green and Ramble Hills scheduled for 07/08.

FUND NUMBER: 247

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1		4,303,477	4,315,087	4,444,102	4,488,448	4,455,368	4,455,368
REVENUES							
664	Interest Income	98,078	186,288	150,000	200,000	180,000	180,000
	Total Revenues	98,078	186,288	150,000	200,000	180,000	180,000
OTHER FINANCING SOURCES							
	Contribution from Special Assess.	0	0	0	111,710	0	0
TOTAL REVENUES AND OTHER FINANCING SOURCES		98,078	186,288	150,000	311,710	180,000	180,000
EXPENDITURES							
451	Construction	7,431	0	10,000	6,000	10,000	10,000
482	Administration	950	985	1,000	950	1,000	1,000
	Total Expenditures	8,381	985	11,000	6,950	11,000	11,000
OTHER FINANCING USES							
Contribution to other funds:							
404	Capital Improvement Fund	0	0	60,990	0	0	0
203	Local Roads	78,087	11,942	343,600	337,840	535,436	535,436
	Total Other Financing Uses	78,087	11,942	404,590	337,840	535,436	535,436
TOTAL EXPENDITURES AND OTHER FINANCING USES		86,468	12,927	415,590	344,790	546,436	546,436
Excess Revenues over/(under) Expenditures and Other Financing Uses		11,610	173,361	(265,590)	(33,080)	(366,436)	(366,436)
FUND BALANCE AT JUNE 30		4,315,087	4,488,448	4,178,512	4,455,368	4,088,932	4,088,932

DEFERRED SPECIAL ASSESSMENT FUND

Overview

In 1982, the City Council established a Special Assessment Deferment Policy and Procedure to defer annual special assessment installments that present a financial hardship for homeowners. This deferment procedure is for homestead property owners who do not qualify for the State deferment program or assistance from the State Social Services Department. Deferments must be renewed annually. Eligibility criteria such as household income and other factors are outlined in the "Guidelines - Special Assessment Deferment Procedures" available at the Treasury Office.

The Deferred Special Assessment Fund is the fund established to retain and account for funds appropriated for the deferment program.

Revenue Assumptions

Revenue is projected higher because of earned interest income due to higher fund balance.

Expenditures

There are no expenditures for 07/08 other than annual audit fees.

Fund Number: 255

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1		46,210	46,921	48,191	48,616	50,786	50,786
REVENUES							
664	Interest Income	836	1,825	1,400	2,300	2,000	2,000
	Total Revenues	836	1,825	1,400	2,300	2,000	2,000
EXPENDITURES							
	Miscellaneous	125	130	135	130	130	130
	Total Expenditures	125	130	135	130	130	130
Revenues over/(under) Expenditures		711	1,695	1,265	2,170	1,870	1,870
FUND BALANCE AT JUNE 30		46,921	48,616	49,456	50,786	52,656	52,656

NUTRITION GRANT FUND

Overview

This fund provides meals to Farmington/Farmington Hills residents, 60 years and better and is funded primarily by Federal Grants through the Older American's Act. The Special Services Senior Division provides nutrition services for both Congregate (on site) meals offered at the Center for Active Adults located in the Costick Center and to homebound older adults unable to prepare their own meals.

The congregate and home delivered meals are designed to meet one-third of the recommended daily dietary requirement focusing on nutritional needs through careful menu planning, quality food and nutrition education. Other community-based services are available to meet needs such as isolation, acute and chronic health problems and limited financial resources.

The home delivered meal program consists of a hot meal, the choice of a second cold meal and a weekend package if needed. An average of 150 homebound older adults are served five days a week. Holiday meals are prepared and delivered by staff and volunteers on Thanksgiving, Christmas and Easter to those seniors unable to prepare or obtain a meal from family and friends. A total of 93,219 meals were projected while 100,516 meals were served in FY 2005-06.

Revenue Assumptions

Funding is primarily provided by Federal Grants through the Older American's Act and program income from donations for both congregate and home bound meals. A local grant match is also required.

Expenditures

Congregate and homebound meals are provided to those 60 years and older.

FUND NUMBER: 281

Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1	0	0	0	0	0	0
REVENUES						
Federal Grant	296,957	238,929	282,020	279,201	279,201	279,201
Program Income	100,594	119,621	103,756	107,256	107,256	107,256
Interest Income	3,732	6,176	4,800	7,500	7,500	7,500
Trust Transfers	0	10,227	0	0	0	0
Local Match	26,113	25,646	25,535	25,565	25,565	25,565
Total Revenues	427,396	400,599	416,111	419,522	419,522	419,522
EXPENDITURES						
Congregate Meals	122,662	101,819	96,561	109,084	109,084	109,084
Homebound Meals	304,734	298,780	319,550	310,438	310,438	310,438
Total Expenditures	427,396	400,599	416,111	419,522	419,522	419,522
Revenues over/(under) Expenditures	0	0	0	0	0	0
FUND BALANCE AT JUNE 30	0	0	0	0	0	0

PARKS MILLAGE FUND

Overview

This fund provides for the accounting and budgeting of the voter approved \$0.50000 mill special millage. Revenue is calculated by multiplying the taxable value by the millage rate and reducing the figure for estimated delinquent taxes. The initial millage was approved in 1986 and renewed for a ten-year period in 1997. The millage expires on June 30, 2009.

Revenue Assumptions

This fund receives revenue from the special millage levy, industrial facilities tax payments and interest income. This year revenue will increase 3% due to increased property tax revenue from higher taxable value in the city.

Expenditures

Financial support this year will continue for senior programs, youth and family programs, athletic field improvements, cultural arts and equipment replacement.

FUND NUMBER: 410						
Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1	188,482	241,834	189,332	550,176	660,861	660,861
REVENUES						
Special Levy	1,922,661	2,000,848	2,096,413	2,082,610	2,151,204	2,151,204
IFT Payments	5,176	3,323	5,200	3,576	3,576	3,576
Interest on Investments	34,278	81,216	55,000	100,000	100,000	100,000
Miscellaneous Income	14,000	0	0	0	0	0
TOTAL REVENUES	1,976,115	2,085,387	2,156,613	2,186,186	2,254,780	2,254,780
EXPENDITURES						
Audit & Legal Fees	910	945	910	950	985	985
Master Plan	11,961	0	0	0	40,000	40,000
Aquatic Center Study	0	0	0	0	50,000	50,000
Heritage Park	0	0	130,000	150,000	85,000	85,000
Athletic Fields	39,156	26,349	45,000	38,000	45,000	45,000
Equipment	20,334	24,128	35,000	34,000	125,000	125,000
Comfort Station (Port-A-Johns)	10,542	7,557	11,000	11,000	11,000	11,000
Facility Maintenance	4,090	0	5,000	5,000	5,000	5,000
Playground Improvement	26,696	13,548	200,000	15,000	420,000	420,000
Activities Center Improvements	0	0	37,500	35,614	82,000	82,000
Skate Park	0	0	0	45,000	0	0
Property Acquisition	0	0	0	210,000	0	0
Players Barn Grant Exp.	50,000	50,000	0	0	30,000	30,000
Total Expenditures	163,689	122,527	464,410	544,564	893,985	893,985

Parks Millage Fund

Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
OTHER FINANCING USES						
General Fund						
Park Maintenance/Operations	301,866	310,930	320,259	320,259	329,451	329,451
Naturalist	59,123	60,897	62,742	62,742	64,605	64,605
Youth Services	110,000	110,000	110,000	110,000	110,000	152,000
Activities Center/Seniors	288,835	291,491	294,236	294,236	296,863	296,863
Cultural Arts	110,000	110,000	110,000	110,000	110,000	132,000
General Debt Service (Activities Center)	335,850	227,500	0	0	0	0
Water Fund (NW)	553,400	543,700	633,700	633,700	621,700	621,700
Total Other Financing Uses	1,759,074	1,654,518	1,530,937	1,530,937	1,532,619	1,574,619
TOTAL EXPENDITURES AND OTHER FINANCING USES	1,922,763	1,777,045	1,995,347	2,075,501	2,426,604	2,468,604
Revenues over/(under) Expenditures	53,352	308,342	161,266	110,685	(171,824)	(213,824)
FUND BALANCE AT JUNE 30	241,834	550,176	350,598	660,861	489,037	447,037

CAPITAL PROJECT DETAIL

	<u>FY 2006/07</u>	<u>FY 2007/08</u>
PARK MILLAGE - HERITAGE PARK		
Caretakers House Improvements	20,000	10,000
Longacre	50,000	25,000
Music Shell	80,000	
Stable Improvements		35,000
Visitor Center		15,000
	<u>150,000</u>	<u>85,000</u>
PARK MILLAGE - ATHLETIC FIELDS		
Ball field & soccer field renovation	38,000	45,000
	<u>38,000</u>	<u>45,000</u>
EQUIPMENT		
V-Box Spreader replacement	5,000	
3/4 Ton 4wd Pickup replacement	29,000	
36" Walk Mower		4,500
52" Walk Mower		4,500
60" STR Mower (2)		21,000
Small Pick-up		15,000
K-2500 Pick-up with Plow		35,000
14' Cube Van		45,000
	<u>34,000</u>	<u>125,000</u>
COMFORT STATION		
Portable units for Little League program	11,000	11,000
	<u>11,000</u>	<u>11,000</u>
ACTIVITIES CENTER IMPROVEMENTS		
Building Improvements	7,500	
Carpet (Shannon & Lobby)	23,114	
Fire Suppression System survey	5,000	
Wall Covering (Shannon)		19,000
Carpet and Tile (Wexford)		18,000
Lobby Bathroom Upgrades		16,000
Web-Trac On-Line Class Registration		19,000
Misc. Improvements		10,000
	<u>35,614</u>	<u>82,000</u>

GOLF COURSE CAPITAL IMPROVEMENT FUND

Overview

This fund was established in 1992, and is financed by a per-round surcharge on green fees. It will be used for golf course equipment and capital improvements.

Revenue Assumptions

This fund receives revenue from a per-round surcharge on green fees and interest income.

Expenditures

A new greens roller and greens aerator will be purchased in 07/08.

FUND NUMBER: 412

Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1	86,027	53,637	37,642	26,669	12,219	12,219
REVENUES						
Green Fees	15,955	23,048	29,000	26,000	29,000	29,000
Interest	710	1,537	1,200	1,200	1,200	1,200
TOTAL REVENUES	16,665	24,585	30,200	27,200	30,200	30,200
EXPENDITURES						
Miscellaneous	275	285	285	150	150	150
Capital Improvement	48,780	51,268	41,500	41,500	30,000	30,000
TOTAL EXPENDITURES	49,055	51,553	41,785	41,650	30,150	30,150
Revenues Over/(Under) Expenditures	(32,390)	(26,968)	(11,585)	(14,450)	50	50
FUND BALANCE AT JUNE 30	53,637	26,669	26,057	12,219	12,269	12,269

CAPITAL PROJECT DETAIL

	FY 2006/07	FY 2007/08
EQUIPMENT		
Triplex greens Mower	21,500	
Watering Equipment	20,000	
Aeration Equipment		30,000
	41,500	30,000
TOTAL CAPITAL OUTLAY	41,500	30,000

PUBLIC SAFETY MILLAGE FUND

Overview

This fund was established to account for a \$1 mill levy (\$1.00 per \$1,000 of Taxable Value) approved by the electorate in 1995 for the purpose of expanding police and fire staff, constructing a central fire station and acquiring equipment and technology. The millage was renewed in 2003 for a ten year period. An addition .5 mill was also approved and became effective with the July 2006 levy. Revenue is calculated by multiplying the taxable value by the millage rate and reducing the figure for estimated delinquent taxes.

Revenue Assumptions

This fund receives revenue from the special millage levy, industrial facilities tax payments and interest income. In 07/08 revenue will increase due to increased property tax revenue from higher taxable value in the city and an increase in interest income.

Expenditures

The revenue from the original millage is used to help fund 16 sworn personnel, including one sergeant and 15 police officers, five full-time dispatchers, one full-time dispatch supervisor and seventeen full-time fire fighters. The millage increase has been used to hire five additional patrol officers and five additional firefighters.

FUND NUMBER: 205

Acct. No. Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1	200	1,229	49	100	856,666	856,666
REVENUES						
Public Safety Millage	3,846,407	4,003,901	6,428,118	6,298,470	6,505,608	6,505,608
IFT Payments	10,356	6,647	6,648	6,648	6,648	6,648
Interest Income	42,966	72,937	150,000	150,000	180,000	180,000
TOTAL REVENUES	3,899,729	4,083,485	6,584,766	6,455,118	6,692,256	6,692,256
EXPENDITURES						
(445) REIMBURSEMENTS TO GENERAL FUND						
300 Police Department						
Salaries and Wages	1,949,350	2,042,307	2,704,252	2,660,325	2,812,472	2,812,472
Operating Supplies	0	0	28,575	28,575	23,040	23,040
Professional & Contractual	0	0	14,000	14,000	4,100	4,100
Capital Outlay	0	0	10,000	13,200	24,340	24,340
Total Police Department Reimb.	1,949,350	2,042,307	2,756,827	2,716,100	2,863,952	2,863,952
337 Fire Department						
Salaries and Wages	1,949,350	2,042,307	2,709,933	2,673,632	2,792,239	2,792,239
Operating Supplies	0	0	200,000	200,000	35,913	35,913
Professional & Contractual	0	0	0	0	42,658	42,658
Capital Outlay	0	0	13,500	8,820	102,525	102,525
Total Fire Department Reimb.	1,949,350	2,042,307	2,923,433	2,882,452	2,973,335	2,973,335
TOTAL EXPENDITURES AND OTHER FINANCING USES	3,898,700	4,084,614	5,680,260	5,598,552	5,837,287	5,837,287
Excess Revenues over Expenditures	1,029	(1,129)	904,506	856,566	854,969	854,969
FUND BALANCE AT JUNE 30	1,229	100	904,555	856,666	1,711,635	1,711,635

POLICE FORFEITURE FUND

Overview

This fund was established in 1989, to comply with the guidelines of the Uniform Budgeting Act of 1978. It obtains its proceeds from the distribution of forfeited assets seized in drug arrests under federal and state statutes.

Revenue Assumptions

Revenue is difficult to predict given that it comes solely from seizures subsequent to drug-related arrests. Acquisitions are not made until sufficient funds have been secured to cover them.

Expenditures

In FY 2007/08 funding will be utilized to:

- continue support of the drug education and prevention program including tee-shirts for all fifth grade students
- provide community drug education programs
- obtain equipment for narcotics-related investigations
- support the canine unit

FUND NUMBER: 214

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1		105,804	317,345	194,981	612,518	747,390	747,390
REVENUES							
013	Federal Forfeiture	294,154	346,317	305,000	475,783	275,000	275,000
015	Miscellaneous	2,125	9	0	25,000	0	0
505	Grants	3,672	58,135	0	0	0	0
014	Forfeiture Funds	16,150	55,627	40,000	97,739	53,020	53,020
025	Sale of Fixed Assets	0	0	0	35,804	0	0
664	Interest Income	3,594	27,046	16,500	45,000	30,000	30,000
TOTAL REVENUES AND OTHER FINANCING SOURCES		319,695	487,134	361,500	679,326	358,020	358,020

Police Forfeiture Fund

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
EXPENDITURES							
(740) OPERATING SUPPLIES							
008	Drug Education	16,389	8,876	23,700	15,600	17,600	17,600
009	Evidence Lab Supplies	0	0	6,633	6,633	2,896	2,896
011	Lease Equipment	21,094	18,251	12,800	17,055	22,700	22,700
012	Training Expenses	2,288	1,200	10,000	6,500	7,500	7,500
017	Prosecutor Fees	1,828	0	10,000	5,000	10,000	10,000
018	Ammunition & Weapons	0	8,267	34,308	25,380	37,755	37,755
019	Uniform	2,903	70,896	66,849	34,720	44,590	44,590
021	Audit Fee	875	0	875	0	0	0
040	Miscellaneous	38,200	51,426	106,831	106,831	94,693	94,693
	Total Operating Supplies	83,577	158,916	271,996	217,719	237,734	237,734
(970) CAPITAL OUTLAY							
001	Office Furniture	0	1,414	0	30,000	0	0
002	Equipment	22,961	20,484	34,232	234,206	185,000	185,000
015	Automotive & Auto Equipment	0	1,647	40,500	19,743	85,500	85,500
036	Building Improvements	0	9,500	0	2,500	2,500	2,500
	Total Capital Outlay	22,961	33,045	74,732	286,449	273,000	273,000
	TOTAL EXPENDITURES	106,538	191,961	346,728	504,168	510,734	510,734
(445) OTHER FINANCING USES							
	Contribution to Other Funds:						
101	General Fund	0	0	26,585	40,286	14,115	14,115
268	Local Law Block Grant	1,616	0	0	0	0	0
	TOTAL OTHER FINANCING USES	1,616	0	26,585	40,286	14,115	14,115
	TOTAL EXPENDITURES AND OTHER FINANCING USES	108,154	191,961	373,313	544,454	524,849	524,849
	Revenues over/(under) Expenditures	211,541	295,173	(11,813)	134,872	(166,829)	(166,829)
	FUND BALANCE AS OF JUNE 30	317,345	612,518	183,168	747,390	580,561	580,561

Police Forfeiture Fund

Capital Outlay

Department Number: 214

Acct.

970	Quantity	Item Description	Unit Cost	Budget Request	Manager's Budget	
					Quantity	Amount
002		EQUIPMENT				
	10	Notebook MDCs	5,000	50,000	10	50,000
	15	In-Car MDCs	7,000	105,000	15	105,000
	1	Fitness Room Equipment	30,000	30,000	1	30,000
				<u>185,000</u>		<u>185,000</u>
015		AUTOMOTIVE & AUTO EQUIPMENT				
	2	Unmarked Cars - Class B	17,500	35,000	2	35,000
	1	Marked Car - Class L	20,500	20,500	1	20,500
	1	SUV 4x4 - Class F	30,000	<u>30,000</u>	1	<u>30,000</u>
		Total Equipment		<u>85,500</u>		<u>85,500</u>
036		BUILDING IMPROVEMENTS				
		Vents & Air Duct Cleaning		<u>2,500</u>		<u>2,500</u>
		CAPITAL OUTLAY TOTAL		<u>273,000</u>		<u>273,000</u>

LOCAL LAW ENFORCEMENT BLOCK GRANT IX

Overview

These grants are available from the Bureau of Justice to fund projects that support enhanced security and crime prevention programs and equipment to improve the police department's ability to provide public safety services.

This grant fund will be expended and closed by the end of 2007.

FUND NUMBER: 269

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1		0	0	0	0	0	0
REVENUES							
505	Federal Grant	8,035	3,762	0	2,750	0	0
005	Interest Income	44	53	0	0	0	0
Total Revenues		8,079	3,815	0	2,750	0	0
OTHER FINANCING SOURCES							
Contributions from Other Funds							
214	Drug Forfeiture Fund	1,616	0	0	0	0	0
TOTAL REVENUES AND OTHER FINANCING SOURCES		9,695	3,815	0	2,750	0	0
EXPENDITURES							
020	Miscellaneous Equipment	1,618	0	0	2,750	0	0
040	Miscellaneous	8,077	3,815	0	0	0	0
Total Expenditures		9,695	3,815	0	2,750	0	0
Revenues over/(under) Expenditures		0	0	0	0	0	0
FUND BALANCE AT JUNE 30		0	0	0	0	0	0

JUSTICE ASSISTANCE GRANT I

Overview

The Justice Assistance Grant was established by the United States Department of Justice. It is distributed to community police departments for the purpose of preventing and controlling crime based on local needs and conditions.

This grant fund will be expended and closed by the end of 2007.

FUND NUMBER: 271

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1		0	0	0	105	0	0
REVENUES							
505	Federal Grant	0	0	0	21,655	0	0
005	Interest Income	0	105	0	168		
	Total Revenues	0	105	0	21,823	0	0
TOTAL REVENUES AND OTHER FINANCING SOURCES		0	105	0	21,823	0	0
EXPENDITURES							
020	Miscellaneous Equipment	0	0	0	21,928	0	0
040	Miscellaneous	0	0	0	0	0	0
	Total Expenditures	0	0	0	21,928	0	0
	Revenues over/(under) Expenditures	0	105	0	(105)	0	0
FUND BALANCE AT JUNE 30		0	105	0	0	0	0

JUSTICE ASSISTANCE GRANT II

Overview

The Justice Assistance Grant was established by the United States Department of Justice. It is distributed to community police departments for the purpose of preventing and controlling crime based on local needs and conditions.

This grant fund will be expended and closed by the end of 2007.

FUND NUMBER: 272

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1		0	0	0	0	0	0
REVENUES							
505	Federal Grant	0	2,961	0	9,521	0	0
005	Interest Income	0	26	0	800	0	0
	Total Revenues	0	2,987	0	10,321	0	0
TOTAL REVENUES AND OTHER FINANCING SOURCES		0	2,987	0	10,321	0	0
EXPENDITURES							
020	Miscellaneous Equipment	0	2,987	0	10,321	0	0
040	Miscellaneous	0	0	0	0	0	0
	Total Expenditures	0	2,987	0	10,321	0	0
Revenues over/(under) Expenditures		0	0	0	0	0	0
FUND BALANCE AT JUNE 30		0	0	0	0	0	0

**COMMUNITY DEVELOPMENT BLOCK
GRANT (CDBG) FUND**

Overview

Annually, Farmington Hills receives CDBG funds from the United States Department of Housing and Urban Development (HUD). The funds are used to provide assistance to low and moderate income individuals for housing rehabilitation work and for capital improvements in eligible areas.

Revenue Assumptions

This fund receives revenue from the Community Development Block Grant Program, block grant carryover which is unused money from the previous year, and program loan receipts or payments made upon the sale of property which received a deferred loan. Block grant carryover and loan receipts are unpredictable and fluctuate from year to year. For FY 07/08, block grant carryover is anticipated and loan receipts are unchanged.

Expenditures

In FY 07/08, approximately 30 houses will be rehabilitated at a cost of \$245,000 as part of the Housing Rehabilitation Program and sidewalks costing \$177,500 will be constructed in eligible areas.

FUND NUMBER: 275

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1		0	0	0	0	0	0
REVENUES							
	Community Development						
	Block Grant	545,368	405,350	389,336	389,336	385,315	385,315
	Block Grant Carryover	0	0	0	103,417	75,000	75,000
	Housing Rehabilitation						
	Program Loan Receipts	116,013	78,184	100,000	56,000	60,000	60,000
	Total Revenues	661,381	483,534	489,336	548,753	520,315	520,315
EXPENDITURES							
ADMINISTRATION							
	Salaries & Wages	53,500	52,897	58,400	58,400	58,400	58,400
	Fringe Benefits	27,827	27,579	25,100	25,100	25,100	25,100
	Supplies	51	176	200	221	215	215
	Conferences & Workshops	1,213	1,089	500	1,000	1,000	1,000
	Memberships & Dues	3,095	2,765	2,500	2,615	2,800	2,800
	Legal Notices	814	994	1,336	1,800	1,800	1,800
	Haven	7,500	7,500	7,500	7,500	7,500	7,500
	Contracted Services	1,000	1,000	1,300	1,000	1,000	1,000
	Category Total	95,000	94,000	96,836	97,636	97,815	97,815

Community Development Block Grant Fund

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
CAPITAL OUTLAY							
	Housing Rehab. Grants	19,788	50,674	50,000	25,000	25,000	25,000
	Housing Rehabilitation	109,527	171,318	50,000	150,000	170,000	170,000
	Housing Rehab. Income Est.	116,013	78,184	100,000	50,000	50,000	50,000
	Youth Cntr. Furn & Equipment	0	74,358	0	0	0	0
	Sidewalks	0	15,000	192,500	122,700	177,500	177,500
	Category Total	245,328	389,534	392,500	347,700	422,500	422,500
	Total Expenditures	340,328	483,534	489,336	445,336	520,315	520,315
OTHER FINANCING USES							
	Contribution to Other Funds						
	Major Road Fund						
	Inkster ROW Improvement	321,053	0	0	103,417	0	0
	Total Other Financing Uses	321,053	0	0	103,417	0	0
	TOTAL EXPENDITURES AND OTHER FINANCING USES	661,381	483,534	489,336	548,753	520,315	520,315
	Excess Revenue over Expenditures	0	0	0	0	0	0
	FUND BALANCE AT JUNE 30	0	0	0	0	0	0

CAPITAL IMPROVEMENT FUND

Overview

In 1982, the City Council established the Capital Improvement Fund for the purpose of providing financing for the acquisition and construction of infrastructure improvements and equipment acquisitions in excess of \$25,000. The annual Capital Improvement Fund Budget is the financial means by which the first year of the Capital Improvement Plan (CIP) is implemented to the extent revenues are available.

Capital Improvement Plan

The City Charter (Sections 3.07 and 6.08) charges the City Manager with the responsibility of submitting a Capital Improvements Plan to the City Council. Public Act 285 of the Public Acts of 1931 of the State of Michigan requires cities with Planning Commissions to prepare a Six-Year Capital Improvements Plan.

