

CITY OF WIXOM
MULTI-YEAR BUDGETING

FISCAL YEAR
2012-2013

PROJECTION
YEARS
2013-2014
2014-2015

City Manager
Michael Dornan

Finance Director
Kevin Brady

Mayor
Kevin Hinkley

Deputy Mayor
James Cutright

Council
Patrick Beagle
Michael Giddings
Lori Rich
Thomas Rzeznik
Richard Ziegler

TABLE OF CONTENTS

City Manager's Budget Message.....	i
Calendars	ii
<u>INTRODUCTORY DATA</u>	
Budget in Brief	1
Millage Information	11
Personnel Information	19
Revenue Detail	25
<u>GENERAL FUND</u>	
City Council.....	32
City Manager	34
Assessor	36
Building	38
Legal Assistance	40
City Clerk	42
Information Systems.....	44
Financial Administration	46
General Operating	48
Building Maintenance	50
Cultural Center.....	52
<u>PUBLIC SAFETY</u>	
Fire.....	54
Police	58
<u>PUBLIC WORKS</u>	
Department of Public Works.....	62
<u>BOARDS AND COMMISSIONS</u>	
Board of Appeals	66
Board of Review	68
Planning Commission.....	70
Senior Citizens.....	72
Parks & Recreation.....	74
<u>INTERFUND TRANSFERS</u>	
Interfund Transfers	78
<u>OTHER FUNDS</u>	
Downtown Development Authority	82
Community Development	84
Major Road	87
Local Road.....	88
Land Acquisition	90
Local Development Finance Authority.....	92
Major, Local and Safety Path Capital Program Fund.....	94
DPW & Fire Building Construction.....	98
Budget Stabilization Fund.....	100
Forfeiture Trust	102
Solid Waste.....	104
Special Holding Agency Fund	106
Cemetery Fund.....	108
Insurance Fund.....	110

TABLE OF CONTENTS

OTHER FUNDS – CONTINUED

LDFA Bond Fund	113
Major Road Debt	114
SAD-Tribute Drain Bonds	115
Fire & DPW Bond Fund	116
Development Bonds	117

CAPITAL IMPROVEMENT PROGRAM

Introduction	120
Capital Improvement Fund	128
Capital Improvement Fund – Five Year Plan Summary	129
Cemetery	130
Cultural Center	131
City Manager	132
Building	133
Facilities	134
Finance	135
Fire	136
Parks & Recreation	137
Police	139
General Operating	140
Public Works	141
Public Service	142
City Clerk	143
Assessor	144
Debt Service	145

<u>REVENUE PROJECTION</u>	147
---------------------------------	-----

<u>SCHEDULE OF INDEBTEDNESS</u>	151
---------------------------------------	-----

<u>FINANCIAL MANAGEMENT POLICIES</u>	183
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CHART OF ACCOUNTS

Chart of Accounts – General Fund	187
--	-----

<u>WATER & WASTEWATER</u>	213
-------------------------------------	-----

<u>ROAD / BIKEPATH CAPITAL PROGRAM</u>	233
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MISCELLANEOUS / OTHER RESOURCES

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April 9, 2012

Honorable Mayor and Members of City Council
City of Wixom, Michigan

RE: Fiscal Year 2012-2013 Operating Budget

Mayor Hinkley and Members of the Wixom City Council:

This is to transmit to you, for your consideration, the proposed Fiscal Year (FY) 2012-2013 budget for the City of Wixom. This budget has been prepared in accordance with Chapter 8, Section 8.2 of the Wixom City Charter. The proposed budget satisfies Charter requirements and as presented, is a balanced budget. City Council's task between now and the Budget Study Sessions, is to familiarize themselves with the document so that we can engage in meaningful and productive discussion toward adoption of the City Council's Budget on May 22nd.

Consistent with prior years, this budget has been prepared through a team effort and deliberately crafted with full recognition of the state and national economic situation as well as the financial challenges that face our resident tax payers.

New this year are our projections of revenues and expenditures for FY2013-2014 and FY2014-2015.

You will recall that the City prepared financially for the closing of the Ford Motor Company Plant by developing and implementing the Five-Year Fiscal Action Plan. With the current declines in taxable values, a loss in property value this year of approximately 7.0% combined with last year's property tax loss of 7.1% has resulted in staff recommending the implementation of budget constraints to assure financial security for FY2012-2013. This budget and the Fiscal Action Plan recognize a continued reduction in property values in FY2013-2014 ranging from 1.00% to 3.00% while in FY2014-2015 property values are expected to increase by approximately 1.9%.

Again, the City Manager's recommended Budget is presented to you as balanced. The following will provide you with a detailed road map through which we have arrived at this recommended balanced budget.

THE FISCAL YEAR (FY) 2012-2013 BUDGET HIGHLIGHTS

Highlights for FY2012-2013 Budget:

- ◆ The FY2012-2013 budget is a balanced budget.
- ◆ The total General Fund expenditures have been increased from \$9,325,921 (FY2011-2012 Budget) to \$9,444,999, a 1.28% or \$119,078 increase in expenditures which is associated with the increase of the Operating Expenditures for \$84,609 as well as the Transfers/Contributions to other funds for \$34,469.
- ◆ Reflects a transfer of \$817,470 from the Budget Stabilization Fund to partially offset the decline in revenues and minimize the effects of this current economic downturn.
- ◆ Combined sewer/water rate changed from \$39.71/mcf (\$15.12/mcf- sewer rate / \$24.59/mcf -water rate) to \$44.62/mcf (\$18.12/mcf- sewer rate/ \$26.50/mcf-water rate). Sewer Utility Rate remains one of the lowest sewer rates in Oakland County and across the State. (See Water and Sewer Rate

Survey in Water and Wastewater section of this budget).

- ◆ Solid Waste Collection - no change at \$155/year.
- ◆ Again, this year, for the 3rd year, a wage freeze is proposed for all City employees. It is estimated that this sacrifice by City employees will save approximately \$111,212.
- ◆ City operating millage is remaining at 7.5429 (Headlee buffer allows 7.5429 mills).
- ◆ City millage rate of 12.2459 increased and remains one of the lowest in Oakland County.
- ◆ The Five-Year Fiscal Action Plan is moving into its sixth successful year – through this living document the City has been able to maintain services, staff and low tax rates in an economic climate ripe with declining property values but this will not continue.
- ◆ Capital Planning Program funding from the General Fund for capital improvements in the amount of \$394,249, includes the annual payment for the new platform fire truck – approximately \$107,124.
- ◆ State Shared Revenues collections are estimated to increase to \$1,023,835. Since the State of Michigan’s Fiscal Year of 2000-2001 to the present, the City’s State Shared Revenue has declined by \$348,298. (See Revenue Projections State Sales Tax – State of Michigan in the body of the budget document).
- ◆ Act 51 Road Revenues will be increased by approximately \$16,581 based on calculations of gas and weight tax revenues.
- ◆ Transfers/Contributions to other funds increased from \$359,780 to \$394,249. This includes only contributions to Capital Improvement Fund.
- ◆ Refinancing of bonds will continue to be reviewed, including DDA Bonds.
- ◆ No Other Post Employment Benefits (OPEB) Contribution will be made in the current year until the year end when it can be determined if an OPEB contribution is warranted.

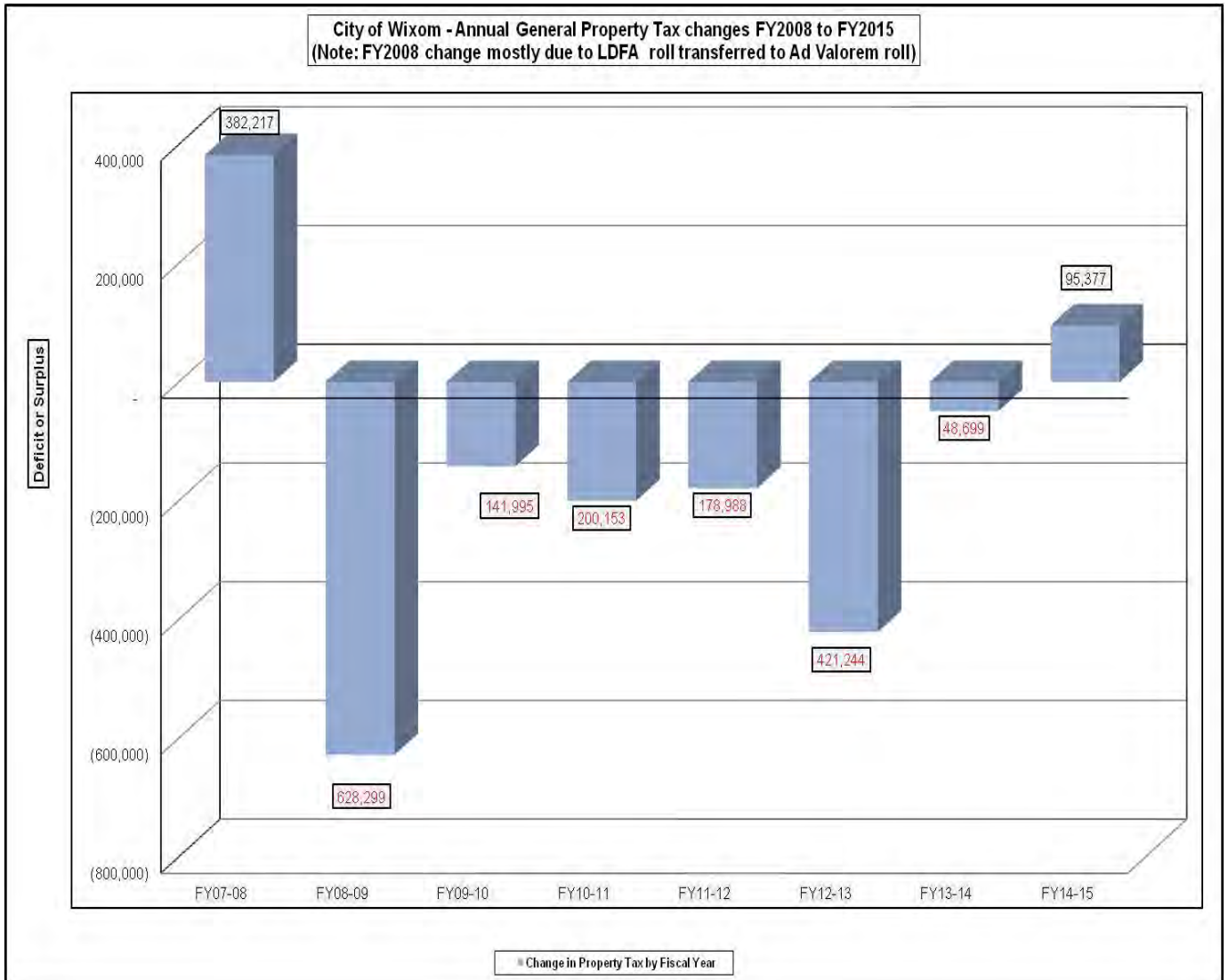
DECREASE IN TAXABLE VALUE

Taxable values decreased by 7.18% for FY2011-2012. A 7.02% decrease is estimated for FY2012-2013, as the chart below shows. The decrease in overall taxable value is reflective of reduced property values being experienced statewide in addition to the closure of the Ford Wixom Assembly Plant.

Change in Taxable Value - Real and Personal Property						
Description	FY2007-2008	FY2008-2009	FY2009-2010	FY2010-2011	FY2011-2012	FY2012-2013
Real Prop-Tax Value	744,032,310	747,334,210	724,059,240	626,699,170	572,458,550	519,198,810
Pers. Prop-Tax Value	181,941,220	131,475,540	129,872,580	119,455,870	117,819,130	121,538,250
Total Taxable Value	925,973,530	878,809,750	853,931,820	746,155,040	690,277,680	640,737,060
Percent Increase Real	3.11%	0.44%	-3.11%	-13.45%	-8.65%	-9.30%
Percent Increase Pers.	-1.41%	-27.74%	-1.22%	-8.02%	-1.37%	3.16%
Ad. Val. Percent Incr.	2.19%	-5.09%	-2.83%	-12.62%	-7.49%	-7.18%
IFT Tax Value	30,527,070	14,044,580	11,038,460	14,123,000	15,398,010	15,398,010
IFT Percent Increase	-16.01%	-53.99%	-21.40%	27.94%	9.03%	0.00%
Grand Total	956,500,600	892,854,330	864,970,280	760,278,040	705,675,690	656,135,070
Total Percent Increase	1.49%	-6.65%	-3.12%	-12.10%	-7.18%	-7.02%
Millage	10.6564	10.5514	10.8514	11.6623	11.6623	12.2459

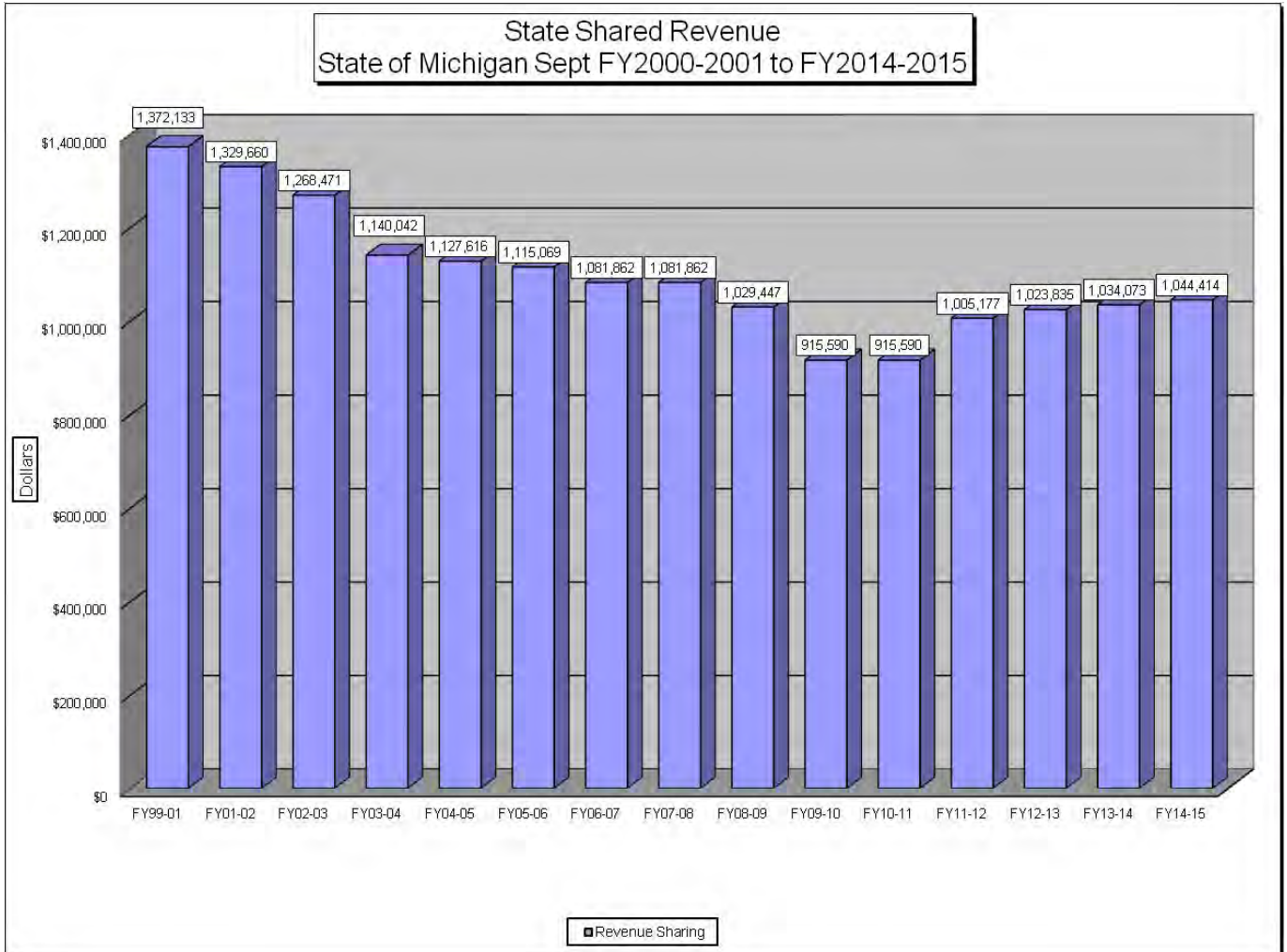
The City has had two major events which reduced property tax values by approximately 36% from FY2007-2008 to FY2012-2013: 1) the closing of the Ford Motor Company Plant, and 2) the significant decline in taxable values due to the current economic downturn.

The chart below shows the estimated decline in property tax revenues from FY2007-2008 to FY2014-2015 using taxable value projections available through Oakland County Equalization. The chart shows the decline/reduction in property tax revenues due to these major events. The City prepared financially for the closing of the Ford Motor Company Plant by developing and implementing the Five-Year Fiscal Action Plan. The declines in taxable value and the resulting problems that arise from this event will be addressed by developing and implementing updates of the Five-Year Fiscal Action Plan. A moderate increase in property taxes are projected through FY2013-2014 (1% decline) and FY2014-2015 (1.9% increase) with overall estimated increase in property taxes in the amount of \$46,678.



STATE SHARED REVENUE

State Shared Revenues received by the City is projected to increase since the State of Michigan economy has improved. For FY2012-2013, it is projected that State Shared Revenues will increase by \$18,658. This may be altered due to the State's Economic Vitality Incentive Program (EVIP) which has significant requirements. The State of Michigan may make further reductions to the statutory portion of State Shared Revenue in the future.



FISCAL YEAR (FY) 2012-2013 MILLAGE - 12.2459 MILLS

The following highlights changes to the millage levy schedule for FY2012-2013.

1. The operating millage remains the same 7.5429. The proposed FY2012-2013 Budget proposes a total Millage levy of 12.2459. Due to further declines in taxable values, debt service millage was increased and the Local Road millage of 1.15 is levied to assure proper funding for road expenditures.
2. This is the fourth year for Bike Path Millage of .30 mills.
3. The Water Utility System Millage of 1.86 will continue to pay for principal and interest on the repayment of State Revolving Fund loans taken for construction of the city-wide water system.
4. The Fire and DPW Construction Fund levy of .4930 mills will be utilized to pay principal and interest payments over the life of the bond issue.

5. The Major Road Program Fund levy of .90 mills will continue to provide interest/principal bond payments and will be closed in FY2013-2014. The City refinanced the 1997 Major Road Bonds Series II and the DPW/Fire Capital Improvement bonds in FY2009-2010 which saved approximately \$167,000 in present value savings.

It should be noted that a Truth-In-Taxation hearing will be required as part of the Public Hearing to approve the City's budget.

City of Wixom Millage History - FY2007-2008 to FY2012-2013						
	FY2007- 2008	FY2008- 2009	FY2009- 2010	FY2010- 2011	FY2011- 2012	FY2012- 2013
Description	Millage TY2007	Millage TY2008	Millage TY2009	Millage TY2010	Millage TY2011	Millage TY2012
General Operating	6.73200	6.73200	6.73200	7.54290	7.54290	7.54290
Local Road Program	1.13140	1.13140	1.13140	1.13140	1.13140	1.15000
Safety Path Program	0.00000	0.00000	0.30000	0.30000	0.30000	0.30000
Major Road Program	0.94000	0.94000	1.04200	1.08700	0.85390	0.90000
Water Utility System	1.21300	1.21300	1.30200	1.23100	1.39970	1.86000
Civic Center Debt	0.36000	0.21500	0.00000	0.00000	0.00000	0.00000
Fire & DPW Building Debt	0.28000	0.32000	0.34400	0.37000	0.43440	0.49300
Total Millage	10.65640	10.55140	10.85140	11.66230	11.66230	12.24590
	FY2007- 2008	FY2008- 2009	FY2009- 2010	FY2010- 2011	FY2011- 2012	FY2012- 2013
Description						
General Millage	6.73200	6.73200	6.73200	7.54290	7.54290	7.54290
Debt Millage	2.79300	2.68800	2.68800	2.68800	2.68800	3.25300
Other Millage	1.13140	1.13140	1.43140	1.43140	1.43140	1.45000
Total Millage	10.65640	10.55140	10.85140	11.66230	11.66230	12.24590

Note: TY represents Taxable Year

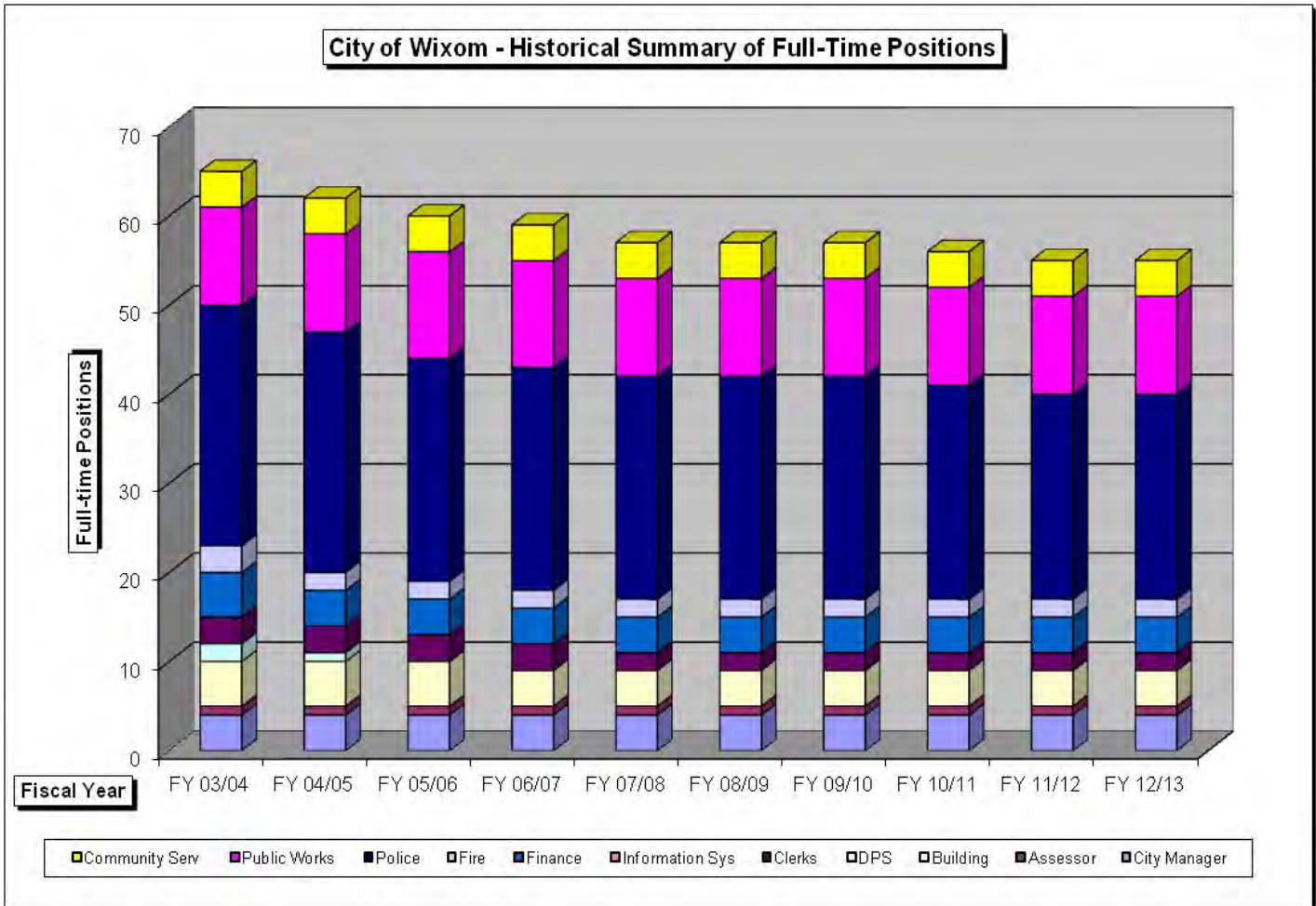
CAPITAL IMPROVEMENT/CAPITAL PLANNING FUND

The General Fund Contribution to the Capital Improvement Fund for FY2012-2013 is proposed to be \$394,249. Additional revenue to fund these capital projects will be obtained from the Economic Development Strategy Federal Grant (\$87,375) and a contribution from the Cemetery Fund (\$1,000). Highlights of the FY2012-2013 Capital Improvements Program are shown below:

Capital Improvement Expenditures for Fiscal Year 2012-2013			
Category	Amount	Project Summary / Overview	Funding Source
Cemetery	\$1,000	Landscape	Cemetery Fund
City Manager	\$135,000	Economic Development, Federal Grant \$87,375	6 Year Capital Improvement Plan
Cultural Center	\$8,000	Tables & chairs	6 Year Capital Improvement Plan
Building	\$2,400	BS&A Building Software	6 Year Capital Improvement Plan
Facilities Plan	\$15,000	Roof repairs and improvements	6 Year Capital Improvement Plan
Fire	\$15,000	Parking lot maintenance	6 Year Capital Improvement Plan
Parks & Recreation	\$10,500	Various improvements to City parks	6 Year Capital Improvement Plan
Police	\$32,100	Replacement radar equipment, vests, weapons, records management maintenance, and City computers and MDC Replacements	6 Year Capital Improvement Plan
General Operating	\$7,500	Network/Computer Upgrades	6 Year Capital Improvement Plan
Public Works	\$109,000	Mower equipment and dump truck reconditioning and Hooklift conversion	6 Year Capital Improvement Plan
DPS	\$10,000	Drain Improvements	6 Year Capital Improvement Plan
Clerks	\$30,000	Copier replacement	6 Year Capital Improvement Plan
Debt Service	\$107,124	Debt Service Payment on purchase of Fire Truck	6 Year Capital Improvement Plan
Total:	\$482,624		

PERSONNEL FISCAL YEAR (FY) 2012-2013

One full-time position in the Police Department is left vacant through attrition and part-time staff positions throughout the organization were significantly reduced. Since FY2003-2004, full-time positions have been reduced from 65 to 55 employees as highlighted in the chart below.



BUDGET REQUIREMENTS AND GASB 54 AND 34

Amendments to Public Act 493 now require a general appropriations act for all funds except trust or agency, internal service, enterprise, debt service or capital project funds for which the legislative body may pass a special appropriation act. Therefore, a budget and general appropriations act are required for the general fund and each special revenue fund. This modification would exclude the need for budget resolutions for all capital project funds, debt service funds, trust & agency funds, and enterprise funds. The excluded fund's budgets/financial plans will still be discussed and examined during the budget sessions, but budget resolutions would not be required on the passage of the budget.

The Governmental Accounting Standards Board (GASB) promulgates standards for local governmental units. With the issuance of GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions (Issued 03/09), the GASB further clarified the definitions of the general fund, special revenue fund type, capital projects fund type, debt service fund type, and permanent fund type. The current Budget and Comprehensive Annual Financial Report comply with this pronouncement.

THE FISCAL YEAR (FY) 2011-2012 YEAR IN REVIEW

The City enjoyed a productive but difficult year in service to the residents, businesses and visitors and remains ***“THE BEST HOMETOWN IN THE MIDWEST”***. The following will briefly highlight our accomplishments and other noteworthy matters:

- The City was once again recognized by the University of Michigan – Dearborn, School of Management and awarded their Entrepreneurial Cities Award for the fourth time. We were honored by this award in 2007, 2009 and 2010 as well.
- The Ford Assembly site Repurposing project continues to move forward. Recently, Ford Land has marketed the property and has received a number of Offers to Purchase and is currently evaluating them.
- The City received the highest award by Keep Michigan Beautiful, the President’s Award, for the design and local impact of the Village Center.
- Once again, partnering with the Walled Lake Eagles, the City participated in the Rebuilding Oakland County program. Also, Operation Soldier program was another success. Through the cooperation of the Eagles and Wixom residents over 100 boxes filled with usable items were delivered to our troops overseas.
- For the seventh consecutive year Wixom has received the Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report from the Government Finance Officers Association of the United States and Canada.
- Massive road repairs were completed in Indian Wells and Indian Spring subdivisions and along with Theodore Street all projects were completed on time and under budget. Safety Path/Sidewalk program included installation of an 8’ safety path on the north side of Loon Lake Road between Kings Crown and Chantclair and this project was completed on time and under budget as well.
- 70 new businesses moved into Wixom, including Laramie Crane, The Ultimate Sports Bar and Metro General Contractors. Additionally, an investment of approximately \$6 million in new construction was made this fiscal year by the private sector.
- Last year we announced our commitment to conduct a Vision Plan 2025. Hundreds of people attended three (3) town hall meetings and were asked what kind of future they wanted for our City and how best to reach that future. Those discussions were valuable in discovering core assets that will be at the center of Wixom’s strategy to maintain that safe future.
- The Farmer’s Market continues to thrive at Sibley Park with the expansion of programming to include weekly acoustical entertainment, on-site Master Gardeners, demonstrations of various cooking recipes, and kids’ activities.
- Summer Concerts were expanded to include an art show, wine tasting, inflatables and micro beer tasting.

- In 2009 the communities of Wixom, Commerce and Walled Lake joined together through an intergovernmental agreement to form a Trailway Management Council to acquire over 5 miles of railroad right-of-way in the three communities and oversee development of the land into a non-motorized recreational trail. Recently, the Trailway Management Council was awarded \$3.75M in addition to and approximately \$1M grant for a total of \$4.7M to acquire this stretch of railroad corridor and the Walled Lake Train Depot. The trail will have a regional impact and will eventually serve as an integral link to a cross-state non-motorized pathway.
- City Council distributed Community Development Block Grant (CDBG) monies to help area service agencies such as HAVEN, Hospitality House, LAYA and St. Vincent De Paul.
- Wixom continues to hold A-1 bond rating and refinancing of our bonded indebtedness has lowered interest rates by 2.1% which resulted in savings of approximately \$165,000.
- Wixom has continued to maintain one of the lowest combined water and sewer rates in Oakland County.
- Corporate Sponsors have become an important part of carrying the costs of many City events. Last year local businesses provided \$30, 355 in financial support for civic events/programs including Founder’s Day, Concerts in the Park, Fall Fest.

GENERAL FUND REVENUES

Total revenues estimated at \$9,444,999 represent a 1.28% increase over FY2011-2012 total budgeted revenues. Excluding the contribution from the Budget Stabilization Fund, revenues have declined by \$1,501,766 since FY2007-2008. A \$817,470 contribution from the Budget Stabilization is proposed for FY2012-2013. It should be noted that property taxes have declined by \$1,570,679 over the same period.

GENERAL FUND REVENUES								
Description	Change in Revenues General Fund						Dollar Change	Percent Change
	FY2007-08 Revenues	FY2008-09 Revenues	FY2009-10 Revenues	FY2010-11 Revenues	FY2011-12 Budget	FY2012-13 Budget		
Property Taxes	6,762,907	6,134,608	5,992,613	5,792,460	5,613,472	5,192,228	(421,244)	-7.50%
State Shared Revenues	1,093,382	1,064,832	934,515	1,070,137	927,928	1,031,035	103,107	11.11%
Building Permits & Fees	261,920	298,386	178,728	240,358	245,004	328,453	83,449	34.06%
Federal/State Grants	-	-	-	-	-	76,459	76,459	100.00%
Miscellaneous Income	991,597	842,024	718,162	773,445	790,050	799,467	9,417	1.19%
Contrib Library	-	-	64,680	64,747	70,000	65,000	(5,000)	-7.14%
Contrib Budget Stab	-	152,000	576,718	591,441	259,904	817,470	557,566	214.53%
Contrib Water/Wastewater	318,270	327,818	337,652	347,782	351,260	351,260	-	0.00%
Major & Local Roads	701,219	677,499	667,246	677,312	670,950	687,531	16,581	2.47%
Contrib Other	-	-	-	11,884	50,000	96,096	46,096	92.19%
Appropriation from Fund Bal	-	-	-	-	347,353	-	(347,353)	-100.00%
Total Revenues	10,129,295	9,497,167	9,470,314	9,569,566	9,325,921	9,444,999	119,078	1.28%

FISCAL YEAR (FY) 2012-2013
FUND BALANCE - GENERAL FUND PROJECTION -16.61%

This budget can be characterized as attempting to limit and control expenditures while the City continues to strive to offer world-class operations and services to its citizens. The estimated fund balance of the General Fund at the close of FY2012-2013 is projected to be \$1,568,871 or 16.61%. It is anticipated that these funds, along with Budget Stabilization Funds and any unused expenditures at year end will be used to bring the Fund Balance into line with the 15% target in the Five-Year Fiscal Plan.

EXPENDITURES

There is an expenditure increase of the proposed FY2012-2013 from FY2011-2012 budget in the amount of \$119,078 or 1.28%. The following chart illustrates departmental variance percentage changes within the General Fund proposed budget and the current Fiscal Year.

<i>Description</i>	<i>Budget FY2011-12</i>	<i>Proposed FY2012-13</i>	<i>Difference</i>	<i>Percent Change</i>
Legislative	17,626	17,376	(250)	-1.42%
City Manager	487,998	493,122	5,124	1.05%
Assessor	162,992	163,829	837	0.51%
Building	432,585	439,528	6,943	1.61%
Legal Counsel and Assistance	73,000	62,000	(11,000)	-15.07%
Clerks	220,661	180,525	(40,136)	-18.19%
Information Systems	131,907	132,078	171	0.13%
Financial Administration	430,095	423,689	(6,406)	-1.49%
General Operating	462,155	578,356	116,201	25.14%
Building Maintenance	61,970	61,410	(560)	-0.90%
Cultural Center	327,066	321,691	(5,375)	-1.64%
Fire	914,067	900,644	(13,423)	-1.47%
Police	3,125,419	3,145,101	19,682	0.63%
DPW	1,566,627	1,573,677	7,050	0.45%
Board of Appeals	3,900	4,000	100	2.56%
Board of Review	1,200	1,200	-	0.00%
Planning Committee	34,300	36,300	2,000	5.83%
Senior Citizen Committee	60,392	60,392	-	0.00%
Community Service - P&R	452,181	455,832	3,651	0.81%
Interfund Transfers	359,780	394,249	34,469	9.58%
EXPENDITURE TOTAL	9,325,921	9,444,999	119,078	1.28%

Every attempt has been made to keep expenditures to a minimum. Since personnel costs make up 65% of the City's expenditures, a good deal of attention was directed to this area. As in the past, an important administrative focus will be to continue achieving as much productivity and efficiency with our employees as possible, while at the same time maintaining high levels of morale. Likewise, the administrative group will continue to review alternative fringe benefit packages to reduce costs.

FISCAL YEAR (FY) 2012-2013 PROJECTS

Major Roads

S. Wixom Rd – Continued Wetland Monitoring	\$ 2,000
Pavement Management	\$ 5,000
Tri-Party: Beck/Twelve Mile Road Intersection	<u>\$ 12,000</u>
TOTAL MAJOR ROADS	\$ 19,000

Local Roads

Pavement Management	\$ 5,000
Pavement Preservation	\$ 50,000
Northridge Estates & other minor pavement repairs	\$ 700,000
General Fund Transfer	<u>\$ 50,000</u>
TOTAL LOCAL ROADS	\$ 805,000

PROPOSED SOLID WASTE COLLECTION RATE – \$155

The Solid Waste Collection and recycling rate fee is consistent with recently negotiated waste hauling agreements. Below is a historical summary of Solid Waste rates from 2008 to date showing a reduction in the solid waste rates.

Year Ending	Annual Cost	Status
6/30/2013	\$155	Proposed
6/30/2012	\$155	Actual
6/30/2011	\$155	Actual
6/30/2010	\$155	Actual
6/30/2009	\$155	Actual
6/30/2008	\$160	Actual

PROPOSED WATER/WASTEWATER RATES FOR FISCAL YEAR (FY) 2012-2013

The proposed water utility rate for FY2012-2013 will increase to \$26.50/mcf from \$24.59/mcf or approximately 7.77%. The wholesale price for Detroit water is awaiting the approval by Detroit City Council to increase our wholesale composite rate from \$21.06/mcf to a composite rate of \$23.17/mcf or approximately 10.0%.

The wastewater utility budget for FY2012-2013 will increase to \$18.12/mcf from \$15.12/mcf or approximately 19%, which reflects a reallocation of operating expenditures due to the United Water contract and a historically low sewer rate. Currently, the City of Wixom’s Sewer Rate is the lowest rate in Oakland County and one of the lowest in Michigan for these services. (See Water and Sewer Rate Survey April 2012 in the Water and Wastewater section of this budget.)

Based on the above, the combined total water and wastewater rates for FY2012-2013 will increase to \$44.62/mcf which is well below most every City’s combined water and wastewater rates in Oakland County.

CONCLUSION

The proposed FY2012-2013 Budget meets the needs of the community yet does so in a fiscally sound, conservative and responsible manner. The administration and City Council have always taken the responsibility of balancing the budget each year very seriously making sure that we have done all we can to keep costs low while ensuring that we provide a community that is safe, attractive and affordable. The General Fund budget has been increased only \$119,078 or 1.28% over last year's budget while maintaining the millage rate of 7.5429 which is just under the maximum allowed by the City Charter and at the Headlee cap. For all of us across the community these are challenging times and this includes our City.

With property value decreases has come less revenues which funds the delivery of all our services – Police, Fire, core services, infrastructure maintenance and equipment replacement. We have cut back expenditures for nearly nine (9) years by millions of dollars while seeing State Shared Revenues cut back and more cuts eminent as the State reworks its financial situation. We have significantly fewer employees than any community of the same size and population. Thanks to foresight used in the crafting of the Budget Stabilization Fund (BSF) now some 6-7 years ago the BSF has served the City well. However, this cannot continue as illustrated in the 3-year projections contained in this document which indicate that if we keep going as we are with more cuts, we will be in a deficit situation in just a few years. We are stretched thin given the cut backs of the last few years.

This comes as no surprise that for us to maintain a healthy, viable, and safe Wixom in the future where **Seconds Count** we will need to fund up our services through new revenue sources. Anymore and in the foreseeable future, we only have ourselves to rely upon if we want to continue to maintain the level of services we currently enjoy. We have met the financial challenges of this economy without increasing taxes while property values along with revenues have plummeted.

What the 3-year projection process has done is to challenge the administration to critically review all facets of our operation and to seek additional creative and innovative solutions to the financial disparity we could face in the upcoming years. This is why after much thought and fiscal analysis I recommend to you that we place a proposed new millage on the ballot to be determined through initiatives and work of the newly established Financial Taskforce. A millage that will maintain service levels and if the property values recover more than expected a lesser millage rate could be applied that will be decided through the annual budget process.

The caliber of work that residents, the Mayor and City Council will find in reviewing the proposed FY 2012-2013 budget was not achieved alone or in isolation. Therefore, I would like to extend my heartfelt thanks and appreciation to “All Hands”, the total cadre of my fellow associates – everyone at City Hall - our Department Heads, Union Representatives, Union and Non-Union members for their important individual and collective contributions in preparing this budget which is truly a team effort. In particular, I would like to especially thank Finance Director Kevin Brady and Assistant City Manager Tony Nowicki for their continued diligent combined efforts and assistance without which this budget would not be whole.

Respectfully submitted,



J. Michael Dornan
City Manager

Memo

To: Mayor, City Council and Department Heads
 From: J. Michael Doman
 Date: April 10, 2012
 Re: 2012-2013 BUDGET STUDY SESSION AGENDA

Below please find the Budget Study Session Agenda

WEDNESDAY, APRIL 25, 2012 - 6 P.M. – 10 P.M.

I. BUDGET OVERVIEW AND MESSAGE
II. AUDITOR STATEMENT (ORAL PRESENTATION)
III. GENERAL FUND REVENUE

- | | |
|---|---|
| a) City Council (30-31) | j) Financial Administration (44-45, 133) |
| b) City Manager's Office (32-33, 130) | k) General Operating / Facilities (46-47, 132, 138) |
| c) Assessing/Board of Review (34-35, 66-67) | l) Building Maintenance (48-49) |
| d) Building Department (36-37,131) | m) Cultural Center (50-51, 129) |
| e) Zoning Board of Appeals (64-65) | n) Senior Citizens Activities (70-71) |
| f) Planning Commission (68-69) | o) Parks & Recreation (72-74, 135-136) |
| g) Legal Assistance (38-39) | p) DPW/Public Service (60-62, 139-140) |
| h) City Clerk (40-41, 141) | |
| i) Information Systems (42-43) | |

TUESDAY, MAY 1, 2012 – 6 P.M. – 10 P.M.

- | | |
|------------------------|---------------------------------|
| q) Fire (52-54, 134) | s) Debt Service Capital (143) |
| r) Police (56-58, 137) | t) Inter-fund Transfers (76-77) |

IV. REVIEW OF OTHER FUNDS

- | | |
|---|--|
| a) DDA, DDA/VCA Development Fund & Bond Fund (80-81, 115) | i) Forfeiture Fund (100-101) |
| b) CDBG Fund (82-83) | j) Insurance Fund-Retirees (108-109) |
| c) Major/Local Roads (84-86) | k) Solid Waste Collection (102-103) |
| d) Land Acquisition (88-89) | l) Special Holding Agency Fund (104-105) |
| e) LDFA (90-91, 111) | m) Cemetery (106-107, 128) |
| f) Major/Local/S. Path Fund (92-95, 232-234) | n) Major Road Debt (112) |
| g) DPW/Fire Bldg. Const. Fund & Bond Fund (114) | o) Tribute Drain Bond Fund (113) |
| h) Budget Stabilization Fund (98-99) | p) Water Enterprise Fund (212-213, 218) |
| | q) Wastewater Enterprise Fund (214-215, 219-221) |

Optional Date: Wednesday, May 2, 2012 (6 P.M. – 10 P.M.)

Wednesday, May 8 Public Hearing notices published in accordance with City Charter Chapter 8, Section 8.3. Budget is finalized, published and available for public review.