The goal in developing a multi-year Capital Improvement Plan is to plan for and establish guidelines and priorities for capital improvements and expenditures in a fiscally sound manner. This program sets forward the basis for annual fiscal capital projects budgeted in the budgetary funds such as the Capital Improvement Fund, Road Funds and Dedicated Millage Funds for Public Safety and Parks and Recreation development. The CIP helps track multi-year projects that may require planning, design, land acquisition, construction and future operating costs. The projects identified in the CIP represent the City's plan to serve residents and anticipate the needs of our dynamic community. It is updated annually by the Planning Commission and presented to the City Council for their consideration. The following planning documents along with feedback from the public are considered in the preparation of the CIP:

- Five Year Departmental Plans
- Past Capital Improvements Plans
- The Master Plan for Future Land Use
- The Parks and Recreation Master Plan
- The Economic Development Plan
- The Master Storm Drainage Plan
- The Sustainability Study
- The Technology Master Plan
- The Municipal Complex Master Plan

Within each of these plans, a prioritization process is described that outlines how specific projects are ranked. Each year the Planning Commission, with staff input, prioritizes the projects in the Capital Improvements Plan. The establishment of priorities is indicated by the fiscal year in which the projects are scheduled to be implemented.

The Plan is reviewed by the Planning Commission at a study session and then set for public review at a public hearing. The finalized document becomes the "City of Farmington Hills Six Year Capital Improvements Plan." This formal document is not static but is used as a basis for next year's plan.

As used in this document, the term Capital Improvements Plan is intended to reflect a complete list of all major capital projects with estimates anticipated in both capital and future operating costs over the next six-year period that will be necessary to serve existing and new development in the City. All of these public facilities, utility and service projects are listed on a priority basis, which reflects the fiscal year in which they are proposed. This six-year program also includes a discussion for providing the financial means for implementing the projects so that the City can provide, as adequately as possible, for the public health, safety and general welfare of all the people of the City and the economic activities that support them.

Relationship between the Capital and Operating Budgets

The Capital and Operating budgets are closely interrelated. The allocation of the total millage between operating expenditures in the General Fund, capital expenditures in the Capital Improvement Fund, and debt service on bond issues, whose proceeds were utilized to fund prior capital improvements, has a direct impact on funding committed for operations and capital improvements.

Occasionally funds are transferred from the General Fund to the Capital Improvement Fund for construction projects. This year, \$3 million will be transferred from the General Fund to the Capital Improvement Fund for the demolition and reconstruction of the west wing of City Hall. Also, \$100,000 will be transferred from the Capital Improvement Fund to the Major Roads Fund for the Ten Mile and Middlebelt Intersection Project.

Capital expenditures impact the operating budget both positively and negatively. Paving and resurfacing roads reduces maintenance costs as does major refurbishing of City facilities. Sidewalk and bike path construction, storm drainage improvements, and DPW equipment replacement do not add any significant operating costs. However, the construction of new facilities and expansions of existing facilities will increase utility, building maintenance and custodial costs. See the Project Detail section for specific information on the operating impact of funded capital projects.

Revenue

Millage is allocated to this fund from within the City Charter millage. Capital Improvement levy revenue will increase in 07/08 due to increased property tax revenue from higher taxable value in the City. Additional revenue comes from interest on investments, donations from the community for the youth program at the Jon Grant Community Center, and Special Assessment Districts for sidewalks and drainage. A transfer of \$3 million from the General Fund will finance the City Hall west wing project.

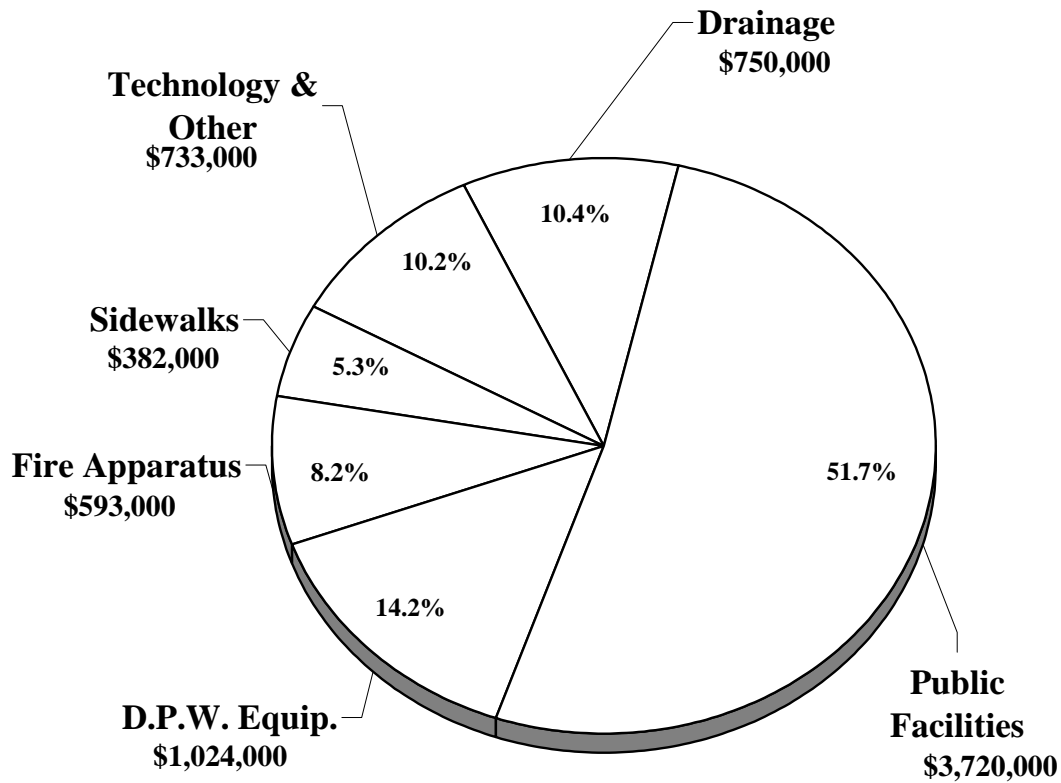
Expenditures

The annual Capital Improvement Fund budget is the financial means by which the first year of the Capital Improvement Program is implemented to the extent revenues are available. In addition to the construction projects contained in the Road Fund budgets, the City plans to expend over \$7 million for infrastructure improvements benefiting the entire community. This program is comprised of facility improvements and expansions, sidewalk and bike path construction, drainage improvements, technology enhancements, and the acquisition of Public Works equipment and Fire apparatus replacements. The Project Detail pages describe the capital projects in detail.

Fund Balance

The fund balance for 07/08 will decrease due to a delay in the start of projects previously planned.

Capital Improvement Fund Expenditures \$7,202,000



FUND NUMBER: 404

Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1	1,594,421	6,522,937	3,460,176	4,242,341	3,622,412	3,622,412
REVENUES						
Capital Improvement Levy	1,343,432	1,967,005	2,061,201	2,054,696	2,115,072	2,115,072
State Grants	15,138	0	0	0	0	0
Federal Grant(Costick Ctr. Biodetention)	0	0	75,000	55,000	0	0
10 Mile/Grand River Improvements	0	0	75,000	0	0	0
Interest on Investments	87,386	220,322	225,000	240,000	150,000	150,000
Land Sale-McMann	112,000	84,000	0	0	0	0
Interest on Land Contract	26,431	26,704	0	0	0	0
Land Sale - Eleven Pines	200,000	20,000	0	0	0	0
Proceeds from Sale of Old Courthouse	356,772	178,386	178,386	178,386	0	0
Interest Income-Old Courthouse	0	17,839	8,919	8,919	0	0
Sale of Fixed Assets	0	6,000	0	27,000	0	0
Memorial Contributions	0	500	0	200	0	0
Donations-Fire Station #3	121,893	15,000	15,000	15,000	15,000	15,000
Sidewalk SAD's Woodcreek	0	0	32,287	24,139	53,508	53,508
Pond/Danvers/Homeowners	0	0	0	0	38,000	38,000
Miscellaneous	0	31,044	0	0	0	0
Total Revenues	2,263,052	2,566,800	2,670,793	2,603,340	2,371,580	2,371,580
OTHER FINANCING SOURCES						
Proceeds from Bond Sale	8,122,160	0	0	0	0	0
Contribution From Other Funds:						
SAD Revolving Fund	0	0	60,990	0	0	0
General Fund- Station No.3	2,500,000	1,780,000	0	0	0	0
General Fund-City Hall West Wing	0	0	0	0	3,000,000	3,000,000
Park Millage Fund	0	0	0	0	0	0
	10,622,160	1,780,000	60,990	0	3,000,000	3,000,000
TOTAL REVENUES AND OTHER FINANCING SOURCES	12,885,212	4,346,800	2,731,783	2,603,340	5,371,580	5,371,580
EXPENDITURES						
DRAINAGE	165,224	27,268	1,100,000	383,328	750,000	750,000
PUBLIC FACILITIES						
Land Acquisition	263,420	0	300,000	200,000	300,000	300,000
Golf Course Development	707,520	0	0	0	0	0
Activities Center Office Expansion	0	9,096	0	0	0	0
Reconstruct Fire Station No.3	978,489	4,428,827	0	0	0	0
Fire Station No. 1 Roof Repair	39,610	0	0	0	0	0
ADA Entr.City Hall Police Bldgs.	0	131,803	0	56,528	0	0
Costick Center Drive Improvements	0	0	200,000	0	370,000	370,000
City Hall Expansion Plan	0	0	300,000	0	3,000,000	3,000,000
Citywide Vehicle GPS	0	0	110,000	0	0	0

Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
Municipal Campus Improvements	3,500	55,192	100,000	100,000	0	0
Gate @ Marc/Watt	0	0	25,000	0	0	0
Underground Storage Tanks	0	0	115,000	164,577	0	0
Old Court Utility/Holding Costs	4,063	0	0	0	0	0
Equipment. for Mechanization						
for Counting Absentee Ballots	0	0	0	34,000	0	0
Joint Sealing for Public Facilities	0	0	0	0	50,000	50,000
Bond Issuance Costs	67,987	0	0	0	0	0
Miscellaneous	376	42,330	0	0	0	0
Costick Center - Bio Retention Proj.	0	61,672	0	0	0	0
Total Public Facilities	2,064,965	4,728,920	1,150,000	555,105	3,720,000	3,720,000
SIDEWALKS	205,468	378,958	264,777	103,777	382,000	382,000
EQUIPMENT						
Web Site	156	0	25,000	0	0	0
Phone System Upgrade	0	0	30,000	30,000	30,000	30,000
Generators	253,445	0	0	7,140	0	0
Data Processing & Office Equip.	564,543	167,201	250,000	234,000	601,300	601,300
Fire Apparatus	112,621	741,284	810,000	1,262,075	593,000	593,000
D.P.W. Equipment	42,461	442,798	511,000	551,289	1,024,000	1,024,000
Total Equipment	973,226	1,351,283	1,626,000	2,084,504	2,248,300	2,248,300
ADMINISTRATIVE						
Rouge Assembly Participation	6,000	0	0	0	0	0
NPDES Expenses	2,571	4,579	0	512	0	0
Audit Fees	1,425	1,475	1,475	1,650	1,700	1,700
Total Administrative	9,996	6,054	1,475	2,162	1,700	1,700
Total Expenditures	3,418,879	6,492,483	4,142,252	3,128,876	7,102,000	7,102,000
OTHER FINANCING USES						
Contribution To Other Funds						
Major Roads	26,699	134,913	200,000	94,393	100,000	100,000
Water Fund	4,511,118	0	0	0	0	0
Total Other Financing Uses	4,537,817	134,913	200,000	94,393	100,000	100,000
TOTAL EXPENDITURES AND OTHER FINANCING USES	7,956,696	6,627,396	4,342,252	3,223,269	7,202,000	7,202,000
Revenues Over/(under) Expenditures	4,928,516	(2,280,596)	(1,610,469)	(619,929)	(1,830,420)	(1,830,420)
FUND BALANCE AT JUNE 30	6,522,937	4,242,341	1,849,707	3,622,412	1,791,992	1,791,992

PROJECT DETAIL

Drainage

Drainage projects improve the drainage courses outlined in the Master Storm Drainage Plan and are supplemented by storm water quality considerations required under the City's National Pollutant Discharge Elimination System storm water permit. Priority criteria are:

- Integrating water quantity issues with water quality issues;
- Immediate flood peak reduction to solve the most significant flooding concerns;
- Integration with other improvements including water main, sanitary sewer, paving, and building construction;
- Ensuring the continued development and redevelopment of the City; and
- Encouragement of riparian stewardship and maintenance.

In 2007/08 drainage expenditures of \$750,000 will be as follows:

	DRAINAGE PROJECTS	07/08 BUDGET	MAINT. COSTS	OTHER OPERATING COSTS
1.	Storm Water Pollution Prevention Initiative	100,000	None	None
2.	Miscellaneous Drain Construction	100,000	Routine	None
3.	Illicit Discharge Elimination Program	100,000	None	None
4.	GIS Storm Phases I, II & III	100,000	None	None
5.	Open Channel Maintenance	100,000	Routine	None
6.	Storm Model & Master Plan Pilot	100,000	None	None
7.	Woodcreek Pond at Danvers	150,000	Routine	None

1. Storm Water Pollution Prevention Initiative. The pollution prevention initiative requires that certain projects and procedures be adopted that will ultimately lead to a cleaner Rouge River in accordance with the Federal Clean Water Act. Projects may include erosion control in the open watercourses and siltation basins to remove suspended sediment from storm water.
2. Miscellaneous Drain Construction. The construction of storage facilities, pipe and culvert enclosures and channel improvements throughout most of the drainage districts in the City. Projects from inspection programs are included.
3. Illicit Discharge Elimination Program. This program involves a visual inspection of all major watercourses to determine if there are illegal taps or pollutant discharges into the stream.
4. GIS Storm Phases I, II & III. This year's efforts will complete the GIS project. Additional plans and new as-builts will be digitized and added to the GIS storm sewer layer.
5. Open Channel Maintenance. A continuous program for maintenance of the City's open channel drainage system.
6. Storm Model & Master Plan Pilot. The North Bell Creek drainage district was chosen for a pilot area and will be used as the basis for completion of the Storm Water Master Plan Update for the entire city. This is the second year of a two- year program.
7. Woodcreek Pond at Danvers. The project calls for a planted wetland that will be self-sustaining.

Financial impact: Drainage improvements do not have a significant impact on operating budgets. The cost of the capital improvements are distributed over many years and ensure continued improvement, thereby having the potential to save millions of dollars in flood damage in the future.

Non-financial impact: The City is required to install various improvements in accordance with the United States Clean Water Act. All projects are consistent with the City's federal permit. Funding projects in the Master Storm Drainage Plan promotes an improved quality of life.

Sidewalks and Bike Paths

Providing safe pedestrian travel along major traffic corridors is a priority of the City Council, School Board, staff, and residents. Developers have installed sidewalks as a requirement of development. In many cases, sidewalk gaps have resulted. Annually, pedestrian traffic generators and sidewalk gaps are identified in preparation of the Capital Improvements Plan. These areas continue to be a priority.

In 2007/08 sidewalks and bike paths in the amount of \$382,000 will be built as follows:

SIDEWALKS AND BIKE PATHS	07/08 BUDGET	MAINTENANCE COSTS	OTHER OPERATING COSTS
Sidewalk Replacement Program	90,000	Routine	None
Thirteen Mile, S. Valley to Northwestern Hwy.	11,000	Routine	None
Halsted, eastside, south of Valhalla	12,000	Routine	None
Middlebelt, eastside, 9 Mile to Eldon	43,000	Routine	None
Twelve Mile, north side, Copper Creek to Haggerty	35,000	Routine	None
Halsted, eastside, north of Eight Mile	60,000	Routine	None
Ten Mile north side, Power to Orchard Lake	120,000	Routine	None
Drake west side, Valley Creek to Lytle	11,000	Routine	None

Financial Impact: Providing sidewalks and bike paths does not have a significant impact on operating budgets.

Non-financial Impact: Sidewalks and bike paths add to the attractiveness of the City, appeal to families, and signal a resident-friendly community. They contribute positively to the community's environment and image. They provide safe pedestrian travel to schools, shopping centers, and recreational areas.

Equipment

Public Facilities Equipment

The Technology Master Plan provides for the ongoing costs of equipment and technology improvements. Ongoing costs include the replacement of equipment and a fast and reliable network. Included in the 07/08 budget are: fiber optic technology improvements, phone system upgrades, RecTrac software, document imaging equipment that will provide electronic storage capabilities, license upgrades, and equipment upgrades City-Wide to keep the network fast and reliable.

Division of Public Works and Fire Equipment

Due to the expense of major equipment purchases for the DPW and Fire Department, a continuous provision must be made from year to year for new equipment and to replace worn out and unserviceable equipment. Priority is given based on mileage, safety, body/interior condition, mechanical condition, and service record.

In 2007/08 equipment in the amount of \$2,248,300 will be purchased.

	EQUIPMENT	07/08 BUDGET	MAINTENANCE COSTS	OTHER OPERATING COSTS
	Public Facilities			
1.	City-Wide Technology	601,300	Routine	None
2.	Phone system upgrade	30,000	Routine	None
	Fire Department			
3.	Quint #3 (replacement)	540,000	Routine	None
4.	Vehicle for Fire Dept. (replacement)	53,000	Routine	None
	Division of Public Works			
5.	Grader	255,000	Routine	None
6.	Loader (replacement)	208,000	Routine	None
7.	Forestry truck(replacement)	125,000	Routine	None
8.	Stake truck (replacement)	40,000	Routine	None
9.	Conveyor system for salt dome (new)	140,000	Routine	None
10.	Two five-yard dump trucks (replacement)	256,000	Routine	None

1. City-Wide technology includes: Fiber Optic, \$325,000; software systems, \$50,000; recreation software for Special Services, \$16,000; document imaging, \$7,500; AutoCAD Licenses and upgrades, \$12,800; and equipment upgrades, \$190,000.

Financial Impact: Purchasing equipment does not have a significant impact on the operating budget.

Non-financial Impact: Having reliable equipment is essential to the safety of our residents and roads and adds to the livability and sustainability of the city.

Public Facilities

The Municipal Complex Master Plan defines space requirements necessary to alleviate overcrowding and provides the technological requirements that are necessary for the City to provide services.

In 2007/08 public facilities expenditures of \$3,720,000 will be as follows:

	PUBLIC FACILITIES	07/08 BUDGET	MAINENANCE COSTS	OTHER OPERATING COSTS
1.	Land Acquisition	300,000	Routine	None
2.	Municipal Complex Expansion	3,000,000	Not in 07/08	Not in 07/08
3.	Costick Center Drive Improvements	370,000	Routine	None
4.	Joint Sealing for Public Facilities	50,000	Routine	None

1. Land Acquisition. Funds are for the potential purchase of land for municipal use.
2. Municipal Complex Expansion. This is the only significant non-routine capital expenditure in the 07/08 Capital Improvement Fund. (See the financial impact statement below). The current west wing of the main City Hall building was built in the early 1950's as the Township Hall. It houses the Mayor's Office, the Human Resources Office, the City Manager's Offices, and several conference rooms. It suffers from several deficiencies including ADA access to both the ground and second floor levels, heating, cooling and weather tightness, and overall efficiency. Capital repairs have been deferred for several years. The current City Council Chambers was originally built as a courtroom. While operationally adequate, the space could be more audience-friendly, presentation-friendly, and modern. The west wing will be demolished, making way for the new Council Chambers/Administration wing. The Human Resources Department and other city departments will use the space of the current Council Chambers.
3. Costick Center Drive Improvements. Both drives will be resurfaced and improvements will be made to accommodate traffic flow. Handicap parking spaces will be added.
4. Joint Sealing for Public Facilities. Act 51 money cannot be spent on roadways in the municipal complex, therefore, joint sealing on municipal roads is budgeted in this fund.

Financial Impact: The Municipal Complex Expansion will increase utilities, building maintenance, and custodial costs. This project will not be completed in 2007/08 so there will be no impact on the operating budget in 2007/08.

Non-financial Impact: The non-financial impact of the expansion of the City Hall building will be improved public access (in accordance with the Americans with Disabilities Act) to the Mayor's Office, City Manager's Office, Human Resources Office, and Economic Development Office. The demolition will add open space along the Eleven Mile frontage.

Contribution to Major Road Fund

In 07/08 the Capital Improvement Fund will contribute \$100,000 to the Major Road Fund for the Ten Mile/Middlebelt Intersection improvement project.

	CONTRIBUTION TO MAJOR ROADS	07/08 BUDGET	MAINTENANCE COSTS	OTHER OPERATING COSTS
1.	Ten Mile/Middlebelt Intersection	100,000	Routine	None

Financial Impact: Improving the intersection will not have a significant impact on operating budgets.

Non-financial Impact: Road improvements are necessary for the vitality and growth of our City.

PROJECT DETAIL

<u>DRAINS</u>	BUDGETED	ESTIMATED	PROPOSED	ADOPTED
	FY 2006/07	FY 2006/07	FY 2007/08	FY 2007/08
Storm Water Pollution Prevention Initiative	100,000	80,000	100,000	100,000
Miscellaneous Drainage	100,000	0	100,000	100,000
IDEP	200,000	50,000	100,000	100,000
GIS Storm Phases I & II & III	150,000	30,000	100,000	100,000
Open Channel Maintenance	100,000	30,000	100,000	100,000
Storm Model & Master Plan Pilot	150,000	50,000	100,000	100,000
Costick Center Biodetention	150,000	88,328	0	0
Woodcreek Pond at Danvers	0	0	150,000	150,000
10 Mile/Grand River Improvements	150,000	55,000	0	0
TOTAL DRAINAGE	1,100,000	383,328	750,000	750,000
<u>PUBLIC FACILITIES</u>				
Municipal Campus Improvements	100,000	100,000	0	0
Fire Station No.3	0	0	0	0
Land Acquisition	300,000	200,000	300,000	300,000
City Hall West Wing	300,000	0	3,000,000	3,000,000
Citywide Vehicle GPS	110,000	0	0	0
Gate @ Marc /Watt	25,000	0	0	0
Underground Storage Tanks at DPW Garage	115,000	164,577	0	0
ADA Entr.City Hall Police Bldgs.	0	56,528	0	0
Costick Center Drive Improvements	200,000	0	370,000	370,000
Equip. for Mechanization of Counting				
Absentee Ballots	0	34,000	0	0
Joint Sealing for Public Facilities	0	0	50,000	50,000
TOTAL PUBLIC FACILITIES	1,150,000	555,105	3,720,000	3,720,000
<u>SIDEWALK PROGRAM</u>				
Sidewalk Replacement Program	93,777	93,777	90,000	90,000
13 Mile, S.Valley to N/W Highway	11,000	0	11,000	11,000
Halsted, Eastside, South of Valhalla	12,000	0	12,000	12,000
Middlebelt, eastside, 9 Mile to Eldon	43,000	0	43,000	43,000
12 Mile, NS, Copper Creek to Haggerty	35,000	0	35,000	35,000
Halsted, Eastside, North of 8 Mile	70,000	10,000	60,000	60,000
10 Mile north side, Power to Orchard Lake Road	0	0	120,000	120,000
Drake west side, Valley Creek to Lytle	0	0	11,000	11,000
TOTAL SIDEWALK PROGRAM	264,777	103,777	382,000	382,000

	BUDGETED	ESTIMATED	PROPOSED	ADOPTED
	FY 2006/07	FY 2006/07	FY 2007/08	FY 2007/08
<u>EQUIPMENT</u>				
Data Processing & Office Equipment	250,000	234,000	601,300	601,300
Phone System Upgrade	30,000	30,000	30,000	30,000
Website	25,000	0	0	0
Fire Apparatus:				
Medic #5 Replacement	110,000	112,038	0	0
Quint #4 & #5	700,000	25,472	0	0
Quint #3	0	0	540,000	540,000
Replacement for BC Vehicle	0	0	53,000	53,000
Encumbrance	0	1,124,565	0	0
	810,000	1,262,075	593,000	593,000
D.P.W. Equipment:				
Sweeper-Replacement	0	186,600	0	0
Sign Truck-Replacement	0	119,000	0	0
Grader	255,000	0	255,000	255,000
Loader-Replacement	0	0	208,000	208,000
Forestry Truck-Replacement	0	0	125,000	125,000
Stake Truck-Replacement	0	0	40,000	40,000
Sewer Camera on Trailer Mount	0	0	85,000	0
Conveyor System for Salt Dome	0	0	140,000	140,000
Five Yard Dump 2-(07/08)-Carryover	256,000	245,689	256,000	256,000
Ten Yard Dump 2-(03/04) & 2-(04/05)	0	0	0	0
	511,000	551,289	1,109,000	1,024,000
TOTAL EQUIPMENT	1,626,000	2,077,364	2,333,300	2,248,300
<u>CONTRIBUTION TO MAJOR ROADS</u>				
Landscaping-Northwestern Highway	0	94,393	0	0
Halsted/11 Mile (Tunnel)	0	0	0	0
10 Mile Tri-Party	200,000	0	100,000	100,000
I-275 Living Wall	0	0	0	0
	200,000	94,393	100,000	100,000

The following schedules provide an overview of the comprehensive CIP. Items listed have not necessarily been recommended for funding due to the lack of financial resources available for all projects.

**PLANNING COMMISSION'S
CAPITAL IMPROVEMENTS PLAN
2007/2008 – 2012/2013**

DRAINAGE PROJECT	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE						
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
Minnow Pond at Halsted	\$3,500,000	\$3,500,000	100% City					1800 CF	1700 CF	
Storm Water GIS (SWPPI) - Phase 3	100,000	100,000	100% City	100 CF						
Kendallwood Flood Proofing	360,000	360,000	100% City							360 CF
Rollcrest/North Ravines	315,000	315,000	100% City				315 CF			
Staman Acres Storm Water Relief	1,700,000	1,700,000	100% City		100 CF	800 CF	800 CF			
IDEP Update per NPDES (SWPPI)	150,000	100,000	67% City 33% OCDC	100 CF						
Storm Water Pollution Prevention Initiative (SWPPI)	600,000	600,000	100% City	100 CF	100 CF	100 CF	100 CF	100 CF	100 CF	
Brookhill Subdivision Drainage	880,000	176,000	20% City 80% SAD							176 CF
North Bell, Ruth to Farmington	1,000,000	1,000,000	100% City					500 CF	500 CF	
Miscellaneous Drain Construction	600,000	600,000	100% City	100 CF	100 CF	100 CF	100 CF	100 CF	100 CF	
Open Channel Maintenance Program	600,000	600,000	100% City	100 CF	100 CF	100 CF	100 CF	100 CF	100 CF	
Fendt Channel Improvement	100,000	100,000	100% City					100 CF		
Storm Modeling and Master Plan Pilot	150,000	150,000	100% City	150 CF						
Storm Modeling and Master Plan Update	1,700,000	1,700,000	100% City		800 CF	900 CF				
North Bell, Eight Mile to Randall	800,000	800,000	100% City			800 CF				
North Bell, Randall to Ruth	450,000	450,000	100% City				450 CF			
Woodcreek Pond @ Danvers	150,000	112,000	75% City 25% O	112 CF						
TOTAL	\$13,155,000	\$12,363,000		762	1,200	2,800	1,865	2,700	2,500	536

CF: Capital Fund
O: Other Funding Sources
SAD: Special Assessment District
OCDC: Oakland County Drain Commission

**PLANNING COMMISSION'S
CAPITAL IMPROVEMENTS PLAN
2007/2008 – 2012/2013**

SANITARY SEWER PROJECT	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE						
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
Evergreen/Farmington Upgrade	10,000,000	0	100% O							
City of Detroit CSO	1,700,000,000	2,065,000	>1% City <99% O							2065 SS
Footing Drain Removal Program	3,000,000	1,650,000	55% City 45% O			550 SS	550 SS	550 SS		
Metering for ACO	50,000	50,000	100% City	50 SS						
Farmington Rd., Quaker Valley to Pillsbury	180,000	180,000	100% City	180 SS						
Oakland County Drain Commission earmark for leads and footing drain separation	2,000,000	1,100,000	55% City 45% FG	500 SS	600 SS					
TOTAL	\$1,715,230,000	\$5,045,000		730	600	550	550	550	0	2,065

SS: Sewerage System Fund

O: Other

FG: Federal Grant

WATERMAIN PROJECT	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE						
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
Grand River Homes	\$2,330,000	\$2,330,000	100% City							2330 WS
Community Well Conversion	2,400,000	0	100% SAD							As requested
Central to SE Pressure District Upgrade	200,000	200,000	100% City	200 WS						
New WM under M-5	650,000	650,000	100% City						650 WS	
New 12" connection Nine Mile, Whittington to Averhill	350,000	350,000	100% City	350 WS						
Replace existing 6" with 8" St. Francis, Independence to Eight Mile	900,000	900,000	100% City	900 WS						
Replace existing 8" with 12", Grand River, Rockwell to Botsford entrance	1,300,000	1,300,000	100% City		1300 WS					
Replace existing 8" Eight Mile, Rensselaer to St Francis	350,000	350,000	100% City	350 WS						
Replace existing 6" with 8" Grayling, Rockwell to Waldron	190,000	190,000	100% City		190 WS					
Replace existing 6" with 8" East of Lorikay	250,000	250,000	100% City		250 WS					
Relocate 24" on Halsted at I-696 bridge	150,000	150,000	100% City	150 WS						
Replace existing 6" with 8" 13 Mile & Aranel, Lorikay to Wayburn	580,000	580,000	100% City		580 WS					
Replace existing 6" with 8" Coronet, Lorikay to Aranel	640,000	640,000	100% City		640 WS					
Replace existing 8" Waldron, Shiawassee to Grand River	600,000	600,000	100% City			600 WS				

**PLANNING COMMISSION'S
CAPITAL IMPROVEMENTS PLAN
2007/2008 – 2012/2013**

WATERMAIN PROJECT CON'T	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE						
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
Kendallwood No 1 Replace existing 6" & 8" with 8" Entire Sub	3,000,000	3,000,000	100% City			1000 WS	1000 WS	1000 WS		
Replace existing 8" Collingham, Independence to Grand River	650,000	650,000	100% City				650 WS			
Replace existing 8" & 12" Kendallwood, Twelve Mile to Tulipwood	850,000	850,000	100% City					850 WS		
Replace existing 6" with 8", Twelve Mile, New Market to Kendallwood	430,000	430,000	100% City						430 WS	
TOTAL	\$15,820,000	\$13,420,000		1,950	2,960	1,600	1,650	1,850	1,080	2,330

SAD: Special Assessment District

WS: Water System Fund

PUBLIC FACILITIES PROJECT	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE						
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
Municipal Complex Master Plan	\$400,000	\$400,000	100% City	400 BA						
City-Wide Technology	1,851,000	1,851,000	100% City	601 CF	250 CF	250 CF	250 CF	250 CF	250 CF	On Going
Improved Phone System	60,000	60,000	100% City			60 CF				
Municipal Complex Expansion	11,200,000	11,200,000	100% City		5600 BA	5600 BA				
Fire & Police Departments Training Facility	4,500,000	4,500,000	100% City		2250 BA	2250 BA				
Traffic Signal Preemption System	300,000	300,000	100% City	100 CF	100 CF	100 CF				
Absentee voter Mechanization	75,000	75,000	100% City	75 CF						
TOTAL	\$18,386,000	\$18,386,000		1,176	8,200	8,260	250	250	250	0

BA: Building Authority

CF: Capital Fund

**PLANNING COMMISSION'S
CAPITAL IMPROVEMENTS PLAN
2007/2008 – 2012/2013**

PARKS & RECREATION PROJECT	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE						
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
Founders Park turn lane Improvements	\$100,000	\$100,000	100% City							100
Heritage Park Historic Buildings	160,000	160,000	100% City	160 PM						
Maintenance Equipment and Operations	220,000	220,000	100% City	110 PM	110 PM					
Acquisition of Park Land	650,000	650,000	100% City		650 PM					
Skate Park	850,000	40,000	5% City 95% O	40 PM						
TOTAL	\$1,980,000	\$1,170,000		310	760	0	0	0	0	100

O: Other
PM: Parks Millage

DPW EQUIPMENT	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE						
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
DPW Equipment	458,000	458,000	100% City	458 CF						
DPW Equipment	499,000	499,000	100% City		499 CF					
DPW Equipment	532,000	532,000	100% City			532 CF				
DPW Equipment	530,000	530,000	100% City				530 CF			
DPW Equipment	486,000	486,000	100% City					486 CF		
DPW Equipment	516,000	516,000	100% City						516 CF	
TOTAL	\$3,021,000	\$3,021,000		458	499	532	530	486	516	0

CF: Capital Fund

**PLANNING COMMISSION'S
CAPITAL IMPROVEMENTS PLAN
2007/2008 – 2012/2013**

FIRE EQUIPMENT & APPARATUS	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE							
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE	
Fire Equipment and Apparatus	\$1,003,000	\$1,003,000	100% City	1003 CF							
Fire Equipment and Apparatus	635,000	635,000	100% City		635 CF						
Fire Equipment and Apparatus	678,000	678,000	100% City			678 CF					
Fire Equipment and Apparatus	720,000	720,000	100% City				720 CF				
Fire Equipment and Apparatus	438,000	438,000	100% City					438 CF			
Fire Equipment and Apparatus	125,000	125,000	100% City							125 CF	
TOTAL	\$3,599,000	\$3,599,000		1,003	635	678	720	438	125	0	

CF: Capital Fund

**PLANNING COMMISSION'S
CAPITAL IMPROVEMENTS PLAN
2007/2008 – 2012/2013**

SIDEWALKS PROJECT	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE						
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
Bikepath Extensions	\$600,000	\$600,000	100% City	100 WG	100 WG	100 WG	100 WG	100 WG	100 WG	
Halsted, east side, south of Valhalla	12,000	12,000	100% City	12 CF						
Inkster, west side, Thirteen Mile to Northwestern	113,000	113,000	100% City					113 CF		
Halsted, east side, Brookwood to Fourteen Mile	315,000	315,000	100% City						315 CF	
Middlebelt, east side, Nine Mile to Eldon	43,000	43,000	100% City	43 CF						
Thirteen Mile, south side, Middlebelt to Baptist Manor	112,000	112,000	100% City				112 CF			
Power, east side, Ten Mile to Eleven Mile	488,000	488,000	100% City					488 CF		
Thirteen Mile, south side, Valley to Northwestern	11,000	11,000	100% City	11 CF						
Fourteen Mile, south side Orchard Lake to Farmington	112,000	112,000	100% City			112 CF				
Halsted, west side, Windwood to Grand River	60,000	60,000	100% City					60 CF		
Middlebelt, east side, Eldon to San Souci	60,000	60,000	100% City			60 CF				
Ten Mile, north side, Power to Farmington	100,000	100,000	100% City						100 CF	
Tuck/Folsom/Orchard Lake Community Living Center to Orchard Lake	310,000	310,000	100% City					310 CF		
Sidewalk replacement along major roads	\$480,000	\$480,000	100% City	80 CF	80 CF	80 CF	80 CF	80 CF	80 CF	
Eight Mile, Halsted to I-275	98,000	98,000	100% City						98 CF	
Gill, west side, Colfax to Nine Mile	273,000	273,000	100% City							273 CF
Eleven Mile, north side, Old Homestead to Farmington Hills Golf Club	81,000	81,000	100% City							81 CF
Folsom, south side, Orchard Lake west to Farmington city limits	296,000	296,000	100% City		296 CF					
Farmington, east side between Thirteen and Fourteen Mile	85,000	85,000	100% City						85 CF	
Thirteen Mile, south side, Drake to Valley Bend	84,000	84,000	100% City			84 CF				
Inkster, west side, Twelve Mile to I-696	115,000	115,000	100% City					115 CF		
Fourteen Mile, south side, Farmington to Drake	183,000	183,000	100% City				183 CF			
Twelve Mile, north side, Copper Creek to Haggerty	35,000	35,000	100% City	35 CF						
SUB-TOTAL	\$4,066,000	\$4,066,000		281	476	436	475	1,266	778	354

CF: Capital Fund

WG: Weight & Gas Revenue

**PLANNING COMMISSION'S
CAPITAL IMPROVEMENTS PLAN
2007/2008 – 2012/2013**

SIDEWALKS PROJECT - PAGE 2	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE						
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
Drake, east side, Thirteen Mile to Muer Cove	49,000	49,000	100% City		49 CF					
Independence, south side, Wheeler to Waldron	178,000	178,000	100% City	178 CDBG						
Halsted east side, north of Eight Mile	70,000	70,000	100% City	70 CF						
Drake, west side Valley Creek to Lytle	11,000	11,000	100% City	11 CF						
10 Mile, north side, Power to Orchard Lake Rd.	120,000	120,000	100% City	120 CF						
SUB-TOTAL	\$428,000	\$428,000		379	49	0	0	0	0	0
PAGE 1 SUBTOTAL	4,066,000	4,066,000		281	476	436	475	1,266	778	354
TOTAL	\$4,494,000	\$4,494,000		660	525	436	475	1,266	778	354

CDBG: Community Development Block Grant

CF: Capital Fund

TRANSPORTATION PROJECT - PAGE 1	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE						
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
Thirteen Mile/Haggerty Intersection	\$285,000	\$57,000	80% FG 20% City						57 WG	
Nine Mile/Halsted Intersection	910,000	182,000	80% FG 20% City			182 WG				
Fourteen Mile and Farmington Roundabout	2,940,000	294,000	80% FG 10% O 10% City	294 WG						
Twelve Mile widening, Inkster to Middlebelt	2,010,000	201,000	80% FG 10% RCOC 10% City					201 WG		
Ten Mile/Middlebelt Intersection	2,180,000	283,000	23 % FG 51% RCOC 13% City 13% OC	283 WG						
Halsted widening, Grand River to Twelve Mile	23,000,000	4,600,000	80% FG 20% City						4600 WG	
Tri-Party	2,340,000	780,000	33% City 33% OC 33% RCOC	130 WG	130 WG	130 WG	130 WG	130 WG	130 WG	
Industrial Park Pavement Replacement	4,800,000	2,400,000	50% City 50% SAD			800 WG	800 WG	800 WG		
Twelve Mile/Farmington Intersection	800,000	160,000	80% FG 20% City			160 WG				
Ten Mile/Grand River/M-5 Phase Two	\$15,900,000	\$199,000	1.25% City 98.75% SG						199 WG	
Thirteen Mile widening, Middlebelt to Orchard Lake	7,500,000	1,500,000	80% FG 20% City							1500 WG
Northwestern Connector PHASE 1	40,000,000	600,000	1.5% City 18.5% O 80% FG	300 WG	300 WG					
SUB-TOTAL	\$102,665,000	\$11,256,000		1,007	430	1,272	930	1,131	4,986	1,500

FG: Federal Grant

RCOC: Road Commission for Oakland County

OC: Oakland County

O: Other

SAD: Special Assessment District

WG: Weight & Gas Revenue

**PLANNING COMMISSION'S
CAPITAL IMPROVEMENTS PLAN
2007/2008 – 2012/2013**

TRANSPORTATION PROJECT PAGE 2	TOTAL COST	CITY COST	PROJECTED FUNDING & SOURCE	SIX-YEAR FUNDING SCHEDULE						
				2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
Northwestern Connector PHASE 2	60,000,000	900,000	1.5% City 18.5% O 80% FG							900 WG
Local Road Paving SADs	12,000,000	2,400,000	20% City 80% SAD	400 WG	400 WG	400 WG	400 WG	400 WG	400 WG	
Independence Commons Subdivision rehabilitation	2,526,000	480,000	81% SAD 19% City		480 WG					
Local road rehabilitation SADs	6,000,000	1,200,000	80% SAD 20% City	200 WG	200 WG	200 WG	200 WG	200 WG	200 WG	
Major road resurfacing	12,900,000	12,900,000	100% City	2150 WG	2150 WG	2150 WG	2150 WG	2150 WG	2150 WG	
Orchard Lake Boulevard, Twelve Mile to Thirteen Mile	17,000,000	4,250,000	50% FG 25% RCOC 25% City						4250 WG	
Orchard Lake Boulevard, Thirteen Mile to Fourteen Mile	20,000,000	1,500,000	70% FG 5% RCOC 17.5% O 7.5% City				750 WG	750 WG		
Inkster, Nine Mile to Eleven Mile	1,150,000	288,000	25% City 75% O	144 WG	144 WG					
Noise abatement on I-275	4,300,000	860,000	20% City 20% SG 60% FG	430 WG	430 WG					
Ramble Hills No. 2 Sub rehabilitation	900,000	171,000	81% SAD 19% City	171 WG						
Farmington, Biddestone to Eleven Mile	590,000	177,000	70% FG 30% City							177 WG
Halsted bridge over I-696	3,000,000	450,000	75% FG 10% O 15% City		450 WG					
Haggerty, Eight Mile to Ten Mile	1,020,000	340,000	33% RCOC 34% O 33% City	340 WG						
Weigh master eyebrow	50,000	50,000	100% City	50 O						
Farmington, Thirteen Mile to Fourteen Mile	805,000	242,000	70% FG 30% City				242 WG			
Fourteen Mile, Farmington to Orchard Lake	977,500	293,000	70% FG 30% City				293 WG			
Fourteen Mile, Northwestern to Middlebelt	1,092,500	327,000	70% FG 30% City				327 WG			
Fourteen Mile, Middlebelt to Inkster	747,000	747,000	100% City	747 WG						
Fourteen Mile, Drake to Farmington	690,000	690,000	100% City	690 WG						
Power, 10 Mile to 10 1/2 Mile	316,000	316,000	100% City	316 WG						
Halsted, Grand River to Eleven Mile	1,031,550	134,000	70% FG 17% SG 13% City	134 WG						
Nine Mile, Tuck to Middlebelt	978,650	284,000	57% FG 14% SG 29% City	284 WG						
Deck Repair, Orchard Lake Bridge over I-696	1,300,000	26,000	98% FG 2% City		26 WG					
PAGE 2 SUB-TOTAL	\$3,310,200	\$444,000		418	26	0	0	0	0	0
PAGE 1 SUB-TOTAL	102,665,000	11,256,000		1,007	430	1,272	930	1,131	4,986	1,500
TOTAL:	\$105,975,200	\$11,700,000		1,425	456	1,272	930	1,131	4,986	1,500

FG: Federal Grant
O: Other

SAD: Special Assessment District
SG: State Grant

RCOC: Road Commission for Oakland County
WG: Weight & Gas Revenue

**PLANNING COMMISSION'S
CAPITAL IMPROVEMENTS PLAN
2007/2008 – 2012/2013**

CIP PROJECT CATEGORIES	TOTAL COST	CITY COST	SIX-YEAR FUNDING SCHEDULE						
			2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	FUTURE
Drainage	13,155,000	12,363,000	762	1,200	2,800	1,865	2,700	2,500	536
Sanitary Sewer	1,715,230,000	5,045,000	730	600	550	550	550	0	2,065
Water Main	15,820,000	13,420,000	1,950	2,960	1,600	1,650	1,850	1,080	2,330
Public Facilities	18,386,000	18,386,000	1,176	8,200	8,260	250	250	250	0
Parks & Recreation	1,980,000	1,170,000	310	760	0	0	0	0	100
Sidewalks	4,494,000	4,494,000	660	525	436	475	1,266	778	354
Transportation	105,975,200	11,700,000	1,425	456	1,272	930	1,131	4,986	1,500
DPW Equipment	3,021,000	3,021,000	458	499	532	530	486	516	0
Fire Apparatus & Equipment	3,599,000	3,599,000	1,003	635	678	720	438	125	0
TOTAL	\$1,881,660,200	\$73,198,000	8,474	15,835	16,128	6,970	8,671	10,235	6,885

ENTERPRISE FUND

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises--where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where periodic determination of net income is appropriate for accountability purposes. The City has two enterprise funds, the Water & Sewer Fund which is not included in this document and the Ice Arena Fund.

On September 1, 1995, the City opened a 70,000 square foot Ice Arena facility containing two ice surfaces, seating capacity for 1,200, concession facilities, locker rooms, lockers, meeting rooms, administrative offices, and a pro-shop. The facility provides recreational and competitive skating for youth and adult hockey associations, public skating, instructional skating, figure skating, and general private contracted rentals.

The facility was financed by \$6,000,000 in Limited Tax General Obligations Bonds approved by the voters. The Ice Arena revenues from ice rental fees and related arena income are intended to independently support the Ice Arena operating costs including annual Debt Service without any tax subsidy.

ICE ARENA

MISSION STATEMENT: Provide the public of all ages with the best possible environment in which to enjoy ice skating and related activities.

The Farmington Hills Ice Arena is a division of the Special Services Department. The facility serves the community primarily through various ice skating activities. Additional services include: The new Club 2nd Floor for middle school and high school youth, room rentals for various meetings and parties, snack bar concession operations both in the arena and at Founders Sports Park. For financial reporting purposes, the Ice Arena is operated as an “Enterprise Fund”, which means it is financially self-supporting.

The following programs comprise the arena on-ice activities, serving the public of all ages:

Learn-to-Skate Instructional Programs
Figure Skating Club
Youth and Adult Hockey Leagues
Public Open Skating Sessions

Synchronized Skating Teams
Hockey Clinics and School
Private Contract Ice time

GOALS

The number in parenthesis shows the link between the departmental goal and the City goals on page 9.

- Promote and expand the use of the ice arena through the development and implementation of an aggressive marketing plan incorporating advertising/promotional methods such as cable TV, newspapers, advertising in hockey related publications, family magazines, web site, special events as well as an increase in community involvement. (2,6)
- Increase public awareness by the development of media contacts. Expand promotional and sponsorship opportunities at the arena to include board advertisements, naming rights, event sponsorships, etc. (2,11)
- Expand and promote the variety of rental opportunities at the arena including meeting, party, and special event rentals. (2,6)
- Continue to closely monitor the building’s use insuring the best possible use of each space. (2)
- Work cooperatively with Recreation and Youth & Family Services to promote the Club 2nd Floor. (2,6)
- Continue to support and develop partnerships with user associations. Current associations have a membership of over 1,500 members and 90+ teams. (2,6)
- Continue to provide users with a first class facility offering the best in programming and services at an affordable price. (2,6)
- Research and analyze current data from ice arenas around the country for benchmarks and best practices. (2)

Ice Arena

STAFFING LEVELS

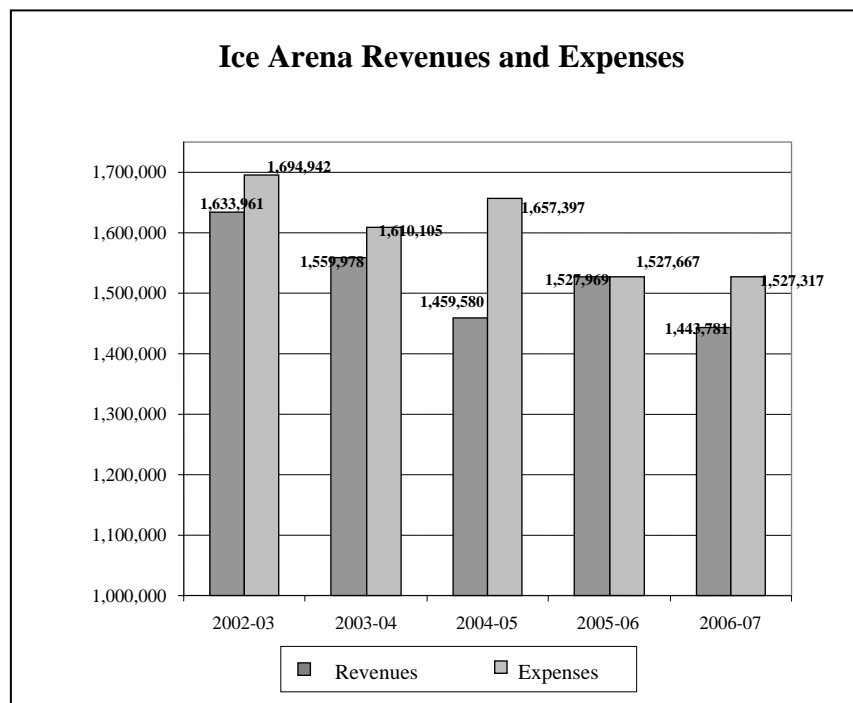
Acct.	Title or Position	Authorized		Requested	Authorized
		Positions		Positions	Positions
702		05/06	06/07	07/08	07/08
		Budget	Budget	Budget	Budget
(720) ICE ARENA ADMINISTRATION					
(702) Salaries & Wages					
	Ice Arena Manager	1	1	1	1
	Arena Maintenance Supervisor	1	1	1	1
	Operations Supervisor	1	1	1	1
	Secretary	1	1	1	1
	Total	4	4	4	4
(038)	Part Time (FTE)	10.36	10.79	10.17	10.17
	ADMINISTRATION TOTAL	14.36	14.79	14.17	14.17
(730) ICE ARENA CONCESSION STAND					
(702) Salaries & Wages					
(038)	Part Time (FTE)	3.37	3.37	2.76	2.76
	CONCESSION STAND TOTAL	3.37	3.37	2.76	2.76
	ICE ARENA TOTAL	17.73	18.16	16.93	16.93

PERFORMANCE OBJECTIVES

- Expand communication and cooperation with Youth Hockey Association to include promoting and cross marketing arena and association programs.
- Maintain and promote cooperation with Farmington High School Hockey Teams.
- Increase the total hours of ice time used by summer hockey camps.
- Promote the arena in a venue for professional and semi-professional try-out camps.
- Explore additional strategies for utilities, conservation, including electricity, natural gas and water.