Tuesday, May 22 Public Hearing and Budget adoption in accordance with City Charter Chapter 8, Section 8.4.

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BUDGET IN BRIEF

DEPT -	REVENUE SUMMARY
FUND -	GENERAL FUND
DATE	May 9, 2012

							Original	Original
99 01		CURRENT	ACTUAL	EST.	CITY		CITY	CITY
ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	BUDGET 2011-12	8 MTH 02/29/12	ACTUAL 06/30/12	COUNCIL 2012-13	PROJECTION 2013-14	PROJECTION 2014-15
01 02-01	General Property Taxes	5,792,460	5,613,472	5,246,350	5,570,849	5,192,228	5,143,529	5,238,906
01 02-03	Building Permits & Fees	240,358	245,004	220,923	328,453	328,453	334,684	341,034
01 04-06	State Revenues	1,070,137	927,928	528,435	1,012,296	1,031,035	1,041,273	1,051,614
01 05-00	Oakland County	-	-	-	-	-	-	-
01 06-00	Private Contribution	-	-	2,505	2,505	76,459	1,000	1,000
01 06-02	Misc. Department Revenues	773,445	790,050	475,228	841,179	799,467	796,467	821,467
01 06-03	Other Grants	-	-	-	-	-	-	-
01 08-00	Interfund Transfers	1,693,166	1,402,114	865,492	1,397,114	1,800,395	1,700,731	1,193,311
	TOTAL OPERATING REVENUE	9,569,566	8,978,568	7,338,933	9,152,396	9,228,037	9,017,684	8,647,332
01 09-00	Appropriation From Fund Balance	-	-	-	-	-	-	-
	REVENUE TOTAL	9,569,566	8,978,568	7,338,933	9,152,396	9,228,037	9,017,684	8,647,332
	General Operating Expenditures	8,496,857	8,966,141	5,429,861	8,918,006	8,863,788	8,988,333	9,096,478
	Revenues Over Gen. Op. Exp.	1,072,709	12,427	1,909,072	234,390	364,249	29,351	(449,146)
	Capital Contributions or Transfers	573,500	359,780	239,853	567,881	364,249	1,751,504	1,651,416
	Excess Revenues over Expenditures	499,209	(347,353)	1,669,219	(333,491)	-	(1,722,153)	(2,100,562)
01 00-00 3000	Beginning Fund Balance 7/1	1,408,152	1,907,362	1,907,362	1,907,362	1,573,871	1,573,871	1,610,975
	Revenues	9,569,566	8,978,568	7,338,933	9,152,396	9,228,037	9,017,684	8,647,332
	Additional Millage						1,759,257	2,101,771
	Expenditures	9,070,357	9,325,921	5,669,714	9,485,887	9,228,037	10,739,837	10,747,894
	Ending Fund Balance 6/30	1,907,362	1,560,009	3,576,581	1,573,871	1,573,871	1,610,975	1,612,184
	Fund Balance - Percent	21.03%	16.73%	63.08%	16.59%	17.06%	15.00%	15.00%

DEPT -	EXPENDITURE SUMMARY
FUND -	GENERAL FUND
DATE	May 9, 2012

							Original	Original
99 02			CURRENT	ACTUAL	EST.	CITY	CITY	CITY
ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	BUDGET 2011-12	8 MTH 2/29/2012	ACTUAL 6/30/2012	COUNCIL 2012-13	PROJECTION 2013-14	PROJECTION 2014-15
01 14-10	Legislative	15,241	17,626	7,902	17,511	15,876	17,376	17,376
01 14-12	City Manager	487,847	487,998	317,600	491,720	491,822	498,315	503,603
01 14-14	Assessor	159,970	162,992	49,464	162,414	160,979	164,814	165,815
01 14-24	Building	407,586	432,585	262,225	432,537	406,494	442,971	446,372
01 14-26	Legal Counsel and Assistance	59,559	73,000	23,924	50,617	58,900	64,000	62,000
01 14-28	Clerks	178,991	220,661	147,261	219,801	173,345	175,926	181,264
01 14-30	Information Systems	134,465	131,907	79,130	131,907	125,474	132,258	132,446
01 14-31	Financial Administration	432,722	430,095	284,143	425,574	411,786	428,718	433,917
01 14-32	General Operating	408,335	462,155	381,407	465,908	564,056	414,681	418,600
01 14-33	Building Maintenance	54,058	61,970	20,143	61,410	61,410	61,410	61,410
01 14-35	Cultural Center	299,399	327,066	180,385	310,244	305,606	324,949	328,881
01 16-35	Fire	889,929	914,067	514,016	907,968	867,333	916,121	933,171
01 16-37	Police	3,012,966	3,125,419	1,944,686	3,116,401	3,116,856	3,188,007	3,223,048
01 18-39	DPW	1,448,878	1,566,627	910,841	1,563,554	1,553,177	1,597,877	1,624,566
01 20-44	Board of Appeals	2,204	3,900	1,640	3,900	3,200	4,000	4,000
01 20-45	Board of Review	1,174	1,200	52	1,180	1,150	1,200	1,200
01 20-48	Planning Commission	20,473	34,300	26,274	37,285	36,300	36,300	36,300
01 20-50	Senior Citizen Committee	54,308	60,392	35,128	60,392	60,392	60,392	60,392
01 20-54	Community Service	428,752	452,181	243,640	457,685	449,632	459,018	462,117
01 30-00	Interfund Transfers	573,500	359,780	239,853	567,881	364,249	1,751,504	1,651,416
EXPENDITURE TOTAL		9,070,357	9,325,921	5,669,714	9,485,887	9,228,037	10,739,837	10,747,894

DEPT -	EXPENDITURE SUMMARY
FUND -	GENERAL FUND
DATE	May 9, 2012

Department	City Manager		Diff
	Revised 2012-13	Original 2012-13	
Legislative	15,876	17,376	1,500
City Manager	491,822	493,122	1,300
Assessor	160,979	163,829	2,850
Building	406,494	439,528	33,034
Legal Counsel and Assistance	58,900	62,000	3,100
Clerks	173,345	180,525	7,180
Information Systems	125,474	132,078	6,604
Financial Administration	411,786	423,689	11,903
General Operating	564,056	578,356	14,300
Building Maintenance	61,410	61,410	-
Cultural Center	305,606	321,691	16,085
Fire	867,333	900,644	33,311
Police	3,116,856	3,145,101	28,245
DPW	1,553,177	1,573,677	20,500
Board of Appeals	3,200	4,000	800
Board of Review	1,150	1,200	50
Planning Commission	36,300	36,300	-
Senior Citizen Committee	60,392	60,392	-
Community Service	449,632	455,832	6,200
Interfund Transfers	364,249	394,249	30,000
Total	9,228,037	9,444,999	216,962

City of Wixom
General Fund
FY 2007-2015
Historical & Projections

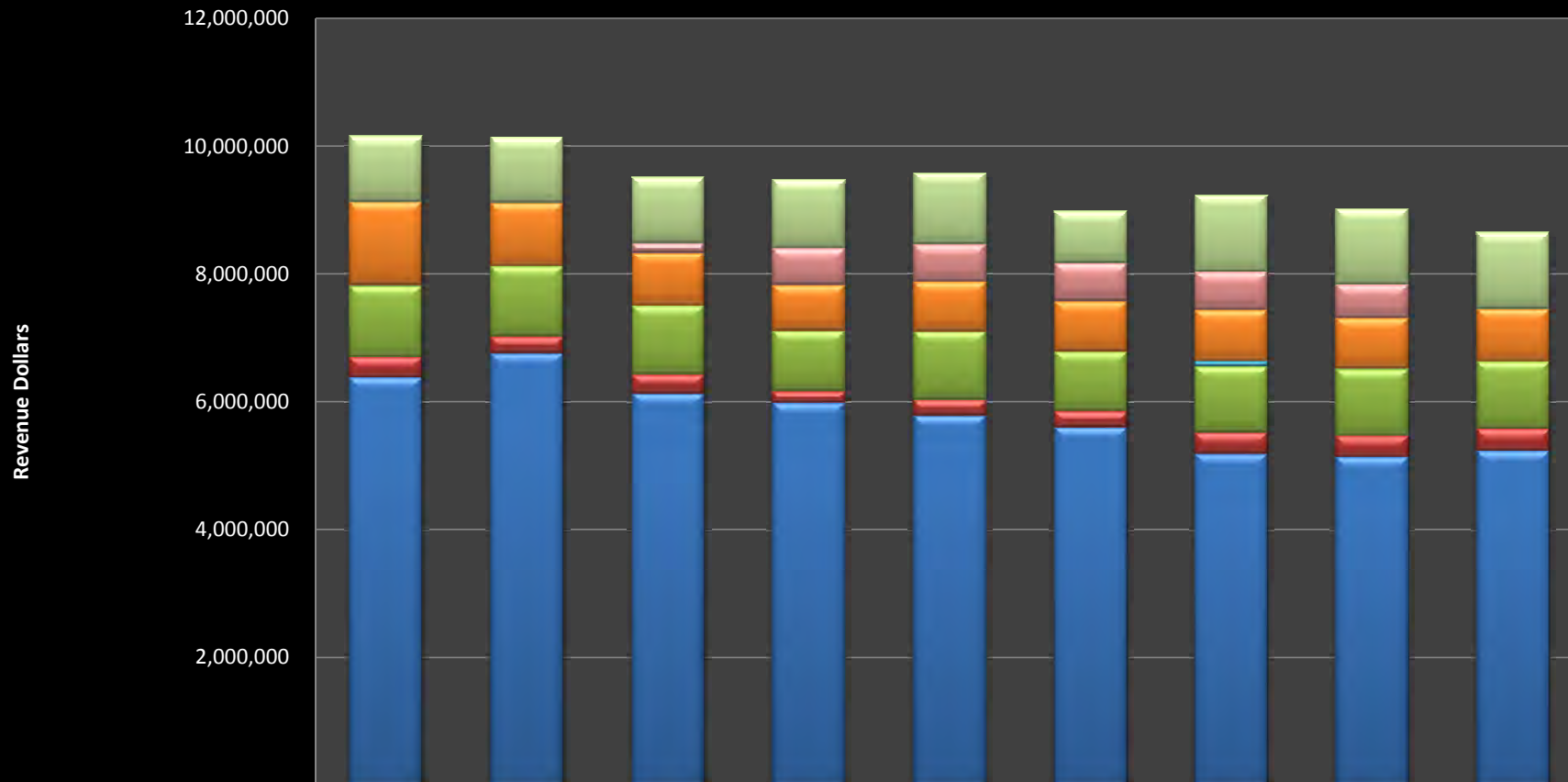
DEPT - REVENUE & EXPENDITURE SUMMARY
FUND - GENERAL FUND
DATE 05/09/12

**Raised Taxed
to Headlee Limit**

99 01							CURRENT	CITY	CITY	CITY
ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2006-07	ACTUAL 2007-08	ACTUAL 2008-09	ACTUAL 2009-10	ACTUAL 2010-11	BUDGET 2011-12	COUNCIL 2012-13	PROJECTION 2013-14	PROJECTION 2014-15
01 02-01	General Property Taxes	6,380,690	6,762,907	6,134,608	5,992,613	5,792,460	5,613,472	5,192,228	5,143,529	5,238,906
01 02-03	Building Permits & Fees	329,217	261,920	298,386	178,728	240,358	245,004	328,453	334,684	341,034
01 04-06	State Revenues	1,106,703	1,093,382	1,064,832	934,515	1,070,137	927,928	1,031,035	1,041,273	1,051,614
01 05-00	Oakland County	-	-	-	-	-	-	-	-	-
01 06-00	Private Contribution	7,980	1,200	-	1,050	-	-	76,459	1,000	1,000
01 06-02	Misc. Department Revenues	1,300,469	988,697	837,156	714,238	773,445	790,050	799,467	796,467	821,467
01 06-03	Other Grants	-	1,700	4,868	2,875	-	-	-	-	-
01 06-03	Budget Stabilization Fund	-	-	152,000	576,718	576,718	591,441	600,508	523,298	-
01 08-00	Interfund Transfers	1,021,952	1,019,489	1,005,317	1,069,578	1,116,448	810,673	1,199,887	1,177,433	1,193,311
TOTAL OPERATING REVENUE		10,147,011	10,129,295	9,497,167	9,470,315	9,569,566	8,978,568	9,228,037	9,017,684	8,647,332
01 14-10	Legislative	17,199	21,199	16,861	17,134	15,241	17,626	15,876	17,376	17,376
01 14-12	City Manager	438,871	443,222	459,190	467,622	487,847	487,998	491,822	498,315	503,603
01 14-14	Assessor	197,919	183,863	190,498	180,327	159,970	162,992	160,979	164,814	165,815
01 14-24	Building	513,623	464,248	434,644	419,527	407,586	432,585	406,494	442,971	446,372
01 14-26	Legal Counsel and Assistance	76,402	80,425	94,650	69,491	59,559	73,000	58,900	64,000	62,000
01 14-28	Clerks	175,755	170,939	173,477	168,780	178,991	220,661	173,345	175,926	181,264
01 14-30	Information Systems	135,537	123,589	119,983	135,973	134,465	131,907	125,474	132,258	132,446
01 14-31	Financial Administration	396,965	414,779	432,282	435,762	432,722	430,095	411,786	428,718	433,917
01 14-32	General Operating	453,812	418,934	433,652	433,075	408,335	462,155	564,056	414,681	418,600
01 14-33	Building Maintenance	47,033	48,051	47,221	59,886	54,058	61,970	61,410	61,410	61,410
01 14-35	Cultural Center	289,820	314,808	296,008	287,351	299,399	327,066	305,606	324,949	328,881
01 16-35	Fire	781,717	876,030	960,190	869,916	889,929	914,067	867,333	916,121	933,171
01 16-37	Police	2,920,347	3,057,294	3,126,637	3,058,818	3,012,966	3,125,419	3,116,856	3,188,007	3,223,048
01 18-39	DPW	1,476,506	1,502,903	1,557,384	1,493,528	1,448,878	1,566,627	1,553,177	1,597,877	1,624,566
01 20-44	Board of Appeals	3,598	4,315	3,627	6,483	2,204	3,900	3,200	4,000	4,000
01 20-45	Board of Review	1,183	1,219	1,200	992	1,174	1,200	1,150	1,200	1,200
01 20-48	Planning Commission	50,553	63,541	43,586	31,795	20,473	34,300	36,300	36,300	36,300
01 20-50	Senior Citizen Committee	37,276	37,014	51,587	49,767	54,308	60,392	60,392	60,392	60,392
01 20-54	Community Service	412,664	401,089	425,835	406,760	428,752	452,181	449,632	459,018	462,117
01 20-56	Beautification Committee	8,942	17,118	365	-	-	-	-	-	-
01 30-00	Interfund Transfers	1,050,951	1,001,506	1,113,576	983,806	573,500	359,780	364,249	1,751,504	1,651,416
01 30-00	Transfer Bdgt Stabilization	704,565	632,891	-	-	-	-	-	-	-
EXPENDITURE TOTAL		10,191,238	10,278,977	9,982,453	9,576,793	9,070,357	9,325,921	9,228,037	10,739,837	10,747,894
Appropriation Fund Balance		(44,227)	(149,682)	(485,286)	(106,478)	499,209	(347,353)	0	(1,722,153)	(2,100,562)

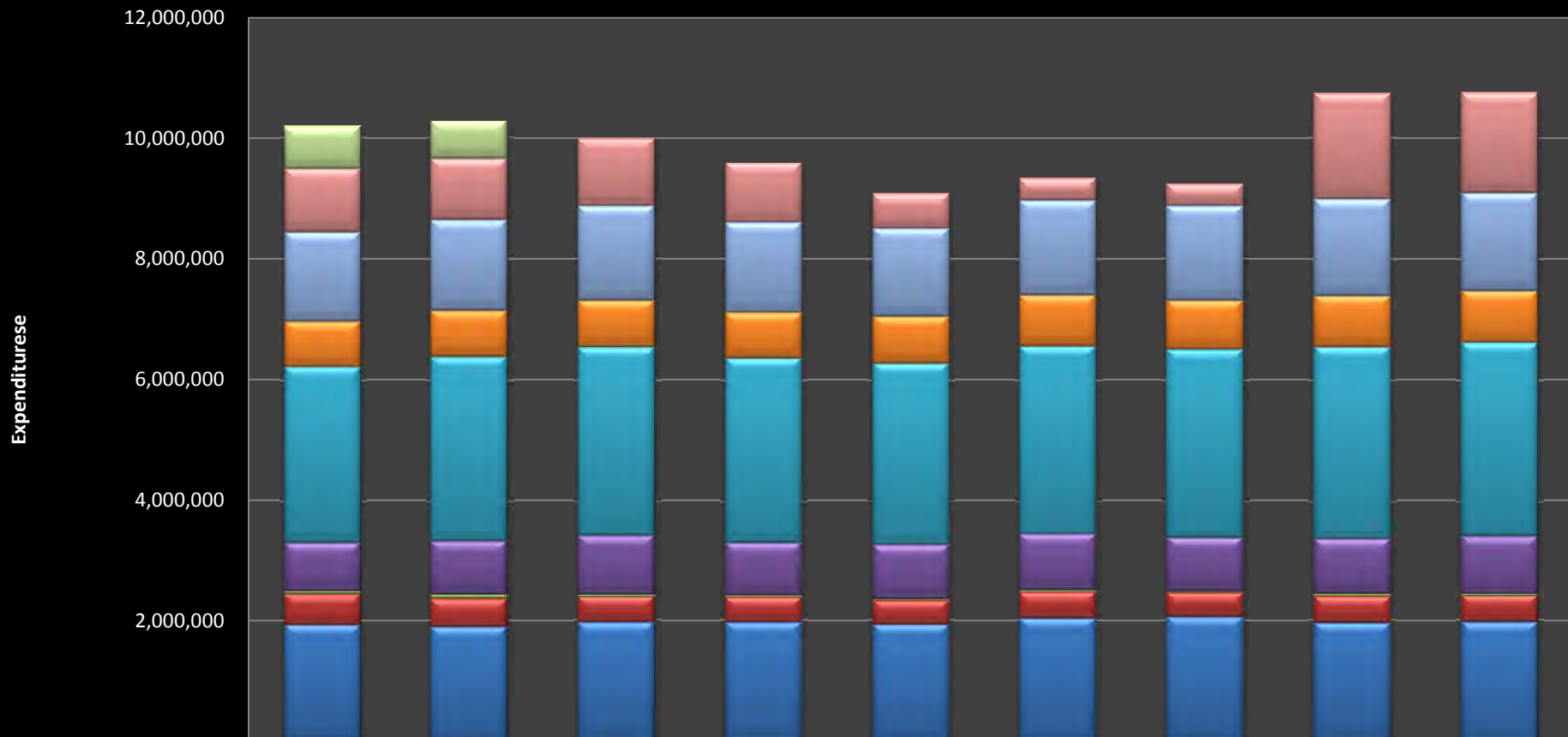
Account Category	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
General Government	1,939,493	1,905,001	1,967,814	1,968,050	1,931,188	2,048,404	2,063,648	1,957,498	1,976,431
Building	513,623	464,248	434,644	419,527	407,586	432,585	406,494	442,971	446,372
Boards & Commissions	55,334	69,075	48,413	39,270	23,851	39,400	40,650	41,500	41,500
Public Safety-Fire	781,717	876,030	960,190	869,916	889,929	914,067	867,333	916,121	933,171
Public Safety-Police	2,920,347	3,057,294	3,126,637	3,058,818	3,012,966	3,125,419	3,116,856	3,188,007	3,223,048
Community Services	748,702	770,029	773,795	743,878	782,459	839,639	815,630	844,359	851,390
DPW	1,476,506	1,502,903	1,557,384	1,493,528	1,448,878	1,566,627	1,553,177	1,597,877	1,624,566
Interfund Transfers	1,050,951	1,001,506	1,113,576	983,806	573,500	359,780	364,249	1,751,504	1,651,416
Budget Stabilization	704,565	632,891	-	-	-	-	-	-	-
Total General Fund	10,191,238	10,278,977	9,982,453	9,576,793	9,070,357	9,325,921	9,228,037	10,739,837	10,747,894
	-	-	-	-	-	-	-	-	-
Fund Balance 7/1/20XX	2,193,825	2,149,598	1,999,916	1,514,630	1,408,152	1,907,362	1,560,009	1,560,009	(162,144)
Fund Balance 6/30/20XX	2,149,598	1,999,916	1,514,630	1,408,152	1,907,362	1,560,009	1,560,009	(162,144)	(2,262,706)

City of Wixom - Change in Revenues FY2007 to FY2015 (Projected)



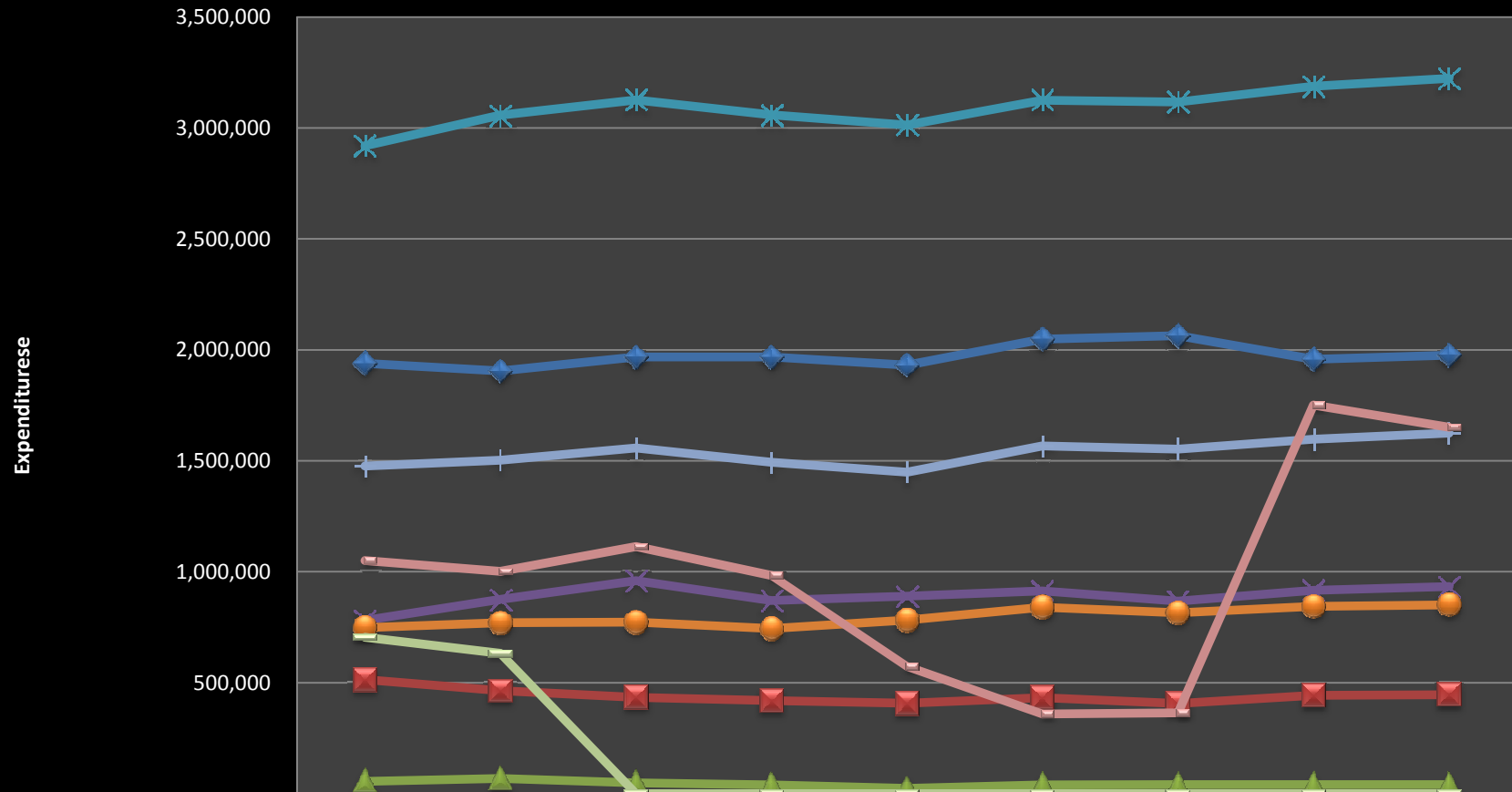
	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Interfund Transfers	1,021,952	1,019,489	1,005,317	1,069,578	1,116,448	810,673	1,199,887	1,177,433	1,193,311
Budget Stabilization Fund	-	-	152,000	576,718	576,718	591,441	600,508	523,298	-
Other Grants	-	1,700	4,868	2,875	-	-	-	-	-
Misc. Department Revenues	1,300,469	988,697	837,156	714,238	773,445	790,050	799,467	796,467	821,467
Private Contribution	7,980	1,200	-	1,050	-	-	76,459	1,000	1,000
Oakland County	-	-	-	-	-	-	-	-	-
State Revenues	1,106,703	1,093,382	1,064,832	934,515	1,070,137	927,928	1,031,035	1,041,273	1,051,614
Building Permits & Fees	329,217	261,920	298,386	178,728	240,358	245,004	328,453	334,684	341,034
General Property Taxes	6,380,690	6,762,907	6,134,608	5,992,613	5,792,460	5,613,472	5,192,228	5,143,529	5,238,906

City of Wixom - Change in Expenditures FY2007 to FY2015 (Projected)



	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
■ Budget Stabilization	704,565	632,891	-	-	-	-	-	-	-
■ Interfund Transfers	1,050,951	1,001,506	1,113,576	983,806	573,500	359,780	364,249	1,751,504	1,651,416
■ DPW	1,476,506	1,502,903	1,557,384	1,493,528	1,448,878	1,566,627	1,553,177	1,597,877	1,624,566
■ Community Services	748,702	770,029	773,795	743,878	782,459	839,639	815,630	844,359	851,390
■ Public Safety-Police	2,920,347	3,057,294	3,126,637	3,058,818	3,012,966	3,125,419	3,116,856	3,188,007	3,223,048
■ Public Safety-Fire	781,717	876,030	960,190	869,916	889,929	914,067	867,333	916,121	933,171
■ Boards & Commissions	55,334	69,075	48,413	39,270	23,851	39,400	40,650	41,500	41,500
■ Building	513,623	464,248	434,644	419,527	407,586	432,585	406,494	442,971	446,372
■ General Government	1,939,493	1,905,001	1,967,814	1,968,050	1,931,188	2,048,404	2,063,648	1,957,498	1,976,431

City of Wixom - Change in Expenditures FY2007 to FY2015 (Projected)



	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
General Government	1,939,493	1,905,001	1,967,814	1,968,050	1,931,188	2,048,404	2,063,648	1,957,498	1,976,431
Building	513,623	464,248	434,644	419,527	407,586	432,585	406,494	442,971	446,372
Boards & Commissions	55,334	69,075	48,413	39,270	23,851	39,400	40,650	41,500	41,500
Public Safety-Fire	781,717	876,030	960,190	869,916	889,929	914,067	867,333	916,121	933,171
Public Safety-Police	2,920,347	3,057,294	3,126,637	3,058,818	3,012,966	3,125,419	3,116,856	3,188,007	3,223,048
Community Services	748,702	770,029	773,795	743,878	782,459	839,639	815,630	844,359	851,390
DPW	1,476,506	1,502,903	1,557,384	1,493,528	1,448,878	1,566,627	1,553,177	1,597,877	1,624,566
Interfund Transfers	1,050,951	1,001,506	1,113,576	983,806	573,500	359,780	364,249	1,751,504	1,651,416
Budget Stabilization	704,565	632,891	-	-	-	-	-	-	-

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MILLAGE INFORMATION

Millage Summary

	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	
Description	Millage	Millage	Millage	Millage	Millage	Millage	End Date
	TY2007	TY2008	TY2009	TY2010	TY2011	TY2012	Millage
General Operating	6.73200	6.73200	6.73200	7.54290	7.54290	7.54290	N/A
Local Road Program	1.13140	1.13140	1.13140	1.13140	1.13140	1.15000	FYE2026
Safety Path Program	0.00000	0.00000	0.30000	0.30000	0.30000	0.30000	FYE2024
Major Road Program	0.94000	0.94000	1.04200	1.08700	0.85390	0.90000	FYE2014
Water Utility System	1.21300	1.21300	1.30200	1.23100	1.39970	1.86000	FYE2020
Civic Center Debt	0.36000	0.21500	0.00000	0.00000	0.00000	0.00000	FYE2009
Fire & DPW Building Debt	0.28000	0.32000	0.34400	0.37000	0.43440	0.49300	FYE2015
Total Millage	10.65640	10.55140	10.85140	11.66230	11.66230	12.24590	

Note: The proposed FY 2013 budget proposes a total Millage levy of 12.2459. The operating millage remains the same at 7.5429. Due to further declines in taxable values, debt service millage was increased. Water debt service millage is levied to pay for interest payments on the Water Segment I, II, III, and IV State Revolving Fund Loans. The DPW/Fire Capital Improvement Fund millage of .4930 mills will be utilized to pay principal and interest payments over the life of the bond issue. The City refinanced the 1997 Major Road Bonds Series II and the DPW/Fire Capital Improvement Bonds in FY2010 which saved approximately \$167,000 in present value savings.

TRUTH IN TAXATION

Financial Flexibility-As a Percentage of the Maximum Legal Millage Rate

The rates, which the City may charge for their various taxes, are limited by State law and municipal charter provisions. Due to Proposal A, effects of the Headlee Amendment and Truth in Taxation laws are no longer applicable in many cases. The Headlee Amendment and Truth in Taxation laws resulted in limitations on the property tax rates, which typically had wide appeal to taxpayers. The Truth in Taxation law also placed restrictions on the City's ability to raise its millage rates. Currently, Proposal A limits the increase in taxable value to the lesser of 5% or the current rate of inflation. The current year's rate of inflation is approximately 2.70%; thus, the City's taxable value increase for any property could not exceed the 2.70%, except in cases of new construction. Such limitations constrain the flexibility of the municipality and restrict its financial independence due to this limitation.

The City of Wixom has a charter limitation that allows a maximum of eight mills to be levied. The Headlee rollback has reduced the 8-mill limit to approximately 7.5429 (Tax Year 2012). Proposal A will limit the financial flexibility of the City. It will be necessary to raise additional millage in the future or revise the Charter to change this limit on millage. To change the Charter limit of 8 mills a public vote is required. If it were difficult to receive voter approval of a millage ceiling increase beyond the limits of the charter and Proposal A, then the City would be significantly restrained financially.

The decline in taxable values for FY2012-2013 is approximately 7.02%. Over the last five years the decline in taxable values has amounted to approximately 36%. Neighborhood property values have experienced a decline in property values.

Property Owners likely saw a decline in their Taxable Values, thus a reduction in their property taxes. Assessed Values represent 50% of the estimated property value. Taxable Value is a mathematical formula, which is based on the preceding years Taxable Value increased by the Inflation Rate Multiplier (IRM) or 2.70% for Tax Year 2012. The IRM is determined for the entire State and applied by each municipality. Taxable Value may also increase for physical additions and decrease for physical losses.

Thus your assessed value may remain the same or even decline while your taxable value may increase due to the Inflation Rate Multiplier (IRM) or 2.70% for Tax Year 2012. It is important to note that Proposal A requires that Taxable Value cannot exceed the Assessed Value. So in cases where the Inflation Rate Multiplier (IRM) increases taxable values over assessed values, the taxable value cannot exceed the assessed value.



REPORT TO THE CITY COUNCIL FROM THE CITY MANAGER
May 8, 2012

SUBJECT: Request to Schedule Public Hearing on Proposed Fiscal Year 2012-2013 Budget

BACKGROUND: Section 8.3 of the Wixom City Charter, Public Act 43 of the Extra Session of 1963, Public Act 2 as amended by Public Act 621 of 1978 and Public Act 40 of 1995 require holding a public hearing on the proposed budget before its final adoption. Section 8.4 of the Charter mandates that the Council shall adopt an activity budget for the next fiscal year no later than the second regular monthly meeting in May.

The public hearing provides the public an opportunity to comment on the City Council proposed budget for Fiscal Year 2012-2013. Attached is the required advertisement for the Notice of Public Hearing for the 2012-2013 proposed budget.

RECOMMENDATION: In view of the above, it is recommended that the City Council schedule a public hearing on the City Council Proposed Fiscal Year 2012-2013 Budget for the regular City Council meeting of May 22, 2012 at 7:30 p.m. and that advance notice of this public hearing be published.

Prepared by: Approved By:

Approved By:

Kevin Brady
Finance Director

J. Michael Dornan
City Manager

**PUBLIC NOTICE
CITY OF WIXOM
NOTICE OF PUBLIC HEARING
BUDGET HEARING ON THE 2012-13 PROPOSED BUDGET**

The City Council of the City of Wixom will hold a public hearing at 7:30 PM on Tuesday, May 22, 2012, in the City Council Chambers at the Wixom Municipal Center, 49045 Pontiac Trail, Wixom, MI 48393, on the proposed annual budget for the Fiscal Year 2012-2013.

The property tax millage rate proposed to be levied to support the proposed budget will be a subject of this hearing.

The 2012 proposed property tax levy includes the following:

Description	Mills	Explanation
General Operating	7.5429	(\$7.5429 per \$1,000 of Taxable Value)
Local Road Improvements	1.1500	(\$1.1500 per \$1,000 of Taxable Value)
Bike Path	.3000	(\$0.3000 per \$1,000 of Taxable Value)
Major Road Program	.9000	(\$0.9000 per \$1,000 of Taxable Value)
DPW & Fire Cap. Improv.	.4930	(\$0.4930 per \$1,000 of Taxable Value)
Water Debt	1.8600	(\$1.8600 per \$1,000 of Taxable Value)
Total Millage	12.2459	(\$12.2459 per \$1,000 Taxable Value)

Public comments, oral or written, are welcome at the hearing on the proposed budget for FY 2012-2013 and the proposed property tax millage rate. All interested citizens, groups, senior citizens and organizations representing the interests of senior citizens are encouraged to attend and to submit comments. The proposed budget, as summarized below, will be on file in the office of the City Clerk for public inspection.

**SUMMARY OF PROPOSED 2012-2013 – REVISED PROPOSED GENERAL FUND BUDGET
CITY OF WIXOM
REVENUES AND EXPENDITURES**

SOURCE	AMOUNT
REVENUES	
General Property Taxes	\$ 5,192,228
Building Permits & Fees	328,453
State Revenues	1,031,035
Misc. Department Revenues	799,467
Private Contribution	76,459
Interfund Transfers	1,800,395
REVENUE TOTAL	<u>\$ 9,228,037</u>

SOURCE	AMOUNT
EXPENDITURES	
Legislative	\$ 15,876
City Manager	491,822
Assessor	160,979
Building	406,494
Legal Counsel and Assistance	58,900
Clerks	173,345
Information Systems	125,474
Financial Administration	411,786
General Operating	564,056
Building Maintenance	61,410
Cultural Center	305,606
Fire	867,333
Police	3,116,856
DPW	1,553,177
Board of Appeals	3,200
Board of Review	1,150
Planning Committee	36,300
Senior Citizen Committee	60,392
Parks & Recreation	449,632
Interfund Transfers	364,249
EXPENDITURE TOTAL	<u>\$ 9,228,037</u>

A copy of the entire proposed budget and additional background materials are available for public inspection from 7:15 a.m. to 5:30 p.m. Monday through Thursday at the Clerk's Office at the Wixom Municipal Center, 49045 Pontiac Trail, Wixom, MI 48393.

**SUMMARY OF PROPOSED 2012-2013 – ORIGINAL PROPOSED GENERAL FUND
BUDGET
CITY OF WIXOM
REVENUES AND EXPENDITURES**

<u>SOURCE</u>	<u>AMOUNT</u>
<u>REVENUES</u>	
General Property Taxes	\$ 5,192,228
Building Permits & Fees	328,453
State Revenues	1,031,035
Private Contributions	76,459
Misc. Department Revenues	799,467
Interfund Transfers	<u>2,017,357</u>
REVENUE TOTAL	<u>\$ 9,444,999</u>

<u>SOURCE</u>	<u>AMOUNT</u>
<u>EXPENDITURES</u>	
Legislative	\$ 17,376
City Manager	493,122
Assessor	163,829
Building	439,528
Legal Counsel and Assistance	62,000
Clerks	180,525
Information Systems	132,078
Financial Administration	423,689
General Operating	578,356
Building Maintenance	61,410
Cultural Center	321,691
Fire	900,644
Police	3,145,101
DPW	1,573,677
Board of Appeals	4,000
Board of Review	1,200
Planning Committee	36,300
Senior Citizen Committee	60,392
Parks & Recreation	455,832
Interfund Transfers	<u>394,249</u>
EXPENDITURE TOTAL	<u>\$ 9,444,999</u>

A copy of the entire proposed budget and additional background materials are available for public inspection from 7:15 a.m. to 5:30 p.m. Monday through Thursday at the Clerk's Office at the Wixom Municipal Center, 49045 Pontiac Trail, Wixom, MI 48393.

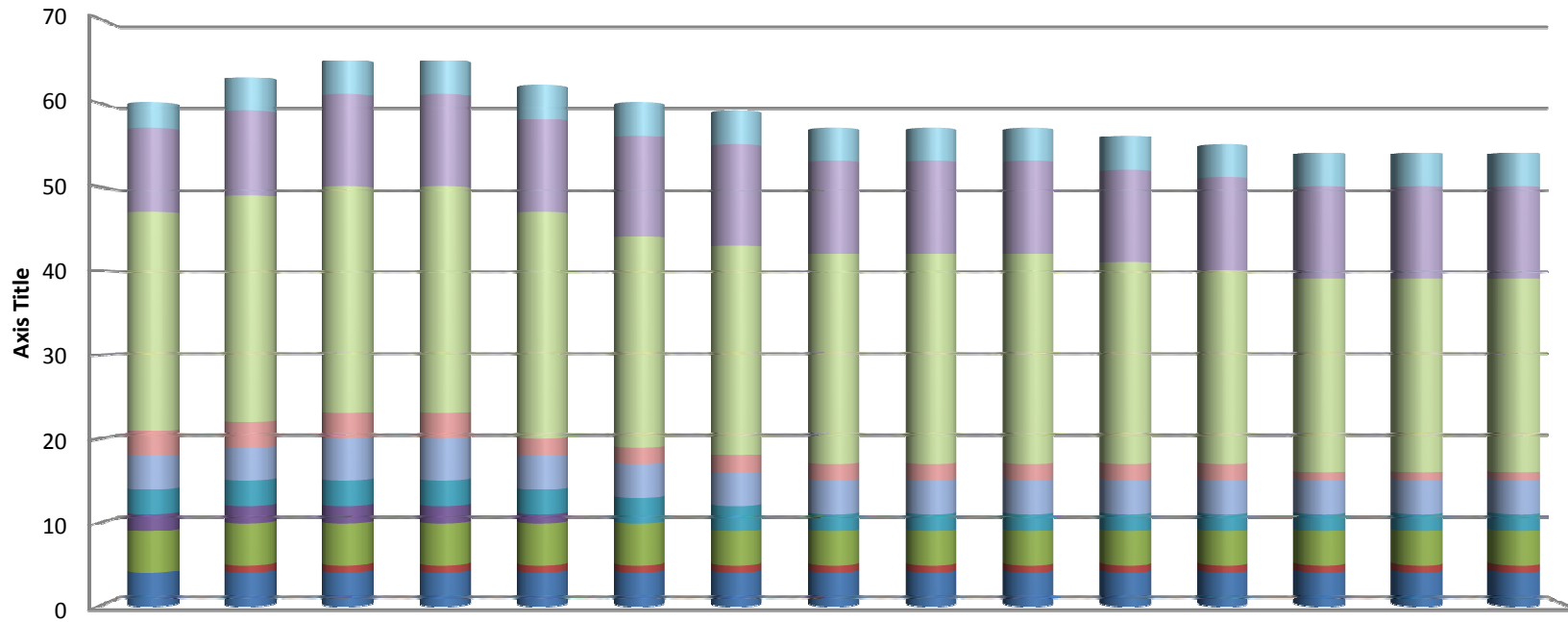
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PERSONNEL INFORMATION

City of Wixom Historical Summary of Full Time Positions
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Description	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15
City Manager	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Assessor		1	1	1	1	1	1	1	1	1	1	1	1	1	1
Building	5	5	5	5	5	5	4	4	4	4	4	4	4	4	4
DPS	2	2	2	2	1	0	0	0	0	0	0	0	0	0	0
Clerks	3	3	3	3	3	3	3	2	2	2	2	2	2	2	2
Information Sys			0	0	0	0	0	0	0	0	0	0	0	0	0
Finance	4	4	5	5	4	4	4	4	4	4	4	4	4	4	4
Fire	3	3	3	3	2	2	2	2	2	2	2	2	1	1	1
Police	26	27	27	27	27	25	25	25	25	25	24	23	23	23	23
Public Works	10	10	11	11	11	12	12	11	11	11	11	11	11	11	11
Community Serv	3	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Full Time	60	63	65	65	62	60	59	57	57	57	56	55	54	54	54
% Inc. Full Time	-1.64%	5.00%	3.17%	0.00%	-4.62%	-3.23%	-1.67%	-3.39%	0.00%	0.00%	-1.75%	-1.79%	-1.82%	0.00%	0.00%

City of Wixom - Historical & Projected Summary of Full-Time Positions



	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15
Community Serv	3	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Public Works	10	10	11	11	11	12	12	11	11	11	11	11	11	11	11
Police	26	27	27	27	27	25	25	25	25	25	24	23	23	23	23
Fire	3	3	3	3	2	2	2	2	2	2	2	2	1	1	1
Finance	4	4	5	5	4	4	4	4	4	4	4	4	4	4	4
Information Sys			0	0	0	0	0	0	0	0	0	0	0	0	0
Clerks	3	3	3	3	3	3	3	2	2	2	2	2	2	2	2
DPS	2	2	2	2	1	0	0	0	0	0	0	0	0	0	0
Building	5	5	5	5	5	5	4	4	4	4	4	4	4	4	4
Assessor		1	1	1	1	1	1	1	1	1	1	1	1	1	1
City Manager	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4

DEPT - WAGES & FRINGES
 FUND - GENERAL FUND
 DATE May 9, 2012

							Original	Original
99 02		CURRENT	ACTUAL	EST.	CITY	CITY	CITY	
ACCOUNT	ACCOUNT CATEGORY &	ACTUAL	BUDGET	8 MTH	ACTUAL	COUNCIL	PROJECTION	PROJECTION
NUMBER	ACCOUNT NAME	2010-2011	2011-12	2/29/2012	6/30/2012	2012-13	2013-14	2014-15
01 14-10	Legislative	11,627	11,626	5,813	11,626	11,626	11,626	11,626
01 14-12	City Manager	464,220	463,823	305,767	467,918	468,123	473,200	478,488
01 14-14	Assessor	67,000	68,558	45,047	68,165	69,495	70,580	71,581
01 14-24	Building	326,789	332,565	215,287	334,872	309,225	342,748	345,954
01 14-26	Legal Counsel and Assistance	-	-	-	-	-	-	-
01 14-28	Clerks	153,360	198,651	136,125	195,491	147,935	150,766	152,104
01 14-30	Information Systems	11,110	22,607	13,559	22,607	22,607	22,607	22,607
01 14-31	Financial Administration	396,197	394,391	256,014	389,870	376,324	392,292	397,119
01 14-32	General Operating	1,290	600	340	600	103,000	(68,997)	(73,583)
01 14-33	Building Maintenance	-	-	-	-	-	-	-
01 14-35	Cultural Center	166,609	174,540	107,189	170,094	176,474	177,985	179,539
01 16-34	Emergency Management	-	-	-	-	-	-	-
01 16-35	Fire	392,993	396,320	249,247	389,071	348,214	383,888	388,774
01 16-37	Police	2,684,714	2,720,851	1,772,728	2,712,766	2,735,901	2,773,442	2,802,828
01 18-39	DPW	997,202	1,001,677	630,199	1,016,412	1,018,278	1,037,687	1,059,585
01 20-44	Board of Appeals	846	800	313	800	900	900	900
01 20-45	Board of Review	46	-	-	-	-	-	-
01 20-48	Planning Committee	702	1,500	313	1,500	1,500	1,500	1,500
01 20-50	Senior Citizen Committee	27,586	29,992	17,256	29,992	29,992	29,992	29,992
01 20-54	Community Service	207,011	203,841	137,959	206,961	207,342	209,966	212,663
01 20-56	Beautification Committee	-	-	-	-	-	-	-
01 30-00	Interfund Transfers	221,620	-	-	170,005	-	625,000	625,000
EXPENDITURE TOTAL		6,130,922	6,022,342	3,893,156	6,188,748	6,026,935	6,635,181	6,706,676
Total General Fund Exp		9,070,357	9,325,921	5,669,714	9,485,887	9,228,037	10,739,837	10,747,894
Percent of Total Budget		68%	65%	69%	65%	65%	62%	62%

DEPT -	WAGES
FUND -	GENERAL FUND
DATE	May 9, 2012

							Original	Original
99 02		CURRENT	ACTUAL	EST.	CITY		CITY	CITY
ACCOUNT	ACCOUNT CATEGORY &	ACTUAL	BUDGET	8 MTH	ACTUAL	COUNCIL	PROJECTION	PROJECTION
NUMBER	ACCOUNT NAME	2010-2011	2011-12	2/29/2012	6/30/2012	2012-13	2013-14	2014-15
01 14-10	Legislative	10,800	10,800	5,400	10,800	10,800	10,800	10,800
01 14-12	City Manager	305,396	305,642	197,200	307,229	308,851	308,850	308,850
01 14-14	Assessor	42,152	42,013	27,321	42,093	41,963	42,063	42,063
01 14-24	Building	223,533	228,146	142,733	228,031	206,933	228,031	228,031
01 14-26	Legal Counsel and Assistance	-	-	-	-	-	-	-
01 14-28	Clerks	102,198	117,915	75,558	115,850	100,146	101,446	101,446
01 14-30	Information Systems	10,260	21,000	12,595	21,000	21,000	21,000	21,000
01 14-31	Financial Administration	246,557	246,904	157,702	246,903	236,403	246,903	246,903
01 14-32	General Operating	-	-	-	-	-	-	-
01 14-33	Building Maintenance	-	-	-	-	-	-	-
01 14-35	Cultural Center	114,927	120,508	70,476	116,371	120,508	120,508	120,508
01 16-34	Emergency Management	-	-	-	-	-	-	-
01 16-35	Fire	313,800	320,052	198,314	310,145	278,876	303,946	306,646
01 16-37	Police	1,761,004	1,855,195	1,178,473	1,842,611	1,842,017	1,854,530	1,860,034
01 18-39	DPW	643,418	655,941	397,648	666,784	662,294	669,701	678,310
01 20-44	Board of Appeals	846	800	313	800	900	900	900
01 20-45	Board of Review	46	-	-	-	-	-	-
01 20-48	Planning Committee	702	1,500	313	1,500	1,500	1,500	1,500
01 20-50	Senior Citizen Committee	25,626	27,860	16,023	27,860	27,860	27,860	27,860
01 20-54	Community Service	129,708	126,536	83,693	128,996	128,210	128,210	128,210
01 20-56	Beautification Committee	-	-	-	-	-	-	-
01 30-00	Interfund Transfers	-	-	-	-	-	-	-
EXPENDITURE TOTAL		3,930,973	4,080,812	2,563,762	4,066,972	3,988,261	4,066,248	4,083,061
Total General FunC Exp		9,070,357	9,325,921	5,669,714	9,485,887	9,228,037	10,739,837	10,747,894
Percent of Total BuCget		43%	43%	45%	43%	43%	38%	38%

DEPT -	FRINGES
FUND -	GENERAL FUND
DATE	May 9, 2012

							Original	Original
99 02			CURRENT	ACTUAL	EST.	CITY	CITY	CITY
ACCOUNT	ACCOUNT CATEGORY &	ACTUAL	BUDGET	8 MTH	ACTUAL	COUNCIL	PROJECTION	PROJECTION
NUMBER	ACCOUNT NAME	2010-2011	2011-12	2/29/2012	6/30/2012	2012-13	2013-14	2014-15
01 14-10	Legislative	827	826	413	826	826	826	826
01 14-12	City Manager	158,824	158,181	108,567	160,689	159,272	164,350	169,638
01 14-14	Assessor	24,848	26,545	17,726	26,072	27,532	28,517	29,518
01 14-24	Building	103,256	104,419	72,554	106,841	102,292	114,717	117,923
01 14-26	Legal Counsel and Assistance	-	-	-	-	-	-	-
01 14-28	Clerks	51,162	80,736	60,567	79,641	47,789	49,320	50,658
01 14-30	Information Systems	850	1,607	964	1,607	1,607	1,607	1,607
01 14-31	Financial Administration	149,640	147,487	98,312	142,967	139,921	145,389	150,216
01 14-32	General Operating	1,290	600	340	600	103,000	(68,997)	(73,583)
01 14-33	Building Maintenance	-	-	-	-	-	-	-
01 14-35	Cultural Center	51,682	54,032	36,713	53,723	55,966	57,477	59,031
01 16-34	Emergency Management	-	-	-	-	-	-	-
01 16-35	Fire	79,193	76,268	50,933	78,926	69,338	79,942	82,128
01 16-37	Police	923,710	865,656	594,255	870,155	893,884	918,912	942,794
01 18-39	DPW	353,784	345,736	232,551	349,627	355,984	367,986	381,275
01 20-44	Board of Appeals	-	-	-	-	-	-	-
01 20-45	Board of Review	-	-	-	-	-	-	-
01 20-48	Planning Committee	-	-	-	-	-	-	-
01 20-50	Senior Citizen Committee	1,960	2,132	1,233	2,132	2,132	2,132	2,132
01 20-54	Community Service	77,303	77,305	54,266	77,965	79,132	81,756	84,453
01 20-56	Beautification Committee	-	-	-	-	-	-	-
01 30-00	Interfund Transfers	221,620	-	-	170,005	-	625,000	625,000
EXPENDITURE TOTAL		2,199,949	1,941,530	1,329,394	2,121,776	2,038,675	2,568,934	2,623,616
Total General Fund Exp		9,070,357	9,325,921	5,669,714	9,485,887	9,228,037	10,739,837	10,747,894
Percent of Total Budget		24%	21%	23%	22%	22%	24%	24%

REVENUE DETAIL

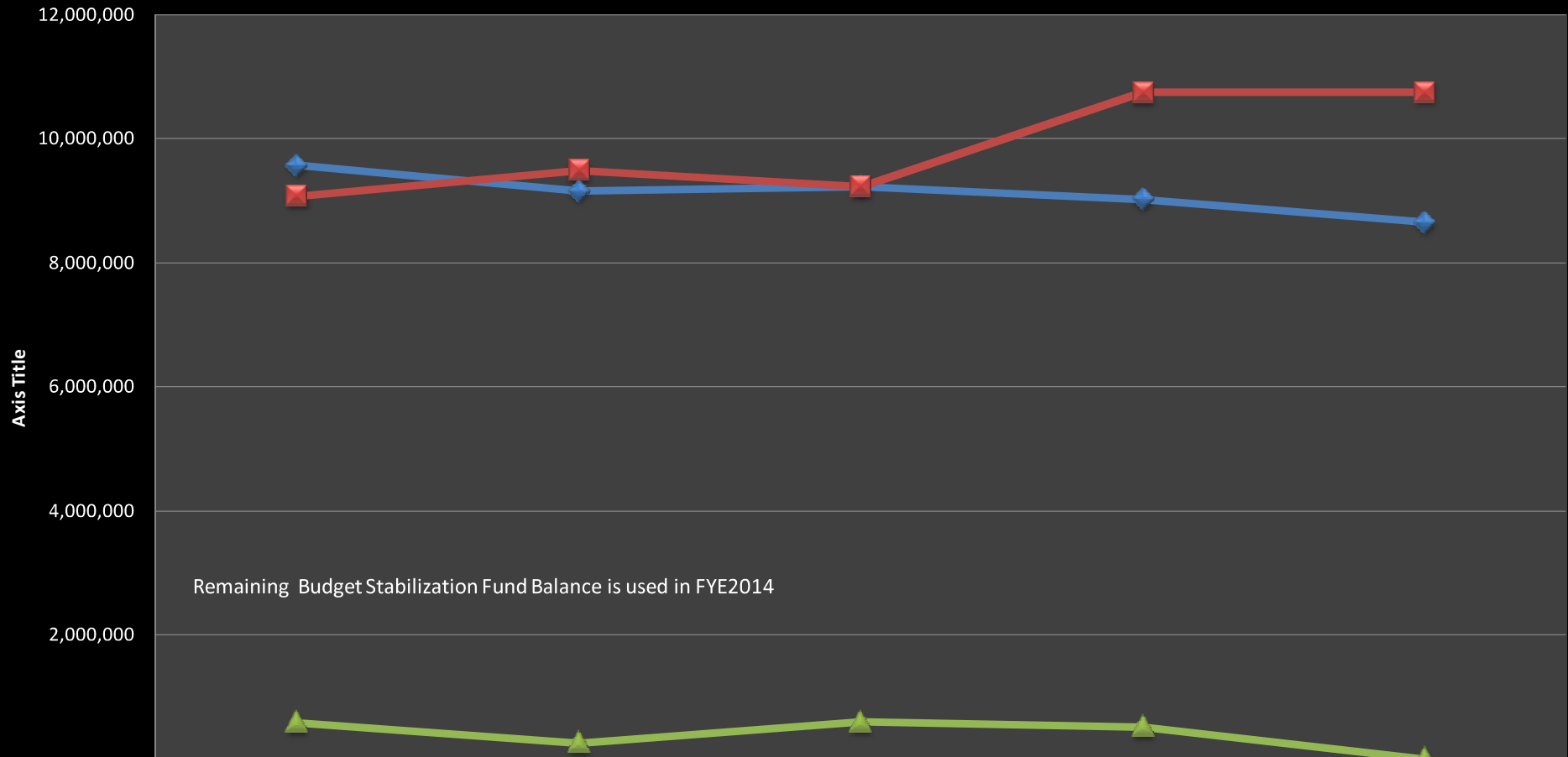
DEPT -	REVENUES
FUND -	GENERAL FUND
DATE	May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	Original	Original
							CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
GENERAL PROPERTY TAXES								
01 02-01 4000	Real Property Tax	4,562,805	4,224,492	3,987,181	4,224,492	3,826,023	3,789,117	3,861,902
01 02-01 4002	Personal Property Tax	871,061	884,303	855,322	884,303	916,751	907,583	924,827
01 02-01 4004	Industrial Facilities Tax	40,125	46,603	45,583	46,603	47,088	47,363	47,256
01 02-01 4008	Personal Prop-Delq	(127,005)	7,000	-	7,000	-	-	-
01 02-01 4010	Maple North Service Income	5,588	3,727	-	3,727	3,727	3,727	3,727
01 02-01 4013	IFT Job Shortfall Revenue	6,835	5,000	-	5,000	5,000	5,000	5,000
01 02-01 4015	PRE Denial Distribution	1,949	-	1,216	1,216	1,200	1,200	1,200
01 02-01 4020	Penalty&Interest on Delqt. Tax	105,267	100,000	73,180	100,000	100,000	100,000	100,000
01 02-01 4023	Tax Administration Fee-Maple	473	439	-	439	439	439	439
01 02-01 4024	Tax Administration Fee-Gen Op	323,550	340,000	281,799	296,000	290,000	287,100	292,555
01 02-01 4025	Tax Administration Fee-IFT	1,812	1,908	2,069	2,069	2,000	2,000	2,000
	CATEGORY TOTAL	5,792,460	5,613,472	5,246,350	5,570,849	5,192,228	5,143,529	5,238,906
STATE REVENUE								
01 04-06 4110	State Sales Tax	1,062,516	920,307	521,216	1,005,077	1,023,835	1,034,073	1,044,414
01 04-06 4170	Liquor License Tax	7,621	7,621	7,219	7,219	7,200	7,200	7,200
	CATEGORY TOTAL	1,070,137	927,928	528,435	1,012,296	1,031,035	1,041,273	1,051,614
OTHER REVENUE								
01 06-00 5898	Donation-Memorial Brick	-	-	2,505	2,505	1,000	1,000	1,000
01 06-00 5851	Developer - Cost Recovery	-	-	-	-	75,459	-	-
	CATEGORY TOTAL	-	-	2,505	2,505	76,459	1,000	1,000
BUILDING PERMITS & FEES								
01 02-03 4070	Building Permits & Fees	202,089	209,019	196,275	290,000	290,000	295,510	301,125
01 02-03 4072	Bldg Misc Income	-	-	273	273	273	278	283
01 02-03 4075	Site Plan Review	4,237	6,000	1,057	2,000	2,000	2,038	2,077
01 02-03 4080	Right of Way Permits	(2,980)	800	90	500	500	500	500
01 02-03 4086	Zoning Review	8,825	6,205	5,140	7,700	7,700	7,846	7,995
01 02-03 4087	Aerial Topos & Misc. Mylars	169	480	-	480	480	489	498
01 02-03 4089	Engineering Fees	582	500	-	500	500	510	519
01 02-03 4095	Rental Review Fee	27,436	22,000	18,088	27,000	27,000	27,513	28,036
	CATEGORY TOTAL	240,358	245,004	220,923	328,453	328,453	334,684	341,034
MISCELLANEOUS REVENUES								
01 06-02 5802	Interest Income	50,761	75,000	17,514	50,000	50,000	50,000	75,000
01 06-02 5804	District Court	33,891	40,400	13,658	33,000	35,000	35,000	35,000
01 06-02 5805	Business License Fees	39,840	50,000	42,924	73,600	73,600	73,600	73,600
01 06-02 5806	Parks & Rec.-General Revenue	102,070	75,000	46,692	75,000	75,000	75,000	75,000
01 06-02 5807	Civic Center Rental Income	66,851	72,000	35,817	70,000	72,000	72,000	72,000
01 06-02 5808	Parks & Rec.-Softball Revenue	7,100	9,400	-	9,000	9,000	9,000	9,000
01 06-02 5810	DPW Revenue	15,980	12,000	11,828	14,342	15,000	15,000	15,000
01 06-02 5811	Parks & Recreation-Soccer Rev	50,130	57,000	32,324	57,000	57,000	57,000	57,000
01 06-02 5815	Rental Ameritech	25,108	25,000	17,689	25,000	25,000	25,000	25,000
01 06-02 5816	Cable T.V. Revenue	106,386	113,000	52,368	113,000	113,000	113,000	113,000

DEPT -	REVENUES
FUND -	GENERAL FUND
DATE	May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	Original	Original
							CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
01 06-02 5818	Workers Compensation	5,149	2,500	27,355	27,355	-	-	-
01 06-02 5820	Sale of Fixed Assets	22,282	2,500	-	11,000	9,000	6,000	6,000
01 06-02 5822	Other Miscellaneous Revenue	5,312	17,000	6,365	10,900	10,000	10,000	10,000
01 06-02 5823	Metro Act Funds	31,622	33,330	-	31,622	31,622	31,622	31,622
01 06-02 5827	Semta Bus Credits	18,788	13,000	8,744	13,000	12,000	12,000	12,000
01 06-02 5829	Seniors Revenue	26,217	35,000	22,206	35,000	35,000	35,000	35,000
01 06-02 5833	Passport Revenue	18,508	15,000	12,890	15,000	17,350	17,350	17,350
01 06-02 5834	Gas Rebate	123	-	321	321	275	275	275
01 06-02 5835	Fire Revenue	8,537	8,500	-	8,500	-	-	-
01 06-02 5836	Insurance Loss Payment-Retention	346	-	-	-	-	-	-
01 06-02 5837	Police Revenue	26,744	20,200	16,269	21,600	21,600	21,600	21,600
01 06-02 5839	Insurance Loss Payment	7,855	-	6,547	6,547	6,500	6,500	6,500
01 06-02 5842	Community Policing Grant	627	-	-	-	-	-	-
01 06-02 5845	West Nile Virus Reimb	-	-	2,182	2,182	-	-	-
01 06-02 5847	Oth Gov - WWOCA	20,000	20,000	10,000	20,000	20,000	20,000	20,000
01 06-02 5848	Showcase Revenue	-	5,300	-	5,300	-	-	-
01 06-02 5851	Revenue Cost Recovery	5,000	8,000	8,266	8,300	8,300	8,300	8,300
01 06-02 5853	Prisoner Lodging	8,100	7,000	5,281	9,000	9,000	9,000	9,000
01 06-02 5854	Utility Reimbursement Rev-Fire	4,061	1,500	1,089	1,500	1,500	1,500	1,500
01 06-02 5855	Revenue Compost Site	8,547	10,000	10,320	10,320	12,000	12,000	12,000
01 06-02 5856	Utility Reimbursement Rev-DPW	516	700	529	700	700	700	700
01 06-02 5857	Utility Reimb Revenue-Gene	1,020	1,020	1,020	1,020	1,020	1,020	1,020
01 06-02 5859	Utility Billing Late Fee	-	20,000	6,938	7,500	7,500	7,500	7,500
01 06-02 5860	AT&T Video Serv Franchise	29,838	18,000	31,567	31,567	31,500	31,500	31,500
01 06-02 5861	AT&T Video Serv InKind PEG	6,714	4,200	7,103	7,103	7,100	7,100	7,100
01 06-02 5862	Fire OpenHouseDonation Rev	3,500	3,000	-	3,000	-	-	-
01 06-02 5863	Rental / User Fees	1,100	1,100	1,100	1,100	1,100	1,100	1,100
01 06-02 5864	Community Foundation Reimb.	422	-	-	-	-	-	-
01 06-02 5866	Rental Income - Fire	14,400	14,400	9,600	14,400	14,400	14,400	14,400
01 06-02 5867	Police Records Mngt Income	-	-	8,722	17,400	17,400	17,400	17,400
CATEGORY TOTAL		773,445	790,050	475,228	841,179	799,467	796,467	821,467
INTERFUND TRANSFERS								
01 08-00 5914	Contribution DDA	-	-	-	-	-	-	-
01 08-00 5910	Contribution Library	64,747	70,000	42,223	65,000	65,000	65,000	65,000
01 08-00 5916	Major Road Fund Transfer	473,414	470,106	207,119	470,106	480,421	487,532	494,748
01 08-00 5917	Local Road Fund Transfer	203,898	200,844	88,739	200,844	207,110	210,373	213,687
01 08-00 5925	Contribution Local Road Cap Prog	-	50,000	33,333	50,000	50,000	50,000	50,000
01 08-00 5926	Contribution - Bikepath	-	-	-	-	38,096	-	-
01 08-00 5929	Budget Stabilization Fund Transfer	591,441	259,904	259,904	259,904	600,508	523,298	-
01 08-00 5934	Solid Waste Contribution	-	-	-	-	8,000	8,000	8,000
01 08-00 5940	Special Agency Fund	11,884	-	-	-	-	-	-
01 08-00 5960	Contribution Water	173,891	175,630	117,087	175,630	175,630	178,264	180,938
01 08-00 5961	Contribution Wastewater	173,891	175,630	117,087	175,630	175,630	178,264	180,938
CATEGORY TOTAL		1,693,166	1,402,114	865,492	1,397,114	1,800,395	1,700,731	1,193,311
DEPARTMENTAL TOTAL		9,569,566	8,978,568	7,338,933	9,152,396	9,228,037	9,017,684	8,647,332

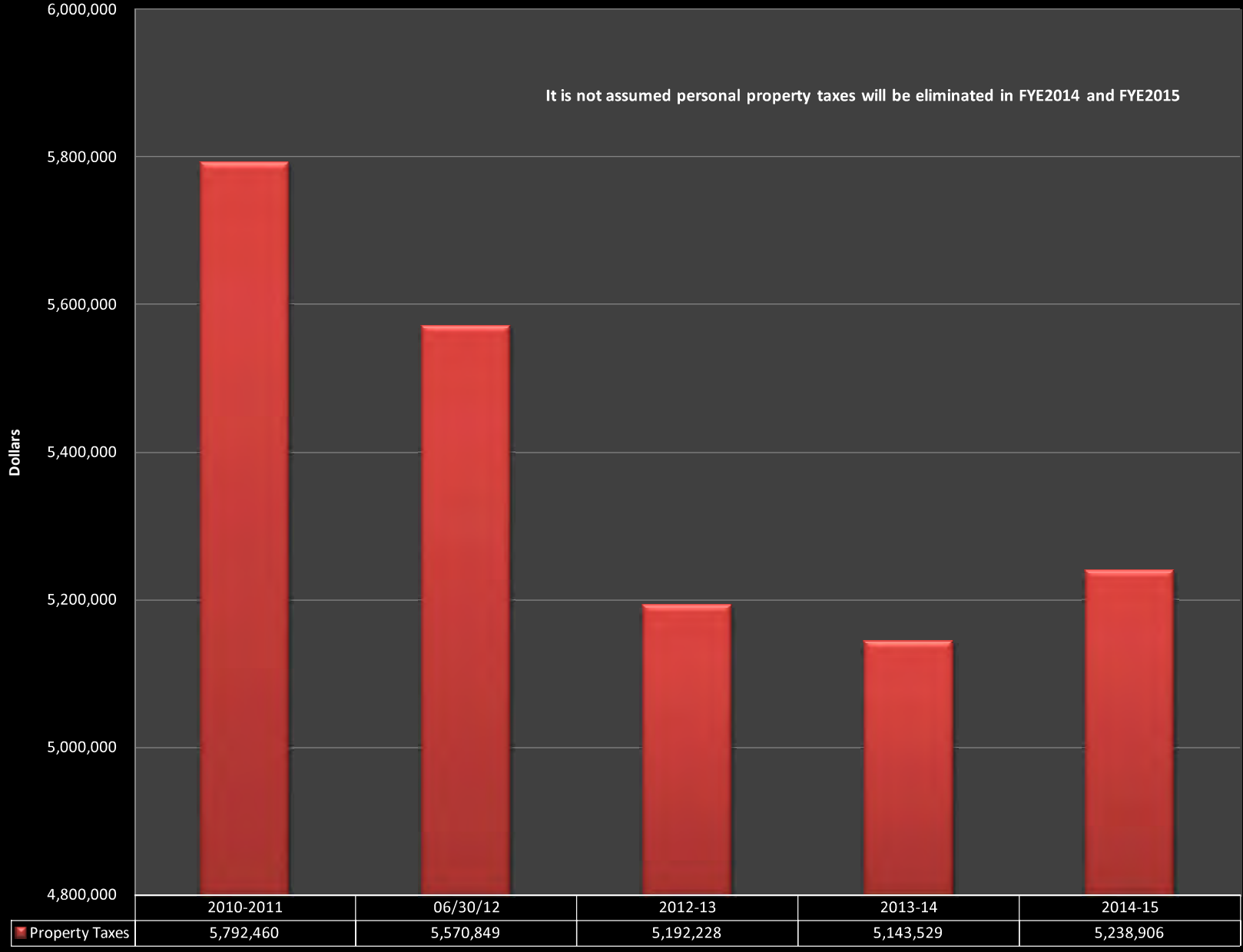
City of Wixom - General Fund Revenues and Expenditures FYE2011 to FYE2015



	2010-2011	06/30/12	2012-13	2013-14	2014-15
◆ Revenues	9,569,566	9,152,396	9,228,037	9,017,684	8,647,332
■ Expenditures	9,070,357	9,485,887	9,228,037	10,739,837	10,747,894
▲ Bdgt Stab Contrb	591,441	259,904	600,508	523,298	-

City of Wixom - Estimated General Fund Property Taxes FYE2011-FYE2015

It is not assumed personal property taxes will be eliminated in FYE2014 and FYE2015



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GENERAL FUND

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: City Council

PROGRAM # 14-10

PROGRAM DESCRIPTION:

The Wixom City Council is comprised of the Mayor and six City Council members. The Mayor is elected for a two-year term and serves as the chairperson for the City Council. The members of the Council are elected at large and serve four-year overlapping terms. The City Council is responsible for making policy, promulgating legislation, adopting a budget and levying taxes. The City Council also selects the City Manager who is the chief administrative officer of the City.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Oversee the use of community resources including taxes, infrastructure and environmental resources.
- Establish community-wide goals and objectives to provide direction for the City Administration.
- Ensure that City services are provided in a responsive and cost effective manner.
- Enhance communications with Boards/Commissions, neighboring communities and agencies.

BUDGET HIGHLIGHTS:

No significant changes or highlights to note.

DEPT - CITY COUNCIL
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CURRENT BUDGET		ACTUAL	EST.	CITY	CITY	CITY
		2010-2011	2011-12	8 MTH 02/29/12	06/30/12	COUNCIL 2012-13	PROJECTION 2013-14	PROJECTION 2014-15
SALARIES & WAGES		0						-
01 14-10 6000	Salary - Mayor	1,800	1,800	900	1,800	1,800	1,800	1,800
01 14-10 6001	Salaries - City Council	9,000	9,000	4,500	9,000	9,000	9,000	9,000
01 14-10 7002	Fringes - Mayor	138	138	69	138	138	138	138
01 14-10 7001	Fringes - City Council	689	688	344	688	688	688	688
CATEGORY TOTAL		11,627	11,626	5,813	11,626	11,626	11,626	11,626
PROFESSIONAL & CONTRACTUAL								
01 14-10 8100	City Council Expense	3,040	4,250	454	4,000	4,000	4,000	4,000
01 14-10 8200	Conf.& Workshops	574	1,500	1,635	1,635	-	1,500	1,500
01 14-10 9201	Awards & Plaques	-	250	-	250	250	250	250
CATEGORY TOTAL		3,614	6,000	2,089	5,885	4,250	5,750	5,750
DEPARTMENTAL TOTAL		15,241	17,626	7,902	17,511	15,876	17,376	17,376

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: City Manager

PROGRAM # 14-12

PROGRAM DESCRIPTION:

This program contains resources enabling the City Manager to undertake the goals and implement the policies of the City Council. The City Manager is the chief administrative officer of the City, appointed by the City Council and serves at their pleasure. The City Manager is responsible for making recommendations to the City Council on policy and service matters; for implementing and administering those policies, programs and ordinances adopted by the City Council; for promoting high standards of ethics, professionalism, integrity and responsiveness throughout the City organization.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Strengthen business environment and opportunities:
 - Business Forum and Website
 - Marketing and promotions
 - Economic Development Strategy (EDA Grant)

- Strengthen residential environment and opportunities:
 - Code Enforcement

- Maximize use of City assets:
 - Intellectual/human resources
 - Infrastructure
 - Equipment resources
 - Regionalization and shared services

- Develop financial strategy for addressing economic condition:
 - Three-Year Budget
 - Update Fiscal Action Plan including Legacy Costs Review

BUDGET HIGHLIGHTS:

01 14-12 6814 Sick Pay-Assistant City Manager: Account reflects an increase due to sick time pay starting FYE 2012.

01 14-12 7014 Fringes-Assistant City Manager: Account reflects decrease due to changing family conditions.

CAPITAL IMPROVEMENT HIGHLIGHTS:

01 14-12 9814 EDA Economic Development Strategy: EDA's Economic Development Grant cost is \$135,000 from which \$87,375 will be offset by the grant award. The remaining cost of \$39,750 is in-kind services with a \$47,625 in cash expenditure.

DEPT - CITY MANAGER
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	Original	Original
							CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
SALARIES & WAGES								
01 14-12 6011	Salary - City Manager	109,687	109,687	71,718	109,687	109,687	109,687	109,687
01 14-12 6012	Wage - Admin. Assist. (Note 1)	49,214	49,214	32,178	49,214	49,214	49,214	49,214
01 14-12 6013	Wage - Admin. Secretary	38,882	38,883	25,423	38,883	38,883	38,883	38,883
01 14-12 6014	Salary - Assist. City Manager	92,712	92,712	60,619	92,712	92,712	92,712	92,712
01 14-12 6111	Deferred Compensation	10,969	10,969	7,172	10,969	10,969	10,969	10,969
01 14-12 6213	Overtime	45	-	90	90	-	-	-
01 14-12 6811	Sick Pay - City Manager	3,887	4,177	-	4,177	4,177	4,177	4,177
01 14-12 6814	Sick Pay - Asst City Manager	-	-	-	1,497	3,209	3,209	3,209
01 14-12 7011	Fringes - City Manager	48,064	49,466	32,618	49,522	52,041	52,977	53,978
01 14-12 7012	Fringes - Admin. Assist.	27,126	29,008	20,805	30,146	31,743	32,869	34,012
01 14-12 7013	Fringes - Admin. Secretary	28,008	28,730	20,885	29,835	31,518	32,783	34,087
01 14-12 7014	Fringes - Assist. City Manager	44,391	45,077	30,790	45,286	43,970	45,721	47,560
01 14-12 7040	Fringes - HRA Expense	11,235	5,900	3,469	5,900	-	-	-
CATEGORY TOTAL		464,220	463,823	305,767	467,918	468,122	473,200	478,488
PROFESSIONAL & CONTRACTUAL								
01 14-12 8111	City Manager Expense	232	500	124	500	500	500	500
01 14-12 8211	Conf.& Workshops-City Manager	393	500	371	500	-	500	500
01 14-12 8230	Education & Training-City Mgr	323	500	369	500	-	500	500
01 14-12 8300	Consultants & Personnel	5,553	5,000	-	3,750	5,000	5,000	5,000
01 14-12 8900	Dues and Memberships	2,136	1,225	962	2,102	2,150	2,150	2,150
01 14-12 8901	City Car Lease Agreement	1,155	-	-	-	-	-	-
01 14-12 8902	Vehicle Allowance	10,000	12,000	8,000	12,000	12,000	12,000	12,000
CATEGORY TOTAL		19,792	19,725	9,826	19,352	19,650	20,650	20,650
OPERATING SUPPLIES								
01 14-12 8500	Office Supplies - City Mgr	2,204	2,400	1,102	2,400	2,400	2,400	2,400
01 14-12 8501	Publication & Printing	538	500	59	500	500	500	500
01 14-12 8505	Copier Maint & Supplies	948	1,150	846	1,150	1,150	1,265	1,265
CATEGORY TOTAL		3,690	4,050	2,007	4,050	4,050	4,165	4,165
MAINTENANCE & REPAIRS								
01 14-12 9700	Office Maintenance	-	100	-	100	-	100	100
CATEGORY TOTAL		-	100	-	100	-	100	100
CAPITAL OUTLAY								
01 14-12 9800	Office Equipment-City Mgr	145	300	-	300	-	200	200
CATEGORY TOTAL		145	300	-	300	-	200	200
DEPARTMENTAL TOTAL		487,847	487,998	317,600	491,720	491,822	498,315	503,603

Note 1: Personnel position maybe placed in pooled resources and duties may be allocated to other Dept.

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Assessor

PROGRAM # 14-14

PROGRAM DESCRIPTION:

Beginning in FY 2010-2011, the City contracted with Oakland County Equalization Department to provide assessing services for the City. As the City's consultant, Oakland County is responsible for preparation and coordination of the City's real and personal property tax rolls and any special assessment rolls as may be required.

The City will continue to provide staff and personalized service for residents and property owners. This is to include being liaison with the Board of Review, coordinating the State's homestead exemption program on the local level, reviewing Property Transfer Affidavits, and assisting all City departments in matters relative to planning, land acquisition, tax abatement review, GIS/ mapping and other matters.

Assessing staff also assists the Clerk's Office wherever necessary. Both Assessing and the Clerk's Office staff are cross-trained to the extent possible.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Review assessing services with Oakland County, as our three-year contract will be up for renewal for the 2013-2014 fiscal year.
- Due to the fact that this is a Presidential election year, Assessing staff assistance to the Clerk's Office for the first half of the fiscal year will be a priority.
- Organize and prepare historical assessing data for offsite storage.
- During this present fiscal year, Assessing Technician took on the responsibility of entering all data into the Business Development database. This will be an ongoing project which will service all departments.
- Assist with the overall review of the City's GIS Program and vendor performance evaluation.

BUDGET HIGHLIGHTS:

No significant changes or highlights to note.

DEPT - ASSESSOR
 FUND - GENERAL FUND
 DATE May 8, 2012

							Original	Original
ACCOUNT	ACCOUNT CATEGORY &	CURRENT	ACTUAL	EST.	CITY	CITY	CITY	
NUMBER	ACCOUNT NAME	ACTUAL	BUDGET	8 MTH	ACTUAL	COUNCIL	PROJECTION	PROJECTION
		2010-2011	2011-12	2/29/12	6/30/12	2012-13	2013-14	2014-15
SALARIES & WAGES								
01 14-14 6013	Wage-Assessing Tech	41,663	41,663	27,241	41,663	41,663	41,663	41,663
01 14-14 6222	Overtime	489	350	80	430	300	400	400
01 14-14 7013	Fringes-Assessing Tech	24,848	26,545	17,726	26,072	27,532	28,517	29,518
CATEGORY TOTAL		67,000	68,558	45,047	68,165	69,495	70,580	71,581
PROFESSIONAL & CONTRACTUAL								
01 14-14 8100	Assessing Expense	232	250	236	250	250	250	250
01 14-14 8103	Contractual Services	81,083	83,084	-	83,084	83,084	83,084	83,084
01 14-14 8230	Education & Training	267	500	603	603	300	500	500
01 14-14 8307	CAD/GIS Expenditure	7,997	7,000	3,291	7,000	4,500	7,000	7,000
01 14-14 8600	Data Processing	2,383	2,700	-	2,700	2,700	2,700	2,700
CATEGORY TOTAL		91,962	93,534	4,130	93,637	90,834	93,534	93,534
OPERATING SUPPLIES								
01 14-14 8500	Office Supplies	322	400	6	156	150	200	200
01 14-14 8506	Copier Supplies/Maint	300	300	270	295	300	300	300
01 14-14 8603	Computer Supplies	386	200	11	161	200	200	200
CATEGORY TOTAL		1,008	900	287	612	650	700	700
DEPARTMENTAL TOTAL		159,970	162,992	49,464	162,414	160,979	164,814	165,815

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Building Department

PROGRAM # 14-24

PROGRAM DESCRIPTION:

The Building Department is responsible for ensuring that all work performed for new construction, rehabilitation and demolition is carried out with the materials and methods that conform to approved site plans and the appropriate federal, state and local building codes including the review of plans and permit applications for building, electrical, plumbing, mechanical, sewers, signs, and other permits required by the City, as well as obtaining required easements. The Building Department is also responsible for all coordination and administration of the Planning Commission, Zoning Board of Appeals, Construction Board of Appeals, Property Maintenance and Code Enforcement. The Staff routinely provides data and reports to City departments and represents the City in meetings with developers and landowners regarding future land development.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Review building permit and planning processes and seek means and methods to improve efficiencies and responsiveness; i.e. One Stop Ready.
- Review of contractual services to ensure fiscal responsibility and quality service.
- Annual review of department permits fees.
- Perform an increased level of in-house plan reviews to reduce cost of doing business in the City.
- Investigate feasibility of a housing certification program at time of sale.
- Continue implementation of the Residential Rental Licensing Program.

BUDGET HIGHLIGHTS:

01 14-24 6022 Wage-Bldg. Secretary: Of the two (2) Secretaries assigned to the Building Department one will be assigned to the Fire Department 50% of the time.

01 14-24 7022 Fringes- Bldg. Secretary: Of the two (2) Secretaries assigned to the Building Department one will be assigned to the Fire Department 50% of the time.

01 14-24 8301 Hearing Officer: Funding for this line item has been eliminated. It is used to fund a hearing officer typically associated with dangerous building matters.

CAPITAL IMPROVEMENT HIGHLIGHTS:

01 14-24 8602 Computer Software & Supplies: Upgrade of the Permit System Software in FY 2012-2013 (\$2,400)

DEPT - BUILDING
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CURRENT ACTUAL				EST. CITY COUNCIL	CITY	
		ACTUAL 2010-2011	BUDGET 2011-12	8 MTH 02/29/12	ACTUAL 06/30/12		PROJECTION 2012-13	PROJECTION 2013-14
SALARIES & WAGES								
01 14-24 6011	Salary - Building Official	78,854	78,854	51,558	78,854	78,854	78,854	78,854
01 14-24 6012	Wage - Bdg Inspect/Code Enf	57,848	57,848	37,823	57,848	57,848	57,848	57,848
01 14-24 6022	Wage - Building Sec (1.50 FT, Fire .50)	84,474	84,394	53,352	84,394	63,296	84,394	84,394
01 14-24 6212	Overtime -- Bldg Inspector	467	1,750	-	1,750	1,750	1,750	1,750
01 14-24 6222	Overtime	-	1,000	-	1,000	1,000	1,000	1,000
01 14-24 6811	Sick Pay-Building Official	1,890	2,805	-	2,730	2,730	2,730	2,730
01 14-24 6822	Sick Pay-Secretarial	-	1,495	-	1,455	1,455	1,455	1,455
01 14-24 7011	Fringes - Building Official	37,100	37,661	26,652	39,128	41,028	42,097	43,241
01 14-24 7012	Fringes - Building Inspector	30,713	31,492	22,809	32,728	34,387	35,523	36,666
01 14-24 7022	Fringes - Building Sec (1.50 FT, Fire .50)	31,642	33,066	21,826	32,785	26,877	37,097	38,016
01 14-24 7040	Fringes - HRA Expense	3,801	2,200	1,267	2,200	-	-	-
CATEGORY TOTAL		326,789	332,565	215,287	334,872	309,225	342,748	345,953
PROFESSIONAL & CONTRACTUAL								
01 14-24 8001	Contractual Plumbing Inspector Fee	6,435	7,500	5,914	7,500	7,500	7,500	7,500
01 14-24 8002	Contractual Electrical Inspector Fee	17,699	18,000	12,185	18,000	18,000	18,000	18,000
01 14-24 8003	Contractual Heating Inspector Fee	15,475	15,000	9,340	15,000	15,000	15,000	15,000
01 14-24 8006	Contractual Building Inspector	12,000	27,000	5,161	25,000	27,000	27,000	27,000
01 14-24 8007	Contractual Plan Review	17,196	15,000	10,423	15,000	15,000	15,000	15,000
01 14-24 8105	Bldg. Inspector & Code Enf. Exp.	403	520	-	520	125	520	520
01 14-24 8111	Building Official Expense	28	250	-	250	125	250	250
01 14-24 8211	Conf.& Workshops-Building	306	1,000	155	1,000	-	1,000	1,000
01 14-24 8230	Education & Training-Building	1,469	2,000	255	2,000	1,750	2,000	2,000
01 14-24 8301	Hearing Officer	-	500	-	500	-	500	500
01 14-24 8602	Computer Software & Supplies	760	1,000	770	1,000	1,000	1,000	1,000
01 14-24 8900	Dues & Subscriptions	585	990	125	990	600	990	990
01 14-24 9000	Telephone	850	1,750	455	1,750	1,750	1,750	1,750
CATEGORY TOTAL		73,206	90,510	44,783	88,510	87,850	90,510	90,510
OPERATING SUPPLIES								
01 14-24 8500	Office Supplies - Building	943	1,500	342	1,500	1,500	1,500	1,500
01 14-24 8501	Publication & Printing-Bldg.	949	950	157	950	950	950	950
01 14-24 8503	Gas & Oil - Building	2,182	3,160	1,636	2,805	3,069	3,264	3,459
01 14-24 8506	Copier Supplies/Maint	2,379	2,000	-	2,000	2,000	2,000	2,000
CATEGORY TOTAL		6,453	7,610	2,135	7,255	7,519	7,714	7,909
MAINTENANCE & REPAIRS								
01 14-24 9705	Vehicle Maintenance-Building	1,138	1,900	20	1,900	1,900	2,000	2,000
CATEGORY TOTAL		1,138	1,900	20	1,900	1,900	2,000	2,000
DEPARTMENTAL TOTAL		407,586	432,585	262,225	432,537	406,494	442,971	446,372

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Legal Assistance

PROGRAM # 14-26

PROGRAM DESCRIPTION:

The City Attorneys serve as the legal advisor to the City. The duties of the office include providing legal opinions on issues facing the City, preparing and reviewing proposed City legislation for appropriateness and prosecuting violations of City ordinances.