Service Level	Performance Indicators	FY 2005/06 Actual	FY 2006/07 Projected	FY 2007/08 Estimated
	Service Level	Number of participants at open skate	21,719	22,015
Learn to Skate Class Participation		2,575	2,431	2,459
Efficiency	Party package revenue	7,058	8,200	10,000
	Outside concession revenue	62,329	55,700	60,000

KEY DEPARTMENTAL TRENDS



Ice Arena

SUMMARY OF SIGNIFICANT BUDGET CHANGES FROM PRIOR YEAR

REVENUES: 805 -Youth Hockey contract 06/07 revenue is \$64,000 lower than budgeted amount due to fewer players and teams.

EXPENSES: 066 – Contract Services - Custodial services were removed from outsourced contract and performed by arena part-time and full-time staff. This resulted in a saving of \$40,000 including some additional labor costs.

DEPARTMENT NUMBER: 590

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
RETAINED EARNINGS AT JULY 1		184,095	(13,722)	150,114	186,570	272,687	272,687
REVENUES							
(610) SPRING/SUMMER SESSIONS							
805	Youth Hockey Contract	609,595	633,525	680,075	615,206	648,825	648,825
807	Figure Skating Contract	5,028	25,215	14,025	19,257	19,125	19,125
809	Other Contract Ice	131,310	114,985	140,250	116,800	140,250	140,250
812	Misc. Hourly - Figure Skating	129,632	122,160	140,250	127,900	135,000	135,000
814	Misc. Hourly - Tournament	15,663	0	20,000	0	0	0
822	Single Usage - Shift Hockey	28,189	26,527	30,000	29,600	30,000	30,000
824	Single Usage - Open Skate	40,891	44,394	50,000	45,000	50,000	50,000
826	Adult Hockey	52,063	67,528	66,300	58,400	58,650	58,650
830	Learn to Skate	81,428	104,700	92,800	98,840	100,000	100,000
831	Non-Ice Activities	47,845	42,675	48,000	45,000	48,000	48,000
840	Special Events - Ice Show	12,474	10,501	12,000	11,000	12,000	12,000
	Category Total	1,154,118	1,192,210	1,293,700	1,167,003	1,241,850	1,241,850
(644) PRO SHOP REVENUES							
001	Retail Sales	11,551	12,233	10,500	10,500	10,500	10,500
002	Skate Sharpening	3,708	3,288	3,500	3,000	3,500	3,500
004	Tax Exempt	1,225	131	0	46	0	0
	Category Total	16,484	15,652	14,000	13,546	14,000	14,000
(646) CONCESSION STAND REVENUES							
001	Food Sales	136,079	118,408	140,000	114,628	117,000	117,000
002	Vending Machine Revenue	10,353	7,086	11,000	16,600	20,000	20,000
003	Coin Locker Revenue	184	438	500	500	500	500
004	Video Game Revenue	7,384	3,016	5,000	9,350	10,000	10,000
005	Outside Concession	60,030	62,329	60,000	55,700	60,000	60,000
	Category Total	214,030	191,277	216,500	196,778	207,500	207,500

Ice Arena

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(648) MISCELLANEOUS REVENUES							
001	Room Rentals	6,686	7,058	10,000	7,000	10,000	10,000
002	Advertising	4,450	45,650	7,000	7,000	10,000	10,000
003	Youth & Families Services	30,000	30,000	30,000	30,000	30,000	30,000
004	Pro-shop Lease	12,000	12,000	12,000	0	2,400	2,400
005	Skate Rental	18,023	24,451	18,000	18,500	19,000	19,000
015	Misc Contributions	0	5,000	0	0	0	0
	Category Total	71,159	124,159	77,000	62,500	71,400	71,400
(664) INTEREST INCOME							
005	Interest Income	3,789	4,671	3,000	3,000	3,000	3,000
(676)							
101	Contribution from General Fund	0	200,000	170,000	170,000	125,000	125,000
TOTAL ICE ARENA REVENUES		1,459,580	1,727,969	1,774,200	1,612,827	1,662,750	1,662,750
EXPENSES							
(720) ICE ARENA ADMINISTRATION							
(702) Salaries & Wages							
010	Salaries & Wages	177,661	183,556	188,540	189,050	191,682	191,682
038	Part-time	215,852	193,943	204,570	211,070	212,518	212,518
106	Sick & Vacation	0	0	0	0	0	0
112	Overtime	2,159	1,764	1,000	1,000	1,000	1,000
200	Social Security	30,553	29,132	30,568	30,809	31,496	31,496
250	Blue Cross/Optical/Dental	32,241	31,826	42,761	42,761	45,730	45,730
275	Life Insurance	684	723	853	853	866	866
300	Pension	32,438	35,329	38,783	43,878	46,636	46,636
325	Longevity	2,788	3,322	5,471	5,458	6,118	6,118
350	Worker's Compensation	3,082	3,332	3,520	2,930	2,954	2,954
	Category Total	497,458	482,927	516,066	527,809	539,000	539,000
(740) Operating Supplies							
001	Gas & Oil	929	887	1,300	1,000	1,000	1,000
002	Books & Subscriptions	244	244	250	150	150	150
008	Supplies	28,780	16,945	22,000	19,300	22,300	22,300
010	Chemical Supplies	37	0	300	300	500	500
019	Uniforms & Cleaning	479	84	750	750	750	750
021	Audit Fees	1,200	1,265	1,200	1,250	1,300	1,300
030	Miscellaneous Tools	0	261	200	200	200	200
035	Bank Credit Card Charges	4,550	5,394	5,000	4,700	5,000	5,000
041	Over/Short	(115)	(35)	0	124	0	0
	Category Total	36,104	25,045	31,000	27,774	31,200	31,200

Ice Arena

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(801) Professional & Contractual							
001	Conferences & Workshops	125	0	500	500	500	500
002	Memberships & Licenses	4,905	4,964	4,500	5,695	5,695	5,695
007	Office Equip. Maintenance	4,232	4,868	4,200	4,400	4,400	4,400
008	Arena Equip. Maintenance	9,205	7,152	9,000	10,500	10,500	10,500
013	Education & Training	0	45	300	300	300	300
020	General Liability/Contents Insur.	11,199	12,420	13,500	14,082	15,500	15,500
024	Printing Costs	4,055	2,274	4,000	3,300	4,000	4,000
025	Utilities	348,476	313,528	345,000	314,000	317,500	317,500
029	Building Maintenance	14,448	18,613	35,500	35,500	35,500	35,500
	Film Processing & Rental	37	0	0	0	0	0
042	Mileage Reimbursement	760	97	1,389	1,000	1,455	1,455
066	Contract Services	97,950	84,703	96,985	44,900	50,100	50,100
068	Non-Ice Activities	0	0	1,200	500	1,000	1,000
	Category Total	495,392	448,664	516,074	434,677	446,450	446,450
	Administrative Total	1,028,954	956,636	1,063,140	990,260	1,016,650	1,016,650
(730) ICE ARENA CONCESSION STAND							
(702) Salaries & Wages							
038	Part-time	62,499	45,872	52,800	40,250	41,688	41,688
112	Overtime	276	190	500	300	500	500
200	Social Security	4,807	3,524	4,104	3,122	3,248	3,248
350	Worker's Compensation	496	401	469	300	304	304
	Category Total	68,078	49,987	57,873	43,972	45,740	45,740
(740) Operating Supplies							
008	Supplies	86,133	76,132	88,000	64,000	71,000	71,000
	Category Total	86,133	76,132	88,000	64,000	71,000	71,000
(801) Professional & Contractual							
007	Equipment Maintenance	913	400	2,000	2,000	2,000	2,000
	Category Total	913	400	2,000	2,000	2,000	2,000
(996) Expenses							
	Depreciation	631	370	362	370	155	155
	Category Total	631	370	362	370	155	155
	Concession Stand Total	155,755	126,889	148,235	110,342	118,895	118,895

Ice Arena

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(740)	<u>ICE ARENA PRO SHOP</u>						
(740)	Operating Supplies						
008	Supplies	1,756	0	0	0	0	0
020	Cost of Goods Sold	5,696	8,509	6,000	6,000	6,000	6,000
	Category Total	7,452	8,509	6,000	6,000	6,000	6,000
	Pro Shop Total	7,452	8,509	6,000	6,000	6,000	6,000
	Total Operating Budget	1,192,161	1,092,034	1,217,375	1,106,602	1,141,545	1,141,545
(996)	OTHER EXPENSES						
001	Bond Interest	182,174	167,114	156,310	152,608	137,958	137,958
002	Amortization of Refinancing	32,500	32,500	32,500	32,500	32,500	32,500
100	Depreciation	250,562	236,029	248,254	235,000	235,000	235,000
	Total Other Expenses	465,236	435,643	437,064	420,108	405,458	405,458
	TOTAL ICE ARENA EXPENSES	1,657,397	1,527,677	1,654,439	1,526,710	1,547,003	1,547,003
	Revenues over/(under) Expenses	(197,817)	200,292	119,761	86,117	115,747	115,747
	RETAINED EARNINGS AT JUNE 30	(13,722)	186,570	269,875	272,687	388,434	388,434

**FARMINGTON HILLS ICE ARENA
STATEMENT OF CHANGES IN CASH FLOWS
FOR YEARS ENDED JUNE 30, 2007 AND 2008**

	<u>FY 2006/07</u>	<u>FY 2007/08</u>
TOTAL ICE ARENA REVENUES	1,612,827	1,662,750
TOTAL ICE ARENA EXPENSES	<u>1,526,710</u>	<u>1,547,003</u>
NET INCOME	86,117	115,747
DEPRECIATION	235,370	235,155
AMORTIZATION OF REFINANCING	32,500	32,500
PRINCIPAL PAYMENT ON BONDS	<u>(370,000)</u>	<u>(365,000)</u>
CHANGES TO CASH AND CASH EQUIVALENTS	(16,013)	18,402
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>107,010</u>	<u>90,997</u>
CASH AND CASH EQUIVALENTS - End of Year	<u><u>90,997</u></u>	<u><u>109,399</u></u>

DEBT SERVICE FUNDS

Debt Service Funds are established by State Statute and bond covenants to account for the recording of the collection and expenditure of resources earmarked for the retirement of debt issued directly by the City or for which the City agreed, by contract, to make debt payments on bonds issued by other units of government on the City's behalf.

The City is under contract with the Oakland County Department of Public Works to service debt on six bond issues for water and sewer projects and four issues for storm drain improvements, which were bonded and constructed on behalf of the City by the County Department of Public Works. The six water & sewer issues are paid through the City's water and sewer fund.

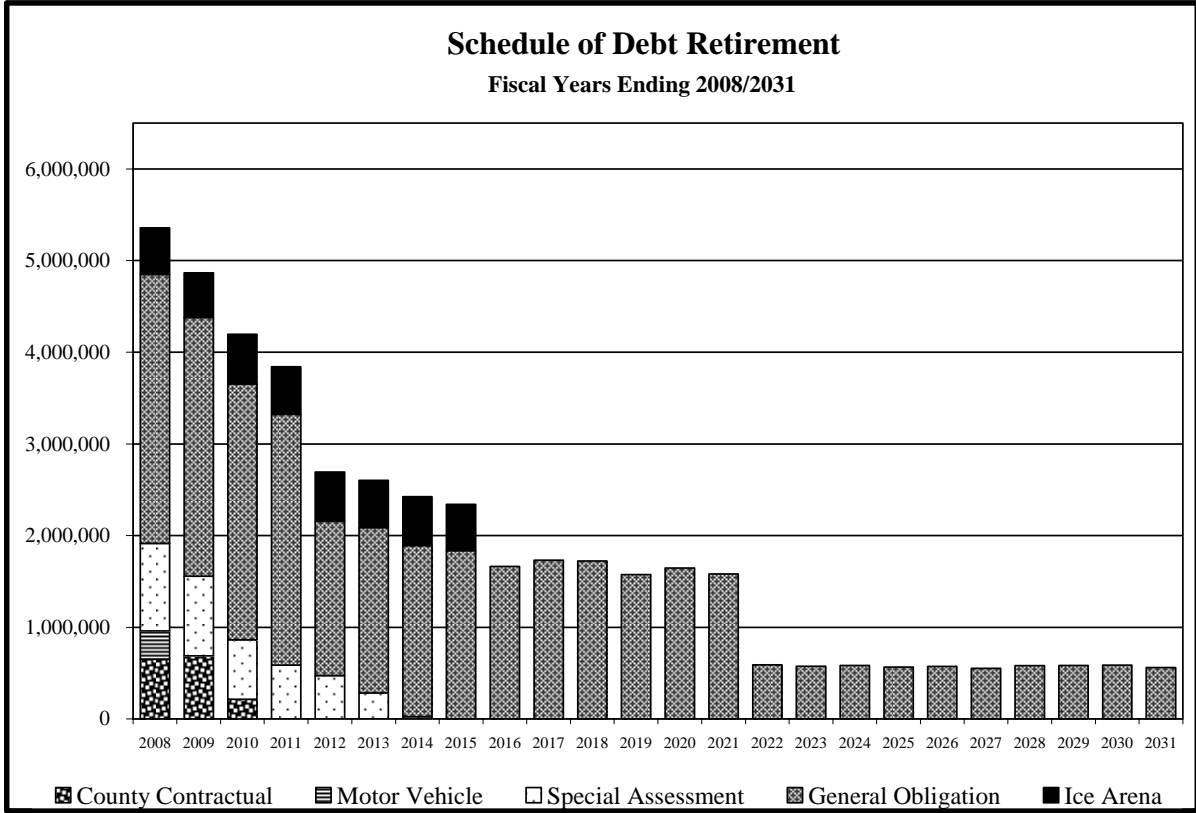
In accordance with State Statute, payments on motor vehicle highway bond issues are made through a debt service fund financed by transfers from the Major Road Fund's gasoline and weight tax revenues received from the State.

The Debt Service Fund was established in FY 1994/95 to consolidate into one fund all the debt service payments to be funded with local property tax revenues. The bond issues to be serviced by this Fund fall into three major categories: **Building Authority Bonds, Storm Drain Bonds, and Highway Bonds.**

The City of Farmington Hills Building Authority is a financing vehicle utilized in Michigan to finance facilities through the issuance of bonded debt. This separate Authority issues debt, builds the facility and enters into lease agreements for the facilities with the community. The annual lease payments are in amounts equal to the annual debt service requirements. The tax levy is collected and budgeted through the Debt Service Fund. Lease payments are made to the Building Authority and the Building Authority renders payment to the bond paying agent. The City is currently financing the expansion of the D.P.W. Facility, the Police Facility, renovation of Fire Station No. 2, the acquisition of the William M. Costick Activities Center facility and the relocation and expansion of the 47th District Court Facility through the City of Farmington Hills Building Authority.

The City of Farmington Hills' Debt Management Policies are outlined in the Financial Policies Section of this Budget Document.

DEBT SERVICE FY 2007/08



DEBT SERVICE FUNDS SUMMARY

	General Debt Service Fund #301	Act 175 1992 Issue Fund #322	Building Authority Fund #662	Special Assessment Funds	Total Debt Service Funds
FUND BALANCE AT JULY 1, 2007	306,647	40,578	301,521	4,105,651	4,754,397
REVENUES					
Income from Assessments and Other	125,000	0	0	2,823,567	2,948,567
Interest income	75,000	1,500	15,000	200,000	291,500
Debt levy	2,807,866	0	0	0	2,807,866
Total Revenues	3,007,866	1,500	15,000	3,023,567	6,047,933
EXPENDITURES					
Bond principal payments	1,243,526	300,000	620,760	835,000	2,999,286
Interest and fiscal charges	513,408	7,900	447,272	121,804	1,090,384
Misc. and construction	0	0	1,000	500,000	501,000
Total Expenditures	1,756,934	307,900	1,069,032	1,456,804	4,590,670
Revenues over/(under) Expenditures	1,250,932	(306,400)	(1,054,032)	1,566,763	1,457,263
OTHER FINANCING SOURCES AND USES					
Transfers In					
-from General Debt Fund	0	0	1,068,032	0	1,068,032
-from Major Roads	0	307,900	0	0	307,900
Total Transfers In	0	307,900	1,068,032	0	1,375,932
Transfers Out					
- to Building Authority	(1,068,032)	0	0	0	(1,068,032)
- to Capital Improvement	0	0	0	0	0
- to Major Roads	(307,900)	0	0	0	(307,900)
- to Local Roads	0	0	0	(1,566,763)	(1,566,763)
Total Transfers out	(1,375,932)	0	0	(1,566,763)	(2,942,695)
Total Other Financing Sources and Uses	(1,375,932)	307,900	1,068,032	(1,566,763)	(1,566,763)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses					
	(125,000)	1,500	14,000	0	(109,500)
FUND BALANCE AT JUNE 30, 2008	181,647	42,078	315,521	4,105,651	4,644,897

GENERAL DEBT SERVICE FUND

FUND NUMBER: 301

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1		432,556	601,142	425,040	434,582	306,647	306,647
REVENUES							
(403)	Debt Service Levy Oakland CNTY Credit-Pebble Creek	2,787,825	2,603,202	2,732,131	2,732,131	2,807,866	2,807,866
(642)	Creek	136,502	0	0	0	0	0
(664)	Interest Income	30,529	63,871	70,000	75,000	75,000	75,000
(665)	District Court Building Fund	147,745	134,861	125,000	140,000	125,000	125,000
Total Revenues		3,102,601	2,801,934	2,927,131	2,947,131	3,007,866	3,007,866
OTHER FINANCING SOURCES							
Contributions from other funds:							
(410)	P & R Special Millage	335,850	227,500	0	0	0	0
Total Other Financing Sources		335,850	227,500	0	0	0	0
TOTAL REVENUES AND OTHER FINANCING SOURCES		3,438,451	3,029,434	2,927,131	2,947,131	3,007,866	3,007,866
EXPENDITURES							
GENERAL DEBT ISSUES:							
Interest:							
	Pebble Creek Drain	35,414	31,918	28,237	28,100	24,352	24,352
	Minnow Pond	207,762	187,156	164,192	166,675	136,717	136,717
	Caddell Erosion - 1994	37,554	35,682	33,073	33,073	30,395	30,395
	Farmington Hills Golf Club	0	343,005	326,194	326,175	321,944	321,944
	Total	280,730	597,761	551,696	554,023	513,408	513,408
Principal:							
	Pebble Creek Drain	194,253	185,217	180,700	180,700	212,323	212,323
	Minnow Pond	557,803	573,676	666,047	681,920	758,419	758,419
	Caddell Erosion - 1994	107,436	107,436	126,621	126,621	122,784	122,784
	Farmington Hills Golf Club	0	0	150,000	150,000	150,000	150,000
	Total	859,492	866,329	1,123,368	1,139,241	1,243,526	1,243,526

TOTAL GENERAL DEBT		1,140,222	1,464,090	1,675,064	1,693,264	1,756,934	1,756,934
Acct.		2004/05	2005/06	2006/07	2006/07	2007/08	2007/08
No.	Category and Line Item	Actual	Actual	Budgeted	Estimated	Proposed	Adopted
(996)	Miscellaneous Expense	850	925	900	0	0	0
Total Expenditures		1,141,072	1,465,015	1,675,964	1,693,264	1,756,934	1,756,934
OTHER FINANCING USES							
(202)	Contribution to Major Roads	517,225	493,225	323,450	323,450	307,900	307,900
(905)	Contribution to Building Authority						
	Interest:						
	Activities Center	10,850	2,500	0	0	0	0
	DPW Expansion	2,625	0	0	0	0	0
	Police Facility	7,285	0	0	0	0	0
	Refunding Bond - 2003 DPW/Fire	85,116	81,016	76,041	75,775	70,100	70,100
	47th District Court	410,952	403,598	383,696	383,697	106,704	106,704
	47th District Court-Refunding	0	0	0	0	270,468	270,468
	Total	516,828	487,114	459,737	459,472	447,272	447,272
	Principal:						
	Activities Center	325,000	225,000	0	0	0	0
	DPW Expansion	100,000	0	0	0	0	0
	Police Facility	265,000	0	0	0	0	0
	Refunding Bond - 2003 DPW/Fire	145,000	265,000	260,000	260,000	275,000	275,000
	47th District Court	259,740	260,640	338,880	338,880	345,760	345,760
	47th District Court-Refunding	0	0	0	0	0	0
	Total	1,094,740	750,640	598,880	598,880	620,760	620,760
	Total Contribution to Building Auth.	1,611,568	1,237,754	1,058,617	1,058,352	1,068,032	1,068,032
Total Other Financing Uses		2,128,793	1,730,979	1,382,067	1,381,802	1,375,932	1,375,932
TOTAL EXPENDITURES AND OTHER FINANCING USES		3,269,865	3,195,994	3,058,031	3,075,066	3,132,866	3,132,866
	Revenues Over/(Under) Expenditures	168,586	(166,560)	(130,900)	(127,935)	(125,000)	(125,000)
FUND BALANCE AT JUNE 30		601,142	434,582	294,140	306,647	181,647	181,647

**MOTOR VEHICLE HIGHWAY ACT 175
1992 ISSUE FUND**

FUND NUMBER: 322

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1		37,477	37,771	38,516	38,978	40,578	40,578
REVENUES							
(664)	Interest Income	732	1,662	1,200	1,600	1,500	1,500
	Total Revenues	732	1,662	1,200	1,600	1,500	1,500
OTHER FINANCING SOURCES							
Contributions from other funds:							
(202)	Major Roads	300,225	287,475	323,450	323,450	307,900	307,900
	Total Other Financing Sources	300,225	287,475	323,450	323,450	307,900	307,900
TOTAL REVENUES AND OTHER FINANCING SOURCES		300,957	289,137	324,650	325,050	309,400	309,400
EXPENDITURES							
995	Bond Principal	250,000	250,000	300,000	300,000	300,000	300,000
996	Bond Interest	50,225	37,475	23,450	23,450	7,900	7,900
003	Miscellaneous	438	455	500	0	0	0
TOTAL EXPENDITURES AND OTHER FINANCING USES							
	Total Expenditures	300,663	287,930	323,950	323,450	307,900	307,900
Revenues Over/(Under) Expenditures		294	1,207	700	1,600	1,500	1,500
FUND BALANCE AT JUNE 30		37,771	38,978	39,216	40,578	42,078	42,078

BUILDING AUTHORITY FUND

FUND NUMBER: 662

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1		262,832	270,941	280,236	284,446	301,521	301,521
REVENUES							
(655)	Interest Income	6,327	12,573	12,000	18,000	15,000	15,000
(672)	Miscellaneous Income	9,757	1,886	0	45,000	0	0
	Total Revenues	16,084	14,459	12,000	63,000	15,000	15,000
OTHER FINANCING SOURCES							
(695)	Proceeds from Bond Sale	0	0	0	6,555,000	0	0
Contributions from other funds:							
(301)	General Debt Service Fund	1,611,568	1,237,754	1,058,617	1,058,352	1,068,032	1,068,032
	Total Other Financing Sources	1,611,568	1,237,754	1,058,617	7,613,352	1,068,032	1,068,032
TOTAL REVENUES AND OTHER FINANCING SOURCES		1,627,652	1,252,213	1,070,617	7,676,352	1,083,032	1,083,032
EXPENDITURES							
995	Bond Principal	1,094,740	750,640	607,520	7,198,880	620,760	620,760
996	Bond Interest:						
(447)	DPW Expansion	2,625	0	0	0	0	0
(503)	Activities Center	10,850	2,500	0	0	0	0
(525)	Refunding -DPW/Fire	85,116	81,016	76,041	75,775	70,100	70,100
(556)	Police Building	7,285	0	0	0	0	0
(560)	47th District Court	410,952	403,597	393,479	383,697	106,704	106,704
(560)	47th District Court - Refunding	0	0	0	0	270,468	270,468
	Total Interest	516,828	487,113	469,520	459,472	447,272	447,272
	Total Debt Service	1,611,568	1,237,753	1,077,040	7,658,352	1,068,032	1,068,032
(440)	Capital Improvement						
(560)	47th District Court	7,050	0	0	0	0	0
003	Miscellaneous	925	955	2,000	925	1,000	1,000
TOTAL EXPENDITURES AND OTHER FINANCING USES		1,619,543	1,238,708	1,079,040	7,659,277	1,069,032	1,069,032
Revenues Over/(Under) Expenditures		8,109	13,505	(8,423)	17,075	14,000	14,000
FUND BALANCE AT JUNE 30		270,941	284,446	271,813	301,521	315,521	315,521

**CALCULATION OF DEBT LEVY FY 2007/08
GENERAL DEBT SERVICE FUND**

<i>Description of Debt</i>	<i>Fund Servicing Debt</i>	<i>Final Maturity</i>	<i>Debt Outstanding Year Ended 6/30/07</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>	<i>Millage*</i>	
Building Authority Issues:								
Refunding Bonds-2003	Building Authority	11-17						
DPW/Fire Station No.2			2,240,000	275,000	70,100	345,100	0.0780	
47TH District								
Court Facility	Building Authority	04-12	2,900,000	400,000	123,600	523,600		
Court Refunding	Building Authority	04-21	6,555,000	0	312,740	312,740		
Total Court Debt			9,455,000	400,000	436,340	836,340		
Less Farmington's Share (13.56%)			(1,444,724)	(54,240)	(59,168)	(113,408)		
Farmington Hills Court Debt			8,010,276	345,760	377,172	722,932	0.1634	
Less Revenues/Contributions				(95,493)	(29,507)	(125,000)	(0.0283)	
Net Debt Levy				250,267	347,665	597,932	0.1352	
Total Building Authority Issues			10,250,276	525,267	417,765	943,032	0.2132	
Storm Drain Debt Issues:								
Pebble Creek Drain	Debt Service Fund	05-11	790,561	212,323	24,352	236,675	0.0535	
Minnow Pond Drain	Debt Service Fund	05-11	3,106,601	758,419	136,717	895,136	0.2023	
Caddell Drain II	Debt Service Fund	10-14	959,247	122,784	30,395	153,179	0.0346	
Total Storm Drain Debt Issues			4,856,409	1,093,526	191,464	1,284,990	0.2905	
Michigan Transportation Bonds:								
1992 Issue	Debt Service Fund	10-07	300,000	300,000	7,900	307,900	0.0696	
Total Michigan Transportation Bonds			300,000	300,000	7,900	307,900	0.0696	
Farmington Hills Golf Club:		10-31	8,050,000	150,000	321,944	471,944	0.1067	
Fund Balance Contribution						(200,000)	(0.0452)	
GRAND TOTAL			23,456,685	2,068,793	939,073	2,807,866	0.6347	
			Gross Amount	Debt Millage				
			2,807,866	0.6347				
			Taxable Value	4,424,095,640				

* Debt issued prior to the State Constitutional Amendment in December, 1978, or approved by the vote of the electorate since that time, is exempt from Charter Millage Limitation. Debt issued without a vote of the electorate since then is subject to Charter Millage Limitations. All current bond issues and related debt service is subject to the Charter limitations.

DEBT SUMMARY FY 2007/08

Description of Debt	Fund Servicing Debt	Debt Outstanding at June 30, 2007	Principal	Interest	Total
General Obligation:					
Ice Arena	Ice Arena Fund	3,500,000	365,000	141,608	506,608
Farmington Golf Club	Debt Service	8,050,000	150,000	321,944	471,944
Building Authority Bonds	Debt Service	11,695,000	675,000	506,440	1,181,440
	Special				
Special Assessment Bonds	Assessment	3,495,000	835,000	121,804	956,804
Contractual Obligation					
Oakland County	Debt Service	6,303,062	1,680,157	257,491	1,937,648
MVH Bonds	Major Roads	300,000	300,000	7,900	307,900
TOTAL		33,343,062	4,005,157	1,357,187	5,362,344

<p>STATEMENT OF LEGAL DEBT MARGIN AS OF JUNE 30, 2007</p>
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Act 279, Public Acts of Michigan of 1909, as amended, provides that the net indebtedness of the City shall not exceed 10 percent of all assessed valuation as shown by the last preceding assessment roll of the City. In accordance with Act 279, the following bonds are excluded from the computation of net indebtedness:

- Special Assessment Bonds
- Mortgage Bonds
- Motor Vehicle Highway Fund Bonds
- Revenue Bonds
- Bonds issued, or contracts or assessment obligations incurred, to comply with an order of the Water Resources Commission or a court of competent jurisdiction.
- Other obligations incurred for water supply, drainage, sewerage, or refuse disposal projects necessary to protect the public health by abating pollution.

The Municipal Finance Act provides that the total debt in Special Assessment Bonds, which would require that the City pledge its full faith and credit, shall not exceed 12 percent of the assessed valuation of taxable property of the City, nor shall such bonds be issued in excess of three percent in any calendar year unless voted. The Special Assessment Bond percent is in addition to the above described 10 percent limit provided in Act 279, Public Acts of Michigan of 1909, as amended.

2006 State Equalized Value		4,438,529,490
Debt Limited (10% of State Equalized Valuation and Equivalent)		443,852,949
Amount of Outstanding Debt	33,343,062	
Less:		
Special Assessment Bonds	3,495,000	
Transportation Bonds	300,000	
	3,795,000	29,548,062
LEGAL DEBT MARGIN		<u>414,304,887</u>

BUDGET RESOLUTION

WHEREAS, the appropriate City Officers have submitted to the City Manager an itemized estimate of expenditures for FY 2007/08 for the respective departments and/or activities under his/her direction; and,

WHEREAS, the City Manager has prepared a complete itemized budget proposal for FY 2007/08 including the General Fund, Special Revenue Funds, Capital Improvement Funds, Debt Service Funds and the Ice Arena Enterprise Fund, and has submitted the same to the City Council pursuant to Article VI of the City Charter; and,

WHEREAS, a Public Hearing was held on the combined budgets for FY 2007/08 on June 18, 2007 and the property tax millage rate to be levied to support the FY 2007/08 budget; and,

WHEREAS, an appropriate public notice was published on May 31 and June 3, 2007, notifying citizens of the Public Hearing on the proposed FY 2007/08 Budget and the proposed property tax levy to support these budgets and the City Council's intention to adopt the budgets and establish the property tax rates at the June 18, 2007 Public Hearing; and,

WHEREAS, all necessary proceedings have been taken by the City of Farmington Hills, Oakland County, Michigan, for the adoption of its Budget for the FY 2007/08;

THEREFORE, be it resolved by the City Council as follows:

- 1) That the City Council for the City of Farmington Hills hereby adopts the General Fund Budget for FY 2007/08 in the aggregate amount of \$ 54,757,997 for expenditures funded by \$ 51,952,997 in revenues and an appropriation from designated fund balances of \$ 2,805,000.
- 2) That the City Council for the City of Farmington Hills hereby appropriates the sum of \$ 54,757,997 in expenditures for FY 2007/08 for General Fund purposes on a departmental and activity total basis as follows:

General Government	9,129,503
Board & Commissions	3,371,044
Transfers to Other Funds	3,125,000
Public Safety (Police/Fire)	22,579,125
Planning & Community Development	2,394,052
Public Services	7,376,039
Special Services	6,783,234
	<hr/> 54,757,997

- 3) That the City of Farmington Hills shall levy 6.9423 mills ad valorem tax on the Taxable Value of all Real and Personal Property subject to taxation in the City of Farmington Hills for the FY 2007/08 for general operating purposes.
- 4) That the City of Farmington Hills shall levy 0.6347 mills ad valorem tax on the Taxable Value of all Real and Personal Property subject to taxation in the City of Farmington Hills for the FY 2007/08 for general debt service requirements (all 0.6347 mills are from within the City Charter Limit) and to adopt the 2007/08 Debt Service Fund Budgets schedule attached as per Item Number 14.
- 5) That the City of Farmington Hills shall levy 0.9682 mills ad valorem tax on the Taxable Value of all Real and Personal Property subject to taxation in the City of Farmington Hills for the FY 2007/08 for Capital Improvements of which 0.4882 mills will be dedicated to Parks Development as approved by voters on November 9, 1997 and to adopt the 2007/08 Capital Improvement Budget and Parks & Recreation Capital Development Funds schedules attached as per Item Number 9.
- 6) That the City of Farmington Hills shall levy 1.4764 mills ad valorem (approved by the electorate for 10 years on November 4, 2003) on the taxable value of all real and personal property subject to taxation in the City of Farmington Hills for the FY 2007/08 for the purposes of public safety.
- 7) That of the City of Farmington Hills shall levy a total of 10.0216 mills ad valorem on the taxable value of all real and personal property subject to taxation in the City of Farmington Hills for FY 2007/08.
- 8) That the City of Farmington Hills estimates General Fund Revenues for the FY 2007/08 to total \$ 51,952,997.

Property Taxes	31,401,546
Licenses & Permits	807,950
Sales	548,400
Fines & Forfeitures	2,500,000
Interest Earnings	1,950,000
Recreation User Charges	3,351,334
Grants	328,845
State Shared Revenue	6,435,100
Fees	3,662,788
Contribution From Other Funds	967,034
TOTAL OPERATING REVENUE	<u>51,952,997</u>

- 9) That the City of Farmington Hills adopts the Special Revenue Funds Budgets for the FY 2007/08 as follows:

SPECIAL REVENUE FUNDS SUMMARY

	Total Capital Funds	Total Recreation Funds	Total Public Safety Funds	C.D.B.G Fund #275	Total Special Revenue Funds
FUND BALANCE AT JULY 1, 2007	11,976,989	673,080	1,604,056	0	14,254,125
REVENUES					
Property Taxes	2,115,072	2,154,780	6,512,256	0	10,782,108
Intergovernmental	7,929,683	279,201	275,000	460,315	8,944,199
Interest Income	462,000	108,700	210,000	0	780,700
Miscellaneous	490,508	161,821	53,020	60,000	765,349
Total Revenues	10,997,263	2,704,502	7,050,276	520,315	21,272,356
EXPENDITURES					
Highways & Streets	13,428,278	0	0	0	13,428,278
Public Safety	0	0	6,348,021	0	6,348,021
Land Acquisition, Capital Improvements and Other	7,113,130	1,343,657	0	520,315	8,977,102
Total Expenditures	20,541,408	1,343,657	6,348,021	520,315	28,753,401
Revenues over/(under) Expenditures	(9,544,145)	1,360,845	702,255	0	(7,481,045)
OTHER FINANCING SOURCES AND USES					
Transfers In	5,610,099	0	0	0	5,610,099
Transfers Out	(1,043,336)	(1,574,619)	(14,115)	0	(2,632,070)
Total	4,566,763	(1,574,619)	(14,115)	0	2,978,029
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(4,977,382)	(213,774)	688,140	0	(4,503,016)
FUND BALANCE AT JUNE 30, 2008	6,999,607	459,306	2,292,196	0	9,751,109

SPECIAL REVENUE FUNDS CAPITAL FUNDS SUMMARY
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	Major Roads Fund #202	Local Roads Fund #203	Revolving Special Assessment Fund #247	Deferred Special Assessment Fund #255	Capital Improvement Fund #404	Total Capital Funds
FUND BALANCE AT JULY 1, 2007	3,200,165	648,258	4,455,368	50,786	3,622,412	11,976,989
REVENUES						
Property Taxes	0	0	0	0	2,115,072	2,115,072
Intergovernmental	6,608,683	1,321,000	0	0	0	7,929,683
Interest Income	100,000	30,000	180,000	2,000	150,000	462,000
Miscellaneous	384,000	0	0	0	106,508	490,508
Total Revenues	7,092,683	1,351,000	180,000	2,000	2,371,580	10,997,263
EXPENDITURES						
Highways & Streets	9,265,522	4,162,756	0	0	0	13,428,278
Public Safety	0	0	0	0	0	0
Land Acquisition, Capital Improvements and Other	0	0	11,000	130	7,102,000	7,113,130
Total Expenditures	9,265,522	4,162,756	11,000	130	7,102,000	20,541,408
Revenues over/(under) Expenditures	(2,172,839)	(2,811,756)	169,000	1,870	(4,730,420)	(9,544,145)
OTHER FINANCING SOURCES AND USES						
Transfers In	407,900	2,202,199	0	0	3,000,000	5,610,099
Transfers Out	(407,900)	0	(535,436)	0	(100,000)	(1,043,336)
	0	2,202,199	(535,436)	0	2,900,000	4,566,763
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(2,172,839)	(609,557)	(366,436)	1,870	(1,830,420)	(4,977,382)
FUND BALANCE AT JUNE 30, 2008	1,027,326	38,701	4,088,932	52,656	1,791,992	6,999,607

SPECIAL REVENUE FUNDS RECREATION FUNDS SUMMARY

	Nutrition Fund #281	Recreation Special Millage Fund #410	Golf Course Improv. Fund #412	Total Recreation Funds
FUND BALANCE AT JULY 1, 2007	0	660,861	12,219	673,080
REVENUES				
Property Taxes	0	2,154,780	0	2,154,780
Intergovernmental	279,201	0	0	279,201
Interest Income	7,500	100,000	1,200	108,700
Miscellaneous	132,821	0	29,000	161,821
Total Revenues	419,522	2,254,780	30,200	2,704,502
EXPENDITURES				
Highways & Streets	0	0	0	0
Public Safety	0	0	0	0
Land Acquisition, Capital Improvements and Other	419,522	893,985	30,150	1,343,657
Total Expenditures	419,522	893,985	30,150	1,343,657
Revenues over/(under) Expenditures	0	1,360,795	50	1,360,845
OTHER FINANCING SOURCES AND USES				
Transfers In	0	0	0	0
Transfers Out	0	(1,574,619)	0	(1,574,619)
Total	0	(1,574,619)	0	(1,574,619)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	0	(213,824)	50	(213,774)
Residual Equity Transfer	0	0	0	0
FUND BALANCE AT JUNE 30, 2008	0	447,037	12,269	459,306

<p>SPECIAL REVENUE FUNDS PUBLIC SAFETY FUNDS SUMMARY</p>

	Public Safety Fund #205	Police Forfeiture Fund #214	Total Public Safety Funds
FUND BALANCE AT JULY 1, 2007	856,666	747,390	1,604,056
REVENUES			
Property Taxes	6,512,256	0	6,512,256
Intergovernmental	0	275,000	275,000
Interest Income	180,000	30,000	210,000
Miscellaneous	0	53,020	53,020
Total Revenues	6,692,256	358,020	7,050,276
EXPENDITURES			
Highways & Streets	0	0	0
Public Safety	5,837,287	510,734	6,348,021
Land Acquisition, Capital Improvements and Other	0	0	0
Total Expenditures	5,837,287	510,734	6,348,021
Revenues over/(under) Expenditures	854,969	(152,714)	702,255
OTHER FINANCING SOURCES AND USES			
Transfers In	0	0	0
Transfers Out	0	(14,115)	(14,115)
	0	(14,115)	(14,115)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	854,969	(166,829)	688,140
FUND BALANCE AT JUNE 30, 2008	1,711,635	580,561	2,292,196

- 10) That the City Council hereby authorizes the City Manager to make budgetary transfers within the appropriation centers established through the budget and that all transfers between appropriation centers may be made only by further action by the City Council, pursuant to the provisions of the Michigan Uniform Accounting and Budgeting Act.
- 11) That the 2007/08 General Fund Budget shall be automatically amended on July 1, 2007 to re-appropriate encumbrances outstanding and reserved at June 30, 2007.
- 12) That the 2006/07 departmental and activity budget amounts for the General Fund be amended to the following estimated revenues and projected actual expenditures in the budget document submitted for 2007/08.

GENERAL FUND	2006/07 AMENDED BUDGET
Expenditures	
General Government	9,696,078
Boards & Commissions	3,027,346
Public Safety (Police/Fire)	21,771,773
Planning & Community Development	2,162,598
Public Services	6,949,156
Special Services	6,758,063
Transfer to Other Funds	270,000
	<u>50,635,014</u>
Revenues	
Property Taxes	30,476,869
Business Licenses & Permits	19,600
Other Licenses & Permits	805,400
Sales	628,369
Fines & Forfeitures	2,400,000
Interest Earnings	1,900,000
Recreation User Charges	3,029,924
Grants	471,824
State Shared Revenue	6,635,268
Fees	3,503,900
Interfund Reimbursement	937,523
Total Operating Revenues	<u>50,808,677</u>
Appropriation (To)/From Fund Balance	(11,807)
Appropriation (To)/From Designation/Reserves	(161,856)
	<u>50,635,014</u>

- 13) That the 2006/07 Special Revenue Funds Budget be amended to the following estimated revenues and projected actual expenditures in the budget document submitted for 2007/08.

SPECIAL REVENUE FUNDS

	Total Capital Funds	Total Recreation Funds	Total Public Safety Funds	C.D.B.G Fund #275	Total Special Revenue Funds
FUND BALANCE AT JULY 1, 2006	13,391,563	576,845	612,723	0	14,581,131
REVENUES					
Property Taxes	2,054,696	2,086,186	6,305,118	0	10,446,000
Intergovernmental	6,010,350	279,201	509,709	492,753	7,292,013
Interest Income	627,300	108,700	195,968	0	931,968
Miscellaneous	258,644	158,821	158,543	56,000	632,008
Total Revenues	8,950,990	2,632,908	7,169,338	548,753	19,301,989
EXPENDITURES					
Highways & Streets	7,572,090	0	0	0	7,572,090
Public Safety	0	0	6,102,720	0	6,102,720
Land Acquisition, Capital Improvements and Other	3,135,956	1,005,736	34,999	445,336	4,622,027
Total Expenditures	10,708,046	1,005,736	6,137,719	445,336	18,296,837
Revenues over/(under) Expenditures	(1,757,056)	1,627,172	1,031,619	103,417	1,005,152
OTHER FINANCING SOURCES AND USES					
Proceeds from Bond Sale	0	0	0	0	0
Transfers In	1,198,165	0	0	0	1,198,165
Transfers Out	(855,683)	(1,530,937)	(40,286)	(103,417)	(2,530,323)
Total	342,482	(1,530,937)	(40,286)	(103,417)	(1,332,158)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(1,414,574)	96,235	991,333	0	(327,006)
FUND BALANCE AT JUNE 30, 2007	11,976,989	673,080	1,604,056	0	14,254,125

SPECIAL REVENUE FUNDS CAPITAL FUNDS SUMMARY
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	Major Roads Fund #202	Local Roads Fund #203	Revolving Special Assessment Fund #247	Deferred Special Assessment Fund #255	Capital Improvement Fund #404	Total Capital Funds
FUND BALANCE AT JULY 1, 2006	3,462,953	1,149,205	4,488,448	48,616	4,242,341	13,391,563
REVENUES						
Property Taxes	0	0	0	0	2,054,696	2,054,696
Intergovernmental	4,584,350	1,371,000	0	0	55,000	6,010,350
Interest Income	135,000	50,000	200,000	2,300	240,000	627,300
Miscellaneous	5,000	0	0	0	253,644	258,644
Total Revenues	4,724,350	1,421,000	200,000	2,300	2,603,340	8,950,990
EXPENDITURES						
Highways & Streets	5,204,141	2,367,949	0	0	0	7,572,090
Public Safety	0	0	0	0	0	0
Land Acquisition, Capital Improvements and Other	0	0	6,950	130	3,128,876	3,135,956
Total Expenditures	5,204,141	2,367,949	6,950	130	3,128,876	10,708,046
Revenues over/(under) Expenditures	(479,791)	(946,949)	193,050	2,170	(525,536)	(1,757,056)
OTHER FINANCING SOURCES AND USES						
Proceeds from Bond Sale	0	0	0	0	0	0
Transfers In	640,453	446,002	111,710	0	0	1,198,165
Transfers Out	(423,450)	0	(337,840)	0	(94,393)	(855,683)
	217,003	446,002	(226,130)	0	(94,393)	342,482
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(262,788)	(500,947)	(33,080)	2,170	(619,929)	(1,414,574)
FUND BALANCE AT JUNE 30, 2007	3,200,165	648,258	4,455,368	50,786	3,622,412	11,976,989

SPECIAL REVENUE FUNDS RECREATION FUNDS SUMMARY

	Nutrition Fund #281	Recreation Special Millage Fund #410	Golf Course Improv. Fund #412	Total Recreation Funds
FUND BALANCE AT JULY 1, 2006	0	550,176	26,669	576,845
REVENUES				
Property Taxes	0	2,086,186	0	2,086,186
Intergovernmental	279,201	0	0	279,201
Interest Income	7,500	100,000	1,200	108,700
Miscellaneous	132,821	0	26,000	158,821
Total Revenues	419,522	2,186,186	27,200	2,632,908
EXPENDITURES				
Highways & Streets	0	0	0	0
Public Safety	0	0	0	0
Land Acquisition, Capital Improvements and Other	419,522	544,564	41,650	1,005,736
Total Expenditures	419,522	544,564	41,650	1,005,736
Revenues over/(under) Expenditures	0	1,641,622	(14,450)	1,627,172
OTHER FINANCING SOURCES AND USES				
Transfers In	0	0	0	0
Transfers Out	0	(1,530,937)	0	(1,530,937)
Total	0	(1,530,937)	0	(1,530,937)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	0	110,685	(14,450)	96,235
Residual Equity Transfer	0	0	0	0
FUND BALANCE AT JUNE 30, 2007	0	660,861	12,219	673,080

SPECIAL REVENUE FUNDS

	Public Safety Fund #205	Police Forfeiture Fund #214	Local Law Enforcement Grant IX Fund #269	Justice Assistance Grant I Fund #271	Justice Assistance Grant II Fund #272	Total Public Safety Funds
FUND BALANCE AT JULY 1, 2006	100	612,518	0	105	0	612,723
REVENUES						
Property Taxes	6,305,118	0	0	0	0	6,305,118
Intergovernmental	0	475,783	2,750	21,655	9,521	509,709
Interest Income	150,000	45,000	0	168	800	195,968
Miscellaneous	0	158,543	0	0	0	158,543
Total Revenues	6,455,118	679,326	2,750	21,823	10,321	7,169,338
EXPENDITURES						
Highways & Streets	0	0	0	0	0	0
Public Safety	5,598,552	504,168	0	0	0	6,102,720
Land Acquisition, Capital Improvements and Other	0	0	2,750	21,928	10,321	34,999
Total Expenditures	5,598,552	504,168	2,750	21,928	10,321	6,127,398
Revenues over/(under) Expenditures	856,566	175,158	0	(105)	0	1,031,619
OTHER FINANCING SOURCES AND USES						
Transfers In	0	0	0	0	0	0
Transfers Out	0	(40,286)	0	0	0	(40,286)
	0	(40,286)	0	0	0	(40,286)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	856,566	134,872	0	(105)	0	991,333
FUND BALANCE AT JUNE 30, 2007	856,666	747,390	0	0	0	1,604,056

14) That the City of Farmington Hills adopts the 2007/08 Debt Service Fund Budgets as follows:

DEBT SERVICE FUNDS SUMMARY

	General Debt Service Fund #301	Act 175 1992 Issue Fund #322	Building Authority Fund #662	Special Assessment Funds	Total Debt Service Funds
FUND BALANCE AT JULY 1, 2007	306,647	40,578	301,521	4,105,651	4,754,397
REVENUES					
Income from Assessments and Other	125,000	0	0	2,823,567	2,948,567
Interest income	75,000	1,500	15,000	200,000	291,500
Debt levy	2,807,866	0	0	0	2,807,866
Total Revenues	3,007,866	1,500	15,000	3,023,567	6,047,933
EXPENDITURES					
Bond principal payments	1,243,526	300,000	620,760	835,000	2,999,286
Interest and fiscal charges	513,408	7,900	447,272	121,804	1,090,384
Misc. and construction	0	0	1,000	500,000	501,000
Total Expenditures	1,756,934	307,900	1,069,032	1,456,804	4,590,670
Revenues over/(under) Expenditures	1,250,932	(306,400)	(1,054,032)	1,566,763	1,457,263
OTHER FINANCING SOURCES AND USES					
Transfers In					
-from General Debt Fund	0	0	1,068,032	0	1,068,032
-from Major Roads	0	307,900	0	0	307,900
Total Transfers In	0	307,900	1,068,032	0	1,375,932
Transfers Out					
- to Building Authority	(1,068,032)	0	0	0	(1,068,032)
- to Capital Improvement	0	0	0	0	0
- to Major Roads	(307,900)	0	0	0	(307,900)
- to Local Roads	0	0	0	(1,566,763)	(1,566,763)
Total Transfers out	(1,375,932)	0	0	(1,566,763)	(2,942,695)
Total Other Financing Sources and Uses	(1,375,932)	307,900	1,068,032	(1,566,763)	(1,566,763)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(125,000)	1,500	14,000	0	(109,500)
FUND BALANCE AT JUNE 30, 2008	181,647	42,078	315,521	4,105,651	4,644,897