BUDGET HIGHLIGHTS:

01 14-26 8700 Litigation: This line item is based on City staff's assessment of the probability of litigation.

01 14-26 8703 City Attorney: This line item is used for attendance, and attorney preparation for City Council meetings and for other miscellaneous legal needs. City Attorney attends City Council meetings only as necessary.

DEPT - LEGAL ASSISTANCE
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT	ACTUAL	EST.	CITY	Original	Original
			BUDGET 2011-12	8 MTH 02/29/12	ACTUAL 06/30/12	COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
PROFESSIONAL & CONTRACTUAL								
01 14-26 8001	Labor Relations Counsel	1,623	2,500	1,624	2,500	2,500	2,500	2,500
01 14-26 8002	Labor Negotiations	1,195	1,000	-	1,000	2,000	4,000	2,000
01 14-26 8700	Litigation	-	7,000	-	7,000	7,000	7,000	7,000
01 14-26 8701	Tax Litigation	14,880	17,500	117	117	5,500	5,500	5,500
01 14-26 8702	Prosecution	23,817	30,000	18,769	30,000	28,450	30,000	30,000
01 14-26 8703	City Attorney-Meetings\Misc.	18,044	15,000	3,414	10,000	13,450	15,000	15,000
CATEGORY TOTAL		59,559	73,000	23,924	50,617	58,900	64,000	62,000
DEPARTMENTAL TOTAL		59,559	73,000	23,924	50,617	58,900	64,000	62,000

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Clerks

PROGRAM # 14-28

PROGRAM DESCRIPTION:

The City Clerk is the custodian of official City records and documents, including contracts, resolutions, board and commission minutes, deeds, easements and ordinances. The City Clerk prepares Council agendas and meeting packets and assumes the responsibility for transcribing minutes and certifying official actions of the City Council. Office duties include maintenance of cemetery records and the sale of burial spaces in the Wixom Cemetery. As chief election official of the City, the City Clerk is responsible for updating and maintaining voter registration records on a daily basis, coordinating elections and training election inspectors. City departments' office supplies are ordered, maintained and dispensed by the City Clerk's Office. Liquor license and tax abatement applications are handled by the City Clerk in conjunction with the State of Michigan, and Oakland County dog licenses are issued by this Office. Additionally, the City Clerk's Office is a Passport Acceptance Facility and the staff members in this office work closely with the U.S. Department of State in this regard.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Continue to provide information to the public, other departments and the City Council by efficiently maintaining a complete and accurate record of all City Council business transactions.
- Continue to render Clerk and Assessing-related services to all members of the public.
- Provide accurate and efficient technological record-keeping, retention and tracking.
- Keep up to date with the State's changes to election laws during the administration of the Primary and Presidential Elections.
- Work closely with the U.S. Department of State with regard to the ever-changing acceptance and processing of passport applications.
- Provide for several Passport Day "Saturdays" to expand access to this service and increase revenue in the Department.
- Ongoing education of both the Clerk and Deputy Clerk; but, in particular, attendance at educational classes by the Deputy Clerk as she strives to attain her Master Municipal Clerk (MMC) status.

BUDGET HIGHLIGHTS:

01 14-28 8001 Election Salaries: Additional funds are proposed in FY 2012/13 year for the 2012 Presidential elections. A cap has been placed on the election workers pay. They will now be paid the same rate of pay, whether it is a local election or a presidential election.

DEPT - CLERK
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CURRENT ACTUAL		EST.	CITY	CITY	CITY	
		ACTUAL BUDGET	8 MTH	ACTUAL	COUNCIL	PROJECTION	PROJECTION	
		2010-2011	2011-12	02/29/12	06/30/12	2012-13	2013-14	2014-15

SALARIES & WAGES

01 14-28 6011	Salary - Clerk	58,061	58,062	33,218	58,062	58,062	58,062	58,062
01 14-28 6013	Wage - Deputy Clerk	42,084	42,084	27,516	42,084	42,084	42,084	42,084
01 14-28 6080	Part-Time Help	116	1,000	162	1,000	-	1,000	1,000
01 14-28 6213	Overtime - Deputy Clerk	193	300	258	300	-	300	300
01 14-28 6811	Sick Time Pay - Clerk	1,744	16,469	14,404	14,404	-	-	-
01 14-28 7011	Fringes - Clerk	30,978	59,506	49,129	57,929	28,501	29,722	31,026
01 14-28 7013	Fringes - Deputy Clerk	18,037	18,500	9,996	18,982	19,288	19,368	19,402
01 14-28 7040	Fringes - HRA Expense	2,138	2,500	1,442	2,500	-	-	-
01 14-28 7080	Fringes-Part-time	9	230	-	230	-	230	230
	CATEGORY TOTAL	153,360	198,651	136,125	195,491	147,935	150,766	152,104

PROFESSIONAL & CONTRACTUAL

01 14-28 8001	Election Salaries	10,277	7,200	4,183	8,500	10,500	8,500	12,500
01 14-28 8101	Election Expense	4,650	4,000	1,945	4,000	5,000	5,000	5,000
01 14-28 8111	Clerk Expense	305	250	183	250	250	250	250
01 14-28 8211	Conf. & Workshops-Clerk	758	1,250	155	1,250	-	1,250	1,250
01 14-28 8230	Education & Training-Clerk	218	600	580	600	600	600	600
01 14-28 8300	Consultants & Personnel	1,380	1,200	-	1,200	1,200	1,200	1,200
01 14-28 8600	Computer Software	-	150	-	150	-	-	-
01 14-28 8900	Memberships & Dues	360	360	360	360	360	360	360
	CATEGORY TOTAL	17,948	15,010	7,406	16,310	17,910	17,160	21,160

OPERATING SUPPLIES

01 14-28 8500	Office Supplies - Clerk	2,886	3,000	1,637	3,000	3,000	3,000	3,000
01 14-28 8501	Publication & Printing-Clerk	4,236	4,000	2,093	5,000	4,500	5,000	5,000
	CATEGORY TOTAL	7,122	7,000	3,730	8,000	7,500	8,000	8,000

CAPITAL OUTLAY

01 14-28 9800	Office Equipment	561	-	-	-	-	-	-
01 14-28 9801	Office Furniture	-	-	-	-	-	-	-
	CATEGORY TOTAL	561	-	-	-	-	-	-

DEPARTMENTAL TOTAL

178,991	220,661	147,261	219,801	173,345	175,926	181,264
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**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Information Systems

PROGRAM # 14-30

PROGRAM DESCRIPTION:

The Information Systems Department is responsible for the maintenance, updating and implementation of computer systems for the City, including all software and hardware updates and maintenance tasks. The City utilizes an outside consultant to assist in performing computer system administration.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Continue to examine usefulness of cloud computing adoption for the City.
- Continue to implement student Information Technology part-time program.
- Continue to complete change over to Gigabit speed for City Hall Network.
- Continue to coordinate hardware and software connection with OakNet (Oakland County Network) to provide Clemis, GIS, Property Tax and Assessing, Telnet, Internet and e-mail services.
- Examine the use of Google Applications or Open Source Office with the elimination of Microsoft Office due to application costs.
- Continue to coordinate and complete second year of website with Civic Plus.
- Assist GIS consultant to provide the necessary network facilities for GIS effort.
- Add additional nodes/workstations as needed by departments and assist departments in computer matters.
- Further complete upgrade from Windows Servers 2003 to Windows Servers 2008.
- Examine adoption of email cloud services and change over from Microsoft Exchange email.
- Annual Update/upgrade software on City Network.
- Continue to examine virtualization on City servers.
- Continue to assist in computerization of Document Imaging using OnBase by planning and implementing OnBase within additional departments.
- Continue to examine and expand on the use of Voice-Over-Internet-Protocol (VoIP) with the City's current phone system.

BUDGET HIGHLIGHTS:

01 14-30 6080 Part-Time Help: Reallocated 50% part-time help to Information Systems while reducing Consultant hours and cost and begin implementation of student Information Technology part-time program.

01 14-30 8604 Support Contract Website: Annual maintenance and support contract with CivicPlus for the City's new website.

01 14-30 8300 Consultant-System Administration: This line item reflects a reduction in budget attributable to an increase utilization of "Student and Intern" services rather than outside company.

CAPITAL IMPROVEMENT HIGHLIGHTS:

11 14-32 9820 Computer Equipment: Purchase upgrades for City Servers and Workstations (\$7,500).

DEPT - INFORMATION SYSTEMS
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CURRENT ACTUAL			EST.	CITY	CITY	CITY
		ACTUAL 2010-2011	BUDGET 2011-12	8 MTH 02/29/12	ACTUAL 06/30/12	COUNCIL 2012-13	PROJECTION 2013-14	PROJECTION 2014-15

PROFESSIONAL & CONTRACTUAL

01 14-30 6080	Part-Time Help Wages	10,260	21,000	12,595	21,000	21,000	21,000	21,000
01 14-30 7080	Part-Time Help Fringes	850	1,607	964	1,607	1,607	1,607	1,607
01 14-30 8300	Consultant - System Admin	92,456	74,880	49,435	74,880	68,276	74,880	74,880
01 14-30 8600	Data Processing - Maintenance	9,171	9,000	5,802	9,000	9,000	9,000	9,000
01 14-30 8601	Data Processing - Contractual	7,528	8,000	5,438	8,000	8,000	8,000	8,000
01 14-30 8602	Data Processing - Update	10,604	10,000	199	10,000	10,000	10,000	10,000
01 14-30 8603	Data Processing - Internet	3,596	4,000	1,277	4,000	4,000	4,000	4,000
01 14-30 8604	Support Contract - Website	-	3,420	3,420	3,420	3,591	3,771	3,959
CATEGORY TOTAL		134,465	131,907	79,130	131,907	125,474	132,258	132,446
DEPARTMENTAL TOTAL		134,465	131,907	79,130	131,907	125,474	132,258	132,446

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Financial Administration

PROGRAM # 14-31

PROGRAM DESCRIPTION:

The Financial Administration Department is responsible for the collection and disbursement of all City funds and maintenance of the City's financial records. These responsibilities include preparation and management of the City's budget, payment of accounts payable, issuing property tax bills, receiving tax payments, preparing City payrolls and providing management financial reports.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Assist Financial Action Task Force.
- Continue to provide review options for pooled insurance for health insurance.
- Upgrade American Fundware modules.
- Examine Munetrix for Transparency and Accountability Requirements.
- Continue preparing Comprehensive Annual Financial Report with annual audit for FY2012.
- Prepare for annual audit and work with auditors on Governmental Accounting Standards Board new pronouncements, including preparation for Federal and State Single Audit requirements.
- Record-keeping/tax matters/and reporting for Wixom Community Foundation.
- Billing and collection of Recycling and all other tax related collections and disbursements for other local governmental units.
- Administration and record-keeping of Health Reimbursement Accounts.
- Complete MMRMA Insurance Renewal and review of monthly insurance loss reports.
- Implement GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definition changes.
- Continue to implement and connect with payroll the "Workplace Benefits" program.
- Provide IFT reports and scenarios for Tax Abatement Committee.
- Continue the further implementation of Document Imaging within the Finance Department using OnBase.
- Continue implementation of Web-Reporter for AFW and self-sealing check format for Accounts Payable and Payroll.
- Update Five-Year Fiscal Action Plan.
- Implementation of Multi-Year Budget – 3 Years.
- Preparation of Citizen's Guide to Financial Health as proposed as part of the requirements for State Shared Revenue by State of Michigan.
- Preparation of Dashboard and Scorecard in accordance with requirements stipulated as part of the requirements for State Shared Revenue by State of Michigan including Public Tableau and BS&A.

BUDGET HIGHLIGHTS:

01 14-31 6080 Part-Time Help: Due to budget reduction request the position is eliminated with duties and responsibilities assigned to other departmental positions.

DEPT - FINANCIAL ADMIN.
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	COUNCIL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
SALARIES & WAGES								
01 14-31 6011	Salary - Financial Director	87,915	87,915	57,483	87,915	87,915	87,915	87,915
01 14-31 6013	Wage - Deputy Treasurer	57,551	57,552	37,630	57,552	57,552	57,552	57,552
01 14-31 6025	Wage - Account Clerk 1	42,237	42,197	26,676	42,197	42,197	42,197	42,197
01 14-31 6026	Wage - Account Clerk	42,237	42,197	26,676	42,197	42,197	42,197	42,197
01 14-31 6080	Part-Time Accounting Clerk	10,261	10,500	6,373	10,500	-	10,500	10,500
01 14-31 6213	Overtime - Deputy Treasurer	2,490	2,500	2,003	2,500	2,500	2,500	2,500
01 14-31 6222	Overtime	913	1,000	861	1,000	1,000	1,000	1,000
01 14-31 6811	Sick Pay	2,953	3,043	-	3,043	3,043	3,043	3,043
01 14-31 7011	Fringes - Financial Director	42,862	43,257	30,204	44,908	47,045	48,266	49,570
01 14-31 7013	Fringes - Deputy Treasurer	32,743	34,779	22,915	30,751	32,398	33,400	34,401
01 14-31 7025	Fringes- Account Clerk 1	25,865	28,184	19,196	27,393	30,379	31,600	32,861
01 14-31 7026	Fringes - Account Clerk	26,424	28,464	18,512	27,113	30,099	31,320	32,581
01 14-31 7040	Fringes-HRA Expense	20,960	12,000	6,997	12,000	-	-	-
01 14-31 7080	Fringes - Part Time	786	803	488	803	-	803	803
CATEGORY TOTAL		396,197	394,391	256,014	389,870	376,324	392,291	397,119
PROFESSIONAL & CONTRACTUAL								
01 14-31 8111	Financial Admin. Expense	457	450	400	450	250	450	450
01 14-31 8211	Conf.& Workshops-Fin. Admin.	106	400	155	400	-	400	400
01 14-31 8230	Education & Training-Fin.Admin	780	750	274	750	750	750	750
01 14-31 8300	Consultants & Personnel-Fin.Ad	685	1,500	450	1,500	1,500	1,500	1,500
01 14-31 8600	Data Processing - Fin. Admin.	943	1,500	681	1,500	1,500	1,500	1,500
01 14-31 8601	Oakland County Data Processing	1,044	1,600	994	1,600	1,600	1,600	1,600
01 14-31 8604	Data Processing - Tax Collection	9,330	6,000	4,319	6,000	6,000	6,000	6,000
01 14-31 8900	Memberships & Dues	915	900	785	900	900	900	900
CATEGORY TOTAL		14,260	13,100	8,058	13,100	12,500	13,100	13,100
OPERATING SUPPLIES								
01 14-31 8500	Office Supplies - Fin. Admin.	3,023	3,200	1,667	3,200	3,200	3,200	3,200
CATEGORY TOTAL		3,023	3,200	1,667	3,200	3,200	3,200	3,200
CITY AUDIT FEE								
01 14-31 8800	Audit Fee - General	10,000	10,190	10,190	10,190	10,383	10,581	10,782
CATEGORY TOTAL		10,000	10,190	10,190	10,190	10,383	10,581	10,782
MAINTENANCE & REPAIRS								
01 14-31 8602	Computer Maintenance-Fin.Admin	8,706	8,214	8,214	8,214	8,378	8,546	8,717
01 14-31 8603	Computer Programming-Fin.Admin	536	1,000	-	1,000	1,000	1,000	1,000
CATEGORY TOTAL		9,242	9,214	8,214	9,214	9,378	9,546	9,717
DEPARTMENTAL TOTAL		432,722	430,095	284,143	425,574	411,786	428,718	433,917

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: General Operating

PROGRAM # 14-32

PROGRAM DESCRIPTION:

This program contains resources for the operation of the City Hall and reflects the centralization of certain expense categories associated with the delivery of City services. In order to keep abreast of new legislation and programs that affect City operations and its citizens, the City participates in SEMCOG (Southeast Michigan Council of Governments), MML (Michigan Municipal League), and LACC (Lakes Area Chamber of Commerce).

BUDGET HIGHLIGHTS:

01 14-32 6911 Wage and Salary – Non-Union: This line item provides funding for wage and salary adjustments for associated non-union employees. Funding has been eliminated for Fiscal Year 2012-2013.

01 14-32 6914 Wage and Salary - Union: This line item provides funding for wage and salary adjustments for associated union employees. Funding has been eliminated for Fiscal Year 2012-2013.

01 14-32 7040 Fringes – HRA Expense: Estimated claims reimbursements on Health Reimbursement Accounts for full-time City employees. Once claims are incurred fringe budget adjustments will be posted, union and non-union as may be applicable. This budget item will be allocated to the appropriate HRA fringe accounts throughout the year.

01 14-32 8804 Audit Fee – Single Audit: Federal mandate associated with grants.

01 14-32 8512 Postage & Copier – Library: This line item includes funding for postage and copier use by the Library. The Library reimburses the City for these costs.

01 14-32 8900 Memberships – City Hall: This line item includes funds for membership in the Michigan Municipal League, Lakes Area Chamber of Commerce, and the Southeast Michigan Council of Governments.

CAPITAL IMPROVEMENT HIGHLIGHTS:

11 14-32 9820 Computer Equipment: Included in the Capital Improvement program are funds for the acquisition of network and computer upgrades (\$7,500).

DEPT - GENERAL OPERATING
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
OPERATING SUPPLIES								
01 14-32 8503	Gas & Oil - City Hall	925	-	-	-	-	-	-
01 14-32 8504	Postage Expense	15,561	18,000	7,546	18,000	15,500	18,000	18,000
01 14-32 8505	Copier Service & Supplies-Gen.	8,822	11,800	3,219	11,800	9,000	11,800	11,800
	CATEGORY TOTAL	25,308	29,800	10,765	29,800	24,500	29,800	29,800
PROFESSIONAL & CONTRACTUAL								
01 14-32 6911	Wage & Salary - Non-Union	-	-	-	-	-	-	-
01 14-32 6914	Wage & Salary - Union	-	-	-	-	-	-	-
01 14-32 7040	Fringes-HRA Expense	1,290	600	340	600	103,000	110,210	117,925
01 14-32 7041	SB7-Hard Cap/80%/20%					-	(179,207)	(191,508)
01 14-32 8403	Economic Development	1,567	7,500	3,000	7,500	7,500	7,500	7,500
01 14-32 8512	Postage & Copier-Library	295	650	183	650	650	650	650
01 14-32 8513	Comm Center Rental - Libra	1,045	707	845	845	845	845	845
01 14-32 8602	Computer Maintenance	-	500	-	500	-	500	500
01 14-32 8603	Outside Storage	8,632	8,850	5,474	8,850	8,850	8,850	8,850
01 14-32 8604	Record Retention - Maintenance/Support	14,960	15,000	17,570	17,570	17,570	17,570	17,570
01 14-32 8802	Audit Fee - Capital Projects	6,600	6,798	6,798	6,798	6,853	6,983	7,116
01 14-32 8803	Audit Fee - Other	10,682	11,002	11,004	11,004	11,092	11,302	11,517
01 14-32 8804	Audit Fee - Single Audit	-	-	-	-	6,230	6,349	6,469
01 14-32 8805	Audit Fee - GASB 34	5,500	5,665	5,665	5,665	5,711	5,819	5,930
01 14-32 8900	Memberships - City Hall	7,008	7,000	6,786	7,000	7,000	7,000	7,000
01 14-32 8904	Auction Costs	1,170	1,400	-	1,400	1,400	1,400	1,400
01 14-32 8905	Property Tax Refund	(11,761)	-	-	-	-	-	-
01 14-32 9000	Telephone - City Hall	8,762	8,500	3,936	8,500	8,500	8,500	8,500
01 14-32 9601	Natural Gas Expense - General	5,766	5,800	2,388	5,800	5,859	5,918	5,977
01 14-32 9602	Electrical Expense - General	43,577	49,000	20,372	49,000	49,527	50,167	50,807
01 14-32 9604	Water Expense - General	8,066	8,000	5,369	8,000	8,050	8,100	8,150
	CATEGORY TOTAL	113,159	136,972	89,730	139,682	248,637	78,456	75,198
INSURANCE EXPENSE								
01 14-32 9101	Insurance-Workmen's Comp.	80,552	98,717	99,760	99,760	98,753	105,836	109,011
01 14-32 9102	Insurance-Multi-Peril&Gen Liab	188,869	196,166	181,152	196,166	192,166	200,089	204,091
	CATEGORY TOTAL	269,421	294,883	280,912	295,926	290,919	305,925	313,102
MAINTENANCE & REPAIRS								
01 14-32 9700	Office Equipment & Repairs	447	500	-	500	-	500	500
	CATEGORY TOTAL	447	500	-	500	-	500	500
DEPARTMENTAL TOTAL		408,335	462,155	381,407	465,908	564,056	414,681	418,600

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Building Maintenance

PROGRAM # 14-33

PROGRAM DESCRIPTION:

The Department of Public Works is responsible for the day-to-day maintenance of City Hall, DPW Facility, Police Department and Community Center. These responsibilities include general building repairs, light fixture repairs, carpet cleaning, office repairs, drinking fountains, and other repairs to the facilities. Also, this department provides oversight of HVAC, custodial, mechanical and electrical contractors. This program contains contractual costs associated with the maintenance of these facilities.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Contractual review of energy conservation initiative and utilization improvements based upon energy audits.
- Update yearly maintenance contract to include, but not be limited to generator and roof inspections.

BUDGET HIGHLIGHTS:

01 14-33 9707 Building Maintenance - General: This line item provides funding for building maintenance associated with City Hall, the Police Station and related appurtenances. This item was combined with account no. 01 14-33 9708.

01 14-33 9708 Building Maintenance - Other: This line item was combined with account no. 01 14-33 9707.

01 14-33 9710 Building Maintenance - Library: This line item provides funding for maintenance associated with the Library. In accordance with our lease agreement with the Library, a portion of the maintenance expenditures will be reimbursed by the Library.

CAPITAL IMPROVEMENT HIGHLIGHTS:

11 14-32 9840 Other Facility Improvements: This line items provides funds for the repair of internal gutter system and soffits at City Hall building during the FY 2012-2013 (\$15,000).

DEPT - BLDG. MAINTENANCE
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CURRENT ACTUAL			EST.	CITY	CITY	CITY
		ACTUAL 2010-2011	BUDGET 2011-12	8 MTH 02/29/12	ACTUAL 06/30/12	COUNCIL 2012-13	PROJECTION 2013-14	PROJECTION 2014-15
OPERATING SUPPLIES								
01 14-33 8506	Custodial Supplies	500	500	-	500	500	500	500
01 14-33 8507	Lights	3,059	3,060	1,143	2,500	2,500	2,500	2,500
	CATEGORY TOTAL	3,559	3,560	1,143	3,000	3,000	3,000	3,000
PROFESSIONAL & CONTRACTUAL								
01 14-33 9704	Heating & Cooling	5,304	10,000	2,577	10,000	10,000	10,000	10,000
01 14-33 9705	Custodial Services	5,805	6,500	3,080	6,500	6,500	6,500	6,500
	CATEGORY TOTAL	11,109	16,500	5,657	16,500	16,500	16,500	16,500
MAINTENANCE & REPAIRS								
01 14-33 9707	Building Maintenance - General	32,054	31,110	9,461	31,110	31,110	31,110	31,110
01 14-33 9710	Bldg Maintenance-Library	4,002	4,600	1,685	4,600	4,600	4,600	4,600
01 14-33 9711	HVAC - Library	1,949	6,200	2,197	6,200	6,200	6,200	6,200
	CATEGORY TOTAL	38,005	41,910	13,343	41,910	41,910	41,910	41,910
CAPITAL OUTLAY								
01 14-33 9811	Capital Outlay	1,385	-	-	-	-	-	-
	CATEGORY TOTAL	1,385	-	-	-	-	-	-
DEPARTMENTAL TOTAL		54,058	61,970	20,143	61,410	61,410	61,410	61,410

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Cultural Center

PROGRAM # 14-35

PROGRAM DESCRIPTION:

This program consists of the maintenance and operation of the Cultural Center including the management of independent contractors. Full-time personnel assigned to the Cultural Center include the Community Services Director (50%) and the Community Center Supervisor (100%).

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Maximize usage of the Community Center.
- Coordinate annual Homeowners meetings to be held in a specific time frame of year to minimize staffing.
- Provide quality information to residents and businesses regarding the Community Center facility, services, and rental availability via internet web page, email messages, and printed promotional material.
- Create promotional book for rental functions for business and individuals.
- Promote facility rentals electronically.
- Market facility to businesses for meetings.

BUDGET HIGHLIGHTS:

01 14-35 8501 Publication and Printing: This line item reflects a reduction associated with transition to on-line publishing versus printed hard copies.

CAPITAL IMPROVEMENT HIGHLIGHTS:

11 14-35 9807 Cultural Center Improvements: Funding to replace chairs and tables that become damaged or failing due to age for Community Center (\$8,000).

DEPT - CULTURAL CENTER
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CURRENT ACTUAL			EST.	CITY	CITY	CITY
		ACTUAL 2010-2011	BUDGET 2011-12	8 MTH 02/29/12	ACTUAL 06/30/12	COUNCIL 2012-13	PROJECTION 2013-14	PROJECTION 2014-15
SALARIES & WAGES								
01 14-35 6011	Salary-Comm Serv. Dir (50%, P&R 50%)	38,794	38,794	25,365	38,794	38,794	38,794	38,794
01 14-35 6014	Wage - Comm Services Supervisor	49,214	49,214	32,178	49,214	49,214	49,214	49,214
01 14-35 6080	Wage - Monitors	26,029	31,500	12,138	27,000	31,500	31,500	31,500
01 14-35 6222	Overtime	890	1,000	795	1,363	1,000	1,000	1,000
01 14-35 7011	Fringes-Comm Serv. Dir. (50%, P&R 50%)	14,938	14,570	10,153	15,131	15,725	15,959	16,209
01 14-35 7014	Fringes - Comm Center Sup	30,562	31,983	23,329	33,203	34,962	36,239	37,543
01 14-35 7040	Fringes-HRA Expense	2,317	2,200	1,267	2,200	-	-	-
01 14-35 7080	Fringes- Monitors	3,865	5,279	1,964	3,189	5,279	5,279	5,279
CATEGORY TOTAL		166,609	174,540	107,189	170,094	176,474	177,984	179,538
OPERATING SUPPLIES								
01 14-35 8506	Custodial Supplies	588	1,000	50	1,000	1,000	1,000	1,000
01 14-35 8507	Lights bulbs	-	1,000	-	1,000	200	200	1,300
CATEGORY TOTAL		588	2,000	50	2,000	1,200	1,200	2,300
PROFESSIONAL & CONTRACTUAL								
01 14-35 8100	Mileage & Reimb	185	150	-	150	150	150	150
01 14-35 8400	Community Programs	1,768	2,000	841	2,000	2,000	2,000	2,000
01 14-35 8501	Publication & Printing	15,608	16,100	8,862	15,191	2,100	16,100	16,100
01 14-35 8602	Computer Supplies & Maint	395	1,000	-	500	1,000	1,000	1,000
01 14-35 9102	Insurance-Multi-Peril	16,816	17,466	16,129	16,129	17,466	17,466	17,466
01 14-35 9601	Natural Gas Expense	9,663	11,330	5,244	10,000	10,102	10,204	10,305
01 14-35 9602	Electrical Expense	21,664	25,000	12,641	25,000	23,684	25,595	25,922
01 14-35 9704	Heating & Cooling	7,330	8,000	1,794	8,000	8,000	8,000	8,000
01 14-35 9705	Custodial Services	10,190	10,480	6,153	10,480	10,480	11,000	11,000
01 14-35 9706	Room Arrangement Expense	17,721	20,500	9,453	15,000	17,750	17,750	18,500
01 14-35 9708	Weekend Preparation	6,314	12,300	4,076	9,500	9,500	10,000	10,000
CATEGORY TOTAL		107,654	124,326	65,193	111,950	102,232	119,265	120,443
MAINTENANCE & REPAIRS								
01 14-35 9707	Building Maintenance - General	23,923	23,700	7,453	23,700	23,700	24,000	24,000
CATEGORY TOTAL		23,923	23,700	7,453	23,700	23,700	24,000	24,000
CAPITAL OUTLAY								
01 14-35 9800	Community Equipment	625	1,000	500	1,000	1,000	1,000	1,000
01 14-35 9801	Community Furniture	-	1,500	-	1,500	1,000	1,500	1,600
CATEGORY TOTAL		625	2,500	500	2,500	2,000	2,500	2,600
DEPARTMENTAL TOTAL		299,399	327,066	180,385	310,244	305,606	324,949	328,881

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Fire Department

PROGRAM # 16-35

PROGRAM DESCRIPTION:

The Fire Department is responsible for the prevention and extinguishment of fires in the City of Wixom as well as providing basic life support services during medical emergencies. Additionally, the Fire Department performs annual Life Safety inspections through the Business License Program and sponsors fire safety seminars for adults and children. In this manner, the Fire Department promotes the safety and welfare of all persons who work and live in our City, and prevents the loss of property from fire.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Expand our partnership with Oakland County through the Citizens Corps program and enhance the opportunities of the Wixom Community Emergency Response Team (C.E.R.T.) providing county wide resources and training.
- Continue focus on recruitment and retention of the Paid-on-Call Firefighter ranks.
- Locate all federal, state, and regional grants available to facilitate cost savings.

BUDGET HIGHLIGHTS:

01 16-35 6081 Public Safety Training Coordinator: Funds allocated to this account will be reduced, due to the departure of the Assistant Fire Chief.

01 16-35 6022 Wage-Fire Secretary: This line item reflects a realignment of personnel within the City where the Fire Department utilizes/shares 50% of the Building Department Secretary services.

01 16-35 7022 Fringes-Fire Secretary: This line item reflects a realignment of personnel within the City where the Fire Department utilizes/shares 50% of the Building Department Secretary services.

01 16-35 8005 Rapid Response Program: Funds allocated to this account provide for Fire Station coverage from 10 p.m.-6:00 a.m. daily.

CAPITAL IMPROVEMENT HIGHLIGHTS:

01 16-35 9817 Parking Lot Repairs: Continuation of parking area repairs at Fire Station 1 due to base failure (\$15,000).

DEPT - FIRE
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
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SALARIES & WAGES

01 16-35 6010	Salary - Public Safety Dir (50%, Police 50%)	43,097	43,097	28,179	43,097	43,097	43,097	43,097
01 16-35 6011	Salary - Fire Chief	80,318	80,318	52,516	80,318	80,318	80,318	80,318
01 16-35 6022	Wage - Fire Secretary (50%, Bldg 50%)	42,237	42,197	26,676	42,197	21,099	42,197	42,197
01 16-35 6025	Wage -Records Manager (40%,Police 60%)	24,746	24,652	15,585	24,652	24,652	24,652	24,652
01 16-35 6080	Part Time Help-Clerical	14,396	14,160	8,086	14,160	14,160	15,000	15,000
01 16-35 6081	Wages-Pub Saf Training Coor (50%, Fire 50%)	34,506	38,376	21,036	28,782	19,110	19,637	20,177
01 16-35 6082	Part Time Inspector	74,500	76,752	46,236	76,440	76,440	78,546	80,706
01 16-35 6222	Secretary Overtime	-	500	-	500	-	500	500
01 16-35 7010	Fringes - Public Safety Dir (50%, Police 50%)	3,498	4,393	2,245	4,393	4,393	4,520	4,520
01 16-35 7011	Fringes - Fire Chief	26,570	27,144	19,673	27,731	28,971	30,040	31,183
01 16-35 7022	Fringes - Fire Secretary (50%, Bldg 50%)	15,757	16,331	10,427	18,898	9,276	17,924	18,344
01 16-35 7025	Fringes - Records Manager (40%,Police 60%)	20,393	17,109	12,010	17,344	18,268	18,797	19,254
01 16-35 7040	Fringes-HRA Expense	3,535	1,400	823	1,400	-	-	-
01 16-35 7080	Fringes-Part Time Clerical	1,101	1,083	619	1,083	1,120	1,148	1,148
01 16-35 7081	Fringes-Pub Saf Training Coor (50%, Police 50%)	2,640	2,936	1,599	2,205	1,462	1,503	1,503
01 16-35 7082	Fringes - PT Inspector	5,699	5,872	3,537	5,872	5,848	6,010	6,175
01 16-35 8001	Assistant Chief's Compensation	3,000	3,000	1,500	1,500	-	-	-
01 16-35 8002	Paid-On-Call Firemen	163,180	177,200	85,075	177,200	177,200	182,075	187,082
01 16-35 8005	Rapid Response Program	74,128	71,000	44,928	74,500	74,500	76,550	78,655
01 16-35 8102	Officer's Compensation	4,700	5,200	3,000	5,250	7,800	7,800	7,800

CATEGORY TOTAL

638,001 652,720 383,750 647,521 607,714 650,314 662,312

OPERATING SUPPLIES

01 16-35 8500	Office Supplies - Fire	1,027	1,500	584	1,300	1,500	1,500	1,500
01 16-35 8503	Gas & Oil - Fire	11,012	12,855	6,466	12,855	14,063	14,957	15,850
01 16-35 8505	Copy Machine Supplies & Maint.	1,614	1,650	743	1,650	1,650	1,650	1,650
01 16-35 8508	Medical Supplies	6,463	6,150	2,084	6,150	6,150	6,150	6,150
01 16-35 8509	Uniforms	5,406	6,000	3,768	6,000	6,000	6,000	6,000
01 16-35 8602	Computer Supplies & Maintenance	8,374	10,000	3,467	10,000	10,000	10,000	10,000
01 16-35 9200	Miscellaneous Operating Exp.	580	800	294	800	-	800	800

CATEGORY TOTAL

34,476 38,955 17,406 38,755 39,363 41,057 41,950

PROFESSIONAL & CONTRACTUAL

01 16-35 8111	Fire Chief Expense	538	500	384	500	250	500	500
01 16-35 8211	Conf.& Workshops-Fire	291	2,000	155	2,000	-	2,000	2,000
01 16-35 8230	Education & Training-Fire	23,875	25,000	9,062	25,000	25,000	25,000	25,000
01 16-35 8300	Consultants & Personnel-Fire	2,519	1,000	659	1,000	1,000	1,000	1,000
01 16-35 8306	Fire Personnel-Medical Eva	5,292	12,000	4,388	12,000	12,000	12,000	12,000
01 16-35 8900	Memberships	4,164	5,500	3,676	5,500	5,500	5,500	5,500
01 16-35 8901	Mileage Reimbursement	-	250	-	100	-	250	250
01 16-35 8902	Fire Chief Lease Vehicle	545	-	-	-	-	-	-
01 16-35 9000	Telephone - Fire	10,020	11,500	5,714	10,750	11,162	11,574	11,986
01 16-35 9001	Fire Dispatch	23,725	24,252	12,126	24,252	24,441	24,930	25,429
01 16-35 9103	Fire Insurance - Disability	9,335	9,335	9,334	9,335	9,335	9,825	9,825
01 16-35 9301	Fire Prevention Education	7,376	7,500	7,166	7,500	7,500	7,500	7,500

DEPT - FIRE
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CURRENT ACTUAL	BUDGET	8 MTH ACTUAL	EST. ACTUAL	CITY COUNCIL	Original	Original
							2010-2011	2011-12
01 16-35 9601	Natural Gas Expense - Fire	9,836	9,500	4,874	9,000	9,097	9,215	9,332
01 16-35 9602	Electrical Expense - Fire	15,183	14,500	9,576	15,200	15,416	15,632	15,847
CATEGORY TOTAL		112,699	122,837	67,114	122,137	120,701	124,925	126,169
MAINTENANCE & REPAIRS								
01 16-35 9703	Firefighting Equipment Maint.	14,786	15,250	7,865	15,250	15,250	15,250	15,250
01 16-35 9705	Vehicle Maintenance-Fire	6,827	11,135	2,338	11,135	11,135	11,135	12,000
01 16-35 9707	Building Maintenance - Fire	21,053	20,000	11,019	20,000	20,000	20,000	22,250
01 16-35 9708	Custodial Services	2,280	2,880	1,330	2,880	2,880	2,950	2,950
CATEGORY TOTAL		44,946	49,265	22,552	49,265	49,265	49,335	52,450
CAPITAL OUTLAY								
01 16-35 9801	Office Furniture - Fire	-	-	-	-	-	200	-
01 16-35 9803	Firefighting Equipment	41,973	38,790	20,164	38,790	38,790	38,790	38,790
01 16-35 9805	Vehicle Repairs	17,834	11,500	3,030	11,500	11,500	11,500	11,500
CATEGORY TOTAL		59,807	50,290	23,194	50,290	50,290	50,490	50,290
DEPARTMENTAL TOTAL		889,929	914,067	514,016	907,968	867,333	916,121	933,171

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**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Police Department

PROGRAM # 16-37

PROGRAM DESCRIPTION:

The Police Department is responsible for the welfare and safety of the citizens of the City of Wixom. This requires the Police Department to enforce City ordinances and state and federal laws, and to ensure the safety of those living, working, or traveling in our community. It is the Police Department's patrol strategy to facilitate public safety through community policing, crime prevention, and the aggressive apprehension and prosecution of offenders.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Through the sharing of personnel and equipment resources with the Fire Department, the Police Department will strengthen its public safety responsiveness and provide efficiency and excellence.
- Through continued and concerted effort to expand the training of police and fire first responders, the Police Department will facilitate emergency management and provide a mechanism whereby emergencies can be quickly resolved.
- The Police Department will continue to foster partnerships with individuals, groups, and businesses in our community and use these relationships to minimize crime as well as the impact of crime that occurs.

BUDGET HIGHLIGHTS

01 16-37 9001 Police Radio Dispatch Service: Funds allocated to this account will increase slightly this year in accordance with our contract with Oakland County.

11 16-37 9805 Police Vehicles: No police vehicles will be purchased in FY2012-2013 as a result of accelerated vehicle purchasing and vehicles already awaiting deployment.

CAPITAL IMPROVEMENT HIGHLIGHTS

11 16-37 9807 Radar Equipment: Replacement of one vehicle radar equipment to maintain the liability in cost effectiveness (\$2,100).

11 16-37 9819 Vehicle Computers- MDC Replacement: Funds allocated to this account will provide for the replacement of MDC's purchased in 2008 that are being eliminated by CLEMIS (\$15,000).

11 16-37 9820 Police Computers: Replace desktop computers that will be over five years old in June 2012 (\$5,000).

11 16-37 9823 Vests: Funds allocated to this account will complement funding from the United States Department of Justice's Ballistic Vest Program and provide for the replacement of vests that have become damaged or unusable (\$2,500).

11 16-37 9824 Weapons: Funds allocated to this account will provide for the replacement purchase of weapons that have been determined to be unreliable if repaired (\$2,500).

11 16-37 9827 Mugshot Module Replacement: Funds allocated to this account will allow for the replacement of the current system that was installed in August 2005 (\$5,000).