GENERAL DEBT SERVICE FUND

FUND NUMBER: 301

Acct. No. Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
FUND BALANCE AT JULY 1	432,556	601,142	425,040	434,582	306,647	306,647
REVENUES						
(403) Debt Service Levy Oakland CNTY Credit - Pebble	2,787,825	2,603,202	2,732,131	2,732,131	2,807,866	2,807,866
(642) Creek	136,502	0	0	0	0	0
(664) Interest Income	30,529	63,871	70,000	75,000	75,000	75,000
(665) District Court Building Fund	147,745	134,861	125,000	140,000	125,000	125,000
Total Revenues	3,102,601	2,801,934	2,927,131	2,947,131	3,007,866	3,007,866
OTHER FINANCING SOURCES						
Contributions from other funds:						
(410) P & R Special Millage	335,850	227,500	0	0	0	0
Total Other Financing Sources	335,850	227,500	0	0	0	0
TOTAL REVENUES AND OTHER FINANCING SOURCES	3,438,451	3,029,434	2,927,131	2,947,131	3,007,866	3,007,866
EXPENDITURES						
GENERAL DEBT ISSUES:						
(990) Interest:						
Pebble Creek Drain	35,414	31,918	28,237	28,100	24,352	24,352
Minnow Pond	207,762	187,156	164,192	166,675	136,717	136,717
Caddell Erosion - 1994	37,554	35,682	33,073	33,073	30,395	30,395
Farmington Hills Golf Club	0	343,005	326,194	326,175	321,944	321,944
Total	280,730	597,761	551,696	554,023	513,408	513,408
(995) Principal:						
Pebble Creek Drain	194,253	185,217	180,700	180,700	212,323	212,323
Minnow Pond	557,803	573,676	666,047	681,920	758,419	758,419
Caddell Erosion - 1994	107,436	107,436	126,621	126,621	122,784	122,784
Farmington Hills Golf Club	0	0	150,000	150,000	150,000	150,000
Total	859,492	866,329	1,123,368	1,139,241	1,243,526	1,243,526
TOTAL GENERAL DEBT	1,140,222	1,464,090	1,675,064	1,693,264	1,756,934	1,756,934
(996) Miscellaneous Expense	850	925	900	0	0	0
Total Expenditures	1,141,072	1,465,015	1,675,964	1,693,264	1,756,934	1,756,934

Acct. No.	Category and Line Item	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Estimated	2007/08 Proposed	2007/08 Adopted
(905)	Contribution to Building Authority						
	Interest:						
	Activities Center	10,850	2,500	0	0	0	0
	DPW Expansion	2,625	0	0	0	0	0
	Police Facility	7,285	0	0	0	0	0
	Refunding Bond - 2003						
	DPW/Fire	85,116	81,016	76,041	75,775	70,100	70,100
	47th District Court	410,952	403,598	383,696	383,697	106,704	106,704
	48th District Court - Refunding	0	0	0	0	270,468	270,468
	Total	516,828	487,114	459,737	459,472	447,272	447,272
	Principal:						
	Activities Center	325,000	225,000	0	0	0	0
	DPW Expansion	100,000	0	0	0	0	0
	Police Facility	265,000	0	0	0	0	0
	Refunding Bond - 2003						
	DPW/Fire	145,000	265,000	260,000	260,000	275,000	275,000
	47th District Court	259,740	260,640	338,880	338,880	345,760	345,760
	47th District Court - Refunding	0	0	0	0	0	0
	Total	1,094,740	750,640	598,880	598,880	620,760	620,760
	Total Contribution to Building Auth.	1,611,568	1,237,754	1,058,617	1,058,352	1,068,032	1,068,032
	Total Other Financing Uses	2,128,793	1,730,979	1,382,067	1,381,802	1,375,932	1,375,932
	TOTAL EXPENDITURES AND OTHER FINANCING USES	3,269,865	3,195,994	3,058,031	3,075,066	3,132,866	3,132,866
	Revenues Over/(Under) Expenditures	168,586	(166,560)	(130,900)	(127,935)	(125,000)	(125,000)
	FUND BALANCE AT JUNE 30	601,142	434,582	294,140	306,647	181,647	181,647

DEBT SERVICE FUNDS SUMMARY

15) That the FY 2006/07 Debt Service Fund Budget be amended to the following estimated revenues and projected actual expenditures in the budget document submitted for FY 2007/08:

	General Debt Service Fund #301	Act 175 1992 Issue Fund #322	Building Authority Fund #662	Special Assessment Funds	Total Debt Service Funds
FUND BALANCE AT JULY 1, 2006	434,582	38,978	284,446	4,217,361	4,975,367
REVENUES					
Income from Assessments and Other	140,000	0	45,000	1,080,242	1,265,242
Interest income	75,000	1,600	18,000	250,000	344,600
Debt levy	2,732,131	0	0	0	2,732,131
Total Revenues	2,947,131	1,600	63,000	1,330,242	4,341,973
EXPENDITURES					
Bond principal payments	1,139,241	300,000	7,198,880	1,065,000	9,703,121
Interest and fiscal charges	554,023	23,450	459,472	157,080	1,194,025
Misc. and construction	0	0	925	100,000	100,925
Total Expenditures	1,693,264	323,450	7,659,277	1,322,080	10,998,071
Revenues over/(under) Expenditures	1,253,867	(321,850)	(7,596,277)	8,162	(6,656,098)
OTHER FINANCING SOURCES AND USES					
Proceeds from Bond Sale	0	0	6,555,000	0	6,555,000
Transfers In					
-from Parks Special Millage	0	0	0	0	0
-from General Debt Fund	0	0	1,058,352	0	1,058,352
-from Major Roads	0	323,450	0	0	323,450
Total Transfers In	0	323,450	1,058,352	0	1,381,802
Transfers Out					
- to SAD Revolving	0	0	0	(111,710)	(111,710)
- to Building Authority	(1,058,352)	0	0	0	(1,058,352)
- to Major Roads	(323,450)	0	0	0	(323,450)
- to Local Roads	0	0	0	(8,162)	(8,162)
Total Transfers out	(1,381,802)	0	0	(119,872)	(1,501,674)
TOTAL OTHER FINANCING SOURCES AND USES	(1,381,802)	323,450	7,613,352	(119,872)	(119,872)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(127,935)	1,600	17,075	(111,710)	(220,970)
FUND BALANCE AT JUNE 30, 2007	306,647	40,578	301,521	4,105,651	4,754,397

- 16) That the Retainer paid to the City's Corporation Counsel be \$14,194 per month as contained in the FY 2007/08 Budget Document.
- 17) That the City Council amends the Ice Arena Enterprise Fund Budget for FY 2006/07 and adopts the FY 2007/08 Ice Arena Enterprise Fund Budget as follows:

	2006/07 Amended Budget	2007/08 Budget
REVENUES		
Ice Sessions	1,167,003	1,241,850
Pro-Shop Revenue	13,546	14,000
Concession Stand Revenue	196,778	207,500
Miscellaneous	62,500	71,400
Interest Income	3,000	3,000
Contribution from General Fund	170,000	125,000
TOTAL REVENUES	1,612,827	1,662,750
EXPENDITURES		
Administrative	990,260	1,016,650
Concession Stand	110,342	118,895
Pro-Shop	6,000	6,000
Other Expenses	420,108	405,458
TOTAL EXPENDITURES	1,526,710	1,547,003
NET INCOME	86,117	115,747

- 18) That the City Council hereby adopt the following fee schedule for the Ice Arena Enterprise Fund for FY 2007/08:

Ice Arena Fee Schedule 2007/08

No fee increases are proposed for FY 2007/08

	2004-05 Fees	2005-06 Fees	2006-07 Fees	2007-08 Fees	2007-08 Increase
Ice Rental					
Prime Ice	\$245.00	\$250.00	\$255.00	\$260.00	5.00
Non-Prime	\$185.00	\$185.00	\$185.00	\$185.00	0.00
 Skate Rental	 \$2.50	 \$2.50	 \$2.50	 \$2.50	 0.00
Public Skating					
Lunch Hour Skate	\$2.00	\$2.00	\$2.00	\$2.00	0.00
Resident	\$3.50	\$3.50	\$3.50	\$3.50	0.00
Non-Resident	\$5.00	\$5.00	\$5.00	\$5.00	0.00
Resident Pass (10 PPD)	\$30.00	\$30.00	\$30.00	\$30.00	0.00
Non-Resident Pass (10 PPD)	\$45.00	\$45.00	\$45.00	\$45.00	0.00
Learn to Skate (eight classes)					
30-Min. Resident	\$63.00	\$63.00	\$63.00	\$63.00	0.00
30-Min Non-Resident	\$73.00	\$73.00	\$73.00	\$73.00	0.00
50-Min. Resident	\$89.00	\$89.00	\$89.00	\$89.00	0.00
50-Min. Non-Resident	\$99.00	\$99.00	\$99.00	\$99.00	0.00
 Drop-In Hockey (Adult)	 \$8.00	 \$8.00	 \$8.00	 \$8.00	 0.00
 Drop-In Hockey (Adult-Pass 5 PPD)	 \$35.00	 \$35.00	 \$35.00	 \$35.00	 0.00
 Drop-In Hockey (Youth)	 \$5.00	 \$5.00	 \$5.00	 \$5.00	 0.00
Figure Skating					
30-Min. Resident	\$3.50	\$3.75	\$4.00	\$4.00	0.00
30-Min Non-Resident	\$4.25	\$4.25	\$4.50	\$4.50	0.00
50-Min. Resident	\$7.00	\$7.00	\$7.50	\$7.50	0.00
50-Min. Non-Resident	\$8.00	\$8.00	\$8.50	\$8.50	0.00
Drop-In 50-Min	\$9.00	\$9.00	\$10.00	\$10.00	0.00
Drop-In 30-Min	\$5.00	\$5.00	\$6.00	\$6.00	0.00
Drop-In (Pass 6 PPD) 50-Min	\$51.00	\$51.00	\$57.00	\$57.00	0.00
Drop-In (Pass 6 PPD) 30-Min	\$28.50	\$29.50	\$34.50	\$34.50	0.00
Meeting Room					
Full Size	\$50.00	\$50.00	\$50.00	\$50.00	0.00
Half Room	\$40.00	\$40.00	\$40.00	\$40.00	0.00

YOUR 2006 TAX DOLLAR

Based on Farmington Schools Homestead Rate

County

13.61%

Education *

60.33%

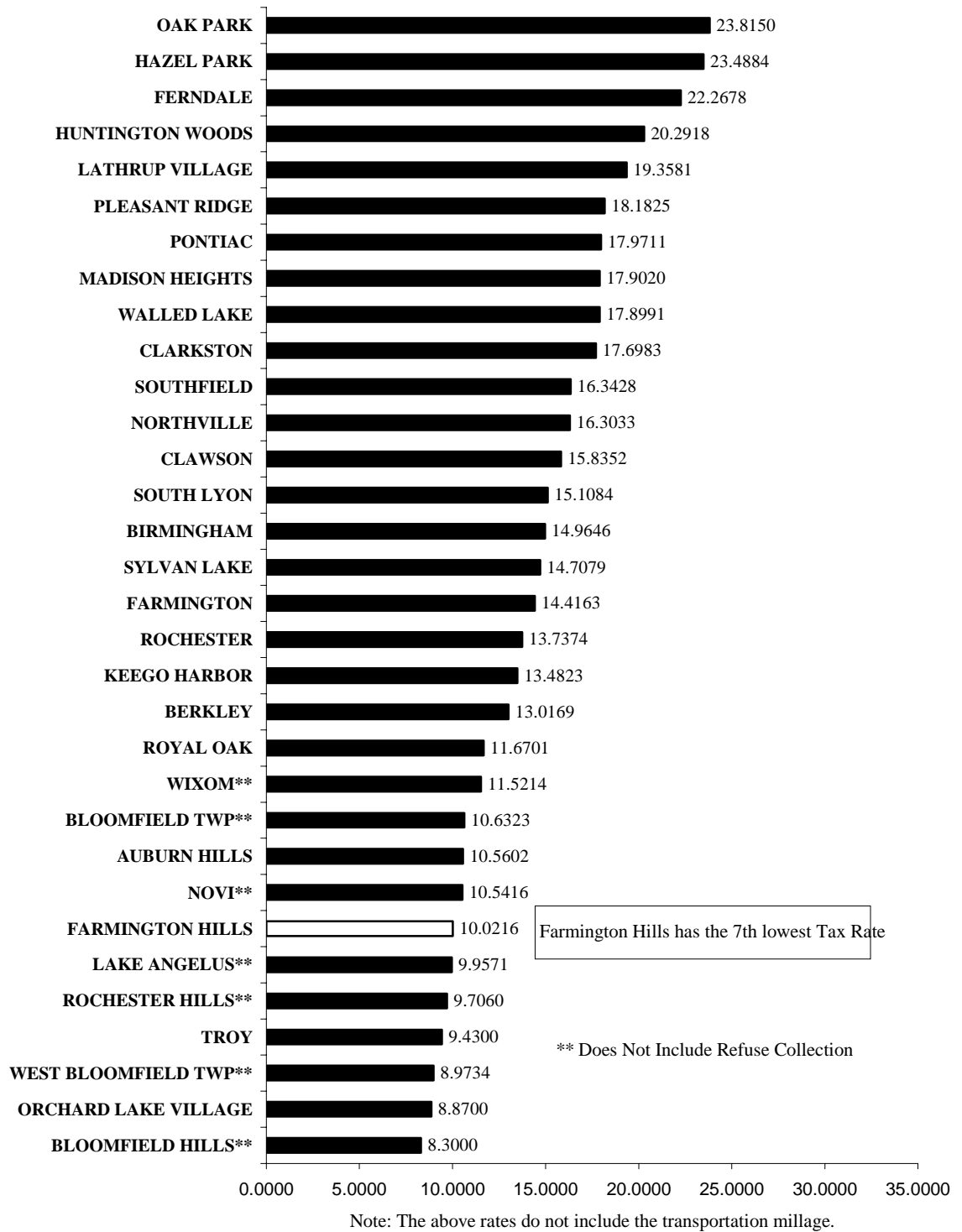
City

26.06%

* Farmington Schools – Oakland Intermediate Schools – Oakland Community College – Farmington Hills Library

2006 Local Unit Tax Rates

For all Cities and Major Townships in Oakland County



Source: Oakland County Equalization Department

**2006 Tax Comparison For All Local Units of Governments
in Oakland County**

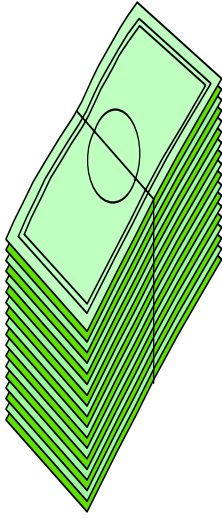
	2006 Millage Rate	2006 Taxable Value	2006 City Taxes
SOUTHFIELD	16.3428	3,604,818,967	58,912,835
TROY	9.4300	5,435,034,442	51,252,384
FARMINGTON HILLS	10.0216	4,294,168,650	43,034,440
BLOOMFIELD TOWNSHIP	10.6323	3,732,884,300	39,689,199
WEST BLOOMFIELD TOWNSHIP	8.9734	4,018,769,790	36,062,029
NOVI	10.5416	3,364,061,500	35,462,591
ROCHESTER HILLS	9.7060	3,602,018,960	34,961,196
BIRMINGHAM	14.9646	1,971,748,670	29,506,430
PONTIAC	17.9711	1,414,552,660	28,250,172
ROYAL OAK	11.6701	2,300,031,760	26,841,601
AUBURN HILLS	10.5602	2,215,142,550	23,392,348
MADISON HEIGHTS	17.9020	1,168,395,580	20,916,618
OAK PARK	23.8150	690,085,040	16,434,375
FERNDALE	22.2678	614,146,760	13,675,697
WIXOM	11.5214	906,153,800	10,440,160
ROCHESTER	13.7340	753,851,560	10,353,397
HAZEL PARK	23.4884	324,086,980	7,729,727
BERKLEY	13.0169	506,828,310	6,597,333
CLAWSON	15.8352	392,502,930	6,215,362
HUNTINGTON WOODS	20.2918	305,680,380	6,202,805
SOUTH LYON	15.1084	396,414,310	5,989,186
FARMINGTON	14.4163	409,220,090	5,899,440
WALLED LAKE	17.8991	246,763,800	4,416,851
LATHRUP VILLAGE	19.3581	181,804,980	3,519,399
ORCHARD LAKE	8.8700	368,557,050	3,269,048
NORTHVILLE	16.3033	176,157,391	2,871,947
PLEASANT RIDGE	18.1825	127,440,640	2,317,189
SYLVAN LAKE	14.7079	98,730,910	1,452,124
KEEGO HARBOR	13.4823	105,163,830	1,417,850
CLARKSTON	17.6983	47,118,120	833,911
LAKE ANGELUS	9.9571	64,666,440	638,912

Source: Oakland County Equalization Department

**Tax Rate History & FY 2007/08 Rate
Including Taxable Value History**

Fiscal Year	Operating	Drains & Capital	Debt Service	Parks Millage	Public Safety	Total Millage	Taxable Value
1977 - 1978	7.2500					7.2500	\$450,670,100
1978 - 1979	8.0000	1.0000				9.0000	\$502,439,100
1979 - 1980	8.3150		0.6850			9.0000	\$580,609,000
1980 - 1981	7.9720		0.5280			8.5000	\$741,683,000
1981 - 1982	8.0600		0.4400			8.5000	\$858,901,200
1982 - 1983	7.4360		0.3895			7.8255	\$950,936,472
1983 - 1984	7.4191		0.4064			7.8255	\$942,892,700
1984 - 1985	7.3193	0.3000	0.3807			8.0000	\$996,159,938
1985 - 1986	7.3713	0.5976	0.8311			8.8000	\$1,114,045,950
1986 - 1987	7.4290	1.6500	0.7377	0.5000		10.3167	\$1,248,645,175
1987 - 1988	6.7134	1.0752	1.0110	0.4586		9.2582	\$1,527,023,800
1988 - 1989	7.2680	0.6929	0.9990	0.4401		9.4000	\$1,776,746,200
1989 - 1990	6.8480	0.6512	0.9173	0.4137		8.8302	\$1,991,576,400
1990 - 1991	6.7254	0.9682	0.7864	0.3910		8.8710	\$2,212,260,950
1991 - 1992	6.6743	0.9575	0.7392	0.5000		8.8710	\$2,352,777,050
1992 - 1993	6.6844	0.9575	0.7242	0.5000		8.8661	\$2,420,872,700
1993 - 1994	6.8765	1.0078	0.6806	0.5000		9.0649	\$2,506,273,650
1994 - 1995	7.0564	0.4799	1.1046	0.5000		9.1409	\$2,593,603,150
1995 - 1996	7.1654	0.3954	1.1042	0.5000		9.1650	\$2,679,658,850
1996 - 1997	7.2193	0.3764	1.0693	0.5000	1.0000	10.1650	\$2,789,185,490
1997 - 1998	7.2193	0.4466	0.9991	0.5000	1.0000	10.1650	\$2,925,139,920
1998 - 1999	7.2193	0.5769	0.8688	0.5000	1.0000	10.1650	\$3,073,823,680
1999 - 2000	7.2193	0.6665	0.7830	0.4987	0.9975	10.1650	\$3,216,893,800
2000 - 2001	7.2193	0.6777	0.7785	0.4965	0.9930	10.1650	\$3,336,712,530
2001 - 2002	7.2193	0.7190	0.7432	0.4944	0.9891	10.1650	\$3,519,079,040
2002 - 2003	7.2193	0.7192	0.8117	0.4905	0.9814	10.2221	\$3,694,788,600
2003 - 2004	7.5705	0.3916	0.7932	0.4888	0.9780	10.2221	\$3,828,737,050
2004 - 2005	7.7142	0.3413	0.7014	0.4883	0.9769	10.2221	\$3,955,091,460
2005 - 2006	6.9452	0.4800	0.6318	0.4882	0.9769	9.5221	\$4,120,595,630
2006 - 2007	6.9408	0.4800	0.6362	0.4882	1.4764	10.0216	\$4,294,168,850
Adopted 2007/08	6.9423	0.4800	0.6347	0.4882	1.4764	10.0216	\$4,438,529,490

**CITY PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

	Fiscal Year June 30	Total City Tax Levy	Current Collections	Percent of Levy Collected
	2007	42,813,720	41,829,579	97.70%
	2006	41,391,842	40,586,343	98.00%
	2005	40,705,555	39,853,303	97.90%
	2004	39,165,401	38,305,987	97.81%
	2003	37,737,279	36,904,869	97.70%
	2002	35,771,438	34,932,994	97.66%
	2001	33,894,509	33,300,139	98.25%
	2000	32,658,074	32,112,752	98.33%
	1999	31,195,930	30,632,055	98.19%
1998	29,725,049	29,163,222	98.11%	

Source: Farmington Hills Treasury Department

**TOTAL PROPERTY TAX MILLAGE RATES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Operating	7.2193	7.2193	7.2193	7.2193	7.2193	7.2193	7.5705	7.7142	6.9452	6.9408
Drains & Capital	0.5377	0.5769	0.6777	.6777	.7190	.7192	.3916	.3413	.4800	.4800
Debt Service	0.9080	0.8688	0.7785	.7785	.7432	.8117	.7932	.7014	.6318	.6362
Parks	0.5000	0.5000	0.4965	.4965	.4944	.4905	.4888	.4883	.4882	.4882
Public Safety	1.0000	1.0000	0.9930	.9930	.9891	.9814	.9780	.9769	.9769	1.4764
Total City	10.1650	10.1650	10.1650	10.1650	10.1650	10.2221	10.2221	10.2221	9.5221	10.0216

Farmington Schools	14.8931	14.4761	14.0071	13.2614	12.8633	12.4459	11.8783	11.5466	11.1596	10.6511
Clarenceville Schools	3.5511	3.5279	3.6827	4.7395	4.5920	4.7548	4.7114	4.5763	4.3392	5.1766
Walled Lake Schools	8.4399	8.1074	7.8520	8.0982	7.9538	7.4728	7.5248	7.0548	6.8970	6.7841
State Education	6.0000	6.0000	6.0000	6.0000	6.0000	6.000	5.0000	6.000	6.0000	6.0000
Oakland Comm. College	1.6522	1.6456	1.6295	1.6109	1.5952	1.6090	1.5983	1.5889	1.5844	1.5844
Schoolcraft Comm. College	1.8521	1.8521	1.8444	1.8311	1.8193	1.8043	1.8024	1.7967	1.7967	1.7967
Oakland Inter. Schools	2.1294	2.1208	2.0998	2.0752	3.4526	3.4224	3.3991	3.3789	3.3690	3.3690
Oakland County	4.8180	4.6564	4.6522	4.6478	4.6438	4.6523	4.6497	4.6476	4.6461	4.6461
Library	0.0000	0.6000	0.5985	0.5958	.5933	0.5887	.5866	.5856	1.5856	1.5856
O. C. P. T. A.	0.3300	0.3300	0.3270	0.3236	.3207	0.6000	.5974	.5962	.5950	.5900

Total Farmington Schools	39.9877	39.9939	39.4791	38.6796		39.5404	37.9315	38.5659	38.4618	38.4478
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Total Clarenceville Schools	28.8456	29.2522	29.3692	30.3779	31.5667	32.0446	30.9687	31.8034	31.8537	33.1856
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Total Walled Lake Schools	33.5345	33.6252	33.3240	33.5164	34.7044	34.5673	32.5780	34.0741	34.1997	34.5808
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**PROPERTY TAX LEVIES
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	City Tax *	School Tax	County Tax				Library	OCTPA	Total
2007	43,356,131	59,586,932	19,848,809	6,792,877	14,392,854	25,632,865	6,773,912	2,520,565	178,904,945
2006	41,586,343	58,658,315	19,065,034	6,524,559	13,824,588	24,621,080	6,506,379	2,441,439	173,227,737
2005	40,705,555	57,462,866	18,381,532	6,304,891	13,363,709	23,730,549	2,315,953	2,357,875	164,622,930
2004	39,165,401	56,533,365	17,785,705	6,133,325	13,002,031	19,126,131	2,243,729	2,285,039	156,274,726
2003	37,737,279	55,815,451	17,175,056	5,958,330	12,634,592	22,150,407	2,173,324	2,215,041	155,859,480
2002	35,771,438	54,241,172	16,341,899	5,633,444	12,149,972	21,114,474	2,087,870	1,128,569	148,468,838
2001	33,894,509	52,165,252	15,497,846	5,389,911	6,919,566	20,006,880	1,986,535	1,078,489	136,939,388
2000	32,658,074	51,812,983	14,946,571	5,252,855	6,746,230	19,276,777	1,922,859	1,050,584	133,666,933
1999	31,195,930	50,243,601	14,290,283	5,066,619	6,508,640	18,413,731	1,841,373	1,012,755	128,572,932
1998	29,725,049	48,796,641	14,089,059	4,846,677	6,226,908	17,545,528		965,004	122,194,866
1997	28,345,004	40,290,720	13,518,601	4,486,262	5,937,511	16,730,942		920,202	110,229,242

- 2004 City Tax includes Brownfield Authority Capture of \$63,855
- 2005 City Tax includes Brownfield Authority Capture of \$277,885
- 2006 City Tax includes Brownfield Authority Capture of \$414,911
- 2007 City Tax includes Brownfield Authority Capture of \$542,411