DEPT -	POLICE
FUND -	GENERAL FUND
DATE	May 8, 2012

Original	Original
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ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
SALARIES & WAGES								
01 16-37 6011	Salary - Public Safety Dir (50%,Fire 50%)	43,097	43,097	28,179	43,097	43,097	43,097	43,097
01 16-37 6022	Wage - Police Secretaries	81,378	81,229	51,513	81,229	81,229	81,229	81,229
01 16-37 6023	Wage - Police Sergeants	357,857	378,899	239,503	378,899	378,899	378,899	378,899
01 16-37 6024	Wage - Police Officers	853,455	905,796	574,944	909,019	911,080	914,584	914,584
01 16-37 6025	Wage -Records Manager (60%,Fire 40%)	38,385	36,978	22,111	36,978	36,978	36,978	36,978
01 16-37 6080	Part-time Assistance (Park Patrol)	5,364	11,061	4,578	8,062	10,800	11,061	11,365
01 16-37 6085	Crossing Guard	1,935	1,000	-	-	1,033	1,085	1,115
01 16-37 6086	Part-time Help (Clerical)	13,186	13,151	7,060	13,151	13,151	13,151	13,151
01 16-37 6087	Wage - PT Civilian Desk Aides	126,082	132,720	80,577	132,720	132,720	136,502	140,256
01 16-37 6088	Wages-Pub Saf Training Coor (50%,Fire 50%)	34,506	38,376	21,036	28,782	19,110	19,637	20,177
01 16-37 6222	Overtime - Police Secretaries	178	1,800	-	1,800	1,800	1,800	1,800
01 16-37 6223	Overtime - Sergeants	34,097	39,300	18,237	39,300	39,300	39,300	39,300
01 16-37 6224	Overtime - Police Officers	45,481	40,000	16,977	40,000	40,000	40,000	40,000
01 16-37 6225	Overtime - Records Manager	3,712	2,000	908	2,000	2,000	2,000	2,000
01 16-37 6323	Overtime-302 Training PD. Sgt.	-	500	-	500	500	500	500
01 16-37 6324	Overtime-302 Training PD. Off.	-	1,000	-	1,000	1,000	1,000	1,000
01 16-37 6423	Holiday Pay - Sergeants	18,147	18,147	18,147	18,147	18,147	18,147	18,147
01 16-37 6424	Holiday Pay - Police Officers	42,731	43,381	43,267	43,267	42,776	43,141	43,364
01 16-37 6523	Educational Incentive Pay-Sgt.	5,750	4,750	3,750	4,750	4,750	4,750	4,750
01 16-37 6524	Educational Incentive Pay-Off.	11,250	12,250	8,000	12,250	12,250	12,250	12,250
01 16-37 6623	Spec.Sgt.Holiday Work Pay	2,100	1,800	1,500	1,900	1,900	1,900	1,900
01 16-37 6624	Spec.Pol.Off.Holiday Work Pay	2,650	5,400	2,050	3,200	4,800	4,800	4,800
01 16-37 6723	Longevity Pay-Sergeants	12,456	12,504	12,456	12,504	12,456	13,261	13,261
01 16-37 6724	Longevity Pay-Police Officers	21,475	22,538	22,452	22,538	24,729	26,131	26,784
01 16-37 6725	Longevity - Records Manager	1,228	1,233	1,228	1,233	1,228	1,541	1,541
01 16-37 6822	Sick Pay Out-Secretary	1,455	2,801	-	2,801	2,801	2,801	2,801
01 16-37 6823	Sick Pay Out-Sergeants	3,049	3,484	-	3,484	3,484	3,484	3,484
01 16-37 6824	Sick Pay Out-Officers	-	-	-	-	-	1,502	1,502
01 16-37 7011	Fringes - Public Safety Dir (50%,Fire 50%)	3,545	4,393	2,284	4,395	4,395	4,404	4,414
01 16-37 7022	Fringes - Police Secretaries	48,619	43,271	29,387	50,874	56,181	58,418	60,723
01 16-37 7023	Fringes - Police Sergeants	274,596	273,038	156,102	273,183	288,162	295,229	301,662
01 16-37 7024	Fringes - Police Officers	505,480	476,998	363,749	474,354	504,144	518,732	532,812
01 16-37 7025	Fringes - Records Manager (60%, Fire 40%)	31,183	25,664	18,209	26,016	27,402	28,196	28,882
01 16-37 7040	Fringes-HRA Expense	46,583	27,200	15,850	27,200	-	-	-
01 16-37 7080	Fringes-Part-Time Assistance	410	844	350	617	826	846	869
01 16-37 7083	Fringes - Police Reserves	-	153	-	153	153	153	153
01 16-37 7086	Fringes - Part-time Assistance	1,009	1,006	540	1,006	1,006	1,006	1,006
01 16-37 7087	Fringes - Civilian Desk Aides	9,645	10,153	6,164	10,153	10,153	10,442	10,729
01 16-37 7088	Fringes-Pub Saf Training Coor (50%,Fire 50%)	2,640	2,936	1,620	2,205	1,462	1,486	1,544
01 16-37 8006	Public Safety Director Fee	-	-	-	-	-	-	-
CATEGORY TOTAL		2,684,714	2,720,851	1,772,728	2,712,766	2,735,901	2,773,442	2,802,828
OPERATING SUPPLIES								
01 16-37 8500	Office Supplies - Police	2,823	4,000	1,850	3,000	2,500	3,500	3,750
01 16-37 8501	Publication & Printing-Police	1,899	4,000	1,477	4,000	2,000	4,000	4,000
01 16-37 8503	Gas & Oil - Police	36,502	42,300	22,169	42,300	46,276	49,216	52,156
01 16-37 8505	Copier Supplies & Maint-Police	3,085	3,500	1,407	3,500	3,000	3,500	3,500
01 16-37 8506	Custodial Supplies	226	700	494	700	500	700	700
CATEGORY TOTAL		44,535	54,500	27,397	53,500	54,276	60,916	64,106

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
PROFESSIONAL & CONTRACTUAL								
01 16-37 8111	Public Safety Dir Expense	350	500	47	500	250	500	500
01 16-37 8211	Conf.& Workshops-Police	106	2,000	155	2,000	-	2,000	2,000
01 16-37 8230	Training-Police	5,548	15,000	5,379	15,000	15,000	15,000	15,000
01 16-37 8240	Education - Tuition	527	5,000	-	5,000	2,000	5,000	5,000
01 16-37 8300	Consultants & Personnel-Police	16,735	15,000	4,639	15,000	15,000	15,000	15,000
01 16-37 8509	Uniform & Cleaning Allowance	16,327	17,325	9,353	17,325	17,325	17,325	17,325
01 16-37 8510	Civilian Desk Aides - Additional Costs	1,992	4,000	892	4,000	3,000	4,000	4,000
01 16-37 8601	Computer Software & Supplies	6,123	7,500	6,083	7,500	7,500	7,500	7,500
01 16-37 8900	Memberships	1,135	1,250	708	1,250	1,250	1,250	1,250
01 16-37 8901	Auto Washing	1,407	2,000	591	2,000	1,250	2,000	2,000
01 16-37 8902	City Car Lease Agreement	385	-	-	-	-	-	-
01 16-37 8903	Auto Towing	175	200	160	200	200	200	200
01 16-37 9000	Telephone	6,085	8,500	3,781	8,500	8,500	8,500	8,500
01 16-37 9001	Police Radio Dispatch Service	94,898	97,008	48,504	97,075	97,762	99,713	101,703
01 16-37 9002	Cellular Phones/Pagers	4,025	5,000	2,246	5,000	4,500	5,000	5,000
01 16-37 9101	Insurance-County Maintenance	-	1,550	-	1,550	-	1,550	1,550
01 16-37 9201	Operating Expense - Emerg Management	1,917	2,000	-	2,000	500	2,000	2,000
01 16-37 9301	Witness Fees	7	250	-	250	250	250	250
01 16-37 9302	Equipment Rental - Radio Rental	23,806	44,625	18,491	44,625	44,625	44,625	44,625
01 16-37 9303	Law Enforcement Supplies	26,362	27,000	7,457	27,000	27,000	27,000	27,000
01 16-37 9304	Crime Prevention	1,967	2,000	-	2,000	1,000	2,000	2,000
01 16-37 9305	Police Auxiliary Program-Supplies	-	2,800	-	2,800	750	2,800	2,800
01 16-37 9601	Natural Gas Expense	5,556	5,610	2,374	5,610	3,167	5,724	5,781
01 16-37 9602	Electrical Expense	26,317	32,000	13,876	32,000	30,000	32,762	33,180
	CATEGORY TOTAL	241,750	298,118	124,736	298,185	280,829	301,699	304,164
MAINTENANCE & REPAIR								
01 16-37 9700	Office Equipment Maint.-Police	580	1,100	-	1,100	500	1,100	1,100
01 16-37 9703	Custodial Services	10,499	15,000	6,108	15,000	13,000	15,000	15,000
01 16-37 9705	Vehicle Maintenance-Police	10,398	12,450	4,162	12,450	12,450	12,450	12,450
01 16-37 9706	Communication Equipt.Maint-Pol	4,478	4,600	3,482	4,600	4,000	4,600	4,600
01 16-37 9707	Building Maintenance - Police	490	-	-	-	-	-	-
01 16-37 9708	Radar Maintenance - Police	990	1,500	-	1,500	1,500	1,500	1,500
	CATEGORY TOTAL	27,435	34,650	13,752	34,650	31,450	34,650	34,650
CAPITAL OUTLAY								
01 16-37 9800	Office Equipment - Police	543	800	65	800	400	800	800
01 16-37 9801	Office Furniture - Police	1,856	2,500	60	2,500	-	2,500	2,500
01 16-37 9805	Vehicle Repair - Police	9,361	14,000	5,948	14,000	14,000	14,000	14,000
01 16-37 9811	Capital Outlay	2,772	-	-	-	-	-	-
	CATEGORY TOTAL	14,532	17,300	6,073	17,300	14,400	17,300	17,300
	DEPARTMENTAL TOTAL	3,012,966	3,125,419	1,944,686	3,116,401	3,116,856	3,188,007	3,223,048

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**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Department of Public Works

PROGRAM # 18-39

PROGRAM DESCRIPTION:

This department is responsible for planning and delivery of the basic day-to-day public services that have become part of our daily life. Key objectives include maintenance and repair of a complex public infrastructure system. Specifically, with a total staff of eleven (11), services include maintenance of all City streets, buildings and grounds, public parks, sidewalks and bike paths, traffic control, street lights, vehicle and construction/maintenance equipment, street sweeping, roadside/park/cemetery mowing and snow removal and ice control. The DPW is also responsible for providing the contractual oversight of the water and wastewater systems, refuse collection, recycling programs, and storm water management. As the City continues to grow, mature, and with the increasing request for service, the Department of Public Works continues to implement time and labor saving measures through multi-use equipment and operational improvements.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Continue to research innovative equipment and operational techniques that will allow the department to meet current City service standards while striving to reduce costs.
- Continue to build on our Public Works relationships with surrounding communities in an effort to share knowledge and possibly allow for future service and equipment sharing.
- Continue safety path project(s) and improvements in conjunction with the millage.
- Utilize the Road Master Plan to effectively plan road rehabilitation and preservation projects.
- Continue to explore revenue generating ideas for City owned property such as RV Storage and a Septic Receiving Station.

BUDGET HIGHLIGHTS

01 18-39 8540 Snow Removal Supplies: Reduced by \$10,000 due to the continued efficiencies in salt reduction utilized by the DPW.

01 18-39 9771 Cemetery-Landscape/Maintenance Contract: This expenditure has been eliminated. Funding is to be derived from the Cemetery Fund.

CAPITAL IMPROVEMENT HIGHLIGHTS

11 18-39 9825 Dump Truck Replacement: Refurbishing of an existing Dump Truck into a hooklift instead of purchasing a new one (\$98,000). The DPW proposes to save approximately \$60,000 by refurbishing the truck.

11 18-39 9835 Mowing Equipment: Replacement of existing 72" mower (\$11,000).

DEPT - DPW
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
SALARIES & WAGES								
01 18-39 6011	Salary - DPW Director	75,195	75,195	49,166	75,195	75,195	75,195	75,195
01 18-39 6022	Wage - Secretary	42,237	42,197	26,676	42,197	42,035	42,197	42,197
01 18-39 6026	Wage - DPW Foreman/Asst. Foreman	113,744	114,056	70,694	114,056	113,619	114,056	114,056
01 18-39 6027	Wage - DPW Employees	329,321	338,093	208,698	341,727	345,045	351,153	359,763
01 18-39 6080	Part-time & Seasonal Help-DPW	39,591	49,000	18,218	49,000	49,000	49,000	49,000
01 18-39 6222	Overtime - Secretary	299	1,000	162	1,000	1,000	1,000	1,000
01 18-39 6226	Overtime - DPW Supervisory	9,256	13,400	3,410	13,400	13,400	13,400	13,400
01 18-39 6227	Overtime - DPW Employees	33,482	23,000	20,419	30,000	23,000	23,700	23,700
01 18-39 6280	Overtime - Part-Time	293	-	205	210	-	-	-
01 18-39 7011	Fringes - DPW Director	32,225	27,923	18,944	28,191	29,450	29,843	30,263
01 18-39 7022	Fringes - Secretary	25,897	28,184	18,340	27,113	30,099	31,320	32,581
01 18-39 7026	Fringes - DPW Foreman/Asst. Foreman	62,779	58,942	37,537	59,622	62,083	63,473	64,810
01 18-39 7027	Fringes - DPW Employees	209,539	212,687	148,457	216,702	229,852	238,850	249,121
01 18-39 7040	Fringes-HRA Expense	19,700	13,500	7,864	13,500	-	-	-
01 18-39 7080	Fringes - Part-time Help DPW	3,644	4,500	1,409	4,500	4,500	4,500	4,500
	CATEGORY TOTAL	997,202	1,001,677	630,199	1,016,412	1,018,278	1,037,687	1,059,585

OPERATING SUPPLIES

01 18-39 8451	Municipal Parking	443	1,500	443	1,500	1,500	1,500	1,500
01 18-39 8503	Gas & Oil - DPW	38,706	45,000	26,983	43,000	47,042	50,031	53,019
01 18-39 8504	Printing & Postage	8	500	-	250	250	250	250
01 18-39 8506	Copier Supplies & Maintena	259	2,000	300	2,000	2,000	2,000	2,000
01 18-39 8509	Uniform Allowance	3,980	4,050	2,846	4,050	4,050	4,050	4,050
01 18-39 8510	Tools & Supplies - DPW	10,634	11,000	5,174	8,000	10,000	10,000	10,000
01 18-39 8520	Road Maintenance Supplies-DPW	28,090	40,000	20,214	38,000	40,000	40,000	40,000
01 18-39 8521	Dust Control	336	1,000	-	1,000	-	-	-
01 18-39 8522	Culverts	5,336	6,000	-	6,000	6,000	6,000	6,000
01 18-39 8523	Landscape Material	14,248	22,000	8,220	22,000	20,000	20,000	20,000
01 18-39 8524	Street Trees Maintenance	4,465	7,500	-	6,000	7,500	7,500	7,500
01 18-39 8527	Storm Drainage	5,081	5,900	3,000	5,900	5,900	5,900	5,900
01 18-39 8550	Road Markings	35,279	30,000	-	30,000	38,000	38,000	38,000
01 18-39 9706	Park Maintenance Material	14,997	22,000	13,008	21,000	20,000	20,000	20,000
	CATEGORY TOTAL	161,862	198,450	80,188	188,700	202,242	205,231	208,219

PROFESSIONAL & CONTRACTUAL

01 18-39 8111	Director's Expense	186	500	134	250	250	250	250
01 18-39 8211	Conf. & Workshops-DPW	1,288	1,500	444	1,500	-	1,500	1,500
01 18-39 8230	Education & Training-DPW	446	2,000	598	2,000	1,000	2,000	2,000
01 18-39 8240	Education - Tuition	2,150	2,000	1,329	2,000	2,000	2,000	2,000
01 18-39 8300	Consultants & Personnel-DPW	50,398	55,000	31,753	55,000	50,000	55,000	55,000
01 18-39 8500	Office Supplies	1,385	1,500	271	1,200	1,500	1,500	1,500
01 18-39 8526	Bikepath Maintenance	28	1,000	1,702	1,702	-	-	-
01 18-39 8530	Traffic Control Supplies-DPW	2,000	7,000	1,871	7,000	7,000	7,000	7,000
01 18-39 8540	Snow Removal Supplies-DPW	51,520	80,000	44,356	80,000	65,000	75,000	75,000
01 18-39 8601	Computer Software	-	1,000	-	1,000	1,000	1,000	1,000
01 18-39 8602	Computer Supplies	942	1,000	435	1,000	1,000	1,000	1,000

DEPT - DPW
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
01 18-39 8900	Dues & Subscriptions	-	-	-	-	150	150	150
01 18-39 9000	Telephone - DPW	12,138	15,000	7,431	13,500	14,017	14,535	15,052
01 18-39 9302	Equipment Rental - DPW	2,338	3,000	1,160	2,500	3,000	3,000	3,000
01 18-39 9303	Street Sweeping	5,490	22,000	11,790	22,000	22,000	22,000	22,000
01 18-39 9601	Natural Gas Expense - DPW	9,455	13,000	4,276	12,000	12,122	12,244	12,366
01 18-39 9602	Electrical Expense - DPW	16,235	20,500	9,486	19,500	19,710	19,964	20,219
01 18-39 9603	Street Lighting	68,601	64,000	40,593	64,000	64,908	65,815	66,723
	CATEGORY TOTAL	224,600	290,000	157,629	286,152	264,657	283,959	285,761
MAINTENANCE & REPAIR								
01 18-39 9705	Vehicle Maintenance-DPW	20,000	21,000	8,901	20,000	21,000	21,000	21,000
01 18-39 9703	Custodial Services	2,040	2,040	1,190	2,040	2,040	2,040	2,040
01 18-39 9707	Garage Maintenance - DPW	7,478	10,960	4,896	10,000	10,960	10,960	10,960
01 18-39 9708	Equipment Maintenance - DPW	18,980	19,000	18,161	19,000	19,000	19,000	19,000
01 18-39 9771	Cemetery-Landscape/Maint Contract	2,309	8,500	3,804	7,000	-	3,000	3,000
	CATEGORY TOTAL	50,807	61,500	36,952	58,040	53,000	56,000	56,000
CAPITAL OUTLAY								
01 18-39 9805	Vehicle Repairs-DPW	5,801	6,000	20	6,000	6,000	6,000	6,000
01 18-39 9803	Garage Equipment	8,606	9,000	5,853	8,250	9,000	9,000	9,000
	CATEGORY TOTAL	14,407	15,000	5,873	14,250	15,000	15,000	15,000
	DEPARTMENTAL TOTAL	1,448,878	1,566,627	910,841	1,563,554	1,553,177	1,597,877	1,624,566

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Boards and Commissions

PROGRAM # 20-XX

SUMMARY OF BOARDS AND COMMISSIONS

The financial information applies to the following Boards and Commissions listed below:

- 1) Zoning Board of Appeals (01 20-44)
- 2) Board of Review (01 20-45)
- 3) Planning Commission (01 20-48)
- 4) Seniors Commission (01 20-50)
- 5) Parks & Recreation (01 20-54)

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Zoning Board of Appeals

PROGRAM # 20-44

PROGRAM DESCRIPTION:

This Board is responsible for review and action on appeals of the City's Zoning Ordinance and Zoning Map through administration reviews, variances and exception appeal types.

BUDGET HIGHLIGHTS:

01 20-44 9200 Miscellaneous Operating Expenses: This line item includes publishing of notices and Board member memberships and training.

DEPT - BOARD OF APPEALS
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
SALARIES & WAGES								
01 20-44 6022	Wage-Recording Secretary B/A	846	800	313	800	900	900	900
	CATEGORY TOTAL	846	800	313	800	900	900	900
OPERATING SUPPLIES								
01 20-44 8201	Conf & Workshops	60	800	-	800	-	800	800
01 20-44 9200	Miscellaneous Operating Exp	1,298	2,300	1,327	2,300	2,300	2,300	2,300
	CATEGORY TOTAL	1,358	3,100	1,327	3,100	2,300	3,100	3,100
DEPARTMENTAL TOTAL		2,204	3,900	1,640	3,900	3,200	4,000	4,000

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Board of Review

PROGRAM # 20-45

PROGRAM DESCRIPTION:

The Board of Review is a three member body appointed by the Mayor with the concurrence of City Council, which annually reviews and certifies the Assessment Roll as prepared by the City's Assessor. The Board considers appeals filed by property owners relative to changes in assessed value and also reviews requests for reductions in assessments due to the inability of the taxpayer to pay the full amount of the resulting property taxes. The Board meets principally in March but also may be scheduled for meetings in July and/or December to correct errors and mutual mistakes of fact.

BUDGET HIGHLIGHTS:

01 20-45 8000 Member Wages: Compensation paid to the members of the Board of Review; flat fee of \$200/year.

01 20-45 9200 Miscellaneous Operating Expenses: Resources for miscellaneous Board of Review expenses such as legal notices or office supplies.

DEPT - BOARD OF REVIEW
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
SALARIES & WAGES								
01 20-45 7000	Wage-Recording Secretary B/R	46	-	-	-	-	-	-
01 20-45 8000	Members Exp. - Bd. of Review	600	600	-	600	600	600	600
	CATEGORY TOTAL	646	600	-	600	600	600	600
OPERATING SUPPLIES								
01 20-45 9200	Miscellaneous Operating Exp.	528	600	52	580	550	600	600
	CATEGORY TOTAL	528	600	52	580	550	600	600
	DEPARTMENTAL TOTAL	1,174	1,200	52	1,180	1,150	1,200	1,200

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Planning Commission

PROGRAM # 20-48

PROGRAM DESCRIPTION:

This Commission is responsible for ensuring the City's Master Plan for Future Land Use, Zoning Ordinance, and maps implemented through site plan review, and ordinance amendments are legally current and reflect the goals of the City. The Commission also makes recommendations to the City Council and City Manager on all matters affecting the physical development of the City.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Continue toward the development of the Village Center Area (VCA) through site plan reviews and coordination with City Council, consultants and staff.
- Planning Commission will study and develop directed development profiles for vacant industrial and commercial properties within the City.
- Provide training of new and current members through attendance of the Michigan Society of Planning (MSP) conference and MSP/Michigan Municipal League workshops.

BUDGET HIGHLIGHTS:

01 20-48 8301 Special Studies: Special studies conducted by consultants including planners, engineers and attorneys. Examples of such include the Medical Marihuana issue, Electronic Message boards, etc.

DEPT - PLANNING COMMISSION
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CURRENT ACTUAL	BUDGET	ACTUAL	EST.	CITY	CITY	CITY	
									2010-2011
SALARIES & WAGES									
01 20-48 6022	Wage-Recording Secretary P/C	702	1,500	313	1,500	1,500	1,500	1,500	
CATEGORY TOTAL		702	1,500	313	1,500	1,500	1,500	1,500	
PROFESSIONAL & CONTRACTUAL									
01 20-48 8000	Legal Counsel - Planning	-	1,000	604	1,000	1,500	1,500	1,500	
01 20-48 8102	Planning Commission Expense	207	1,000	190	1,000	1,000	1,000	1,000	
01 20-48 8221	Conf.& Workshops-Planning Comm	-	1,000	-	1,000	1,500	1,500	1,500	
01 20-48 8300	Consultants & Personnel	10,260	10,800	5,130	10,800	11,300	11,300	11,300	
01 20-48 8301	Special Studies	3,644	10,000	12,985	12,985	10,000	10,000	10,000	
01 20-48 8303	Update Ord., Maps, etc.	4,734	7,000	6,651	7,000	7,000	7,000	7,000	
01 20-48 8501	Printing and Publication	746	1,500	216	1,500	2,000	2,000	2,000	
01 20-48 8900	Memberships & Dues	180	500	185	500	500	500	500	
01 20-48 9200	Miscellaneous Operating Exp.	-	-	-	-	-	-	-	
CATEGORY TOTAL		19,771	32,800	25,961	35,785	34,800	34,800	34,800	
DEPARTMENTAL TOTAL		20,473	34,300	26,274	37,285	36,300	36,300	36,300	

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Seniors

PROGRAM # 20-50

PROGRAM DESCRIPTION:

The Seniors' activities component of the General Fund provides support and activities in consent with Wixom and other areas' Senior Citizens including Walled Lake, Commerce Township and Novi. Activities include cards, bingo, exercise programs, meetings, potluck days, tax assistance, trips, recreational programs, and daily socialization.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Continue sponsorship program for senior newsletter and programs.
- Utilize recreation software to generate improved statistics of program participation.
- Continue to enhance and promote current senior programming including additional classes, trips, and activities.
- Continue to work with area communities for joint senior programming and trips.
- Assist seniors with information and education on prescription programs, Medicare, health and safety via speakers and health fair.
- Continue to investigate and evaluate transportation options.
- Implement new programs such as craft/leisure enrichment programs, reminiscent/reflection programs which promote physical activity.
- Increase membership and participation through increase promotion and community awareness.
- Continue to seek and apply for grants that may assist the Seniors programs.

BUDGET HIGHLIGHTS:

No significant changes or highlights to note.

DEPT - SENIOR CITIZENS ACTIVITIES
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
SALARIES & WAGES								
01 20-50 6081	Wages - Senior Coord (Part-Time)	20,842	22,909	13,219	22,909	22,909	22,909	22,909
01 20-50 6082	Wages - Part-Time Help	4,784	4,951	2,804	4,951	4,951	4,951	4,951
01 20-50 7081	Fringes - Senior Coordinator	1,594	1,753	1,019	1,753	1,753	1,753	1,753
01 20-50 7082	Fringes - Part-Time Help	366	379	214	379	379	379	379
CATEGORY TOTAL		27,586	29,992	17,256	29,992	29,992	29,992	29,992
OPERATING EXPENSES								
01 20-50 8400	Senior Citizens Activities	3,400	4,400	3,142	4,400	4,400	4,400	4,400
01 20-50 8401	Senior Special Events	17,810	20,000	14,521	20,000	20,000	20,000	20,000
01 20-50 8408	Senior Transportation	3,874	4,000	24	4,000	4,000	4,000	4,000
01 20-50 8500	Senior Supplies	1,602	2,000	185	2,000	2,000	2,000	2,000
01 20-50 8501	Publication & Printing	36	-	-	-	-	-	-
CATEGORY TOTAL		26,722	30,400	17,872	30,400	30,400	30,400	30,400
DEPARTMENTAL TOTAL		54,308	60,392	35,128	60,392	60,392	60,392	60,392

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Parks & Recreation

PROGRAM # 20-54

PROGRAM DESCRIPTION:

The Parks & Recreation Department is responsible for the development, maintenance and operation of the City's park system as well as for the development and coordination of recreation programs. The Parks and Recreation Commission serves as an advisory board to the City Council and Community Services Department on the recreational needs of the City and assists in the planning and implementation of recreational events and park development for Wixom residents.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Seek federal, state, and local grants to offer additional programming and capital improvements.
- Continue to promote Wixom Community Foundation and fundraising activities.
- Continue pursuit of the Michigan Airline Trailway in cooperation with Walled Lake, Commerce, & Wixom and pursue development grants for 2013.
- Continue to enhance and promote City Events and programs utilizing the City Web page, marquee, & color TV monitors.
- Implement and promote rental of Tent at VCA.
- Seek funding for the Habitat, Gibson Park, and Loon Lake observation/youth fishing platform.
- Investigate alternative options to maximize the usage of Gibson House.
- Continue to work with Oakland County and the DNR for connectable bike paths throughout the county.
- Implement joint recreation and nature programs with Oakland County for the community.
- Investigate options to improve and maintain athletic fields at a reasonable level.
- Continue to promote the Event Sponsorship program for the City events and Fireworks.

BUDGET HIGHLIGHTS:

<u>01 20 54-8413 Events:</u>	<u>Cost</u>	<u>Revenue</u>		<u>Cost</u>	<u>Revenue</u>
Daddy Daughter Dance	2,500	2,620	Tree Lighting	2,200	-
Easter Egg Hunt	2,000	624	Skate Night	300	-
Clean Up Day	500	-	Founder's Day	6,500	1,888
Sr. Grad Picnic/City Picnic	5,000	-	Movie Night	2,500	-
Wine Tasting/Concert Events	1,000	900	Winter Fest	3,500	-
Circus	8,000	7,212	Nature Fitness/Events	1,000	-
Concert Theme Events	2,500	1,275	Fall Fest	6,000	4,920

01 20-54 8427 Cultural Enrichment: The expenditures on this account are offset by the revenues.

01 20-54 9808 Capital-Memorial Brick Program: Brick and bench program expenditures are offset by sponsorships and reflected in the General Fund.

CAPITAL IMPROVEMENT HIGHLIGHTS:

11 20-54 9817 Park Improvements-Gunnar Mettala Park: Continuation of park improvements (Playground improvements, bleachers, trails) (\$2,000).

11 20-54 9818 Park Improvements-Gilbert Willis Park: Continuation of park improvements (trail improvement) (\$2,000).

11 20-54 9892 Park Improvements-Civic Center: Downtown planter renovation and irrigation (\$6,500).

11 20-54 9818 Park Improvements-Gilbert Willis Park: Continuation of park improvements (trail improvement) (\$2,000).

11 20-54 9892 Park Improvements-Civic Center: Downtown planter renovation and irrigation (\$6,500).

DEPT - PARKS & RECREATION
FUND - GENERAL FUND
DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-13	Original	Original
							CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
SALARIES & WAGES								
01 20-54 6011	Salary - Parks & Rec Dir (50%, Cul Cen 50%)	38,794	38,794	25,365	38,794	38,794	38,794	38,794
01 20-54 6014	Wage - Recreational Supervisor	48,359	48,359	31,619	48,359	48,359	48,359	48,359
01 20-54 6018	Wage - Parks & Rec Coordinator	38,882	38,883	25,423	38,883	38,883	38,883	38,883
01 20-54 6080	Part-time Help Prog. Coord.	843	-	442	442	-	-	-
01 20-54 6222	Overtime	1,156	500	844	844	500	500	500
01 20-54 6814	Sick Time Pay - Recreation	1,674	-	-	1,674	1,674	1,674	1,674
01 20-54 7011	Fringes - Parks & Rec Dir (50%, Cul Cen 50%)	14,956	14,570	10,164	15,131	15,725	15,959	16,209
01 20-54 7014	Fringes - Recreational Supervisor	30,919	31,305	21,905	30,299	31,889	33,014	34,157
01 20-54 7018	Fringes-Parks & Rec Coordinator	27,905	28,730	20,613	29,835	31,518	32,783	34,087
01 20-54 7080	Fringes-Part-time Prog. Coordi	33	-	-	-	-	-	-
01 20-54 7040	Fringes-HRA Expense	3,490	2,700	1,584	2,700	-	-	-
01 20-54 8002	Instructor Fees	16,281	15,000	9,475	15,000	15,000	15,000	15,000
CATEGORY TOTAL		223,292	218,841	147,434	221,961	222,342	224,966	227,663
PROFESSIONAL & CONTRACTUAL								
01 20-54 8100	Mileage & Other Reimb	191	250	92	200	250	250	250
01 20-54 8102	Parks & Rec. Commission Exp.	-	450	-	450	-	450	450
01 20-54 8221	Conf.& Workshops-Comm. Serv.	561	500	464	500	-	500	500
01 20-54 8230	Education & Training	1,524	1,600	1,579	1,600	1,000	1,600	1,600
01 20-54 8300	Consultants & Personnel	3,454	5,000	4,728	5,000	4,000	5,000	5,000
01 20-54 8301	Comcast Cable	666	720	590	876	720	750	750
01 20-54 8900	Dues & Subscriptions	475	1,150	363	1,150	500	1,200	1,200
CATEGORY TOTAL		6,871	9,670	7,816	9,776	6,470	9,750	9,750
COMMUNITY PROMOTION								
01 20-54 8404	Holiday Decorations	5,383	3,000	2,530	3,258	3,000	3,000	3,000
01 20-54 8408	Semta Bus Credits	2,299	13,000	1,000	13,000	13,000	13,000	13,000
01 20-54 8410	Park Concerts	16,000	16,000	8,000	16,000	16,000	16,000	16,000
01 20-54 8413	Events	42,575	43,500	19,541	42,500	43,500	43,500	43,500
01 20-54 8414	Promotional Items	4,609	3,500	1,457	3,500	3,500	3,500	3,500
01 20-54 8415	Events-Youth Night Program	3,500	2,500	-	2,500	2,500	2,500	2,500
01 20-54 8416	Gibson House	6,242	7,120	2,831	7,100	7,120	7,200	7,200
01 20-54 8417	Soccer	31,925	36,000	17,816	36,000	36,000	36,000	36,000
01 20-54 8426	Recreation Programming	15,226	14,500	6,967	14,500	14,500	14,500	14,500
01 20-54 8427	Cultural Enrichment	7,032	7,000	8,935	8,935	7,000	7,000	7,000
01 20-54 8428	Summer Camp	3,343	15,000	1,865	15,000	15,000	15,000	15,000
01 20-54 8429	Signage	4,010	2,000	212	2,000	2,000	2,000	2,000
01 20-54 8430	Civic Appreciation	-	-	-	-	-	-	-
01 20-54 8448	Showcase Expenditures	6,733	6,000	815	6,000	6,000	6,000	6,000
CATEGORY TOTAL		148,877	169,120	71,969	170,293	169,120	169,200	169,200
OPERATING SUPPLIES								
01 20-54 8500	Office Supplies	6,264	6,000	695	6,000	6,000	6,000	6,000
01 20-54 8503	Gas & Oil	903	1,000	349	800	875	931	986
01 20-54 8505	Copy Machine Operating	6,188	6,500	3,520	6,300	6,500	6,500	6,500
01 20-54 8602	Computer Supplies	4,944	5,000	1,397	5,000	5,000	5,000	5,000
01 20-54 9200	Miscellaneous Operating	422	1,000	110	1,000	1,000	1,000	1,000
01 20-54 9705	Vehicle Maintenance	-	250	-	250	250	300	350
01 20-54 9770	Landscaping	10,370	11,500	1,059	11,500	11,500	11,500	11,500
CATEGORY TOTAL		29,091	31,250	7,130	30,850	31,125	31,231	31,336

DEPT - PARKS & RECREATION
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-2011	CURRENT	ACTUAL	EST.	CITY	CITY	CITY
			BUDGET 2011-12	8 MTH 02/29/12	ACTUAL 06/30/12	COUNCIL 2012-13	PROJECTION 2013-14	PROJECTION 2014-15
PUBLIC UTILITY & TELEPHONE								
01 20-54 9000	Telephone - Parks & Rec.	3,507	6,000	1,719	4,500	4,672	4,845	5,017
01 20-54 9602	Energy Expense - Parks & Rec.	9,508	8,000	5,093	9,500	9,602	9,726	9,850
CATEGORY TOTAL		13,015	14,000	6,812	14,000	14,275	14,571	14,868
CAPITAL OUTLAY								
01 20-54 9800	Office Equipment	2,467	2,500	-	2,500	-	2,500	2,500
01 20-54 9801	Office Furniture	272	500	-	500	-	500	500
01 20-54 9808	Capital-Memorial Prog Bric	-	1,000	2,479	2,505	1,000	1,000	1,000
01 20-54 9813	Recreational Equipment	4,867	5,300	-	5,300	5,300	5,300	5,300
CATEGORY TOTAL		7,606	9,300	2,479	10,805	6,300	9,300	9,300
DEPARTMENTAL TOTAL		428,752	452,181	243,640	457,685	449,632	459,018	462,117

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**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: Interfund Transfers

PROGRAM # 30-00

PROGRAM DESCRIPTION:

The Interfund Transfers are General Fund contributions to assist in funding the operation of non-General Fund supported operating departments and capital improvement projects. The programs funded are the Capital Improvement Fund, Capital Planning Fund, Insurance-Retiree Fund, and Budget Stabilization Fund.

DEPT - INTERFUND TRANSFERS
 FUND - GENERAL FUND
 DATE May 8, 2012

Original Original

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL BUDGET	CURRENT BUDGET	ACTUAL 8 MTH	EST. ACTUAL	CITY COUNCIL	CITY PROJECTION	CITY PROJECTION
		2010-2011	2011-12	02/29/12	06/30/12	2012-13	2013-14	2014-15
INTERFUND TRANSFERS								
01 30-00 9911	Transfer to Capital Impr	351,880	359,780	239,853	359,780			
01 30-00 9912	Transfer to Capital Plan. Fund (Advance)	-	-	-	-	107,124	221,699	219,043
01 30-00 9912	Transfer to Capital Plan. Fund	-	-	-	-	257,125	650,000	547,200
01 30-00 9926	Transfer to Bikepath	-	-	-	38,096	-	-	-
01 30-00 9932	Transfer to Insurance Fund	221,620	-	-	170,005	-	625,000	625,000
01 30-00 9988	Transfer to DDA/VCA	-	-	-	-	-	254,805	260,173
CATEGORY TOTAL		573,500	359,780	239,853	567,881	364,249	1,751,504	1,651,416
DEPARTMENTAL TOTAL		573,500	359,780	239,853	567,881	364,249	1,751,504	1,651,416

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OTHER FUNDS

**MULTI-YEAR BUDGET
FY2013, FY2014, FY2015**

**CITY OF WIXOM -PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: DDA

PROGRAM #: 14

PROGRAM DESCRIPTION:

The Downtown Development Authority (DDA) is a separate corporate entity created by the City Council under Michigan Public Act 197 of 1975, as amended. In compliance with the Act, the DDA is the managing entity for the development and financing of activities within an established district. These development and financing initiatives are intended to reverse the pattern of deterioration in the downtown area and to plan for and implement certain public improvements that are considered necessary for future economic growth. The City Manager of Wixom serves as the Executive Director of the DDA.

ACHIEVEMENT GOALS FOR FY 2012-2013:

Ongoing implementation of the Downtown Development Plan and Tax Increment Finance Plan as was approved by City Council on August 12, 2003. The Plan includes the following:

- Update VCA Master Plan and Prepare Promotional Materials
- VCA Property Acquisition
- VCA Road Improvements
- VCA Detention Facilities and Storm Drain Improvements
- Streetscape Improvements, Signalization and Signage
- Parking Facilities
- Non-Motorized Paths
- VCA Park Improvements
- Bury Utility Lines on Primary Roads

Additionally, the DDA is transitioning from its customary financial role to one with an increasing involvement with local businesses and VCA related events.

DEPT-	DOWNTOWN DEV. AUTH.
FUND-	DOWNTOWN DEV. AUTH.
FUND 14	
DATE	May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-2013	Original	Original
							DDA PROJECTION 2013-2014	DDA PROJECTION 2014-2015
REVENUES								
14 02-01 4003	Property Taxes DDA	216,013	211,104	180,790	196,454	177,328	175,554	177,311
14 02-01 4008	Delinq Pers/Real Prop	1,836	-	-	-			
14 02-01 4015	Special Millage	11,492	10,941	9,338	10,441	9,754	9,657	9,753
14 02-01 4020	Interest & Penalty - Delq	1,442	-	195	195	-	-	-
14 06-02 5802	Interest Income	347	500	125	300	-	-	-
14 06-02 5822	Donations for DDA	2,000	-	-	2,000	-	-	-
	CATEGORY TOTAL	233,129	222,545	190,449	209,390	187,082	185,211	187,064
EXPENDITURES								
14 60-00 6013	Wage-Recording Secretary	35	250	17	250	250	250	250
14 60-00 8800	Audit Fee	250	255	250	255	265	273	281
14 60-00 9809	Downtown Development Exp.	958	3,000	75	3,000	3,000	3,000	3,000
14 30-00 9988	Transfer to DDA Constr Debt	228,947	194,692	190,324	194,692	404,588	174,391	183,533
	CATEGORY TOTAL	230,190	198,197	190,666	198,197	408,103	177,914	187,064
	EXCESS (DEFICIT) OF REVENUE							
	OVER EXPENDITURES	2,940	24,348	(217)	11,193	(221,021)	7,297	-
14 00-00 3000	FUND BALANCE 7/1	209,591	212,531	212,531	212,531	223,724	2,703	10,000
	FUND BALANCE 6/30	212,531	236,879	212,314	223,724	2,703	10,000	10,000

**CITY OF WIXOM -PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: CDBG

PROGRAM #: 15

PROGRAM DESCRIPTION:

The Community Development Block Grant (CDBG) Fund contains monies allocated annually to the City of Wixom for the reimbursement from the Federal Community Block programs, which is administered by Oakland County. These funds are utilized for the development and completion of projects that serve the needs of persons of low to moderate income within the City of Wixom.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Continue contributions to HAVEN, LAYA and other service organizations.
- Retrofit Downtown street lights to LED illumination to reduce operational costs and improve efficiency.
- Implement Code Enforcement reimbursable program to prevent any appearance or cause of deterioration in the blight areas.
- Future Projects may include improvements to the Gibson House as well as upgrades to the Tot Lot behind the Library.

DEPT -	COMMUNITY DEV. FUND
FUND -	COMMUNITY DEV. FUND
FUND 15	
DATE	May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST. ACTUAL 06/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
15 60-66 4261	CDBG - Spec Proj	50,879	34,478	-	28,448	35,013	35,013	35,013
15 60-69 4261	CDBG - Public Services	13,246	14,776	8,064	12,190	6,096	6,096	6,096
	CATEGORY TOTAL	64,124	49,254	8,064	40,638	41,109	41,109	41,109
EXPENDITURES								
15 60-63 9416	02-3436 Gibson Park	-	-	-	-	-	9,742	-
15 60-66 9450	CDBG-Street Improvement	-	17,000	-	10,969	17,742	-	-
15 60-66 9451	Code Enforcement	-	17,478	-	17,479	14,271	14,271	14,271
15 60-66 9500	Safety Path-Constr	50,879	-	-	-	-	-	-
15 60-66 9501	CC Renovation	-	-	-	-	-	8,000	-
15 60-66 9502	Parking Lot - Senior Center	-	-	-	-	-	-	17,742
15 60-69 9407	Minor Home Repair	-	-	-	-	-	3,000	3,000
15 60-69 9433	Haven	5,000	5,000	5,000	5,000	-	-	-
15 60-69 9434	LAYA	939	2,500	2,500	2,500	3,048	3,048	3,048
15 60-69 9436	Other Service	7,307	7,276	564	4,690	3,048	3,048	3,048
15 60-69 9437	Other Services/Heating Assistance	-	-	-	-	3,000	-	-
	CATEGORY TOTAL	64,124	49,254	8,064	40,638	41,109	41,109	41,109
	EXCESS (DEFICIT) OF REVENUE							
	OVER EXPENDITURES	-	-	-	-	-	-	-
15 00-00 3000	FUND BALANCE 7/1	-	-	-	-	-	-	-
	FUND BALANCE 6/30	-	-	-	-	-	-	-

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

**NAME OF PROGRAM: MAJOR & LOCAL
STREET FUNDS-ACT 51**

PROGRAM #: 16 & 17

**FUND SUMMARY
MAJOR AND LOCAL STREET FUNDS-ACT 51**

These funds serve as the repositories for monies received by the City of Wixom from the State of Michigan, and from proceeds realized from the State of Michigan Motor Fuel Tax. These monies are to be used by the City for the maintenance and improvement of our Local road system. The funds supplied from the State are only able to cover a portion of the total cost of the current level of street maintenance service provided in the City of Wixom. The balance of funds comes from the City's General Fund or Capital Improvement Projects. Revenue provided to the City from the Motor Fuel Tax proceeds is allocated on the basis of lane mileage for the major and local streets under the jurisdiction of the City of Wixom.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Continued maintenance and improvement of eligible streets within the City according to Act 51 of Public Acts of 1951, as amended.