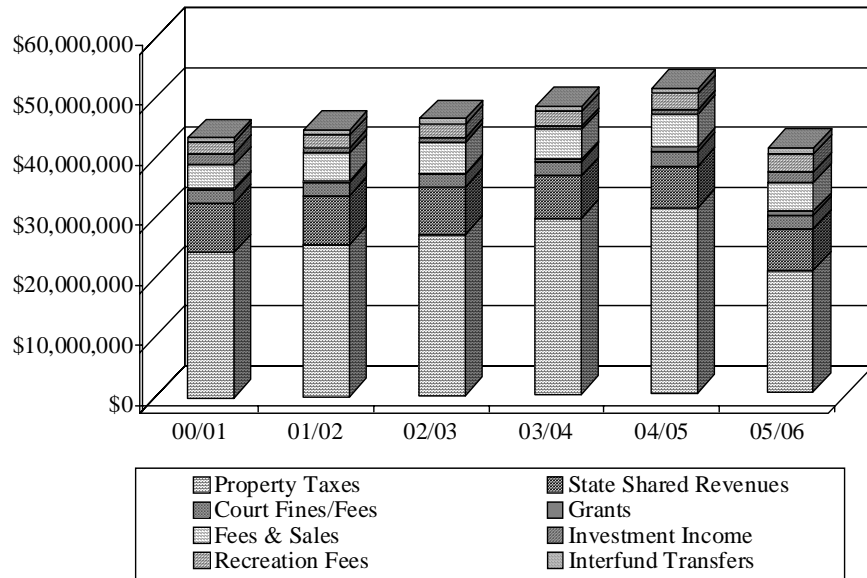
**General Fund
Revenues by Source
Fiscal 00/01 Through Fiscal 05/06**

	00/01	01/02	02/03	03/04	04/05	05/06
Property Taxes	\$24,377,854	\$25,445,945	\$27,061,927	29,462,182	30,921,815	29,249,047
State Shared Revenues	\$8,328,285	\$8,154,291	\$7,868,621	7,047,458	7,001,464	6,932,486
Court Fines/Fees	\$2,093,481	\$2,226,313	\$2,087,250	2,406,864	2,405,720	2,262,481
Grants	\$211,698	\$316,763	\$190,711	339,179	786,122	653,203
Fees & Sales	\$3,988,153	\$4,569,476	\$5,139,206	4,900,682	5,350,046	4,850,533
Investment Income	\$1,903,872	\$903,316	\$789,978	538,666	760,104	1,699,399
Recreation Fees	\$1,879,518	\$2,047,431	\$2,161,716	2,454,971	2,634,918	3,003,900
Interfund Transfers	\$670,000	\$799,526	\$832,868	834,540	869,824	883,318
Total Revenues	43,452,861	44,463,061	46,132,277	47,984,542	50,730,013	49,534,367

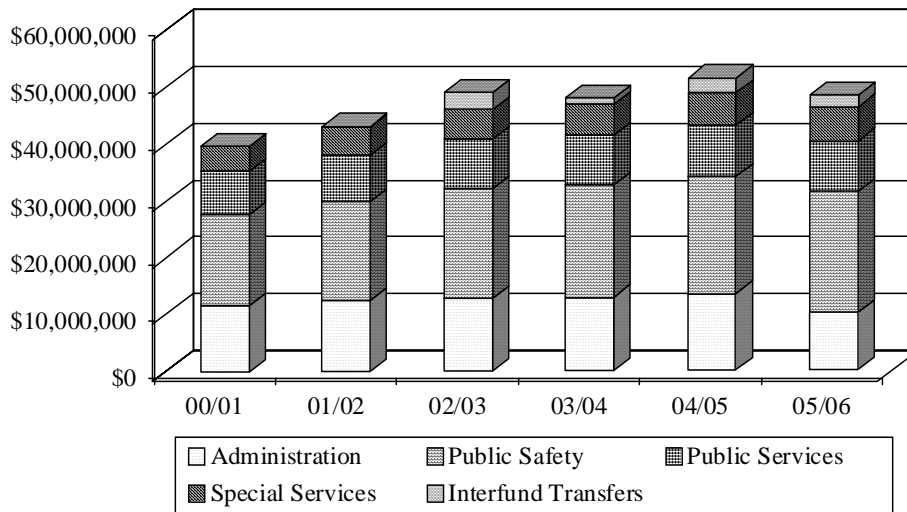
**General Fund
Expenditures by Function
Fiscal 00/01 through 05/06**

	00/01	01/02	02/03	03/04	04/05	05/06
Administration	\$11,651,062	\$12,422,184	\$12,858,189	12,918,528	13,480,195	10,102,470
Public Safety	\$16,123,281	\$17,434,838	\$19,242,031	19,640,291	20,534,992	21,085,582
Public Services	\$7,468,235	\$8,237,139	\$8,639,197	8,743,993	8,901,646	8,908,706
Special Services	\$4,392,905	\$4,908,476	\$5,332,284	5,586,899	5,851,002	6,002,851
Interfund Transfers	\$100,000	\$100,000	\$2,921,980	1,050,000	2,500,000	2,080,000
Total Expenditures	39,735,483	43,102,637	48,993,681	47,939,711	51,267,835	48,179,609

General Fund Revenues by Source



General Fund Expenditures by Function



**CONSOLIDATED BUDGET SUMMARY
THREE-YEAR HISTORY**

	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Projected	2007/08 Adopted
FUND BALANCE AT JULY 1	33,988,480	37,314,090	33,315,672	36,689,016	36,624,240
REVENUES					
Property Taxes	40,837,672	39,833,973	43,565,711	43,655,000	44,991,520
Intergovernmental	15,494,900	14,310,021	14,224,937	14,399,105	15,708,144
Charges for Service	7,545,237	7,606,732	7,684,792	7,796,193	8,170,472
Debt Service Revenue	961,605	692,939	3,090,480	1,265,242	2,948,567
Interest Income	1,434,944	2,833,373	2,340,100	3,179,568	3,025,200
Fines and Forfeitures	2,405,720	2,262,481	2,400,000	2,400,000	2,500,000
Enterprise Revenues	1,455,791	1,523,298	1,601,200	1,439,827	1,534,750
Miscellaneous	1,364,702	940,691	1,176,883	823,008	965,349
Total Revenues	71,500,571	70,003,508	76,084,103	74,957,943	79,844,002
EXPENDITURES					
Boards and Commissions	6,144,005	2,794,215	3,054,071	3,027,346	3,266,044
General Government	7,336,190	7,308,255	8,669,678	9,696,078	9,129,503
Public Safety	24,549,925	25,362,157	27,427,687	27,877,243	28,927,146
Planning & Community Dev.	2,126,646	2,071,762	2,272,900	2,162,598	2,394,052
Public Services	6,775,000	6,836,944	7,341,181	6,949,156	7,376,039
Special Services	5,851,002	6,002,851	6,306,576	6,758,063	6,783,234
Highways and Streets	8,116,808	6,318,097	11,774,588	7,572,090	13,428,278
Land Acquisition, Capital Improvements and Other	4,433,215	7,591,095	6,068,429	4,720,202	9,478,102
Debt Service Principal	3,544,229	3,034,927	3,095,888	9,703,121	2,999,286
Debt Service Interest	1,329,188	1,660,016	1,390,556	1,379,133	1,260,842
Enterprise Expenses - Ice Arena	1,442,723	1,328,063	1,465,629	1,341,602	1,376,545
Total Expenditures	71,648,931	70,308,382	78,867,183	81,186,632	86,419,071
Revenues over/(under) Expenditures	(148,360)	(304,874)	(2,783,080)	(6,228,689)	(6,575,069)
OTHER FINANCING SOURCES AND USES					
Proceeds from Bond Sale	8,122,160	0	0	6,555,000	0
Transfers In	7,686,192	5,816,178	4,877,329	3,799,200	8,078,065
Transfers Out	(12,334,382)	(6,136,378)	(5,713,316)	(4,190,287)	(8,699,765)
Total	3,473,970	(320,200)	(835,987)	6,163,913	(621,700)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	3,325,610	(625,074)	(3,619,067)	(64,776)	(7,196,769)
FUND BALANCE AT JUNE 30	37,314,090	36,689,016	29,696,605	36,624,240	29,427,471

CONSOLIDATED BUDGET SUMMARY THREE-YEAR HISTORY – GENERAL FUND
--

	2004/05	2005/06	2006/07	2006/07	2007/08
	Actual	Actual	Budgeted	Projected	Adopted
FUND BALANCE AT JULY 1	16,129,012	15,591,190	15,732,012	16,945,948	17,119,611
REVENUES					
Property Taxes	30,921,815	29,249,047	30,236,000	30,476,869	31,401,546
Intergovernmental	8,013,644	7,585,689	6,898,554	7,107,092	6,763,945
Charges for Service	7,545,237	7,606,732	7,684,792	7,796,193	8,170,472
Interest Income	760,104	1,699,399	1,290,000	1,900,000	1,950,000
Fines and Forfeitures	2,405,720	2,262,481	2,400,000	2,400,000	2,500,000
Miscellaneous	213,669	247,701	185,000	191,000	200,000
Total Revenues	49,860,189	48,651,049	48,694,346	49,871,154	50,985,963
EXPENDITURES					
Boards & Commissions	6,144,005	2,794,215	3,054,071	3,027,346	3,266,044
General Government	7,336,190	7,308,255	8,669,678	9,696,078	9,129,503
Public Safety	20,534,992	21,085,582	21,400,699	21,771,773	22,579,125
Planning & Community Development	2,126,646	2,071,762	2,272,900	2,162,598	2,394,052
Public Services	6,775,000	6,836,944	7,341,181	6,949,156	7,376,039
Special Service	5,851,002	6,002,851	6,306,576	6,758,063	6,783,234
Total Expenditure	48,767,835	46,099,609	49,045,105	50,365,014	51,527,997
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	1,092,354	2,551,440	(350,759)	(493,860)	(542,034)
OTHER FINANCING SOURCES (USES)					
Operating Transfers In	869,824	883,318	923,822	937,523	967,034
Operating Transfers Out	(2,500,000)	(2,080,000)	(270,000)	(270,000)	(3,125,000)
Total	(1,630,176)	(1,196,682)	653,822	667,523	(2,157,966)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(537,822)	1,354,758	303,063	173,663	(2,700,000)
FUND BALANCE AT JUNE 30	15,591,190	16,945,948	16,035,075	17,119,611	14,419,611

**CONSOLIDATED BUDGET SUMMARY
THREE-YEAR HISTORY – SPECIAL REVENUE FUND**

	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Projected	2007/08 Adopted
FUND BALANCE AT JULY 1	11,564,383	16,114,337	12,007,522	14,581,131	14,254,125
REVENUES					
Property Taxes	7,128,032	7,981,724	10,597,580	10,446,000	10,782,108
Intergovernmental	7,481,256	6,724,332	7,326,383	7,292,013	8,944,199
Interest Income	370,214	741,250	763,900	931,968	780,700
Miscellaneous	1,151,033	692,990	991,883	632,008	765,349
Total Revenues	16,130,535	16,140,296	19,679,746	19,301,989	21,272,356
EXPENDITURES					
Highways & Streets	8,116,808	6,318,097	11,774,588	7,572,090	13,428,278
Public Safety	4,014,933	4,276,575	6,026,988	6,105,470	6,348,021
Land Acquisition, Capital Improvements and Other	4,407,853	7,558,613	5,565,029	4,619,277	8,977,102
Total Expenditures	16,539,594	18,153,285	23,366,605	18,296,837	28,753,401
Revenues over/(under) Expenditures	(409,059)	(2,012,989)	(3,686,859)	1,005,152	(7,481,045)
OTHER FINANCING SOURCES AND USES					
Proceeds from Bond Sale	8,122,160	0	0	0	0
Transfers In	4,351,725	2,774,381	2,571,440	1,198,165	5,610,099
Transfers Out	(7,514,872)	(2,294,598)	(2,585,562)	(2,530,323)	(2,632,070)
Total	4,959,013	479,783	(14,122)	(1,332,158)	2,978,029
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	4,549,954	(1,533,206)	(3,700,981)	(327,006)	(4,503,016)
FUND BALANCE AT JUNE 30	16,114,337	14,581,131	8,306,541	14,254,125	9,751,109

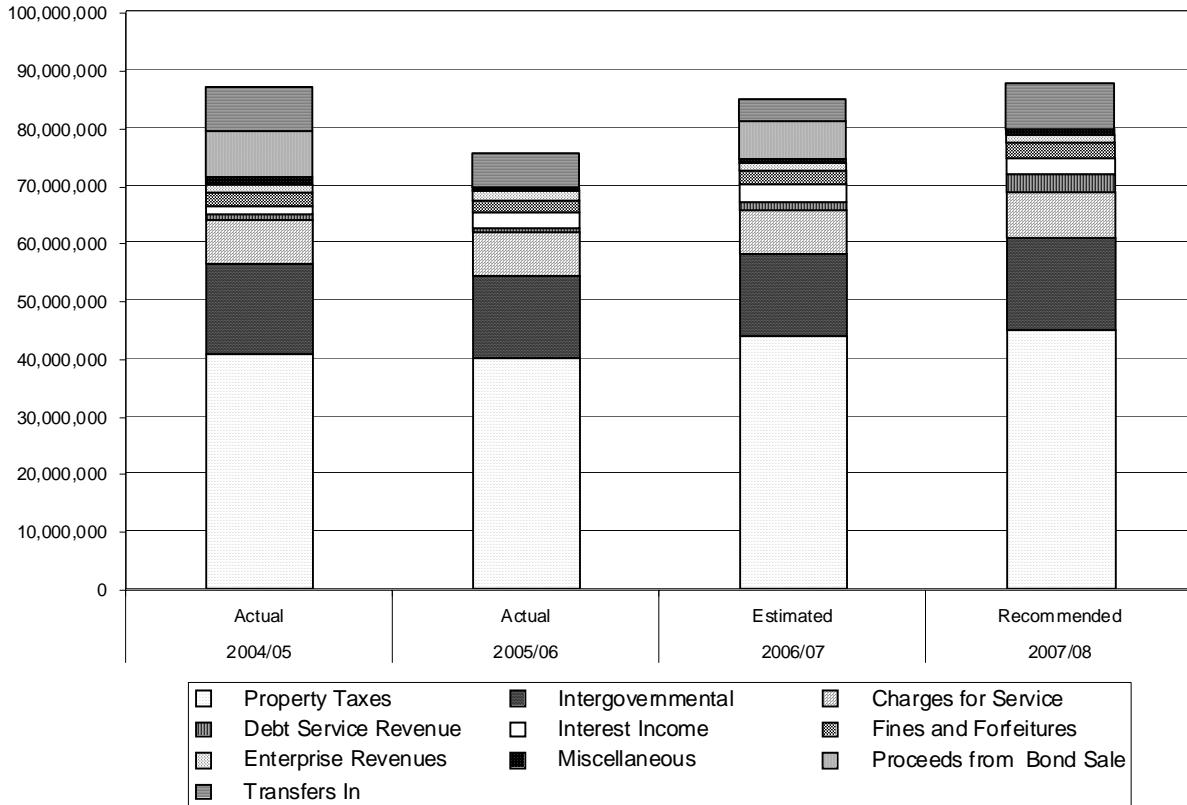
**CONSOLIDATED BUDGET SUMMARY
THREE-YEAR HISTORY – DEBT SERVICE FUNDS**

	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Projected	2007/08 Adopted
FUND BALANCE AT JULY 1	6,110,990	5,622,285	5,426,024	4,975,367	4,977,817
REVENUES					
Income from Assessments and Other	961,605	692,939	3,090,480	1,265,242	2,948,567
Contribution from Other Gov.	0	0	0	0	0
Interest Income	300,837	388,053	283,200	344,600	291,500
Debt Levy	2,787,825	2,603,202	2,732,131	2,732,131	2,807,866
Total Revenues	4,050,267	3,684,194	6,105,811	4,341,973	6,047,933
EXPENDITURES					
Bond Principal Payment	3,544,229	3,034,927	3,095,888	9,703,121	2,999,286
Interest and Fiscal Charge	1,114,514	1,460,402	1,201,746	1,194,025	1,090,384
Misc. and Construction	25,362	32,482	503,400	100,925	501,000
Total Expenditures	4,684,105	4,527,811	4,801,034	10,998,071	4,590,670
Revenues over/(under) Expenditures	(633,838)	(843,617)	1,304,777	(6,656,098)	1,457,263
OTHER FINANCING SOURCES AND USES					
Proceeds from Bond Sale	0	0	0	6,555,000	0
Transfers In	2,464,643	1,958,479	1,382,067	1,493,512	1,375,932
Transfers Out	(2,319,510)	(1,761,780)	(2,857,754)	(1,389,964)	(2,942,695)
Total	145,133	196,699	(1,475,687)	6,658,548	(1,566,763)
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(488,705)	(646,918)	(170,910)	2,450	(109,500)
FUND BALANCE AT JUNE 30	5,622,285	4,975,367	5,255,114	4,977,817	4,868,317

CONSOLIDATED BUDGET SUMMARY THREE-YEAR HISTORY – ENTERPRISE FUND

	2004/05 Actual	2005/06 Actual	2006/07 Budgeted	2006/07 Projected	2007/08 Adopted
RETAINED EARNINGS AT JULY 1	184,095	(13,722)	150,114	186,570	272,687
REVENUES					
Enterprise Revenue	1,455,791	1,523,298	1,601,200	1,439,827	1,534,750
Interest Income	3,789	4,671	3,000	3,000	3,000
Total Revenues	1,459,580	1,527,969	1,604,200	1,442,827	1,537,750
EXPENDITURES					
Debt Service	214,674	199,614	188,810	185,108	170,458
Enterprise Expenses - Ice Arena	1,442,723	1,328,063	1,465,629	1,341,602	1,376,545
Total Expenditures	1,657,397	1,527,677	1,654,439	1,526,710	1,547,003
Revenues over/(under) Expenses	(197,817)	292	(50,239)	(83,883)	(9,253)
OTHER FINANCING SOURCES AND USES					
Operating Transfers In	0	200,000	170,000	170,000	125,000
Excess Revenues and Other Financing Sources over/(under) Expenditures and Other Uses	(197,817)	200,292	119,761	86,117	115,747
RETAINED EARNINGS AT JUNE 30	(13,722)	186,570	269,875	272,687	388,434

REVENUE AND FINANCIAL SOURCES TRENDS CONSOLIDATED BUDGETS



PROPERTY TAXES

The major source of revenue for all budgetary funds is property taxes. For 2007/08, property taxes will total \$44,991,520 or 51.2%. The City's tax rate for 07/08 is 10.0216.

INTERGOVERNMENTAL REVENUES

Revenues from other governmental agencies are budgeted to be \$15,708,144 or 17.87% of all revenues for 2007/08. In 2005/06, it was \$14,310,021. These amounts are based on estimates provided by the State of Michigan, which is still experiencing depressed economic conditions.

TRANSFERS

Interfund transfers for 2007/08 will total \$8,078,065 or 9.19% of total budgeted revenues. The majority of these transfers are received in the special revenue funds to facilitate projects and programs as they occur. Being as these transfers are on an as-needed basis, the amounts will fluctuate from year to year.

BOND PROCEEDS

In 2005/06, the City sold bonds in the amount of \$6,555,000. These proceeds were used to fund the construction and improvement of the Farmington Hills Golf Club. Bond issues do not occur every year, therefore, there are fluctuations between years.

General Fund Balance Fiscal 2000/01 Through Fiscal 2005/06

	00/01	01/02	02/03	03/04	04/05	05/06
Reserved Fund Balance	1,107,396	2,797,226	2,455,421	2,261,661	2,171,865	2,109,393
Designated Fund Balance	10,468,319	10,469,827	7,868,365	6,499,057	6,509,560	8,001,698
Reserved & Designated Total Fund Balance	11,575,715	13,267,053	10,323,786	8,760,718	8,681,425	10,111,081
Undesignated Fund Balance	5,866,014	5,535,101	5,760,395	7,368,294	6,909,763	6,834,857
TOTAL FUND BALANCES	17,441,729	18,802,154	16,084,181	16,129,012	15,591,188	16,549,948

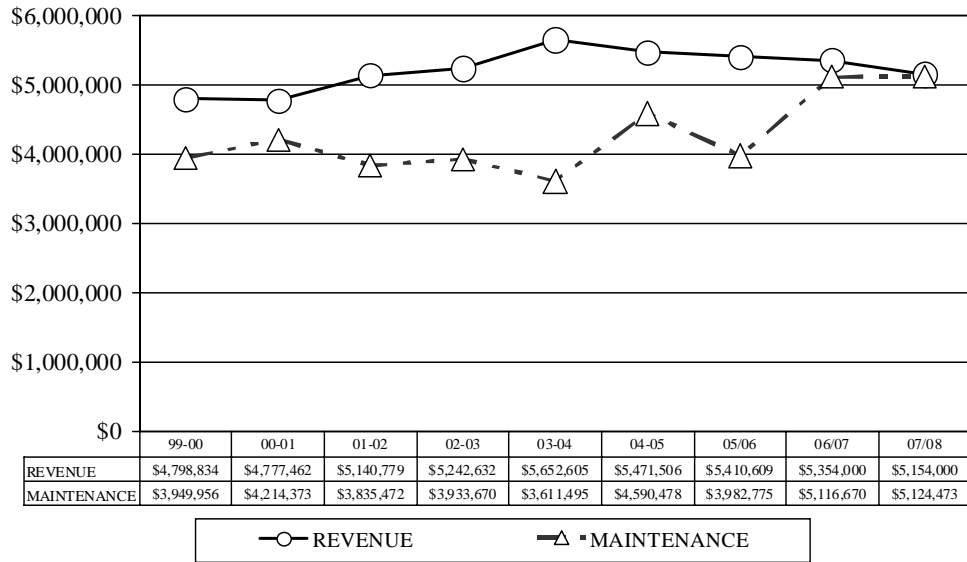
Designated Fund Balances have been accumulated in anticipation of capital projects which have had extended lead-time for engineering, design and are multi-year construction programs.