DEPT - MAJOR ROAD FUND
FUND - MAJOR ROAD FUND
FUND 16
DATE May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CURRENT ACTUAL	BUDGET	8 MTH	EST ACTUAL	CITY COUNCIL	Original	Original
							2010-11	2011-12
REVENUES								
16 04-06 4180	State Major Road Revenue	473,414	470,106	246,679	470,106	480,421	487,532	494,748
16 08-00 5901	Contributions-General Fund	14,016	43,632	32,444	43,632	65,137	64,931	65,065
16 08-00 5924	Contribution - Major Road Bonds	-	7,000	-	-	-	-	-
CATEGORY TOTAL		487,430	520,738	279,123	513,738	545,558	552,463	559,813
EXPENDITURES								
Administrative Costs								
16 39-01 9500	Administrative Expenditures	47,341	47,011	35,069	47,011	48,042	48,753	49,475
CATEGORY TOTAL		47,341	47,011	35,069	47,011	48,042	48,753	49,475
Construction Costs								
16 39-03 9595	Engineering Services	-	5,000	-	-	-	-	-
16 39-03 9591	Major Road Program	-	2,000	-	-	-	-	-
CATEGORY TOTAL		-	7,000	-	-	-	-	-
Routine Maintenance								
16 39-05 9501	Routine Maintenance Salaries	65,147	72,000	55,222	72,000	72,000	72,000	72,000
16 39-05 9503	Employee Fringe Benefits	50,535	58,000	44,178	58,000	62,060	66,404	71,052
16 39-05 9504	Routine Maintenance - Material	20,201	50,000	12,642	50,000	50,000	50,000	50,000
16 39-05 9515	Equipment Rental	92,932	75,000	46,393	75,000	100,000	100,000	100,000
CATEGORY TOTAL		228,815	255,000	158,435	255,000	284,060	288,404	293,052
Traffic Service								
16 39-07 9501	Traffic Service Salaries	23,882	12,500	5,303	12,500	12,500	12,500	12,500
16 39-07 9503	Employee Fringe Benefits	19,105	9,700	4,242	9,700	10,379	11,106	11,883
16 39-07 9505	Traffic Signs & Posts	20,559	33,568	14,888	33,568	33,568	33,568	33,568
16 39-07 9515	Equipment Rental	10,330	10,959	9,701	10,959	10,959	10,959	10,959
CATEGORY TOTAL		73,876	66,727	34,134	66,727	67,406	68,133	68,910
Snow & Ice Removal								
16 39-09 9501	Snow & Ice Removal Salaries	20,878	20,000	8,619	20,000	20,000	20,000	20,000
16 39-09 9503	Employee Fringe Benefits	16,702	15,000	6,895	15,000	16,050	17,174	18,376
16 39-09 9505	Sand & Salt	40,989	50,000	22,179	50,000	50,000	50,000	50,000
16 39-09 9515	Equipment Rental	58,828	60,000	13,792	60,000	60,000	60,000	60,000
CATEGORY TOTAL		137,397	145,000	51,485	145,000	146,050	147,174	148,376
Interfund Transfers								
16 30-00 9917	Transfer to Local Road Fund	-	-	-	-	-	-	-
CATEGORY TOTAL		-	-	-	-	-	-	-
TOTAL EXPENDITURES		487,430	520,738	279,123	513,738	545,558	552,463	559,813
EXCESS (DEFICIT) OF REVENUE								
OVER EXPENDITURES		-	-	-	-	-	-	-
16 00-00 3000	FUND BALANCE 7/1	-	-	-	-	-	-	-
	FUND BALANCE 6/30	-	-	-	-	-	-	-

DEPT - LOCAL ROAD FUND
 FUND - LOCAL ROAD FUND
 FUND 17
 DATE May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST ACTUAL 06/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
17 04-06 4180	State Local Road Revenue	203,898	200,844	105,567	200,844	207,110	210,373	213,687
17 08-00 5901	Contributions-General Fund	209,391	274,533	171,039	274,533	274,621	278,125	282,036
17 08-00 5925	Contribution-Local Road Prog	-	1,507,000	-	-	-	-	-
17 08-00 5926	Contribution-Safety Bike Path	-	200,000	-	-	-	-	-
CATEGORY TOTAL		413,289	2,182,377	276,606	475,377	481,731	488,498	495,723
EXPENDITURES								
Administrative Costs								
17 39-01 9500	Administrative Expenditures	20,390	20,084	16,002	20,084	20,711	21,037	21,369
CATEGORY TOTAL		20,390	20,084	16,002	20,084	20,711	21,037	21,369
Construction Costs								
17 39-03 9592	Safety Bike Path	-	200,000	-	-	-	-	-
17 39-03 9591	Local Road Program	-	1,507,000	-	-	-	-	-
CATEGORY TOTAL		-	1,707,000	-	-	-	-	-
Routine Maintenance								
17 39-05 9501	Routine Maintenance Salaries	58,004	73,000	46,588	73,000	73,000	73,000	73,000
17 39-05 9503	Employee Fringe Benefits	46,403	58,000	37,270	58,000	62,060	66,404	71,052
17 39-05 9504	Routine Maintenance - Material	20,200	25,000	18,432	25,000	25,000	25,000	25,000
17 39-05 9515	Equipment Rental	63,565	100,000	54,983	100,000	100,000	100,000	100,000
CATEGORY TOTAL		188,172	256,000	157,273	256,000	260,060	264,404	269,052
Traffic Service								
17 39-07 9501	Traffic Service Salaries	14,165	12,000	15,844	12,000	12,000	12,000	12,000
17 39-07 9503	Employee Fringe Benefits	11,332	10,000	12,675	10,000	10,700	11,449	12,250
17 39-07 9505	Traffic Signs & Posts	18,298	14,000	14,888	14,000	14,000	14,000	14,000
17 39-07 9515	Equipment Rental	7,493	11,000	10,201	11,000	11,000	11,000	11,000
CATEGORY TOTAL		51,288	47,000	53,608	47,000	47,700	48,449	49,250
Snow & Ice Removal								
17 39-09 9501	Snow & Ice Removal Salaries	23,631	22,000	7,078	22,000	22,000	22,000	22,000
17 39-09 9503	Employee Fringe Benefits	18,905	18,000	5,662	18,000	19,260	20,608	22,051
17 39-09 9505	Sand & Salt	40,989	46,293	22,178	46,293	46,000	46,000	46,000
17 39-09 9515	Equipment Rental	69,914	66,000	14,805	66,000	66,000	66,000	66,000
CATEGORY TOTAL		153,439	152,293	49,723	152,293	153,260	154,608	156,051
Interfund Transfers								
17 30-00 9925	Transfer to Major Road Maint Fund	-	-	-	-	-	-	-
CATEGORY TOTAL		-	-	-	-	-	-	-
TOTAL EXPENDITURES		413,289	2,182,377	276,606	475,377	481,731	488,498	495,723
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES		-	-	-	-	-	-	-
17 00-00 3000	FUND BALANCE 7/1	-	-	-	-	-	-	-
	FUND BALANCE 6/30	-	-	-	-	-	-	-

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**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: LAND ACQUISITION

PROGRAM #: 20

**FUND SUMMARY
LAND ACQUISITION FUND**

The Land Acquisition Fund contains the proceeds of the millage levied for the purpose of acquiring land. The land acquisition activities are designed to preserve the natural resources of the City of Wixom and to facilitate controlled growth and quality economic development. The program was funded through property taxes over a 10-year period ending FY 1998-99.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Pursue land acquisitions in accordance with the mission of this fund. Should a fund balance remain in the Acquisition account, then these funds will be rolled over to subsequent fiscal years.

DEPT - LAND ACQUISITION FUND
FUND - LAND ACQUISITION FUND
FUND 20
DATE May 9, 2012

							Original	Original
ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CUR BDGT 2011-12	ACTUAL 8 MTH 02/29/12	EST ACTUAL 06/30/12	CITY COUNCIL 2012-2013	CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
20 06-02 5802	Interest Income	1,380	500	480	720	1,000	-	-
20 06-02 5817	Sale of Land	-	-	50	50	-	-	-
20 06-02 5822	Miscellaneous Income	160	-	2,975	2,975	-	-	-
CATEGORY TOTAL		1,540	500	3,505	3,745	1,000	-	-
EXPENDITURES								
20 30-00 8800	Audit Fee	600	600	600	600	600	-	-
20 30-00 9911	Land Acquisition	1,492	479,168	-	-	981,701	-	-
CATEGORY TOTAL		2,092	479,768	600	600	982,301	-	-
EXCESS (DEFICIT) OF REVE								
OVER EXPENDITURES		(552)	(479,268)	2,905	3,145	(981,301)	-	-
20 00-00 3000	FUND BALANCE 7/1	978,708	978,156	978,156	978,156	981,301	-	-
	FUND BALANCE 6/30	978,156	498,888	981,061	981,301	-	-	-

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

**NAME OF PROGRAM: LOCAL DEVELOPMENT
FINANCE AUTHORITY**

PROGRAM #: 22

**FUND SUMMARY
LOCAL DEVELOPMENT FINANCE AUTHORITY**

The LDFA is used to fund special projects such as the Wixom Road By-Pass including the Wixom Road By-Pass Enhancement Project. With both projects essentially complete, Oak Creek Drive repairs ongoing and the bonds retired, the capture of LDFA taxes from other governmental units will no longer be available.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Local Development Finance Authority (LDFA) will modify and adopt a new LDFA Development and Tax Increment Financing Plan approving amendments to development and tax increment financing plan for the City roads projects including Beck Road.

DEPT - LDFA
FUND - LDFA
FUND 22
DATE May 9, 2012

							Original	Original
ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST ACTUAL 06/30/12	CITY COUNCIL 2012-2013	CITY	CITY
							PROJECTION 2013-2014	PROJECTION 2014-2015
REVENUES								
22 08-00 5984	LDFA - Local Share	16,950	-	1,950	3,019,932	-	-	
22 06-02 5802	Interest Income	-	-	-	-	15,000	15,000	15,000
CATEGORY TOTAL		16,950	-	1,950	3,019,932	15,000	15,000	15,000
EXPENDITURES								
22 60-00 8300	Consultants and Personnel	410						
22 30-00 9924	Transfer to Major Roads	16,540	2,000	1,950	1,950	2,000	217,890	960,890
22 30-00 9925	Transfer to Local Roads	-	-	-	-	-	-	-
CATEGORY TOTAL		16,950	2,000	1,950	1,950	2,000	217,890	960,890
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES								
		-	(2,000)	-	3,017,982	13,000	(202,890)	(945,890)
22 00-00 3000	FUND BALANCE 7/1	45	45	45	45	3,018,027	3,031,027	2,828,137
	FUND BALANCE 6/30	45	(1,955)	45	3,018,027	3,031,027	2,828,137	1,882,247

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

**NAME OF PROGRAM: MAJOR, LOCAL
AND SAFETY PATH CAPITAL PROGRAM FUND**

PROGRAM #: 24, 25, 26

The Major, Local and Safety Path Capital Program was created to record and track the capital outlays associated with various transportation infrastructure improvement and repair programs. It is the goal of these funds to maximize financial allocations by leveraging grants, where available, and through the development of a comprehensive Five-Year Road Program which will incorporate the Internal Roads and Main Artery Committee recommendations, recommendations of the 2010 Master Road Study, the Oakland County Transportation Improvement Program, and the road maintenance needs as annually determined by the Department of Public Works.

Municipal Roads

Included in this fund category is those roads that are not under the jurisdiction of the City of Wixom; however, whose improvements have been undertaken by the City and/or require a financial contribution from the City. Typical examples include the City's contribution to the improvement of Grand River Avenue from Beck Road to Wixom Road by the Road Commission for Oakland County, and the City's addition of a fifth lane on Wixom Road north of the CSX Railroad. Tri-Party funds that require a City contribution combined with RCOC and Oakland County contributions are the main source of money for these projects.

Major Roads

Major Roads are those streets under the jurisdiction of the City which are of the greatest importance and 1) provide extensions to State Trunklines or County Primary Roads; 2) provide an integral network to serve the traffic demands created by industrial, commercial, educational or other traffic generating centers; 3) provide for circulation in and around a central business district; and 4) collect traffic from an area served by a network of local roads. Examples of Major Roads are Beck, Potter, Loon Lake and portions of Maple.

Local Roads

Local Roads are those roadways that do not fall within the categories discussed above. Typically, these are subdivision streets or those roads of low volume and serving as access roads for homes and business. The following is a listing of the projects proposed for funding in the summer of 2012:

- Beck Road (northbound and center turn lanes just north of Pontiac Trail in front of McDonald's Rst.)
- Northridge Estates, construction

The following is a listing of the projects proposed for funding in the summer of 2013:

- Hidden Creek; engineering.

Pathways

In 2008, Wixom voters approved three tenths of a mill for the purpose of providing additional revenues for bike path construction including property acquisition and planning. The following is a listing of projects proposed for funding in the summer of 2012 and 2013:

- Wixom Road gaps especially in front of GFS and CSX not including actually crossing of the rail tracks which will be completed in the future. This will allow an almost continues network of sidewalks to Grand River.
- Beck Road gaps south of Pontiac Trail; engineering (FY 2013-2014).

DEPT - MAJOR ROAD CAPITAL PROG
FUND - MAJOR ROAD CAPITAL PROG
FUND 24
DATE May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MONTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
24 06-02 5802	Interest Income-Road Series	1,096	1,500	374	600	1,000	1,000	1,000
24 06-03 4260	Federal/State Revenue	-	-	-	-	-	1,943,010	8,630,010
24 08-00 5922	Contribution - LDFA Capital	16,540	2,000	1,950	1,950	2,000	217,890	960,890
CATEGORY TOTAL		17,636	3,500	2,324	2,550	3,000	2,161,900	9,591,900
EXPENDITURES								
24 18-39 9812	South Wixom Road - Eng	14,590	-	-	-	-	-	-
24 18-39 9813	South Wixom Road - Construction (Wetland)	1,950	2,000	1,950	1,950	2,000	2,000	2,000
24 18-39 9828	Beck Road Rehab - Engineering	-	-	-	-	-	2,158,900	-
24 18-39 9829	Beck Road Rehab - Construction	-	-	-	-	15,000	-	9,588,900
24 18-39 9874	Pavement Management	5,000	5,000	-	5,000	5,000	5,000	5,000
CATEGORY TOTAL		21,540	7,000	1,950	6,950	22,000	2,165,900	9,595,900
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES		(3,904)	(3,500)	374	(4,400)	(19,000)	(4,000)	(4,000)
24 00-00 3000	FUND BALANCE 7/1	778,214	774,310	774,310	774,310	769,910	750,910	746,910
	FUND BALANCE 6/30	774,310	770,810	774,684	769,910	750,910	746,910	742,910

DEPT - LOCAL ROAD CAPITAL PROGRAM
 FUND - LOCAL ROAD CAPITAL PROGRAM
 FUND 25
 DATE May 9, 2012

Millage 1.1314 1.1314 1.1314 1.1314 1.150 1.150 1.150

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
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REVENUES

25 02-01 4000	Real Property Tax	685,675	633,654	598,044	615,654	573,320	567,693	578,790
25 02-01 4002	Personal Property Tax	130,655	132,641	128,291	132,641	139,769	138,371	141,000
25 02-01 4004	Industrial Facilities Tax	6,018	6,990	6,837	6,976	7,179	7,221	7,205
25 02-01 4008	Delinq Real/Pers. Prop	(19,295)	-	-	-	-	-	-
25 02-01 4010	Maple North Service Income	838	593	-	593	593	593	593
25 02-01 4013	IFT Job Shortfall Revenue	1,030	-	-	-	-	-	-
25 02-01 4020	Delinq Int & Pen	3,301	-	940	940	-	-	-
25 02-01 4027	Special Assessment	-	-	-	-	114,837	-	-
25 06-00 5899	Contribution - Developer/Other	-	-	-	187,000	-	-	-
25 06-02 5802	Interest Income	2,935	2,000	673	1,010	1,000	1,000	1,000
25 06-02 5824	Sidewalk Repair Revenue	2,050	-	-	-	-	-	-
25 06-03 4260	Grants Federal/State	-	-	-	-	-	-	-
25 06-03 4262	County Revenue	73,293	-	-	-	-	-	-
CATEGORY TOTAL		886,501	775,878	734,785	944,814	836,698	714,879	728,588

EXPENDITURES

25 18-39 9860	Local Roads - Engineer	73,447	50,000	116,562	116,562	-	140,000	100,000
25 18-39 9861	Local Roads - Construction	1,577,520	1,352,000	957,912	1,285,438	700,000	-	1,200,000
25 18-39 9874	Pavement Management Systems	5,000	5,000	-	5,000	5,000	5,000	5,000
25 18-39 9933	Alpha Tech Traffic Signal	38,575	-	-	-	-	-	-
25 18-39 9940	VCA Pavement Imprv	1,544	-	282,146	282,146	-	-	-
25 18-39 9960	Road Reserved	154,178	-	-	-	-	-	-
25 18-39 9963	Pavement Preservation	47,820	50,000	38,602	50,000	50,000	50,000	50,000
25 30-00 9901	Transfer - General Fund	-	50,000	33,333	50,000	50,000	50,000	50,000
CATEGORY TOTAL		1,898,084	1,507,000	1,428,555	1,789,146	805,000	245,000	1,405,000

EXCESS (DEFICIT) OF REVENUES

OVER EXPENDITURES (1,011,583) (731,122) (693,770) (844,332) 31,698 469,879 (676,412)

25 00-00 3000	FUND BALANCE 7/1	2,780,924	1,769,341	1,769,341	1,769,341	925,008	956,706	1,426,585
	FUND BALANCE 6/30	1,769,341	1,038,219	1,075,571	925,008	956,706	1,426,585	750,174

DEPT -	SAFETY PATH PROGRAM
FUND -	SAFETY PATH PROGRAM
FUND 26	
DATE	May 9, 2012

Millage	0.000	0.300	0.300	0.300	0.300	0.300	0.300
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ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015

REVENUES

26 02-01 4000	Real Property Tax	181,497	168,019	158,566	165,519	149,671	148,203	151,097
26 02-01 4002	Personal Property Tax	34,645	35,171	34,015	35,171	36,461	36,097	36,783
26 02-01 4004	Industrial Facilities Tax	1,596	1,853	1,813	1,853	1,873	1,884	1,879
26 02-01 4008	Delinq Real/Pers. Prop	(2,491)	-	-	-	-	-	-
26 02-01 4010	Maple North Service Income	222	-	-	222	200	200	200
26 02-01 4013	IFT Job Shortfall Revenue	273	-	-	-	-	-	-
26 02-01 4020	Delinq. Pers. Prop.	875	-	249	249	-	-	-
26 06-02 5802	Interest Income	243	-	30	45	-	-	-
26 08-00 5901	Contribution from General Fund	-	-	-	38,096			

CATEGORY TOTAL		216,861	205,043	194,673	241,155	188,205	186,383	189,960
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EXPENDITURES

26 18-39 9800	Safety Path Engineering	31,335	10,000	27,975	27,975	-	50,000	25,000
26 18-39 9801	Safety Path Construction	366,463	190,000	159,594	205,615	75,000	130,000	130,000
26 30-00 9901	Contribution to General Fund	-	-	-	-	38,096	-	-

CATEGORY TOTAL		397,798	200,000	187,569	233,590	113,096	180,000	155,000
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EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES		(180,937)	5,043	7,104	7,565	75,109	6,383	34,960
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26 00-00 3000	FUND BALANCE 7/1	173,372	(7,565)	(7,565)	(7,565)	0	75,109	81,492
	FUND BALANCE 6/30	(7,565)	(2,522)	(461)	0	75,109	81,492	116,452

**WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: DPW & FIRE BUILDING CONSTRUCTION PROGRAM #: 27

FUND SUMMARY

DPW & FIRE BUILDING CONSTRUCTION PROJECTS CAPITAL PROGRAM FUND

The DPW & Fire Building Construction Fund was created to record the capital outlays of the DPW & Fire Building Construction that was approved by the citizens of the City in FY 1999-2000.

DEPT - DPW & FIRE CONSTRUCTION FUND
FUND - DPW & FIRE CONSTRUCTION FUND
FUND 27
DATE May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
27 06-02 5802	Interest Income	20	-	-	-	-	-	-
	CATEGORY TOTAL	20	-	-	-	-	-	-
EXPENDITURES								
27 30-00 9911	Contribution - Cap Imprv	14,692	-	-	-	-	-	-
	CATEGORY TOTAL	14,692	-	-	-	-	-	-
	EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	(14,672)	-	-	-	-	-	-
27 00-00 3000	FUND BALANCE 7/1	14,672	Fund Closed	Fund Closed	Fund Closed	Fund Closed	Fund Closed	Fund Closed
	FUND BALANCE 6/30	(0)						

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: BUDGET STABILIZATION FUND

PROGRAM #: 29

**FUND SUMMARY
BUDGET STABILIZATION FUND**

The Budget Stabilization Fund was created to assist the City in times of instability in the business cycle or when unanticipated events/unexpected emergencies occur which cause a significant downturn in revenues. This can be measured by the magnitude and duration of the revenue shortfall. In the absence of a Budget Stabilization Fund a government may be confronted with an unanticipated revenue shortfall which affects the overall financial condition of the City. The Budget Stabilization Fund can be used instead of the City borrowing, increasing taxes, or significantly reducing expenditures. Since cities are constrained by the State law in their ability to borrow, it often leaves only the alternatives of increased taxes and/or significant decreases in spending.

It is difficult to justify increased taxation in periods of recession when business faces tough times and personal incomes are falling. Relying on expenditure cuts results in cutbacks in government services at a time when demand for some of those services is increasing. There is substantial literature supporting the argument that reliance upon a budget stabilization fund to offset revenue shortfalls in periods of recession can result in more efficient and equitable government services.

GASB Statement No. 54

Fund Balance Reporting and Governmental Fund Type Definitions
(Issued 03/09)

GASB 54 has clarified the definitions of the general fund, special revenue fund type, capital projects fund type, debt service fund type, and permanent fund type. Due to new interpretations the Budget Stabilization Fund will show as merged with the General Fund for reporting purposes. The City auditors have recommended the change to comply with GASB 54.

The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010. Accordingly the Budget Stabilization Fund will be merged for reporting purposes only. The Budget Stabilization Fund will be shown separately for Budget and Accounting purposes.

DEPT - BUDGET STABILIZATION
 FUND - BUDGET STABILIZATION
 FUND 29
 DATE May 9, 2012

							Original	Original
ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
29 06-02 5802	Interest Income	14,813	12,000	3,682	5,523	3,700	-	-
	CATEGORY TOTAL	14,813	12,000	3,682	5,523	3,700	-	-
EXPENDITURES								
29 30-00 9901	Transfer to General Fund	591,441	259,904	259,904	259,904	600,508	523,298	-
	CATEGORY TOTAL	591,441	259,904	259,904	259,904	600,508	523,298	-
	EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	(576,628)	(247,904)	(256,222)	(254,381)	(596,808)	(523,298)	-
29 00-00 3000	FUND BALANCE 7/1	1,951,115	1,374,487	1,374,487	1,374,487	1,120,106	523,298	0
	FUND BALANCE 6/30	1,374,487	1,126,583	1,118,265	1,120,106	523,298	0	0

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: FORFEITURE FUND

PROGRAM #: 31

**FUND SUMMARY
FORFEITURE FUND**

The Forfeiture Fund contains monies received from the forfeiture of drugs or equipment used in the manufacture, sale, or use of drugs. These funds must be used in the fight against drugs. The estimated expenditures for the 2012-13 Budget Year are for the purpose listed above.

DEPT - FORFEITURE TRUST ACCOUNT
FUND - FORFEITURE TRUST ACCOUNT
FUND 31
DATE May 9, 2012

							Original	Original
ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
31 06-02 5822	Forfeiture Miscellaneous Income	21,527	-	21,330	21,330	3,000	13,000	13,000
31 06-02 5802	Interest Income	11	50	16	24	-	-	-
CATEGORY TOTAL		21,538	50	21,346	21,354	3,000	13,000	13,000
EXPENDITURES								
31 16-37 9200	Miscellaneous Operating Expense	1,615	13,000	10,275	13,000	42,260	13,000	13,000
31 30-00 9911	Contribution - Cap Imprv	8,751	-	-	-	-	-	-
CATEGORY TOTAL		10,366	13,000	10,275	13,000	42,260	13,000	13,000
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES		11,172	(12,950)	11,071	8,354	(39,260)	-	-
31 00-00 3000	FUND BALANCE 7/1	22,734	33,906	33,906	33,906	42,260	3,000	3,000
	FUND BALANCE 6/30	33,906	20,956	44,977	42,260	3,000	3,000	3,000

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: SOLID WASTE

PROGRAM #: 34

PROGRAM DESCRIPTION:

This program contains resources to fund refuse collection, recycling and household hazardous waste collection services provided to Wixom residents by contractors retained by the City. A Special Revenue Fund was established to account for this activity.

ACHIEVEMENT GOALS FOR FY 2012-2013:

- Continue participation in the Resource Recovery and Recycling Authority of Southwest Oakland County (RRRASOC) organization.
- Continue a public education/awareness campaign about recycling.
- Implementation of new Amended Contract provisions with Waste Management including new recycling bins.

Fiscal Year	Solid Waste Estimated Revenue	Solid Waste Estimated Expenditures	Number of Customers	Customer Cost
FYE 2013	\$475,020	\$483,423	3,064	\$155
FYE 2014	\$476,725	\$488,139	3,075	\$155
FYE 2015	\$478,275	\$492,899	3,085	\$155

Note: The Solid Waste Assistance Program offers a discounted rate for Solid Waste Collection for qualifying Senior Citizens residents. Currently 20 customers use this program.

BUDGET HIGHLIGHTS:

34 18-40 8453 Solid Waste Authority Fee: Solid Waste Authority Fee for services rendered by Resource Recovery and Recycling Authority of Southwest Oakland County (RRRASOC) organization.

34 30-00 9901 Contribution to General Fund: The Interfund Transfers are Solid Waste Fund's contributions for administrative charges related to the Finance Department/and DPW Department providing billing services to the residents. Previously, cost of this service was covered by a third party which cost the City \$12,750.

DEPT -	SOLID WASTE FUND
FUND -	SOLID WASTE FUND
FUND 34	
DATE	May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
34 02-01 4020	Delinq Pen & Int	1,664	100	344	344	-	-	-
34 06-02 5800	Solid Waste Collection	524,747	472,990	460,968	472,990	478,120	479,825	481,375
34 06-02 5802	Interest Income	27	29	129	194	250	240	220
34 06-02 5822	Miscellaneous Revenue	1,190	500	768	800	500	500	500
34 06-02 5823	Revenue/Profit Sharing	7,965	-	-	7,125	7,125	8,194	9,423
CATEGORY TOTAL		535,592	473,619	462,209	481,453	485,995	488,759	491,518
EXPENDITURES								
34 18-40 8450	Solid Waste Collection	431,713	431,837	254,984	431,837	436,155	440,517	444,922
34 18-40 8453	Solid Waste Authority Fee	11,937	11,937	11,937	11,937	11,937	11,937	11,937
34 18-40 8455	Hazardous Waste Program	13,015	12,000	1,547	12,000	12,250	12,500	12,750
34 18-40 8456	City Dumpsters	8,888	10,335	6,612	10,335	10,438	10,543	10,648
34 18-40 8457	MRF Program	4,642	4,642	4,642	4,642	4,642	4,642	4,642
34 30-00 9901	Contribution - General Fund	-	-	-	-	8,000	8,000	8,000
CATEGORY TOTAL		470,194	470,751	279,722	470,751	483,423	488,139	492,899
EXCESS (DEFICIT) OF REVENUES								
OVER EXPENDITURES		65,398	2,868	182,487	10,702	2,572	620	(1,381)
34 00-00 3000	FUND BALANCE 7/1	28,033	93,431	93,431	93,431	104,133	106,705	107,325
	FUND BALANCE 6/30	93,431	96,299	275,918	104,133	106,705	107,325	105,944

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: SPECIAL HOLDING AGENCY FUND

PROGRAM #: 40

**FUND SUMMARY
SPECIAL HOLDING AGENCY FUND**

With the implementation of Governmental Accounting Standards Board model Statement 34 (GASB 34) all Expendable and Nonexpendable Trust Funds have been eliminated. Any such funds used in the past will need to be reclassified to fit within the new structure of GASB 34. The City has used a Trust and Agency Fund in the past which will now be classified as simply a Fiduciary Fund. This Fiduciary Fund will be used to account and record tax collection activities and any special trust activities. Other activities previously recorded in this fund which are not held in trust will be moved to Fund 40 - Special Holding Agency Fund.

Most of the accounts presented are funds held for developers which are utilized for payment to engineers and planners in the building process. Each deposit account has different legal requirements and is accounted for separately.

DEPT - SPECIAL HOLDING AGENCY FUND
 FUND - SPECIAL HOLDING AGENCY FUND
 FUND 40
 DATE May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CURRENT ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
40 02-03 4075	Site Plan Review	5,623	15,000	1,974	3,000	4,300	4,300	4,300
40 02-03 4077	Subdivision Rev	12,298	-	-	-	-	-	-
40 02-03 4080	General Right-Of-Way	-	-	-	-	-	-	-
40 02-03 4082	Tree Escr - Replac	2,638	-	-	-	-	-	-
40 02-03 4089	Engineering Review Fees	11,641	11,000	59,559	60,000	35,800	35,800	35,800
40 02-03 4090	Site Plan Inspection	79,916	40,000	21,659	29,000	54,500	54,500	54,500
40 02-03 4092	Performance Bonds	-	-	-	-	-	-	-
40 02-03 4093	Tree Replacement	250	-	5,000	5,000	2,600	2,600	2,600
40 02-03 4094	Engineering Bonds	-	-	-	-	-	-	-
40 02-03 4095	Drainage & Approach Plan	-	-	-	-	-	-	-
40 02-03 4096	Final Plat Approval-Construction	-	-	-	-	-	-	-
40 02-03 4097	Temp C of O	210,000	75,000	1,500	2,000	106,000	106,000	106,000
40 06-00 5899	Donations - Private	-	-	-	-	-	-	-
40 06-02 5802	Interest Income	47	-	26	35	-	-	-
40 06-02 5810	Endowment Interest	-	-	-	-	-	-	-
40 06-02 5822	Miscellaneous Income	-	-	-	-	-	-	-
40 06-02 5838	Police Act 302 Monies	3,686	3,000	1,798	2,000	2,800	2,800	2,800
40 06-02 5841	Fire Station Rent Security	900	-	-	-	500	500	500
40 06-02 5842	Escrow Renewable Energy	20,000	-	-	-	10,000	10,000	10,000
40 06-02 5844	Community Foundation Reimb	47	-	338	450	200	200	200
	CATEGORY TOTAL	347,045	144,000	91,854	101,485	216,700	216,700	216,700
EXPENDITURES								
40 14-12 8650	Community Foundation Exp	3,634	-	325	490	490	490	490
40 14-24 8601	Site Plan Inspection	81,180	67,000	28,816	43,000	43,000	43,000	43,000
40 14-24 8602	Engineering Review Fees	28,950	42,000	28,279	42,000	42,000	42,000	42,000
40 14-24 8607	Site Plan Review	7,591	7,000	1,967	114,967	2,500	2,500	2,500
40 14-24 8609	Final Plat Approval-Constructi	-	-	-	-	-	-	-
40 14-24 8611	Temp C of O (Comm/Indust)	173,850	100,000	800	1,000	1,000	1,000	1,000
40 16-37 8630	Police Act 302 Monies	2,335	2,000	3,478	5,000	5,000	5,000	5,000
40 16-37 8631	Police AED Fund	-	-	1,306	2,000	2,000	2,000	2,000
40 30-00 9901	Transfer to General Fund	11,884	-	-	-	-	-	-
	CATEGORY TOTAL	309,423	218,000	64,971	208,457	95,990	95,990	95,990
EXCESS (DEFICIT) OF REVENUES								
	OVER EXPENDITURES	37,622	(74,000)	26,883	(106,972)	120,710	120,710	120,710
40 00-00 3000	FUND BALANCE 7/1	1,166,134	1,203,756	1,203,756	1,203,756	1,096,784	1,217,494	1,338,204
	FUND BALANCE 6/30	1,203,756	1,129,756	1,230,639	1,096,784	1,217,494	1,338,204	1,458,914

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: CEMETERY

PROGRAM #: 71

**FUND SUMMARY
CEMETERY FUND**

The Cemetery Board is responsible for the operations of the Wixom Cemetery. The City Clerk is responsible for record-keeping of all Cemetery records. The Cemetery Board is made up of five members, appointed by the Mayor, with the confirmation of the City Council. Capital projects are supported by funds collected at the time of cemetery lot purchase.

BUDGET HIGHLIGHTS:

70 40-71 9771 Landscape and Maintenance: Expenditures related to landscape and maintenance for the Cemetery will be charged to this account.

DEPT - CEMETERY FUND
FUND - CEMETERY FUND
FUND 71
DATE May 9, 2012

							Original	Original
ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
71 02-03 4078	Sale of Grave Lots	3,400	5,000	4,300	6,450	5,000	5,000	5,000
71 06-02 5899	Donations	2,000						
71 06-02 5802	Interest Income	113	100	43	65	100	100	100
	CATEGORY TOTAL	5,513	5,100	4,343	6,515	5,100	5,100	5,100
EXPENDITURES								
71 40-71 8800	Audit	250	250	250	250	258	265	273
71 40-71 9200	Operating Exp.	35	200	-	200	200	200	200
71 40-71 9201	Purchase of Grave Sites	-	300	300	300	300	300	300
71 40-71 9771	Landscape & Maintenance	-	-	-	-	3,000	-	-
71 30-00 9911	Transfer-Capital Imp Fund	776	1,000	-	1,000	1,000	1,000	1,000
	CATEGORY TOTAL	1,061	1,750	550	1,750	4,758	1,765	1,773
	EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	4,452	3,350	3,793	4,765	343	3,335	3,327
71 00-00 3000	FUND BALANCE 7/1	83,998	88,450	88,450	88,450	93,215	93,557	96,892
	FUND BALANCE 6/30	88,450	91,800	92,243	93,215	93,557	96,892	100,219

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: RETIREE INSURANCE FUND-MERS

PROGRAM #: 73

**FUND SUMMARY
RETIREE INSURANCE FUNDS**

The Insurance for Retiree Benefits was established to fund current and future expenditures for the payment of Retiree Health Insurance as stipulated in the City's Union contracts.

DEPT -	INSURANCE FUND-RETIRES
FUND -	INSURANCE FUND-RETIRES
FUND 73	
DATE	May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
73 06-02 5802	Interest Income	570,377	268,122	(116,475)	100,000	274,000	290,000	307,000
73 08-00 5901	Contribution - General Fund	221,620	-	-	170,005	-	625,000	625,000
73 08-00 5910	Contribution - Library	34,960	-	-	-	-	65,000	65,000
73 06-02 5555	Retiree Insurance Contribution	43,476	50,000	30,329	52,000	52,000	53,000	54,000
	CATEGORY TOTAL	870,432	318,122	(86,146)	322,005	326,000	1,033,000	1,051,000
EXPENDITURES								
73 16-35 8800	Audit	750	750	750	750	773	796	820
73 16-35 8300	Consultants & Personnel	-	20,000	-	20,000	-	-	20,000
73 16-35 9100	Insurance Premium	63,878	75,000	66,957	100,000	105,000	110,000	115,000
	CATEGORY TOTAL	64,628	95,750	67,707	120,750	105,773	110,796	135,820
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES		805,804	222,372	(153,853)	201,255	220,228	922,204	915,180
32 00-00 3000	FUND BALANCE 7/1	2,613,715	3,419,519	3,419,519	3,419,519	3,620,774	3,841,002	4,763,206
	FUND BALANCE 6/30	3,419,519	3,641,891	3,265,666	3,620,774	3,841,002	4,763,206	5,678,387

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR 2012-2013 SUMMARY**

NAME OF PROGRAM: DEBT SERVICE

PROGRAM #: 84, 85, 86, 87, 88

**FUND SUMMARY
DEBT SERVICE FUND SUMMARIES**

LDFA BOND (FUND 84) (Closed June 30, 2011)

The LDFA Bond Fund is a Debt Service Fund. This fund contains monies to pay the interest and principal payments incurred on the Wixom\Pontiac Trail – Category A Project. This Debt Service Fund was closed as of June 30, 2011.

MAJOR ROAD DEBT (FUND 85)

The Major Road Debt Fund is a Debt Service Fund. This fund contains monies to pay the interest and principal payments incurred when repairing the City of Wixom’s Major Road System. You may see the current principal payments due for future years under the Schedule of Indebtedness.

SPECIAL ASSESSMENT DEBT (FUND 86)

The Special Assessment Debt Fund is a Debt Service Fund. This fund contains monies to pay the interest and principal payments incurred in providing improvements to the Tribute Drain area in the Village Center Area. You may see the current principal payments due for future years under the Schedule of Indebtedness.

DPW & FIRE CONSTRUCTION DEBT (FUND 87)

The DPW & Fire Construction Debt is a Debt Service Fund. This fund contains monies to pay the interest and principal payments incurred on the DPW & Fire Building Construction. You may see the current principal payments due for future years under the Schedule of Indebtedness.

DDA/VCA CONSTRUCTION DEBT (FUND 88)

The DDA/VCA Construction Debt is a Debt Service Fund. This fund contains monies to pay the interest and principal payments incurred on the DDA/VCA Construction. You may see the current principal payments due for future years under the Schedule of Indebtedness.

DEPT -	L DFA BOND FUND
FUND -	L DFA BOND FUND
FUND 84	FUND CLOSED
DATE	May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
84 06-02 5802	Interest Income	10,506	-	3,161	4,500	-	-	-
CATEGORY TOTAL		10,506	-	3,161	4,500	-	-	-
EXPENDITURES								
84 30-00 9922	Transfer to LDFA Fund	16,950	-	1,950	1,950	-	-	-
84 30-00 9922	Transfer to LDFA Fund - Balance				3,019,932	-	-	-
84 80-00 8906	Payment to other Governments				-	-	-	-
84 80-00 8800	LDFA Audit	600	-	600	600	-	-	-
CATEGORY TOTAL		17,550	-	2,550	3,022,482	-	-	-
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES		(7,044)	-	611	(3,017,982)	-	-	-
84 00-00 3000	FUND BALANCE 7/1	3,025,026	3,017,982	3,017,982	3,017,982	Fund	Fund	Fund
	FUND BALANCE 6/30	3,017,982	3,017,982	3,018,593	0	Closed	Closed	Closed

DEPT -	MAJOR ROAD DEBT
FUND -	MAJOR ROAD DEBT
FUND 84	
DATE	May 9, 2012

Millage	1.0870	0.8539	0.8539	0.8539	0.9000	0.9000	-
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ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
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REVENUES

85 02-01 4000	Real Property Tax	676,638	488,822	460,077	484,092	453,654	449,278	
85 02-01 4002	Personal Property Tax	125,852	100,606	97,161	97,161	109,384	108,291	
85 02-01 4004	Industrial Facilities Tax	7,676	6,574	6,397	6,397	5,618	5,651	
85 02-01 4008	Delinq. Per. Prop.	(12,132)	-	-	-	-	-	
85 02-01 4010	Maple North Income	805	432	-	432	432	432	
85 02-01 4013	IFT Job Shortfall Revenue	988	37	-	-	-	-	
85 02-01 4020	Delinq Int & Pen	3,289	-	735	735	-	-	
85 06-02 5802	Interest Income	659	600	218	327	-	-	
CATEGORY TOTAL		803,775	597,071	564,588	589,144	569,088	563,652	-

EXPENDITURES

85 80-00 8800	Audit	500	500	500	500	515	530	-
85 80-00 8907	Interest Expense	66,163	40,988	20,494	40,988	28,500	15,126	-
85 80-00 8917	Bond Payment	805,000	555,000	-	555,000	535,000	550,000	-
85 80-00 9200	Miscellaneous Expense	58	650	-	250	250	250	-
CATEGORY TOTAL		871,721	597,138	20,994	596,738	564,265	565,906	-

EXCESS (DEFICIT) OF REVENUE

OVER EXPENDITURES	(67,946)	(67)	543,594	(7,594)	4,823	(2,255)	-
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85 00-00 3000	FUND BALANCE 7/1	75,540	7,594	7,594	7,594	(0)	4,823	Fund
	FUND BALANCE 6/30	7,594	7,527	551,188	(0)	4,823	2,569	Closed

DEPT -	SAD - TRIBUTE DRAIN BONDS
FUND -	SAD - TRIBUTE DRAIN BONDS
FUND 86	
DATE	May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
86 02-01 4015	Special Assessment Revenue	-	-	-	-	-	30,018	209,361
86 06-02 5802	Interest Income	358	500	116	174	175	175	175
86 06-02 5895	Escrow Fund	-	213,166	-	213,166	130,250	25,875	-
	CATEGORY TOTAL	358	213,666	116	213,340	130,425	56,068	209,536
EXPENDITURES								
86 80-00 8800	Audit	500	500	500	500	515	530	546
86 80-00 8907	Interest Expense	92,228	88,166	-	88,166	83,790	79,416	75,040
86 80-00 8917	Bond Payment	400,000	125,000	-	125,000	125,000	125,000	125,000
86 80-00 8918	Bond Defeasance Cost	11,476	-	-	-	-	-	-
86 80-00 9200	Miscellaneous Expense	630	630	-	630	275	275	275
86 30-00 9970	Transfer to Trust & Agency	-	-	-	49,500	8,500	8,500	8,500
	CATEGORY TOTAL	504,833	214,296	500	263,796	218,080	213,721	209,361
	EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	(504,475)	(630)	(384)	(50,456)	(87,655)	(157,653)	175
86 00-00 3000	FUND BALANCE 7/1	829,090	324,615	324,615	324,615	274,159	186,504	28,850
	FUND BALANCE 6/30	324,615	323,985	324,231	274,159	186,504	28,850	29,025

DEPT -	FIRE & DPW BOND FUND
FUND -	FIRE & DPW BOND FUND
FUND 87	
DATE	May 9, 2012

Millage	0.370	0.434	0.434	0.434	0.493	0.440	0.390
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ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CITY ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015

REVENUES

87 02-01 4000	Real Property Tax	230,219	248,676	234,044	242,981	253,465	223,663	201,771
87 02-01 4002	Personal Property Tax	42,839	51,181	49,426	49,246	59,918	52,942	47,818
87 02-01 4004	Industrial Facilities Tax	2,613	3,344	3,254	3,254	3,078	2,763	2,443
87 02-01 4008	Delinq - Personal/Real Property	(4,022)	-	-	-	-	-	-
87 02-01 4010	Maple North Income	274	148	-	148	148	148	148
87 02-01 4013	IFT Job Shortfall Revenue	336	-	-	-	-	-	-
87 02-01 4020	Delinq - Int & Pen	1,119	324	374	374	-	-	-
87 06-02 5802	Interest Income	227	100	113	113	-	-	-
CATEGORY TOTAL		273,606	303,773	287,211	296,116	316,609	279,517	252,182

EXPENDITURES

87 80-00 8800	Audit	500	500	500	500	515	530	546
87 80-00 8907	Interest Expense	34,075	28,226	14,113	28,226	22,038	14,788	7,500
87 80-00 8917	Bond Payment	260,000	275,000	-	275,000	290,000	265,000	250,000
87 80-00 9200	Miscellaneous Expense	42	500	-	250	250	250	250
CATEGORY TOTAL		294,617	304,226	14,613	303,976	312,803	280,568	258,296

EXCESS (DEFICIT) OF REVENUE

OVER EXPENDITURES		(21,011)	(453)	272,598	(7,860)	3,806	(1,052)	(6,114)
87 00-00 3000	FUND BALANCE 7/1	34,924	13,913	13,913	13,913	6,053	9,859	8,807
	FUND BALANCE 6/30	13,913	13,460	286,511	6,053	9,859	8,807	2,693

DEPT - DEVELOPMENT BONDS (VCA)
 FUND - DEVELOPMENT BONDS (VCA)
 FUND 88
 DATE May 9, 2012

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 2/29/12	EST ACTUAL 6/30/12	CITY COUNCIL 2012-2013	Original	Original
							CITY PROJECTION 2013-2014	CITY PROJECTION 2014-2015
REVENUES								
88 06-02 5802	Interest Income	473	630	99	170	-	-	-
88 08-00 5901	Contribution - General Fund	-	-	-	-	-	254,805	260,173
88 08-00 5914	Contribution from DDA	228,947	194,692	190,324	194,692	404,588	174,391	183,533
CATEGORY TOTAL		229,420	195,322	190,423	194,862	404,588	429,196	443,706
EXPENDITURES								
88 80-00 8800	Audit	500	500	500	500	515	530	546
88 80-00 8907	Interest Expense	224,310	217,910	108,955	217,910	210,510	202,110	192,910
88 80-00 8917	Bond Payment	160,000	185,000	-	185,000	210,000	230,000	250,000
88 80-00 9200	Miscellaneous Expense	225	250	113	250	250	250	250
CATEGORY TOTAL		385,035	403,660	109,568	403,660	421,275	432,890	443,706
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES		(155,615)	(208,338)	80,855	(208,798)	(16,687)	(3,694)	-
88 00-00 3000	FUND BALANCE 7/1	414,795	259,180	259,180	259,180	50,381	33,694	30,000
	FUND BALANCE 6/30	259,180	50,842	340,035	50,381	33,694	30,000	30,000

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**CAPITAL IMPROVEMENT PROGRAM
FY2012-13 to FY2018-19**

CAPITAL IMPROVEMENT PROGRAM

Capital improvement programming and budgeting involves the development of a long-term plan for capital expenditures of the City. Capital expenditures include expenditures for building, major equipment, and other commodities which are of significant value and have a useful life of several years.