General Fund Undesignated Fund Balance Compared to Annual Expenditures Fiscal 2000/01 through Fiscal 2005/06

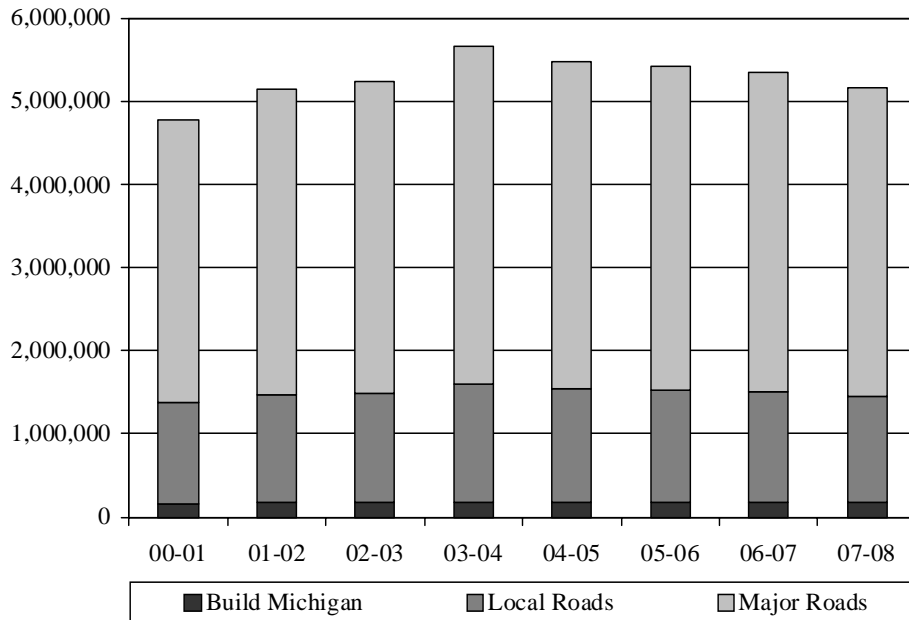
	00/01	01/02	02/03	03/04	04/05	05/06
Undesignated Fund Balance	5,866,014	5,535,101	5,760,395	7,368,294	6,909,763	6,834,897
Annual Expenditures	39,735,483	43,102,638	48,993,689	47,939,711	51,267,837	48,179,616
Undesignated Fund Balance as a percentage of expenditures	14.76%	12.84%	11.76%	15.37%	13.48%	14.19%

MAJOR & LOCAL ROAD

STATE SHARED REVENUE VS. MAINTENANCE



GAS AND WEIGHT TAX HISTORY



**Road Fund Summary of
Revenue & Expenditures
FY 2007/08**

Category	Major Roads	Local Roads	Eliminate Transfers Between Road Funds	Total Road Funds
Revenues				
Gas & Weight Funds (Act 51)	3,833,000	1,321,000	0	5,154,000
Contributions From Other Funds	407,900	2,102,199	0	2,510,099
Contributions From Other Governments	922,700	0	0	922,700
Federal and State Grants	1,852,983	0	0	1,852,983
Transfer From Major Roads	0	100,000	(100,000)	0
Interest Income	100,000	30,000	0	130,000
Miscellaneous Income	384,000			384,000
Appropriation From Fund Balance	1,572,839	609,557	0	2,182,396
Total Revenues	9,073,422	4,162,756	(100,000)	13,136,178
Expenditures				
Construction	5,751,585	1,952,221	0	7,703,806
Routine Maintenance	1,985,832	1,892,911	0	3,878,743
Traffic Services Maintenance	384,272	65,323	0	449,595
Winter Maintenance	430,368	235,816	0	666,184
Admin., Records, Engineering	113,465	16,485	0	129,950
Total Maintenance	2,913,937	2,210,535	0	5,124,472
Transfer To Local Roads	100,000	0	(100,000)	0
Bond Principal & interest	307,900	0	0	307,900
Total Expenditures	9,073,422	4,162,756	(100,000)	13,136,178

**PARK GRANTS
1978 - 2007**

SITE	PROJECT	FUND	LOCAL SHARE	GRANT RECEIVED	TOTAL FUNDS
1978 San Marino Golf Course	Construction of maintenance building	Land & Water Conservation Fund	105,000	105,000	210,000
1983 Heritage Park	Acquisition of 211 acres	Kammer Trust Fund	800,000	1,200,000	2,000,000
1987 Pioneer Park	Development of Athletic Fields at 15 acre site	Land & Water Conservation Fund	155,000	155,000	310,000
1987 Heritage Park	Development of 3 picnic areas, outdoor classroom, 2 miles of paved handicapped trails & parking areas	Michigan Natural Resources Trust Fund	195,000	195,000	390,000
1988 Heritage Park	Development of boardwalk & paved trail, outdoor arboretum, renovation of Visitor Center	Michigan Natural Resources Trust Fund	100,000	300,000	400,000
1989 Heritage Park	Development of Day Camp Center	Recreation Bond Program	62,500	187,500	250,000
1990 Woodland Hills	Acquisition of 74 acres	Michigan Natural Resources Trust Fund	220,000	661,200	881,200
1991 Founders Sports Park	Acquisition of 85 acres	Michigan Natural Resources Trust Fund	1,890,000	2,000,000 (This was split into two grants in consecutive years)	3,890,000
1996 Founders Sports Park	Development of 3 new soccer fields	Recreation Bond Program	586,000	100,000	686,000
1997 Founders Sports Park	Improve park storm drain Pond	Michigan Dept. of Transportation	105,000	240,000	345,000
1999	Acquisition of 15.38 acres	Michigan Natural Resources Trust Fund	299,000	351,000	650,000
2000	Development of a Nature Center at Heritage Park	Michigan Natural Resource Trust Fund	200,000 Split between Schools & City	240,000	440,000

Building Permits at Market Value

Ten Year History 1997-2006



Residential

Year	New Construction		Additions & Improvements		Total Value
	Number	Value	Number	Value	
1997	331	42,101,782	1,025	12,945,235	55,047,017
1998	361	43,681,336	1,263	12,510,668	56,192,004
1999	211	27,420,665	1,319	9,369,529	36,790,194
2000	166	26,569,184	1,552	8,970,409	35,539,593
2001	147	29,169,491	1,576	8,241,983	37,411,474
2002	83	12,099,300	1,555	10,729,397	22,828,697
2003	108	19,476,862	1,275	22,729,161	42,206,023
2004	184	34,607,070	1,423	10,119,638	44,726,708
2005	119	26,238,412	1,238	7,577,929	33,816,341
2006	28	6,131,736	1,119	7,717,196	13,848,932

Commercial

1997	18	23,434,319	170	21,801,346	45,235,665
1998	30	69,216,036	170	13,471,189	82,687,225
1999	19	8,296,180	169	15,979,000	24,275,180
2000	24	38,520,190	157	18,380,621	56,900,811
2001	9	36,302,003	145	13,504,356	49,806,359
2002	15	35,225,169	200	37,688,815	72,913,984
2003	10	18,960,000	135	22,818,301	41,778,301
2004	24	9,237,550	256	28,946,921	38,184,471
2005	6	14,941,512	168	23,360,330	38,301,842
2006	5	4,362,091	140	13,551,264	17,913,355

Source: Building Division records

RETIREMENT BENEFIT COSTS

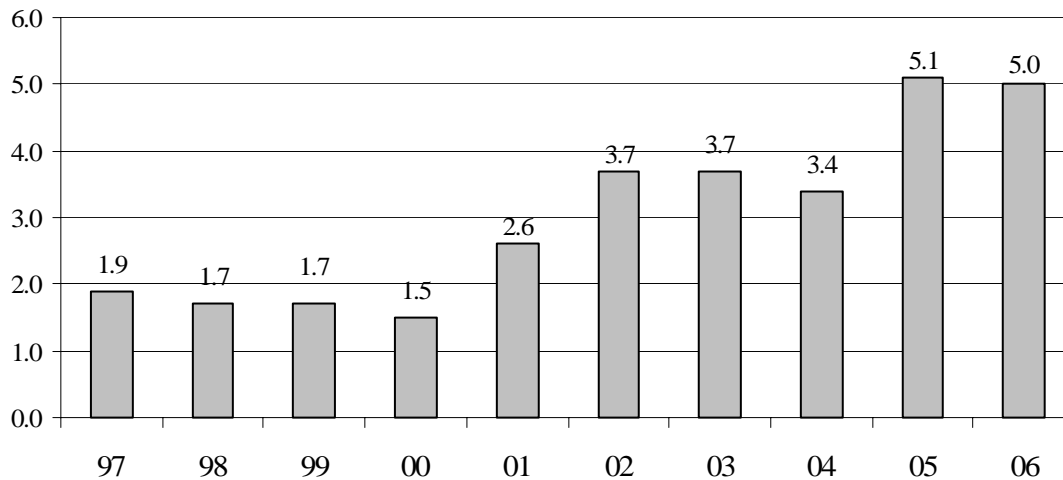
Fiscal Year	Valuation Date	Active Members	Contribution as % of Pay		Dollar Contribution	Actuarial Un-funded Accrued Liability
Basic Pension Benefits						
05-06	12/31/04	419	13.55		2,909,330	3,867,960
04-05	12/31/03	419	10.75	@	2,387,541	725,658
03-04	12/31/03	419	10.27		2,318,001	725,658
02-03	12/31/02	424	10.27	# @	2,262,014	3,177,365
01-02	12/31/01	415	8.06	#	1,696,924	(2,940,680)
00-01	12/31/00	408	7.19	#	1,438,356	(3,534,496)
99-00	12/31/99	411	7.79		1,501,521	(1,819,473)
98-99	12/31/98	398	7.53	#	1,365,104	(2,618,667)
97-98	12/31/97	385	8.22	#	1,383,297	(1,200,402)
Post Retirement Health Care Benefits						
05-06	12/31/04	419	12.21		2,714,840	18,921,001
04-05	12/31/03	419	11.20	@	2,555,472	22,815,863
03-04	12/31/03	419	10.94		2,481,041	22,815,863
02-03	12/31/02	424	10.94	# @	2,414,285	21,195,973
01-02	12/31/01	415	8.19	# @	1,722,464	11,606,755
00-01	12/31/00	408	5.62	@	1,129,061	6,469,988
99-00	12/31/99	411	5.45	#	1,052,691	6,300,292
98-99	12/31/98	398	4.79		867,933	5,504,653
97-98	12/31/97	385	5.74	#	965,690	4,942,486
Total Pension & Post Retirement Benefits						
05/06	12/31/04	419	25.76		5,624,170	22,788,961
04-05	12/31/03	419	21.95	@	4,943,013	23,541,521
03-04	12/31/03	419	21.21		4,799,042	23,541,521
02-03	12/31/02	424	21.21	# @	4,676,299	24,373,338
01-02	12/31/01	415	16.25		3,419,388	8,666,075
00-01	12/31/00	408	12.81	# @	2,567,417	2,935,492
99-00	12/31/99	411	13.24	#	2,554,212	4,480,819
98-99	12/31/98	398	12.32	#	2,233,037	2,885,986
97-98	12/31/97	385	13.96	#	2,348,987	3,742,084
@ Actuarial Assumptions Revised					# Benefits Amended	
(Assets Exceed Liabilities)						

COMMUNITY DEMOGRAPHIC STATISTICS

Last Ten Fiscal Years

<u>Year</u>	<u>Population (1)</u>	<u>Number of Households</u>	<u>Persons per Household</u>	<u>School Enrollment</u>	<u>Annual Average Unemployment Rate</u>
1997	80,684	32,112	2.48	11,711	1.9
1998	81,291	32,423	2.48	11,976	1.7
1999	81,620	32,588	2.48	11,970	1.7
2000	82,111	33,559	2.41	11,982	1.5
2001	81,970	33,656	2.41	11,912	2.6
2002	83,500	33,714	2.39	12,016	3.7
2003	82,274	33,854	2.39	12,000	3.7
2004	81,058	33,615	2.37	12,096	3.4
2005	80,895	33,676	2.36	12,116	5.1
2006	80486	33650	2.35	12139	5.0

Annual Average Unemployment Rate Last 10 Years



Source: SEMCOG, Farmington School District, and the Michigan Department of Labor and Economic Growth

Educational Opportunities

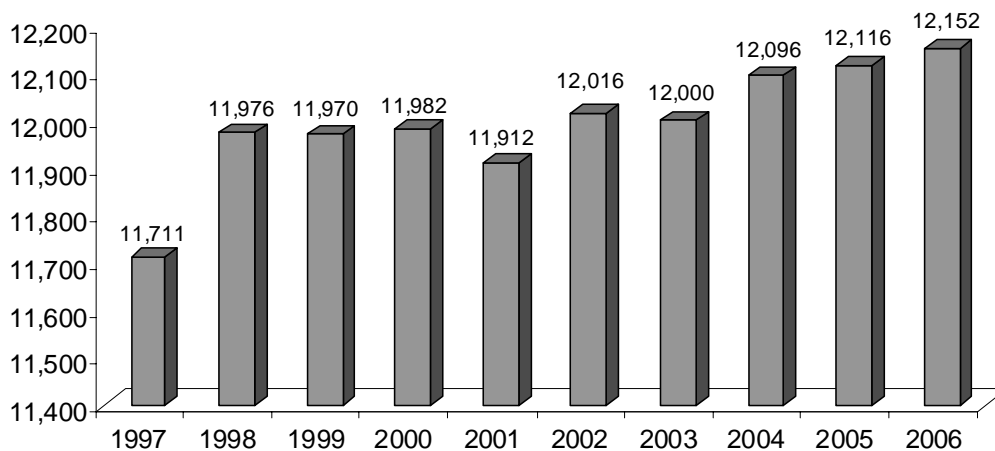
Public Education

The Farmington Public School District serves students from Farmington, Farmington Hills, and a portion of West Bloomfield.

In 2005-2006, the District served the following number of students:

Buildings		Students		
Elementary	12	5,096	Number of students	12,152
Middle School	4	2,870		
High School	3	3,908	Number of highly qualified teachers	100%
Alternative high	1	55		
Special Services	3	223		
TOTAL		12,152		

Farmington School District School Enrollment Last 10 Years



Private/Parochial Schools

- Hillel Day - K-9
- Mercy High School 9-12
- Seventh Day Adventist 1-8
- St. Fabian 1-6
- St. Paul Lutheran K-8

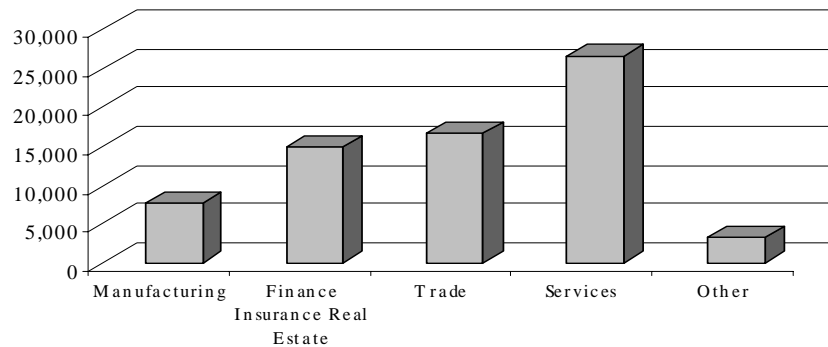
Colleges and Universities

- Oakland Community College
- Wayne State University
- The Center for Humanistic Studies

Community Demographic Statistics

Industrial Class	1990	1995	2000	2005	2010
Manufacturing	7,225	7,979	7,589	7,712	7,583
Finance Insurance Real Estate	11,461	12,729	13,899	14,425	14,920
Trade	14,612	15,471	15,810	16,603	16,668
Services	20,016	22,859	25,427	26,471	26,546
Other	3,118	2,998	3,176	3,245	3,320
Total Employment	56,432	62,036	65,901	68,456	69,037

Employment Projections for Year 2010
Total Employment 69,037



Source: SEMCOG - Southeast Michigan Council of Governments

Community Demographic Statistics

**CITY OF FARMINGTON HILLS, MICHIGAN
2007 TOP TWENTY
PRINCIPAL TAXPAYERS**

<u>COMPANY NAME</u>	<u>PRODUCT / SERVICE</u>	<u>REAL ASSESSED VALUATION</u>	<u>PERSONAL ASSESSED VALUATION</u>	<u>TOTAL ASSESSED VALUATION</u>	<u>PERCENT OF TOTAL CITY VALUATION</u>
Oakland Management Co.	Property management	87,237,140	80,870	87,318,010	1.77
FH Corporate Investors (Kojaian)	Property management	55,366,660	-	55,366,660	1.12
Robert Bosch Corp.	Automotive research & development	19,454,320	25,724,490	45,178,810	0.91
Nissan Corp.	Automotive research & development	27,785,780	15,138,250	42,924,030	0.87
Detroit Edison	Public utility	981,120	29,798,790	30,779,910	0.62
Green Hill Apts.	Apartment complex	25,768,740	-	25,768,740	0.52
Arboretum Development	Office complex	24,549,360	-	24,549,360	0.50
Aimco (Independence Green)	Apartment complex	23,456,000	-	23,456,000	0.47
Chrysler Financial Corp.	Financing	13,265,510	6,890,240	20,155,750	0.41
Ramco/Lion Venture LP	Property management	18,552,580	1,155,820	19,708,400	0.40
Hartman & Tyner	Apartment complex	19,595,000	-	19,595,000	0.40
North Orchard Plaza	Property management	18,612,420	-	18,612,420	0.38
Haggerty Road I & II LLC	Industrial property management	17,509,970	-	17,509,970	0.35
Akebono Brake Systems	Engineering	5,013,760	11,503,770	16,517,530	0.33
Waldman, Saul	Property management	16,059,740	-	16,059,740	0.32
Edward Rose Bldg. Co.	Apartment property management	14,820,690	-	14,820,690	0.30
Cadroy Management	Apartment property management	14,589,240	-	14,589,240	0.29
Frankel, Stuart	Property management	14,291,360	-	14,291,360	0.29
Transwestern Great Lakes LP	Office property management	14,213,360	2,620	14,215,980	0.27
Kaftan Enterprises	Property management	13,192,990	-	13,192,990	0.27
		<u>\$ 444,315,740</u>	<u>\$ 90,294,850</u>	<u>\$ 534,610,590</u>	<u>10.81%</u>

Source: Farmington Hills Assessing Department Records

GLOSSARY OF TERMS

ACCRUAL BASIS is the recording of the financial effects on a government of transactions and other events and circumstances that have cash consequences for the government in the periods in which those transactions, events and circumstances occur, rather than only in the periods in which cash is received or paid by the government.

ACTIVITY is the budgetary expenditure level adopted in the Budget Resolution. An activity is generally a department organization for budgetary purposes. An activity is further broken down into object classes of expenditures: Personal Services, Operating Supplies, Professional & Contractual and Capital Outlay. These are defined within this Glossary.

ADA – AMERICANS WITH DISABILITIES ACT - provides for equal opportunities for disabled persons.

AD VALOREM TAXES – Commonly referred to as property taxes. These taxes are levied on both real and personal property according to the property's valuation and the tax rate.

AED Automatic External Defibrillator

ALS - Advanced Life Support

APPROPRIATION – A legal authorization to incur obligations and to make expenditures for specific purposes.

APPROVED BUDGET the revenue and expenditure plan for the City for the fiscal year as reviewed and formally adopted by City Council Budget Resolution.

ASSESSED VALUATION the value placed upon property equal to 50% of fair market value, as required by State law.

ASSETS - Resources owned or held by a government that have monetary value.

AVL Automatic Vehicle Locator

AUDIT – Prepared by an independent certified public accountant, the primary objective of an audit is to determine if the city's financial statements present fairly the city's financial position and results of operations in conformity with generally accepted accounting principles. It is customary that a Management Letter be issued.

BALANCED BUDGET – A budget in which estimated revenues are equal to or greater than estimated expenditures.

BOND – A long-term IOU or promise to pay. It is a promise to repay a specified amount of money (the face amount of the bond) on a particular date, the maturity date. Bonds are primarily used to finance capital projects.

Glossary of Terms

BUDGET – A plan of financial activity for a specified period of time, indicating all planned revenues and expenses for the budget period.

BUDGET AMENDMENT adjustment made to the budget during the fiscal year by the City Council to properly account for unanticipated changes which occur in revenues and/or expenditures and for program initiatives approved during the fiscal year. The adjustment is made by formally amending the approved budget.

BUDGET CALENDAR – The schedule of key dates a government follows in the preparation and adoption of the budget.

BUDGET POLICIES – General and specific guidelines that govern financial plan preparation and administration.

BUDGET RESOLUTION the formal Resolution by which the City Council adopts the recommended budget and establishes the millage rate for taxation of property during the budget year.

CAPITAL BUDGET – The appropriation of bonds or operating revenue for improvements to facilities and other infrastructure.

CAPITAL EXPENDITURE expenditures relating to the purchase of equipment, facility modifications, land or other fixed assets. To be categorized as a capital outlay item (fixed asset), the purchase must have a value of at least \$1,000 and a useful life of more than one fiscal year. If an item is \$25,000 or more, it is budgeted out of the Capital Improvement Fund.

CAPITAL IMPROVEMENT PLAN (CIP) – A six (6) year plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term plans.

C.B.R.N.E. TRAINING – Chemical, biological, radiological, nuclear and explosive training provided to first responders on equipment necessary to effectively respond to a terrorist incident.

COMMUNITY DEVELOPMENT BLOCK PROGRAM - CDBG - A program of the U.S. Department of Housing and Urban Development designed to benefit low and moderate-income persons by providing revitalization and human services to communities.

CLEMIS Courts and Law Enforcement Management Information System.

DEBT SERVICE expenditures relating to the retirement of long-term debt principal and interest.

DEBT SERVICE FUNDS are used to account for the payment of general long-term debt principal and interest. Budgeted Debt Service Funds are General Debt Service Fund, Building Authority, Motor Vehicle Highway and Special Assessments.

EFFICIENCY INDICATORS quantify the relationship between input and output.

EMERGENCY ADVISORY RADIO STATION is a low power radio station designed to inform listeners about emergencies, weather, traffic, and road conditions.

Glossary of Terms

ENTERPRISE FUNDS are used to account for operations financed and operated in a manner similar to private business enterprises. An Enterprise Fund is established when the intention is that the costs of providing goods or services is financed or recovered primarily through user charges.

EOC Emergency Operations Center.

EXPENDITURES are decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental grants, entitlements and shared revenues.

EXPENSES are outflows or other using up of assets or incurrences of liabilities (or a combination of both) from delivering or producing goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operations.

FISCAL YEAR a twelve-month period designated as the operating year for an entity. The fiscal year for the City is July 1 through June 30.

FTE (Full Time Equivalent) represents part-time employee hours divided by 2080.

FUND an independent fiscal entity with a self-balancing set of accounts recording cash and other resources, together with all related liabilities, obligations, reserves and equities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Funds are categorized for budgeting purposes as General, Special Revenue and Debt Service. Funds are defined in the Uniform Chart of Accounts for Counties and Local Units of Government in Michigan.

FUND BALANCE an accumulated excess of revenues over expenditures segregated by fund. Exception: Proprietary Funds (Enterprise, Internal Service) are accounted for in the same manner as private businesses and record retained earnings as opposed to fund balances. The budgets for these funds are prepared on a net working capital basis, which equates to fund balances.

FUND BALANCE, AVAILABLE (UNDESIGNATED) – The funds remaining from the prior year, which are available for appropriation and expenditure in the current year.

GENERAL FUND the fund used to account for all financial transactions except those required to be accounted for in another fund.

G.I.S. - the Geographic Information System.

GOAL – A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

Glossary of Terms

GRANTS – Contributions by a government or other organization to support a particular function. Grants may be classified as either operational or capital.

INTERFUND TRANSFERS budgeted allocations of the resources of one fund transferred to another fund. This is typical for those funds which do not receive sufficient revenues to pay for necessary expenditures incurred in their operations. Transfers are also made from certain operating funds to debt retirement funds to retire debt related to the operations of the transferring fund.

INFRASTRUCTURE the basic physical framework or foundation of the City, referring to its buildings, roads, bridges, sidewalks, water system and sewer systems.

MDEQ Michigan Department of Environmental Quality

MILL a taxation unit equal to one dollar of tax obligation for every \$1,000 of assessed valuation of property.

MILLAGE the total tax obligation per \$1,000 of assessed valuation of property.

MODIFIED ACCRUAL BASIS is the accrual basis of accounting adapted to the governmental fund-type measurement focus. Under it, revenues and other financial resource increments are recognized when they become susceptible to accrual, that is when they become both measurable and available to finance expenditures of the current period. Expenditures are recognized when the fund liability is incurred except for inventories of materials and supplies that may be considered expenditures either when purchased or when used, and prepaid insurance and similar items that may be considered expenditures either when paid for or when consumed. All governmental funds, expendable trust funds and agency funds are accounted for using the modified accrual basis of accounting.

NET WORKING CAPITAL the excess of cash, accounts receivable and inventory over accounts payable and other short-term liabilities. See Fund Balance.

OPERATING SUPPLIES expenditures relating to the purchase of expendable items utilized in service delivery such as office supplies, gas and oil and parts and repair items.

ORGANIZATION CHART a chart representing the authority, responsibility and relationships of departmental entities within the City organization.

PERFORMANCE INDICATORS are the measurement of how a program is accomplishing its mission through the delivery of products or service.

PERFORMANCE OBJECTIVES are the desired output oriented accomplishments that can be measured within a given time period.

PROFESSIONAL & CONTRACTUAL expenditures relating to services rendered to the City of external providers of legal services, auditing and architectural services, as well as other private contractors providing telephone service, utilities, insurance and printing.

PROPOSAL “A” is a State Constitutional Amendment approved by the electorate in 1994 that limits increases in Taxable Value of individual parcels to the Consumer Price Index or 5%, whichever is lower. This applies to all parcels that do not transfer ownership. Properties that change ownership or where new additions or construction takes place can be assessed at 50% of Fair Market Value.

Glossary of Terms

RECOMMENDED BUDGET the City's revenue and expenditure plan for the fiscal year as prepared and recommended by the City Manager for consideration by City Council.

RETAINED EARNINGS an accumulated excess of revenues over expenditures for proprietary funds (Enterprise, Internal Service) equates to fund balance for governmental funds.

REVENUES are increases in the net current assets of a governmental fund type from other than expenditure refunds and residual equity transfers. Also, general long-term debt proceeds and operating transfers in are classified as "other financing sources" rather than as revenues.

SEMCOG the Southeast Michigan Council of Governments is the regional planner for Southeast Michigan in the areas of transportation, environment, community and economic development and education.

SERVICE LEVEL INDICATOR is the measure of quantity or volume of products or services provided.

SMART stands for the Suburban Mobility Authority for Regional Transportation, an agency responsible for public transportation services and facilities for the Southeastern Michigan region.

SONIC is the South Oakland Narcotics Intelligence Consortium, a multi-jurisdictional unit that engages in surveillance and narcotics enforcement operations.

SPECIAL ASSESSMENT DISTRICT a method of financing public improvements by distributing the cost of a project to those properties realizing a direct benefit. Types of projects most often financed through Special Assessments include sanitary sewers, water mains, road construction and reconstruction and sidewalk construction.

SPECIAL REVENUE FUNDS are used to account for the proceeds of specific revenue sources or to finance specified activities in accordance with statutory or administrative requirements. Budgeted special revenue funds are Major Roads, Local Roads, Senior Center, Community Development Block Grant, Parks Capital Development, Capital Improvement Fund, Revolving Special Assessment, Nutrition and Police Forfeiture Fund.

STATE EQUALIZED VALUE (SEV) the assessed valuation of property in the City as determined by the City Assessor subject to review by higher levels of government to assure that it equals 50% of fair market value, as required by State law.

TAXABLE VALUE In March 1994, the electorate of the State of Michigan approved Proposal A, which added new terminology to property tax administration. This terminology was "Taxable Value." Taxable Value is the State Equalized Value at December 31, 1994, adjusted for changes in fair market value, the cost of living index or 5%, whichever provides the lower Taxable Value for calculation of taxes.

TAX BASE the total value of taxable property in the City.

TRANSFERS OUT See Interfund Transfers.

TRUST AND AGENCY FUNDS are used to account for assets held by the City as trustee.

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