The capital improvement program lists each proposed capital item to be undertaken, the year in which it will be started, the amount expected to be expended in each year and the proposed method of financing these expenditures. Based on these details, summaries of capital activity in each year can be prepared as well as summaries of financial requirements, such as amounts of general obligations bonds to be issued, amounts from general operating funds required, etc.

The capital improvement budget is enacted annually based on the capital improvement program. It encompasses enacting appropriations for the projects in the first year of the capital improvement program and authorizing bond issues as may be necessary to fund these improvements.

The actual capital budget enacted may vary from the amount programmed. Financial constraints may make it impossible to budget for the entire amount programmed. Conversely, unexpected financial availability may make it possible to begin projects which were scheduled for future years. Whatever the case, the capital program must be updated after the enactment of the capital budget to make any adjustment in future program years arising from change in the current amount funded and add a year of programming to replace the year funded. Following the GASB Statement, below is the City Manager's detail of the prepared Capital Improvement Program for Fiscal Years 2012/13 through 2014/15.

**CITY MANAGER'S
DETAIL OF PROPOSED CAPITAL IMPROVEMENT PROJECTS
FOR FISCAL YEARS 2012/13 – 2014/15**

CEMETERY

These funds will be utilized to continue the improvements to the landscape of the current Cemetery.

Description	2012/13	2013/14	2014/15
Landscape-Trees & Bushes	\$ 1,000	\$ 1,000	\$ 1,000
TOTAL CEMETERY	\$ 1,000	\$ 1,000	\$ 1,000

CULTURAL CENTER IMPROVEMENTS

The improvements shown below are for enhancements and repairs to the cultural center, which has now been opened for over 15 years.

Description	2012/13	2013/14	2014/15
Copy Machine		\$ 10,000	
Carpet Ballroom		13,000	
Portable Bar			\$ 1,200
Dance Floor			8,000
Partition Maintenance		3,500	
Chairs	\$ 6,000	12,000	
CC Furnishings – Sr. Lounge			10,000
CC Painting		8,000	
Partition Vinyl PVC Replacement		42,000	
Tables & Chairs	2,000	5,000	
Wallpaper Restrooms/Ballroom			10,000
TOTAL CULTURAL CENTER	\$ 8,000	\$ 93,500	\$ 29,200

CITY MANAGER

These funds will be utilized for economic development.

Description	2012/13	2013/14	2014/15
Economic Development	\$ 135,000	\$ 0	\$ 0
TOTAL CITY MANAGER	\$ 135,000	\$ 0	\$ 0

**CITY MANAGER'S
DETAIL OF PROPOSED CAPITAL IMPROVEMENT PROJECTS
FOR FISCAL YEARS 2012/13 – 2014/15**

BUILDING

These funds will be utilized to purchase a truck and Building Permit software for the Building Department.

Description	2012/13	2013/14	2014/15
Small Pick-Up Truck –Building		\$ 25,000	
Building Permit Software Update	\$ 2,400	2,400	\$ 2,400
TOTAL BUILDING	\$ 2,400	\$ 27,400	\$ 2,400

FACILITIES PLAN

These funds will be utilized as listed below.

Description	2012/13	2013/14	2014/15
HVAC Repairs & Improvements		\$ 20,000	
Roof Repairs	\$ 15,000		
Carpet Replacement		25,000	\$ 25,000
Parking Lot improvements		40,000	20,000
Painting			25,000
Locks & Doors Upgrades		10,000	
TOTAL FACILITIES PLAN	\$ 15,000	\$ 95,000	\$ 70,000

FINANCE

These funds will be utilized to purchase additional software modules for the City's financial system.

Description	2012/13	2013/14	2014/15
AFW Modules & Software	\$ 0	\$ 5,000	\$ 5,000
TOTAL FINANCE	\$ 0	\$ 5,000	\$ 5,000

FIRE DEPARTMENT

These funds will be utilized as listed below.

Description	2012/13	2013/14	2014/15
Parking Lot Maintenance Station 1	\$ 15,000	\$ 15,000	
Replace Bravo 1		140,000	
Replace SCBA Bottle (10)		10,000	
TOTAL FIRE DEPARTMENT	\$ 15,000	\$165,000	\$ 0

CITY MANAGER'S DETAIL OF PROPOSED CAPITAL IMPROVEMENT PROJECTS FOR FISCAL YEARS 2012/13 – 2014/15
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PARKS AND RECREATION

Park Improvements - There are several requests in this year's Capital Improvement Budget to maintain and improve the current parks. Those improvements are listed below:

Description	2012/13	2013/14	2014/15
<u>Gunnar Mettala Park</u>			
Parking Lot Resurface -GM			\$ 40,000
Table Replacement -GM			3,000
Trail Improvement -GM	\$ 2,000	\$ 2,000	2,000
Fences			6,000
Playground Equipment		20,000	
Landscaping/Upgrades		5,000	
Total Gunnar Mettala Park	\$ 2,000	\$ 27,000	\$ 51,000
<u>Gilbert Willis Park</u>			
Parking Lot Resurfacing			\$ 32,000
Trail Improvement	\$ 2,000	\$ 2,000	2,000
Athletic Field Repairs/Improv			5,000
Swing Set/Site Improvement		12,000	
Total Gilbert Willis Park	\$ 2,000	\$ 14,000	\$ 39,000
<u>Civic Center</u>			
Skate Pond Mats			\$ 3,000
Portable Fence for Events		\$ 5,000	
Tot Lot - Refurbish	\$		8,000
Total Civic Center	\$ 0	\$ 13,000	\$ 3,000
<u>Habitat</u>			
Consultant			\$ 5,000
Path Materials	\$ 0	\$ 0	3,000
Total Habitat	\$ 0	\$ 0	\$ 8,000
<u>Mack Park</u>			
Gazebo Upkeep	\$ 0	\$ 0	\$ 1,500
Total Mack Park	\$ 0	\$ 0	\$ 1,500

CITY MANAGER'S DETAIL OF PROPOSED CAPITAL IMPROVEMENT PROJECTS FOR FISCAL YEARS 2012/13 – 2014/15
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PARKS AND RECREATION (cont.)

Description	2012/13	2013/14	2014/15
<u>Gibson Homestead</u>			
Gibson Improvements		\$ 9,742	
Gardens	\$ 0	\$ 3,000	\$ 3,000
Total Gibson Homestead	\$ 0	\$ 12,742	\$ 3,000
<u>Other Projects</u>			
Downtown Improvements	\$ 6,500	\$ 0	\$ 0
Total Other Projects	\$ 6,500	\$ 0	\$ 0
TOTAL PARKS AND RECREATION	\$ 10,500	\$ 66,742	\$ 105,500

POLICE DEPARTMENT

The Police Chief has requested Capital Improvements as listed below:

Description	2012/13	2013/14	2014/15
Police Vehicles			\$ 65,000
Radar Equipment	\$ 2,100	\$ 2,100	2,100
Special Equipment – Gas Masks		9,000	
Vests	2,500	30,000	3,000
Weapons	2,500	2,500	2,500
Records Management Maintenance		5,000	
Records Mgmt Maint – LiveScan Rplcmt.	5,000		60,000
City Computers	5,000	5,000	5,000
Vehicle Computer – MDC Replacement	15,000		
Emergency Vehicle Light Bars			20,000
TOTAL POLIC DEPARTMENT	\$ 32,100	\$ 53,600	\$157,600

CITY GENERAL OPERATING

Upgrade and purchase of additional computers/server equipment requested by the different departments, upgrade of servers.

Description	2012/13	2013/14	2014/15
Network / Computer Upgrades	\$ 7,500	\$ 10,000	\$ 7,500
Document Imaging Software/Hardware		10,000	
TOTAL CITY GENERAL OPERATING	\$ 7,500	\$ 20,000	\$ 7,500

**CITY MANAGER'S
DETAIL OF PROPOSED CAPITAL IMPROVEMENT PROJECTS
FOR FISCAL YEARS 2012/13 – 2014/15**

DPW DEPARTMENT

DPW vehicle and equipment replacements are requested as shown below.

Description	2012/13	2013/14	2014/15
Dump Truck 5yd Recond./Hooklift	\$ 98,000	\$ 70,000	\$ 90,000
Dump Truck 2yd Replacement			60,000
Mower Equipment	11,000	11,500	
Toolcat		60,000	
TOTAL DPW DEPARTMENT	\$109,000	\$141,500	\$ 150,000

PUBLIC SERVICE

These funds will be utilized to for drain improvements.

Description	2012/13	2013/14	2014/15
Drain Improvements	\$ 10,000	\$ 0	\$ 20,000
TOTAL PUBLIC SERVICE	\$ 10,000	\$ 0	\$ 20,000

CITY CLERK

These funds will be utilized to purchase equipment for the City Clerk.

Description	2012/13	2013/14	2014/15
Digital Color Copier / Printer / Scanner	\$ 0	\$ 30,000	\$ 0
TOTAL CITY CLERK	\$ 0	\$ 30,000	\$ 0

DEBT SERVICE

These funds will be utilized to pay principle and interest for fire truck purchase inter fund loan.

Description	2012/13	2013/14	2014/15
Fire Truck Purchase – Debt Payment	\$ 107,124	\$ 104,468	\$ 101,812
Parking Lot Installment – Debt Pymt.		117,231	117,231
TOTAL CITY CLERK	\$ 107,124	\$ 221,699	\$ 219,043

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**CAPITAL IMPROVEMENT PROGRAM
COMBINED WITH CAPITAL PLANNING PROGRAM
FUND - 11
FY 2013-2018**

**GASB Statement No. 54
Fund Balance Reporting and Governmental Fund Type Definitions**

GASB 54 has clarified the definitions of the general fund, special revenue fund type, capital projects fund type, debt service fund type, and permanent fund type. Due to new interpretations the Capital Improvement Fund and Capital Planning Fund will need to be merged and considered as a capital project fund. The capital projects fund type definition was clarified for better understanding with the needs of preparers and users. The City auditors have recommended the change to comply with GASB 54.

The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010. Accordingly the Capital Improvement Fund and Capital Planning Fund will be merged for budget, accounting and reporting purposes.

DEPARTMENT - CAPITAL IMPROVEMENT FUND
FUND NAME - CAPITAL IMPROVEMENT FUND
FUND 11
DATE May 9, 2012

Revised **Revised**

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	CURRENT ACTUAL		EST	CITY	CITY	CITY	
		ACTUAL BUDGET 2010-2011	2011-2012	8 MONTH ACTUAL 2/29/2012	06/30/12	COUNCIL 2012-2013	PROJECTION 2013-2014	PROJECTION 2014-2015
REVENUES								
11 08-00 5901	Contribution-General Fund	234,587	250,000	166,667	250,000	257,125	680,000	547,200
11 XX-XX 5915	Contribution-Comm.Dev.Fd.	-	-	-	-	-	17,742	-
11 08-00 5901	Contribution-General Fund (Debt)	117,293	109,780	73,187	109,780	107,124	221,699	219,043
11 08-00 5931	Contribution Forfeiture	8,751	-	-	-	-	-	-
11 04-04 4268	MMRMA Grant	9,000	-	-	-	-	-	-
11 08-00 5927	Contribution-Fire & DPW Constr	14,692	-	-	-	-	-	-
11 71-12 5971	Contribution-Cemetery	776	1,000	-	1,000	1,000	1,000	1,000
11 06-02 5802	Interest Income	616	-	384	576	-	-	-
11 18-39 4261	Contribution - State Grants	75,413	-	-	-	87,375	-	-
CATEGORY TOTAL		461,128	360,780	240,237	361,356	452,624	920,441	767,243
EXPENDITURES								
11 14-12 9814	Economic Development	-	-	-	-	135,000	-	-
11 14-20 9809	Stormwater and Drain Impr.	2,240	-	-	-	10,000	-	20,000
11 14-24 9820	Computer Software	-	-	-	-	2,400	27,400	2,400
11 14-28 9800	Digital Color Copier / Printer / Scanner	-	-	-	-	-	30,000	-
11 14-31 9821	Finance Software	-	-	-	-	-	5,000	5,000
11 14-32 9820	City Network	6,795	10,000	3,381	10,000	7,500	10,000	7,500
11 14-32 9836	HVAC Evaluation/Improvements	-	20,000	-	20,000	-	-	-
11 14-32 9838	Document Imaging Software/hardware	-	-	-	-	-	10,000	-
11 14-32 9840	Other Facility Improvements	-	30,000	-	30,000	15,000	95,000	70,000
11 14-35 9807	Cultural Center Improvements	3,668	8,000	720	8,000	8,000	93,500	29,200
11 16-35 9817	Parking Lot Reconstruction	27,998	15,000	12,488	15,000	15,000	15,000	-
11 16-35 9831	Repair Bay Roof St 2	-	15,000	-	15,000	-	-	-
11 16-35 9834	Rescue Replacement	-	-	-	-	-	140,000	-
11 16-35 9851	Replace Fire Gear (1/3)	15,376	16,000	-	16,000	-	10,000	-
11 16-35 9852	Other Facility Improvements-Fire	-	18,000	-	18,000	-	-	-
11 16-35 9860	Vehicle Purchase	-	-	-	-	-	-	65,000
11 16-35 9861	Replace AEDs	13,992	-	-	-	-	-	-
11 16-37 9805	Vehicles-Police	63,011	55,000	-	55,000	-	-	-
11 16-37 9807	Radar Equipment	2,100	2,100	-	2,100	2,100	2,100	2,100
11 16-37 9808	Special Equipment	-	-	-	-	-	9,000	-
11 16-37 9819	Vehicle Computers - MDC Replacement	-	-	-	-	15,000	-	-
11 16-37 9820	Computer Equipment	-	-	-	-	5,000	5,000	5,000
11 16-37 9823	Body Armor	-	2,500	-	2,500	2,500	30,000	3,000
11 16-37 9824	Weapons & Shotguns	1,912	2,000	1,020	2,000	2,500	2,500	2,500
11 16-37 9827	Records Management	-	5,000	-	5,000	5,000	5,000	60,000
11 16-37 9830	Emergency Vehicle Light Bars	-	-	-	-	-	-	20,000
11 16-37 9849	In-Car Terminals	57,751	-	-	-	-	-	-
11 18-39 9825	Dump Truck Replacement	-	-	-	-	98,000	70,000	150,000
11 18-39 9835	Mowing Equipment	-	11,000	9,622	11,000	11,000	11,500	-
11 18-39 9860	Street Light Imprv	75,865	-	-	-	-	-	-
11 18-39 9867	DPW Equipment	26,000	20,000	19,985	20,000	-	60,000	-
11 20-54 9817	Park Imp-Gunnar Mettalia	2,610	7,000	990	7,000	2,000	27,000	51,000
11 20-54 9818	Gilbert Willis Park	5,049	5,000	948	5,000	2,000	14,000	39,000
11 20-54 9821	P&R Master Plan Update	-	6,500	6,500	6,500	-	-	-
11 20-54 9892	Park Imp - Civic Center	1,008	-	-	-	-	13,000	3,000
11 20-54 9893	Park Imp - Habitat	-	-	-	-	-	-	8,000
11 20-54 9894	Park Imp - Mack Park	-	-	-	-	-	-	1,500
11 20-54 9896	Downtown Improvements	-	-	-	-	6,500	-	-
11 20-54 9897	Gibson House	-	3,000	306	3,000	-	12,742	3,000
11 71-12 9874	Landscape-Trees & Bushes	776	1,000	-	1,000	1,000	1,000	1,000
11 80-00 8907	Debt Service-Interest	24,342	21,248	-	21,248	18,592	45,936	40,663
11 80-00 8917	Debt Service-Princip	-	88,532	-	88,532	88,532	175,763	178,380
CATEGORY TOTAL		330,493	361,880	55,959	361,880	452,624	920,441	767,243
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES		130,635	(1,100)	184,278	(524)	-	-	-
FUND BALANCE 7/1		621,770	752,406	752,406	752,406	751,882	751,882	751,882
FUND BALANCE 6/30		752,406	751,306	936,684	751,882	751,882	751,882	751,882

CITY OF WIXOM
CAPITAL IMPROVEMENTS CIF 99
ACTIVITY:
SUMMARY

CAPITAL PROJECT TITLE	PROJECT EXPENDITURES						TOTAL
	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	
CEMETERY FUND	1,000	1,000	1,000	1,000	1,000	1,000	6,000
CITY MANAGER	135,000	-	-	-	-	-	135,000
CULTURAL CENTER BUILDING	8,000	93,500	29,200	20,000	18,000	39,500	208,200
FACILITIES PLAN	2,400	27,400	2,400	2,400	2,400	2,400	39,400
FINANCE	15,000	95,000	70,000	60,000	20,000	70,000	330,000
FIRE	-	5,000	5,000	5,000	5,000	5,000	25,000
PARKS & RECREATION	15,000	165,000	-	54,000	87,000	47,000	368,000
POLICE	10,500	66,742	105,500	22,000	112,000	145,000	461,742
GENERAL OPERATING	32,100	53,600	157,600	242,600	82,700	134,200	702,800
PUBLIC WORKS	7,500	20,000	7,500	20,000	7,500	20,000	82,500
DPS	109,000	141,500	150,000	132,500	80,000	225,000	838,000
CITY CLERK	10,000	-	20,000.00	-	20,000	-	50,000
ASSESSORS	-	30,000	-	-	-	-	30,000
DEBT SERVICE	-	-	-	-	-	-	-
TOTAL	107,124	221,699	219,043	216,387	284,069	281,413	1,329,733
TOTAL	452,624	920,441	767,243	775,887	719,669	970,513	4,606,375
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	17,742	-	-	-	-	17,742
COUNTY REVENUE	-	-	-	-	-	-	-
FEDERAL GRANTS	87,375	-	-	-	-	-	87,375
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-GEN FUND-DEBT SI	107,124	221,699	219,043	216,387	284,069	281,413	1,329,733
CONTRIB-GENERAL FUND	257,125	680,000	547,200	558,500	434,600	688,100	3,165,525
FUND BALANCE	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	1,000	1,000	1,000	1,000	1,000	1,000	6,000
TOTALS	452,624	920,441	767,243	775,887	719,669	970,513	4,606,375

CITY OF WIXOM	CIF 71-1
CAPITAL IMPROVEMENT FUND	
FUND: CEMETERY	
CEMETERY FUND	

CAPITAL PROJECT TITLE	PROJECT EXPENDITURES						
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	Total
	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	
Landscape-Trees & Bushes	1,000	1,000	1,000	1,000	1,000	1,000	6,000
TOTAL	1,000	1,000	1,000	1,000	1,000	1,000	6,000
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
FEDERAL REVENUE SHARING	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	-	-	-	-	-	-	-
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	1,000	1,000	1,000	1,000	1,000	1,000	6,000
TOTALS	1,000	1,000	1,000	1,000	1,000	1,000	6,000

Note 1: The Cemetery Expenditures are funded through the Cemetery Fund.

CITY OF WIXOM	
CAPITAL IMPROVEMENT FUND	CIF 30-1
DEPARTMENT	
CULTURAL CENTER	

PROJECT EXPENDITURES							
CAPITAL PROJECT TITLE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL
Copy Machine		10,000				10,000	20,000
Carpet Ballroom		13,000					13,000
Portable Bar			1,200				1,200
Partition Maintenance		3,500		5,000	5,000	5,000	18,500
Kitchen Equipment Replacment						10,000	10,000
Dance Floor			8,000				8,000
Chairs	6,000	12,000				5,000	23,000
CC furnishings-Sr. Loung			10,000				10,000
CC Painting		8,000			8,000		16,000
Commerical Vaccumm						2,500	2,500
Partition vinyls PVC Replacement			42,000			5,000	47,000
Tables	2,000	5,000			5,000	2,000	14,000
Facility Scheduling Software				5,000			5,000
Wallpaper Restrooms/Ballroom			10,000	10,000			20,000
TOTAL	8,000	93,500	29,200	20,000	18,000	39,500	208,200
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
FEDERAL REVENUE SHARING	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	8,000	93,500	29,200	20,000	18,000	39,500	208,200
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	-	-	-	-	-	-	-
TOTALS	8,000	93,500	29,200	20,000	18,000	39,500	208,200

**CITY OF WIXOM
 CAPITAL IMPROVEMENT FUND 71-1
 DEPARTMENT
 CITY MANAGER**

		PROJECT PENDING							
CAPITAL PROJECT TITLE		YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	Total	
Acct No		2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018		
11 14-12 9814	Economic Development	135,000	-	-	-	-	-	135,000	
TOTAL		135,000	-	-	-	-	-	135,000	
PROJECT FUNDING SOURCE									
CDBG FUNDING		-	-	-	-	-	-	-	
FEDERAL REVENUE SHARING		-	-	-	-	-	-	-	
FEDERAL GRANTS		87,375	-	-	-	-	-	87,375	
STATE GRANTS		-	-	-	-	-	-	-	
GENERAL OBLIGATION BONDS		-	-	-	-	-	-	-	
PRIVATE CONTRIBUTION		-	-	-	-	-	-	-	
CONTRIB-CAPITAL PLANNING		-	-	-	-	-	-	-	
CONTRIB-GENERAL FUND		47,625	-	-	-	-	-	47,625	
CONTRIB-OTHER FUND		-	-	-	-	-	-	-	
TOTALS		47,625	-	-	-	-	-	135,000	

CITY OF WIXOM	
CAPITAL IMPROVEMENT FUND	CIF 24-1
DEPARTMENT:	
BUILDING	

CAPITAL PROJECT TITLE	PROJECT EXPENDITURES						TOTAL
	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	
	1 2012-2013	2 2013-2014	3 2014-2015	4 2015-2016	5 2016-2017	6 2017-2018	
Small Pick-Up Truck - Building	-	25,000	-	-	-	-	25,000
Building Permit Software Update	2,400	2,400	2,400	2,400	2,400	2,400	14,400
TOTAL	2,400	27,400	2,400	2,400	2,400	2,400	39,400
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
FEDERAL REVENUE SHARING	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
Contract Repair & Replace.	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	2,400	27,400	2,400	2,400	2,400	2,400	39,400
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	-	-	-	-	-	-	-
TOTALS	2,400	27,400	2,400	2,400	2,400	2,400	39,400

**CITY OF WIXOM
 CAPITAL IMPROVEMENT FUND CIF 12-2
 DEPARTMENT:
 FACILITIES PLAN**

PROJECT EXPENDITURES							
CAPITAL PROJECT TITLE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL
HVAC Evaluation/Improvements		20,000		20,000		20,000	60,000
Roof Repairs	15,000					50,000	65,000
Carpet Replacement		25,000	25,000				50,000
Parking Lot Improvements		40,000	20,000	20,000	20,000		100,000
Painting			25,000				25,000
Locks & Doors Upgrades		10,000					10,000
Civic Center Amenities repair and replacement				20,000			20,000
TOTAL	15,000	95,000	70,000	60,000	20,000	70,000	330,000
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
FEDERAL REVENUE SHARING	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	15,000	95,000	70,000	60,000	20,000	70,000	330,000
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	-	-	-	-	-	-	-
TOTALS	15,000	95,000	70,000	60,000	20,000	70,000	330,000

**CITY OF WIXOM
 CAPITAL IMPROVEMENT FUND CIF 12-2
 DEPARTMENT:
 FINANCE**

PROJECT EXPENDITURES							
CAPITAL PROJECT TITLE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL
AFW & Other Modules & Software	-	5,000	5,000	5,000	5,000	5,000	25,000
TOTAL	-	5,000	5,000	5,000	5,000	5,000	25,000
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
FEDERAL REVENUE SHARING	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	-	5,000	5,000	5,000	5,000	5,000	25,000
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	-	-	-	-	-	-	-
TOTALS	-	5,000	5,000	5,000	5,000	5,000	25,000

**CITY OF WIXOM
 CAPITAL IMPROVEMENT FUND CIF 35-1
 DEPARTMENT:
 FIRE**

PROJECT EXPENDITURES							
CAPITAL PROJECT TITLE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL
Parking Lot Maintenance Station 1	15,000	15,000	-	-	-	-	30,000
Replace Bravo 1	-	140,000	-	-	-	-	140,000
Replace Fire Gear (one third)	-	-	-	17,000	17,000	17,000	51,000
Replace SCBA Bottles (10)	-	10,000	-	-	-	10,000	20,000
Training Room Improvements				10,000	-	-	10,000
Replace Exterior Lights				12,000	-	-	12,000
Inspection vehicles	-	-	-	-	50,000	-	50,000
Repair Entry Exterior	-	-	-	-	20,000	-	20,000
Replace Administrative Carpet				15,000	-	-	15,000
Base Radio						20,000	20,000
TOTALS	15,000	165,000	-	54,000	87,000	47,000	368,000
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
FEDERAL REVENUE SHARING	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	15,000	165,000	-	54,000	87,000	47,000	368,000
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND							
TOTALS	15,000	165,000	-	54,000	87,000	47,000	368,000

CITY OF WIXOM
CAPITAL IMPROVEMENT FUND **CIF 54-1**
DEPARTMENT:
PARKS & RECREATION

PROJECT EXPENDITURES							
CAPITAL PROJECT TITLE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL
Gunnar Mettala Park							
Tennis/BB Court					11,000		11,000
Parking Lot Resurface - GM			40,000				40,000
Table Replacement - GM			3,000			3,000	6,000
Trail Improvement - GM	2,000	2,000	2,000	2,000	2,000	2,000	12,000
Comfort Refurb - GM					5,000		5,000
Fences			6,000				6,000
Playground Equipment		20,000					20,000
Landscaping/Upgrades		5,000				5,000	10,000
Park Improvements					10,000		10,000
Trash Recept/Benches						5,000	5,000
Total Gunnar Mettala Park	2,000	27,000	51,000	2,000	28,000	15,000	125,000
Gilbert Willis Park							
Parking Lot Resurfacing			32,000				32,000
Trail Improvement	2,000	2,000	2,000	2,000	2,000	2,000	12,000
Athletic Field repairs/Improv			5,000		3,000	3,000	11,000
Tennis Court Repairs					16,000		16,000
Swing Set/Site Improvement		12,000		6,000			18,000
Total Gilbert Willis Park	2,000	14,000	39,000	8,000	21,000	5,000	89,000
Civic Center							
Landscaping						15,000	15,000
Skate Pond Mats & Heaters			3,000			3,000	6,000
Skate Pond Hot water access					1,000		1,000
Portable Fence for Events		5,000				5,000	10,000
Tot Lot - Refurbish - CDBG		8,000		-			8,000
Total Civic Center	-	13,000	3,000	-	1,000	23,000	40,000
Habitat							
Consultant	-	-	5,000	-	-	-	5,000
Path Material	-	-	3,000	-	3,000	-	6,000
Total Habitat	-	-	8,000	-	3,000	-	11,000
Mack Park							
Gazebo Upkeep	-	-	1,500	-	-	-	1,500
Total Mack Park	-	-	1,500	-	-	-	1,500

CITY OF WIXOM	
CAPITAL IMPROVEMENT FUND	CIF 54-1
DEPARTMENT:	
PARKS & RECREATION	

PROJECT EXPENDITURES							
CAPITAL PROJECT TITLE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL
Gibson Homestead							
Gibson Shed				-	-	40,000	40,000
Gibson Improvments CDBG		9,742					
Gibson Park Signage Gardens		3,000	3,000	-	-	10,000	10,000
Painting House					7,000		7,000
Total Gibson Homestead	-	12,742	3,000	-	7,000	50,000	63,000
Other Projects							
P&R Master Plan Update					12,000	12,000	24,000
VCA Marquee Improvements				12,000			12,000
Downtown Improvments	6,500						6,500
City Signs (8)					40,000	40,000	80,000
Total Other Projects	6,500	-	-	12,000	52,000	52,000	122,500
TOTAL	10,500	66,742	105,500	22,000	112,000	145,000	452,000

PROJECT FUNDING SOURCE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL
CDBG FUNDING	-	17,742	-	-	-	-	17,742
FEDERAL REVENUE SHARING	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	10,500	49,000	105,500	22,000	112,000	145,000	444,000
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	-	-	-	-	-	-	-
TOTALS	10,500	66,742	105,500	22,000	112,000	145,000	461,742

CITY OF WIXOM	
CAPITAL IMPROVEMENT FUND	CIF 37-1
DEPARTMENT:	
POLICE	

PROJECT EXPENDITURES							
CAPITAL PROJECT TITLE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL
Police Vehicles	-	-	65,000	70,000	75,000	75,000	285,000
Radar Equipment	2,100	2,100	2,100	2,100	2,200	2,200	12,800
Special Equipment - Gas Masks	-	9,000	-	-	-	-	9,000
Vehicle Investigative	-	-	-	40,000	-	-	40,000
Police 4-Wheel Dr.	-	-	-	45,000	-	-	45,000
In-Car Cameras	-	-	-	60,000	-	-	60,000
Vests	2,500	30,000	3,000	3,000	3,000	3,000	44,500
Weapons	2,500	2,500	2,500	2,500	2,500	3,000	15,500
Records Management Maintenance	-	5,000	-	10,000	-	20,000	35,000
Records Mgmt Maint/Mugshot Module Replaceme	5,000	-	-	-	-	5,000	10,000
City Computers	5,000	5,000	5,000	5,000	-	-	20,000
Vehicle Computers - MDC Replacement	15,000	-	-	5,000	-	-	20,000
Records Mgmt Maint - LiveScan Replacement	-	-	60,000	-	-	-	60,000
Surveillance and Security System	-	-	-	-	-	26,000	26,000
Emergency Vehicle Light Bars	-	-	20,000	-	-	-	20,000
TOTAL	32,100	53,600	157,600	242,600	82,700	134,200	702,800
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
FEDERAL REVENUE SHARING	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	32,100	53,600	157,600	242,600	82,700	134,200	702,800
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	-	-	-	-	-	-	-
TOTALS	32,100	53,600	157,600	242,600	82,700	134,200	702,800

CITY OF WIXOM CAPITAL IMPROVEMENT FUND CIF 32-1 ACTIVITY: GENERAL OPERATING

PROJECT EXPENDITURES							
CAPITAL PROJECT TITLE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL
Network/Computer Upgrades	7,500	10,000	7,500	10,000	7,500	10,000	52,500
Document Imaging Software/Hardware	-	10,000	-	10,000	-	10,000	30,000
TOTAL	7,500	20,000	7,500	20,000	7,500	20,000	82,500
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	7,500	20,000	7,500	20,000	7,500	20,000	82,500
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	-	-	-	-	-	-	-
TOTAL	7,500	20,000	7,500	20,000	7,500	20,000	82,500

CITY OF WIXOM
CAPITAL IMPROVEMENT FUND CIF 39-1
DEPARTMENT:
PUBLIC WORKS

CAPITAL PROJECT TITLE	PROJECT EXPENDITURES						TOTAL
	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	
	1 2012-2013	2 2013-2014	3 2014-2015	4 2015-2016	5 2016-2017	6 2017-2018	
Pick-up Replacement				30,000	30,000		60,000
Dump Truck 5yd Reconditioning/Hooklift	98,000	70,000	90,000				258,000
Dump Truck 2yd Replacement			60,000				60,000
Mower Equipment	11,000	11,500		12,500			35,000
DPW Building Upgrades					15,000		15,000
Trailers					15,000		15,000
Boom Truck/Hooklift Attachmeats				30,000		75,000	105,000
Toolcat		60,000		60,000			120,000
Front End Loader						150,000	150,000
Front Plows					20,000		20,000
TOTAL	109,000	141,500	150,000	132,500	80,000	225,000	838,000
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
FEDERAL REVENUE SHARING	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	109,000	141,500	150,000	132,500	80,000	225,000	838,000
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND							
TOTAL	109,000	141,500	150,000	132,500	80,000	225,000	838,000

CITY OF WIXOM	
CAPITAL IMPROVEMENT FUND	CIF 20-1
ACTIVITY:	
PUBLIC SERVICE	

CAPITAL PROJECT TITLE	PROJECT EXPENDITURES						TOTAL
	YEAR	YEAR	YEAR	YEAR	YEAR	YEAR	
	1 2012-2013	2 2013-2014	3 2014-2015	4 2015-2016	5 2016-2017	6 2017-2018	
Drain Improvements	10,000	-	20,000	-	20,000	-	50,000
TOTAL	10,000	-	20,000	-	20,000	-	50,000
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
COUNTY REVENUE	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	10,000	-	20,000	-	20,000	-	50,000
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	-	-	-	-	-	-	-
TOTALS	10,000	-	20,000	-	20,000	-	50,000

CITY OF WIXOM CAPITAL IMPROVEMENT FUND CIF 28-1 ACTIVITY: CITY CLERK
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		PROJECT EXPENDITURES							
	CAPITAL PROJECT TITLE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL	
Acct No									
11 14-28 98C	Digital Color Copier / Printer / Scanner	-	30,000	-	-	-	-	30,000	
	TOTAL	-	30,000	-	-	-	-	30,000	
PROJECT FUNDING SOURCE									
	CDBG FUNDING	-	-	-	-	-	-	-	
	COUNTY REVENUE	-	-	-	-	-	-	-	
	FEDERAL GRANTS	-	-	-	-	-	-	-	
	STATE GRANTS	-	-	-	-	-	-	-	
	GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-	
	PRIVATE CONTRIBUTION	-	-	-	-	-	-	-	
11 14-28 591	CONTRIB-CAPITAL PLANNING FD	-	30,000	-	-	-	-	30,000	
	CONTRIB-GENERAL FUND	-	-	-	-	-	-	-	
	CONTRIB-OTHER FUND	-	-	-	-	-	-	-	
	Total	-	30,000	-	-	-	-	30,000	

Original Budget proposed copier purchase in FY2012-2013

CAPITAL IMPROVEMENT FUND CIF 28-1
 ACTIVITY:
 ASSESSOR

PROJECT EXPENDITURES							
CAPITAL PROJECT TITLE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL
TOTAL	-	-	-	-	-	-	-
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
COUNTY REVENUE	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	-	-	-	-	-	-	-
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

CITY OF WIXOM
CAPITAL IMPROVEMENT FUND **CIF 35-1**
DEPARTMENT:
DEBT

PROJECT EXPENDITURES							
CAPITAL PROJECT TITLE	YEAR 1 2012-2013	YEAR 2 2013-2014	YEAR 3 2014-2015	YEAR 4 2015-2016	YEAR 5 2016-2017	YEAR 6 2017-2018	TOTAL
Debt Service/Installment Purchase Ladder Truck	107,124	104,468	101,812	99,156	96,500	93,844	602,904
Debt Service/Installment Purchase Parking Lot		117,231	117,231	117,231		117,231	586,153
Debt Service/Installment Purchase Pumper Truck					70,338	70,338	140,677
TOTALS	107,124	221,699	219,043	216,387	284,069	281,413	1,329,733
PROJECT FUNDING SOURCE							
CDBG FUNDING	-	-	-	-	-	-	-
FEDERAL REVENUE SHARING	-	-	-	-	-	-	-
FEDERAL GRANTS	-	-	-	-	-	-	-
STATE GRANTS	-	-	-	-	-	-	-
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-
PRIVATE CONTRIBUTION	-	-	-	-	-	-	-
CONTRIB-CAPITAL PLANNING FD	107,124	221,699	219,043	216,387	284,069	281,413	1,329,733
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-
CONTRIB-OTHER FUND	-	-	-	-	-	-	-
TOTALS	107,124	221,699	219,043	216,387	284,069	281,413	1,329,733

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FY2013

Revenue Projections

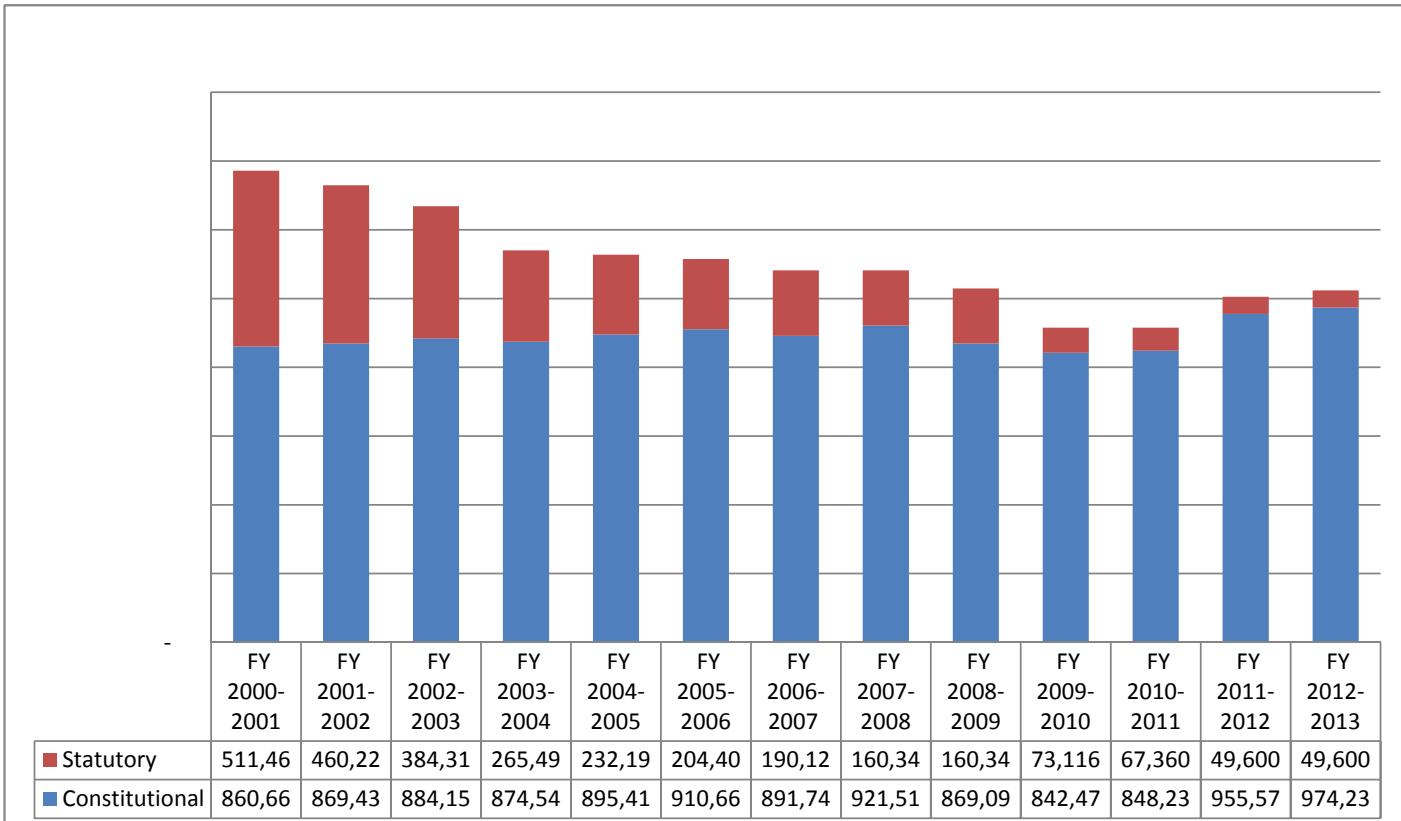
City of Wixom
Property Tax Revenue
FY2012-2013
Fiscal Year Ended
FY2012-2013

Est. Reduction SEV
 Est. Tax Asses. & Coll. Fee

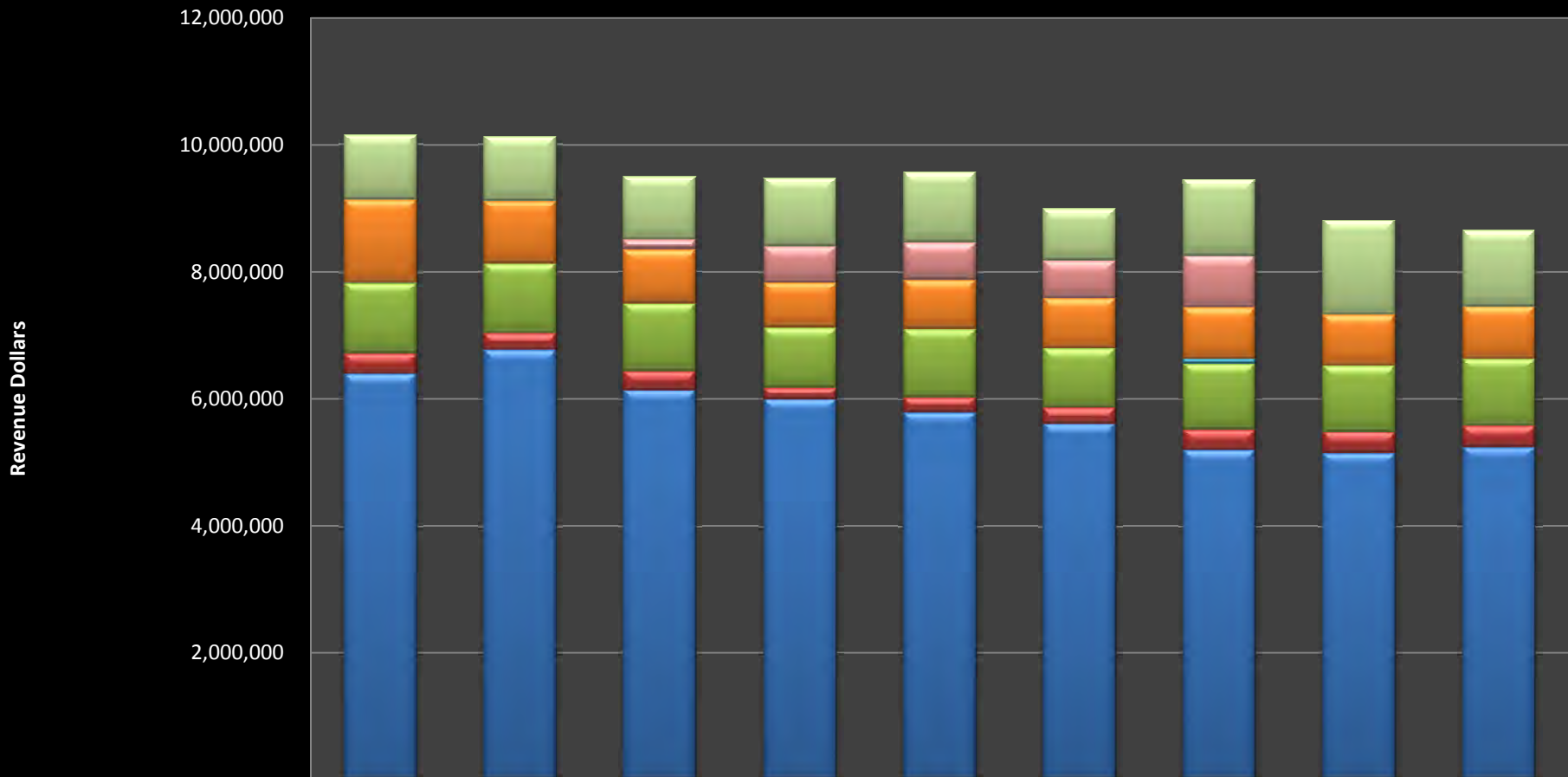
Description	Real Tax	Personal Tax	Ind.Facilities Tax
State Equal. Value(Per Asses.)	519,198,810	121,538,250	15,398,010
Less DDA Cap	(11,963,771)	-	2,912,599
Est. Total SEV	507,235,039	121,538,250	18,310,609
Millage Rates-General Operat.	7.5429000	7.5429000	3.771450000
Millage Rates-Library	1.0800000	1.0800000	0.540000000
Millage Rates-DDA Spec Millage	1.8008000	1.8008000	0.900400000
Millage Rates-Major Roads	0.9000000	0.9000000	0.450000000
Millage Rates-Local Roads	1.1500000	1.1500000	0.575000000
Millage-Safety Path	0.3000000	0.3000000	0.150000000
Millage-Water	1.8600000	1.8600000	0.930000000
Millage-Library/Civic Center	0.0000000	0.0000000	0.000000000
Millage-DPW Yard/Fire Dept	0.4930000	0.4930000	0.246500000
OCC +Cty (3.2561+1.39+1.5844)			
Total City & Lib Mills	15.1267000	15.1267000	7.5633500
Total City Mills	12.2459000	12.2459000	6.1229500
Est. Property Tax-Gen.Operat.	3,826,023	916,751	47,088
Est. Property Tax-Major Road	453,654	109,384	5,618
Est. Property Tax-Local Road	573,320	139,769	7,179
Est. Property Tax-Bike Path	149,671	36,461	1,873
Est. Property Tax-Water	960,710	226,061	17,029
Est. Property Tax-DPW Yard/Fire Dep	253,465	59,918	3,078
Total Est. Property Tax	6,216,843	1,488,345	81,865
Est. Admin Fee-1%	290,000	-	2,000
Tax Assessment & Coll.Reimb.	-	-	
Penalty & Interest	100,000	-	
Total Property Tax Revenue	6,606,843	1,488,345	83,865

City of Wixom
State Sales Tax - October Year End

Description	Constitutional	Statutory	Total	Reduction
FY 2000-2001	860,664	511,469	1,372,133	
FY 2001-2002	869,432	460,228	1,329,660	(42,473)
FY 2002-2003	884,153	384,318	1,268,471	(61,189)
FY 2003-2004	874,548	265,494	1,140,042	(128,429)
FY 2004-2005	895,419	232,197	1,127,616	(12,426)
FY 2005-2006	910,663	204,406	1,115,069	(12,547)
FY 2006-2007	891,741	190,121	1,081,862	(33,207)
FY 2007-2008	921,513	160,349	1,081,862	-
FY 2008-2009	869,098	160,349	1,029,447	(52,415)
FY 2009-2010	842,474	73,116	915,590	(113,857)
FY 2010-2011	848,230	67,360	915,590	-
FY 2011-2012	955,577	49,600	1,005,177	89,587
FY 2012-2013	974,235	49,600	1,023,835	18,658
Total	12,177,327	3,311,138	15,488,465	(348,298)
Percent	79%	21%		-25%



City of Wixom - Change in Revenues FY2007 to FY2015 (Projected)



	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
■ Interfund Transfers	1,021,952	1,019,489	1,005,317	1,069,578	1,116,448	810,673	1,199,887	1,483,769	1,193,311
■ Budget Stabilization Fund	-	-	152,000	576,718	576,718	591,441	817,470	-	-
■ Other Grants	-	1,700	4,868	2,875	-	-	-	-	-
■ Misc. Department Revenues	1,300,469	988,697	837,156	714,238	773,445	790,050	799,467	796,467	821,467
■ Private Contribution	7,980	1,200	-	1,050	-	-	76,459	1,000	1,000
■ Oakland County	-	-	-	-	-	-	-	-	-
■ State Revenues	1,106,703	1,093,382	1,064,832	934,515	1,070,137	927,928	1,031,035	1,041,273	1,051,614
■ Building Permits & Fees	329,217	261,920	298,386	178,728	240,358	245,004	328,453	334,684	341,034
■ General Property Taxes	6,380,690	6,762,907	6,134,608	5,992,613	5,792,460	5,613,472	5,192,228	5,143,529	5,238,906

City of Wixom
Indebtedness Schedule

**City of Wixom
Outstanding Interest & Principal**

Date	Civic Center	LDFA	Wastewater	Major Road 1&II	Water Seg I,II,III,IV	DPW & Fire Construction Bonds	DDA Development Series 1	SAD	Total
1991 June	166,979								166,979
1992 June	400,750								400,750
1993 June	425,750	99,764							525,514
1994 June	449,226	121,973							571,199
1995 June	494,926	118,411	251,817						865,154
1996 June	510,926	114,849	685,648						1,311,423
1997 June	549,676	111,287	689,038	500,733					1,850,733
1998 June	583,926	131,834	700,014	669,806					2,085,580
1999 June	613,676	126,490	713,385	650,636	17,094				2,121,281
2000 June	638,926	121,146	655,995	666,586	149,281	-			2,231,934
2001 June	659,676	115,849	668,135	682,612	704,757	187,701			3,018,730
2002 June	586,863	135,662	609,731	719,148	1,080,665	200,745			3,332,814
2003 June	606,625	130,450	586,676	753,436	1,202,966	211,870			3,492,024
2004 June	569,725	149,362	563,186	785,374	1,222,895	227,120			3,517,663
2005 June	566,525	166,649	539,261	879,824	1,210,377	241,370	-	-	3,604,006
2006 June	532,725	159,281	514,793	815,218	1,213,312	254,620	268,345	128,895	3,887,188
2007 June	499,525	153,094	489,780	829,788	1,216,092	261,995	230,010	205,540	3,885,824
2008 June	475,275	-	464,333	868,128	1,217,704	273,495	230,010	202,540	3,731,485
2009 June	470,700	-	283,250	889,038	1,213,884	283,895	320,010	199,540	3,660,317
2010 June	-	-	-	920,931	1,209,202	290,382	327,310	221,290	2,969,115
2011 June	-	-	-	871,164	1,208,963	294,076	384,310	217,228	2,975,740
2012 June	-	-	-	595,988	1,208,103	303,226	402,910	213,165	2,723,392
2013 June	-	-	-	563,500	1,206,685	312,038	420,510	208,790	2,711,523
2014 June	-	-	-	565,126	1,204,465	279,788	432,110	204,415	2,685,904
2015 June	-	-	-	-	1,196,686	257,500	442,910	200,040	2,097,136
2016 June					1,193,349	-	452,910	220,478	1,866,737
2017 June					1,189,265	-	457,110	214,853	1,861,227
2018 June					1,199,194	-	465,710	208,853	1,873,756
2019 June					1,193,497	-	473,510	202,853	1,869,860
2020 June					1,107,921	-	485,510	221,853	1,815,283
2021 June							496,510	214,765	711,275
2022 June							506,510	207,590	714,100
2023 June							510,510	205,240	715,750
2024 June							518,710	217,500	736,210
2025 June							505,688	208,800	714,488
2026 June							487,238		487,238
2027 June							468,675		468,675
Total	9,802,400	1,956,101	8,415,041	13,227,038	23,566,357	3,879,821	9,287,025	4,124,225	74,258,008

**City of Wixom
Principal Payments**

Date	Civic Center	LDFA	Wastewater	Major Road 1&II	Water Seg I,II,III,IV	DPW & Fire Construction Bonds	DDA Development Series 1	SAD	Total
1991 June	-								-
1992 June	-								-
1993 June	25,000	50,000							75,000
1994 June	50,000	50,000							100,000
1995 June	100,000	50,000	-						150,000
1996 June	125,000	50,000	385,000						560,000
1997 June	175,000	50,000	405,000	185,000					815,000
1998 June	225,000	75,000	435,000	355,000					1,090,000
1999 June	275,000	75,000	470,000	255,000	-				1,075,000
2000 June	325,000	75,000	435,000	285,000	-	-			1,120,000
2001 June	375,000	75,000	470,000	315,000	390,000	-			1,625,000
2002 June	425,000	100,000	435,000	365,000	705,000	70,000			2,100,000
2003 June	460,000	100,000	435,000	415,000	739,218	85,000			2,234,218
2004 June	455,000	125,000	435,000	465,000	794,037	105,000			2,379,037
2005 June	470,000	150,000	435,000	495,000	798,856	125,000			2,473,856
2006 June	455,000	150,000	435,000	585,000	823,676	145,000		75,000	2,668,676
2007 June	440,000	150,000	435,000	620,000	848,676	160,000		100,000	2,753,676
2008 June	435,000	-	435,000	680,000	873,495	180,000		100,000	2,703,495
2009 June	450,000	-	275,000	725,000	893,314	200,000	90,000	100,000	2,733,314
2010 June				838,000	913,134	264,800	100,000	125,000	2,240,934
2011 June				805,000	937,953	260,000	160,000	125,000	2,287,953
2012 June				555,000	962,772	275,000	185,000	125,000	2,102,772
2013 June				535,000	987,592	290,000	210,000	125,000	2,147,592
2014 June				550,000	1,012,411	265,000	230,000	125,000	2,182,411
2015 June					1,032,230	250,000	250,000	125,000	1,657,230
2016 June					1,057,049	-	270,000	150,000	1,477,049
2017 June					1,081,869	-	285,000	150,000	1,516,869
2018 June					1,121,507	-	305,000	150,000	1,576,507
2019 June					1,146,327	-	325,000	150,000	1,621,327
2020 June					1,090,968	-	350,000	175,000	1,615,968
2021 June							375,000	175,000	550,000
2022 June							400,000	175,000	575,000
2023 June							420,000	180,000	600,000
2024 June							445,000	200,000	645,000
2025 June							450,000	200,000	650,000
2026 June							450,000		450,000
2027 June							450,000		450,000
Total	5,265,000	1,325,000	5,920,000	9,028,000	18,210,084	2,674,800	5,750,000	2,830,000	51,002,884

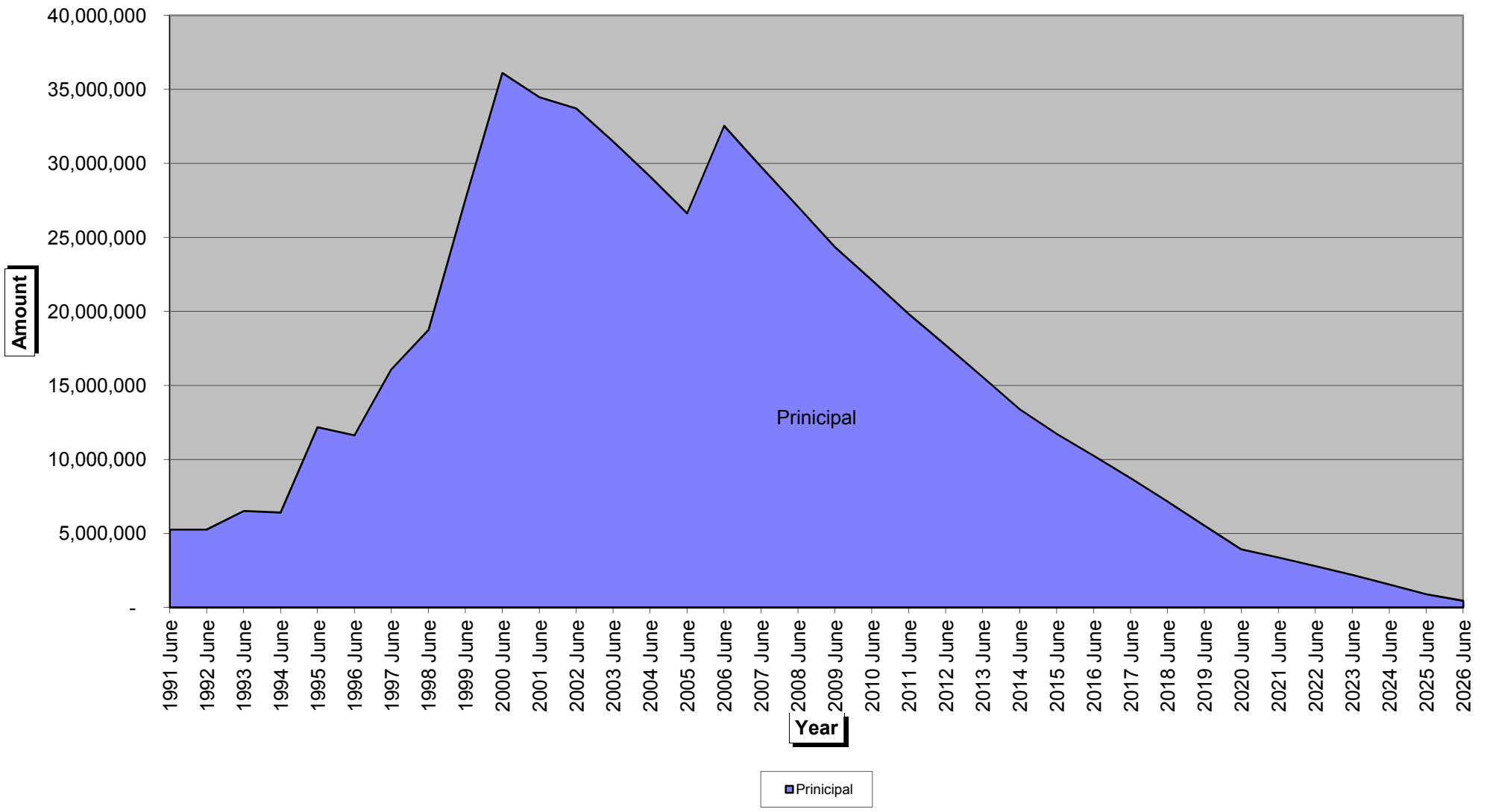
**City of Wixom
Interest Payments**

Date	Civic Center	L DFA	Wastewater	Major Road 1&I	Water Seg I	Water Seg II	Water Seg III	Water Seg IV	DPW & Fire Construction Bonds	DDA Development Series 1	SAD	Total
1991 June	166,979											166,979
1992 June	400,750											400,750
1993 June	400,750	49,764										450,514
1994 June	399,226	71,973										471,199
1995 June	394,926	68,411	251,817									715,154
1996 June	385,926	64,849	300,648									751,423
1997 June	374,676	61,287	284,038	315,733								1,035,733
1998 June	358,926	56,834	265,014	314,806								995,580
1999 June	338,676	51,490	243,385	395,636	17,094	-	-	-				1,046,281
2000 June	313,926	46,146	220,995	381,586	76,019	73,262	-	-	-			1,111,934
2001 June	284,676	40,849	198,135	367,612	90,808	151,590	72,358	-	187,701			1,393,730
2002 June	161,863	35,662	174,731	354,148	87,793	145,438	142,435	-	130,745			1,232,814
2003 June	146,625	30,450	151,676	338,436	82,741	139,188	153,523	88,297	126,870			1,257,806
2004 June	114,725	24,362	128,186	320,374	78,825	132,750	152,040	65,243	122,120			1,138,626
2005 June	96,525	16,649	104,261	384,824	74,789	126,188	147,996	62,548	116,370			1,130,150
2006 June	77,725	9,281	79,793	230,218	70,633	119,438	139,958	59,608	109,620	268,345	53,895	1,218,512
2007 June	59,525	3,094	54,780	209,788	66,416	112,500	131,833	56,668	101,995	230,010	105,540	1,132,148
2008 June	40,275	-	29,333	188,128	62,139	105,375	123,458	53,238	93,495	230,010	102,540	1,027,990
2009 June	20,700	-	8,250	164,038	57,741	98,125	114,896	49,808	83,895	230,010	99,540	927,002
2010 June				82,931	53,223	90,750	106,208	45,888	25,582	227,310	96,290	728,182
2011 June				66,164	48,584	83,125	97,333	41,968	34,076	224,310	92,228	687,788
2012 June				40,988	43,825	75,250	88,208	38,048	28,226	217,910	88,165	620,620
2013 June				28,500	38,946	67,188	78,833	34,128	22,038	210,510	83,790	563,932
2014 June				15,126	33,946	58,938	69,208	29,963	14,788	202,110	79,415	503,493
2015 June				-	28,825	50,500	59,333	25,798	7,500	192,910	75,040	439,906
2016 June					23,584	41,875	49,208	21,633	-	182,910	70,478	389,687
2017 June					18,223	33,000	38,833	17,340	-	172,110	64,853	344,358
2018 June					12,680	23,875	28,083	13,048	-	160,710	58,853	297,249
2019 June					6,958	14,500	16,958	8,755	-	148,510	52,853	248,533
2020 June					2,033	4,875	5,667	4,378	-	135,510	46,853	199,315
2021 June										121,510	39,765	161,275
2022 June										106,510	32,590	139,100
2023 June										90,510	25,240	115,750
2024 June										73,710	17,500	91,210
2025 June										55,688	8,800	64,488
2026 June										37,238		37,238
2027 June										18,675		18,675
Total	4,537,400	631,101	2,495,041	4,199,038	1,075,824	1,747,727	1,816,373	716,349	1,205,021	3,537,025	1,294,225	23,255,124

**City of Wixom
Outstanding Debt**

Date	Civic Center	LDFA	Wastewater	Major Road 1	Major Road II	Water Seg 1	Water Seg II	Water Seg III	Water Seg 4	DPW & Fire Bonds	DDA Development Series 1	SAD	Total
1991 June	5,265,000												5,265,000
1992 June	5,265,000												5,265,000
1993 June	5,240,000	1,275,000											6,515,000
1994 June	5,190,000	1,225,000											6,415,000
1995 June	5,090,000	1,175,000	5,920,000										12,185,000
1996 June	4,965,000	1,125,000	5,535,000										11,625,000
1997 June	4,790,000	1,075,000	5,130,000	5,110,000									16,105,000
1998 June	4,565,000	1,000,000	4,695,000	4,755,000	3,733,000								18,748,000
1999 June	4,290,000	925,000	4,225,000	4,600,000	3,633,000	3,691,753	6,180,000						27,544,753
2000 June	3,965,000	850,000	3,790,000	4,425,000	3,523,000	3,691,753	6,180,000	7,003,331		2,674,800			36,102,884
2001 June	3,590,000	775,000	3,320,000	4,225,000	3,408,000	3,541,753	5,940,000	7,003,331		2,674,800			34,477,884
2002 June	3,165,000	675,000	2,885,000	3,975,000	3,293,000	3,386,753	5,695,000	6,698,331	1,335,000	2,604,800			33,712,884
2003 June	2,705,000	575,000	2,450,000	3,675,000	3,178,000	3,232,535	5,440,000	6,388,331	1,315,000	2,519,800			31,478,666
2004 June	2,250,000	450,000	2,015,000	3,325,000	3,063,000	3,073,498	5,180,000	6,068,331	1,260,000	2,414,800			29,099,629
2005 June	1,780,000	300,000	1,580,000	2,950,000	2,943,000	2,909,642	4,915,000	5,758,331	1,200,000	2,289,800			26,625,773
2006 June	1,325,000	150,000	1,145,000	2,525,000	2,783,000	2,740,966	4,640,000	5,438,331	1,140,000	2,144,800	5,750,000	2,755,000	32,537,097
2007 June	885,000	-	710,000	2,075,000	2,613,000	2,572,290	4,360,000	5,108,331	1,070,000	1,984,800	5,750,000	2,655,000	29,783,421
2008 June	450,000		275,000	1,600,000	2,408,000	2,398,795	4,070,000	4,768,331	1,000,000	1,804,800	5,750,000	2,555,000	27,079,926
2009 June	-		-	1,100,000	2,183,000	2,220,481	3,780,000	4,423,331	920,000	1,604,800	5,660,000	2,455,000	24,346,612
2010 June				565,000	1,880,000	2,037,347	3,480,000	4,073,331	840,000	1,340,000	5,560,000	2,330,000	22,105,678
2011 June				-	1,640,000	1,849,394	3,170,000	3,713,331	760,000	1,080,000	5,400,000	2,205,000	19,817,725
2012 June				-	1,085,000	1,656,622	2,850,000	3,343,331	680,000	805,000	5,215,000	2,080,000	17,714,953
2013 June				-	550,000	1,459,031	2,525,000	2,963,331	595,000	515,000	5,005,000	1,955,000	15,567,362
2014 June					-	1,256,620	2,190,000	2,573,331	510,000	250,000	4,775,000	1,830,000	13,384,951
2015 June						1,049,390	1,850,000	2,173,331	425,000	-	4,525,000	1,705,000	11,727,721
2016 June						837,340	1,500,000	1,763,331	340,000		4,255,000	1,555,000	10,250,671
2017 June						620,472	1,140,000	1,343,331	255,000		3,970,000	1,405,000	8,733,803
2018 June						393,964	770,000	903,331	170,000		3,665,000	1,255,000	7,157,295
2019 June						162,637	390,000	453,331	85,000		3,340,000	1,105,000	5,535,968
2020 June						0	-	-	-		2,990,000	930,000	3,920,000
2021 June											2,615,000	755,000	3,370,000
2022 June											2,215,000	580,000	2,795,000
2023 June											1,795,000	400,000	2,195,000
2024 June											1,350,000	200,000	1,550,000
2025 June											900,000		900,000
2026 June											450,000		450,000
2027 June													-

Total City Debt - Principal



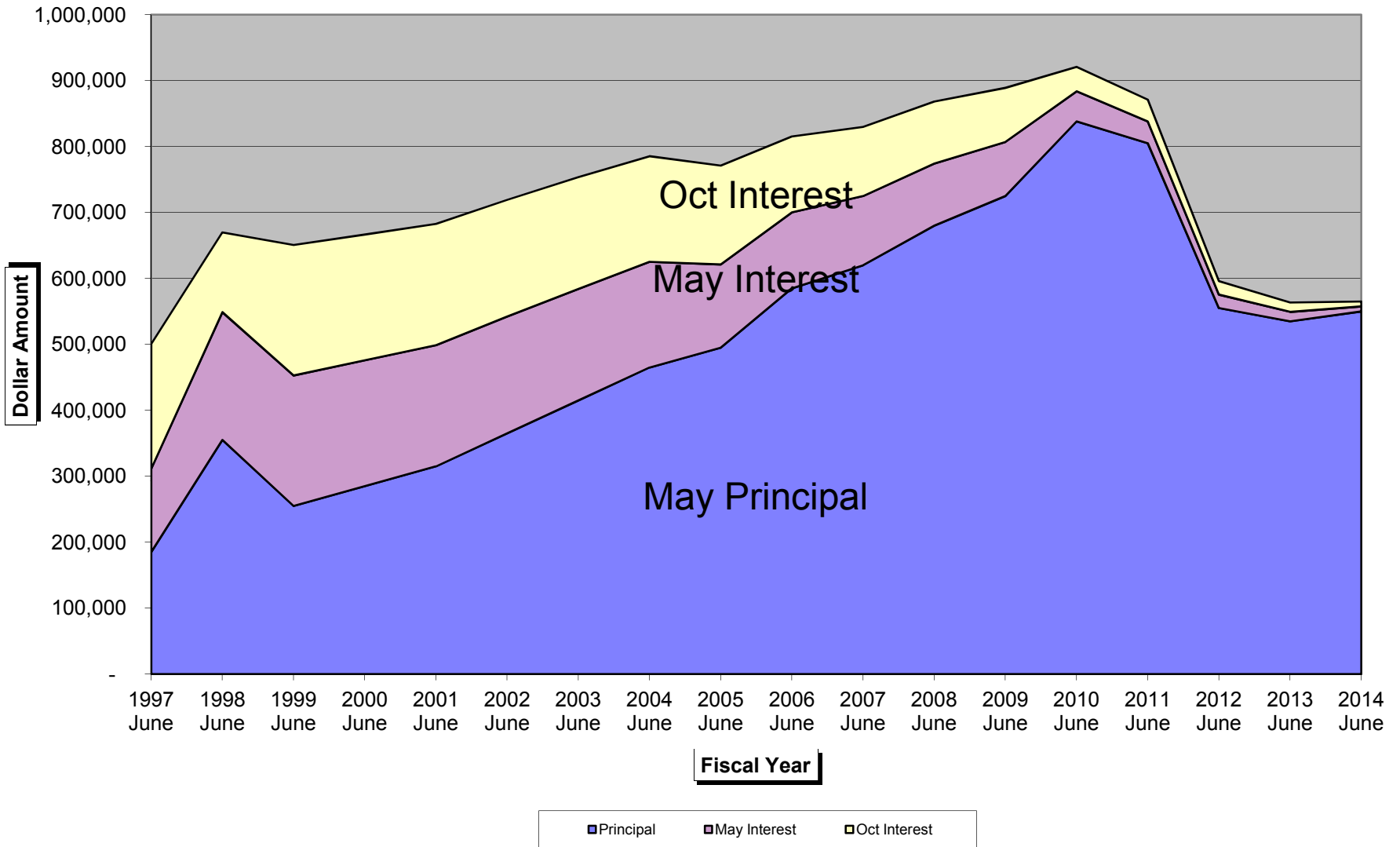
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City of Wixom
Schedule of Indebtedness
Major Road Bonds Series I & II
Dated: December 1, 1997
Amount of Originally Issued Debt - \$3,650,000 & \$5,370,000
Interest Rate: Various

Date of Fiscal Year	Due May Principal	Due May Interest	Due Nov. Interest	Total	Interest Rate	Balance Principal 9,028,000
1997 June	185,000	126,293	189,440	500,733	Var.	8,843,000
1998 June	355,000	193,878	120,928	669,806	0.00	8,488,000
1999 June	255,000	197,818	197,818	650,636	4.75	8,233,000
2000 June	285,000	190,793	190,793	666,586	4.75	7,948,000
2001 June	315,000	183,806	183,806	682,612	4.75	7,633,000
2002 June	365,000	177,074	177,074	719,148	4.75	7,268,000
2003 June	415,000	169,218	169,218	753,436	4.75	6,853,000
2004 June	465,000	160,187	160,187	785,374	4.75	6,388,000
2005 June	495,000	126,196	149,931	771,127	4.80	5,893,000
2006 June	585,000	115,109	115,109	815,218	4.80	5,308,000
2007 June	620,000	104,894	104,894	829,788	4.80	4,688,000
2008 June	680,000	94,064	94,064	868,128	4.80	4,008,000
2009 June	725,000	82,019	82,019	889,038	4.80	3,283,000
2010 June	838,000	45,769	37,162	920,931	4.80	2,445,000
2011 June	805,000	33,082	33,082	871,164	2.25	1,640,000
2012 June	555,000	20,494	20,494	595,988	2.25	1,085,000
2013 June	535,000	14,250	14,250	563,500	2.50	550,000
2014 June	550,000	7,563	7,563	565,126	2.75	-
Total	9,028,000	2,042,508	2,047,833	13,118,341		

Road Bonds Comb Ch

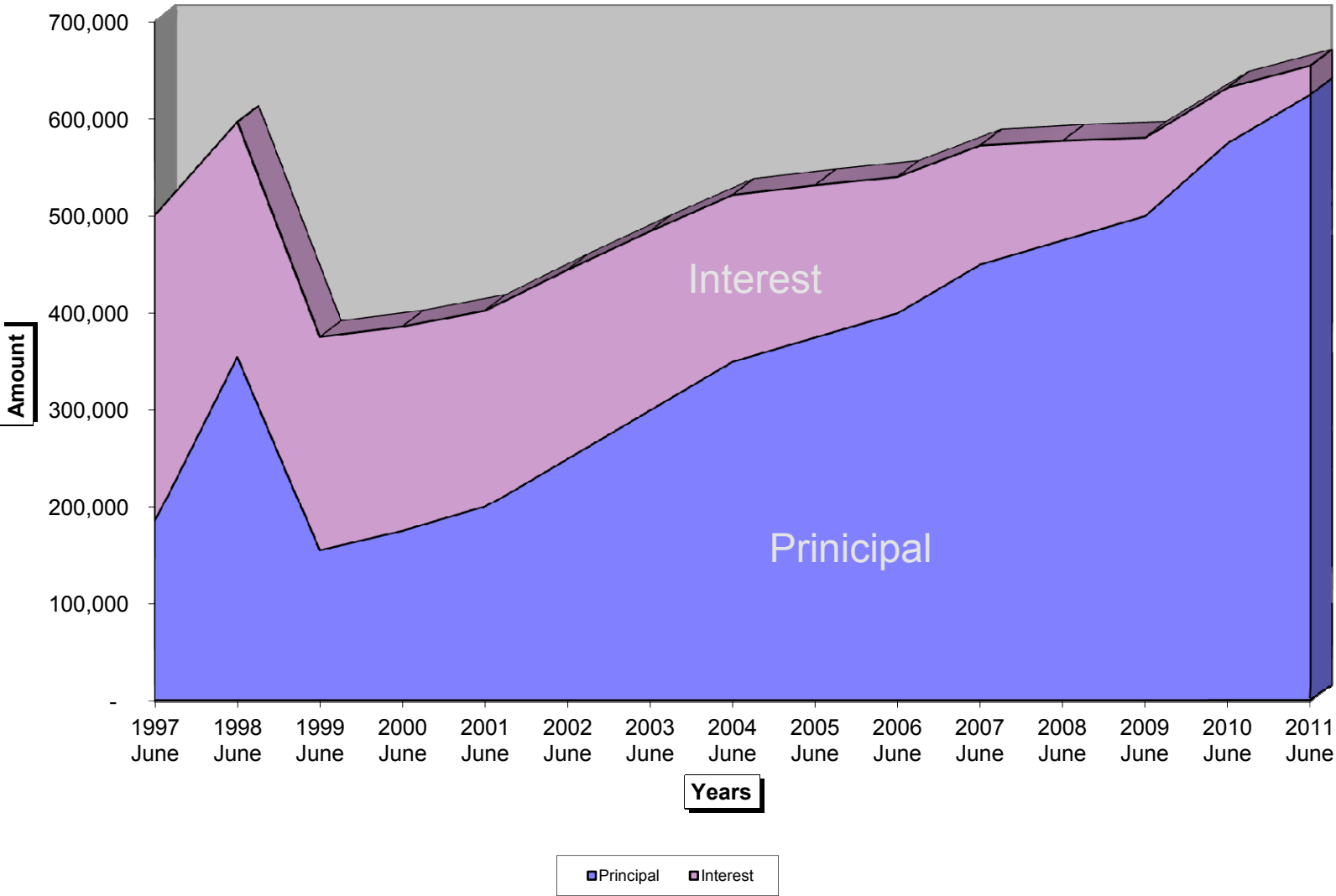
Major Road Bonds Combined - \$9,028,000



City of Wixom
Schedule of Indebtedness
Major Road Bonds - Series 1
Dated: February 1, 1996
Amount of Originally Issued Debt - \$5,370,000
Interest Rate: 4.7363

Date of Fiscal Year	Due May Principal	Due May Interest	Due Nov. Interest	Other Contrib	Total	Interest Rate	Balance Principal 5,295,000
1997 June	185,000	126,293	189,440		500,733	5.80	5,110,000
1998 June	355,000	120,928	120,928		596,856	6.00	4,755,000
1999 June	155,000	110,278	110,278		375,556	6.00	4,600,000
2000 June	175,000	105,628	105,628		386,256	5.00	4,425,000
2001 June	200,000	101,253	101,253		402,506	4.00	4,225,000
2002 June	250,000	97,253	97,253		444,506	4.10	3,975,000
2003 June	300,000	92,128	92,128		484,256	4.20	3,675,000
2004 June	350,000	85,828	85,828		521,656	4.30	3,325,000
2005 June-Defeased	375,000	54,568	78,303	108,697	616,568	4.38	2,950,000
2006 June	425,000	46,331	46,331		517,662	3.00	2,525,000
2007 June	450,000	39,956	39,956		529,912	3.00	2,075,000
2008 June	475,000	33,206	33,206		541,412	3.00	1,600,000
2009 June	500,000	26,081	26,081		552,162	3.00	1,100,000
2010 June	535,000	18,581	18,581		572,162	3.25	565,000
2011 June	565,000	9,888	9,888		584,776	3.50	-
Total	5,295,000	1,068,201	1,155,083	108,697	7,626,981		

Major Road Bonds Series 1 - \$5,370,000

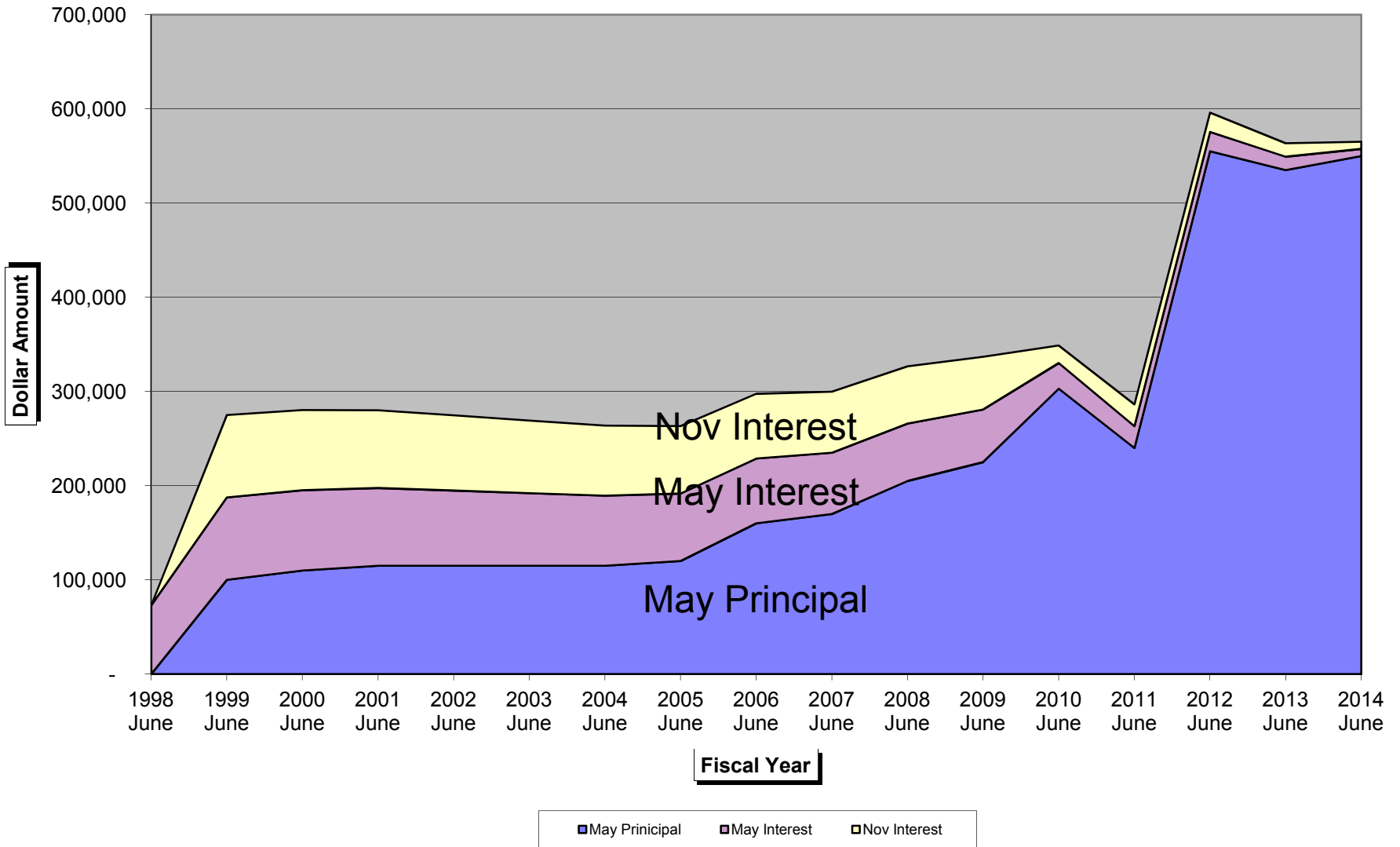


City of Wixom
Schedule of Indebtedness
Major Road Bonds Series II
Dated: December 1, 1997
Amount of Originally Issued Debt - \$3,650,000
Interest Rate: 4.750

Date of Fiscal Year	Due May Principal	Due May Interest	Due Nov. Interest	Total	Interest Rate	Balance Principal 3,733,000
1998 June	-	72,950	-	72,950	0.00	3,733,000
1999 June	100,000	87,540	87,540	275,080	4.75	3,633,000
2000 June	110,000	85,165	85,165	280,330	4.75	3,523,000
2001 June	115,000	82,553	82,553	280,106	4.75	3,408,000
2002 June	115,000	79,821	79,821	274,642	4.75	3,293,000
2003 June	115,000	77,090	77,090	269,180	4.75	3,178,000
2004 June	115,000	74,359	74,359	263,718	4.75	3,063,000
2005 June	120,000	71,628	71,628	263,256	4.80	2,943,000
2006 June	160,000	68,778	68,778	297,556	4.80	2,783,000
2007 June	170,000	64,938	64,938	299,876	4.80	2,613,000
2008 June	205,000	60,858	60,858	326,716	4.80	2,408,000
2009 June	225,000	55,938	55,938	336,876	4.80	2,183,000
2010 June	303,000	27,188	18,581	348,769	4.80	1,880,000
2011 June	240,000	23,194	23,194	286,388	4.80	1,640,000
2012 June	555,000	20,494	20,494	595,988	2.25	1,085,000
2013 June	535,000	14,250	14,250	563,500	2.50	550,000
2014 June	550,000	7,563	7,563	565,126	2.75	-
Total	3,733,000	974,307	892,750	5,600,057		

Road Bonds II-Chart

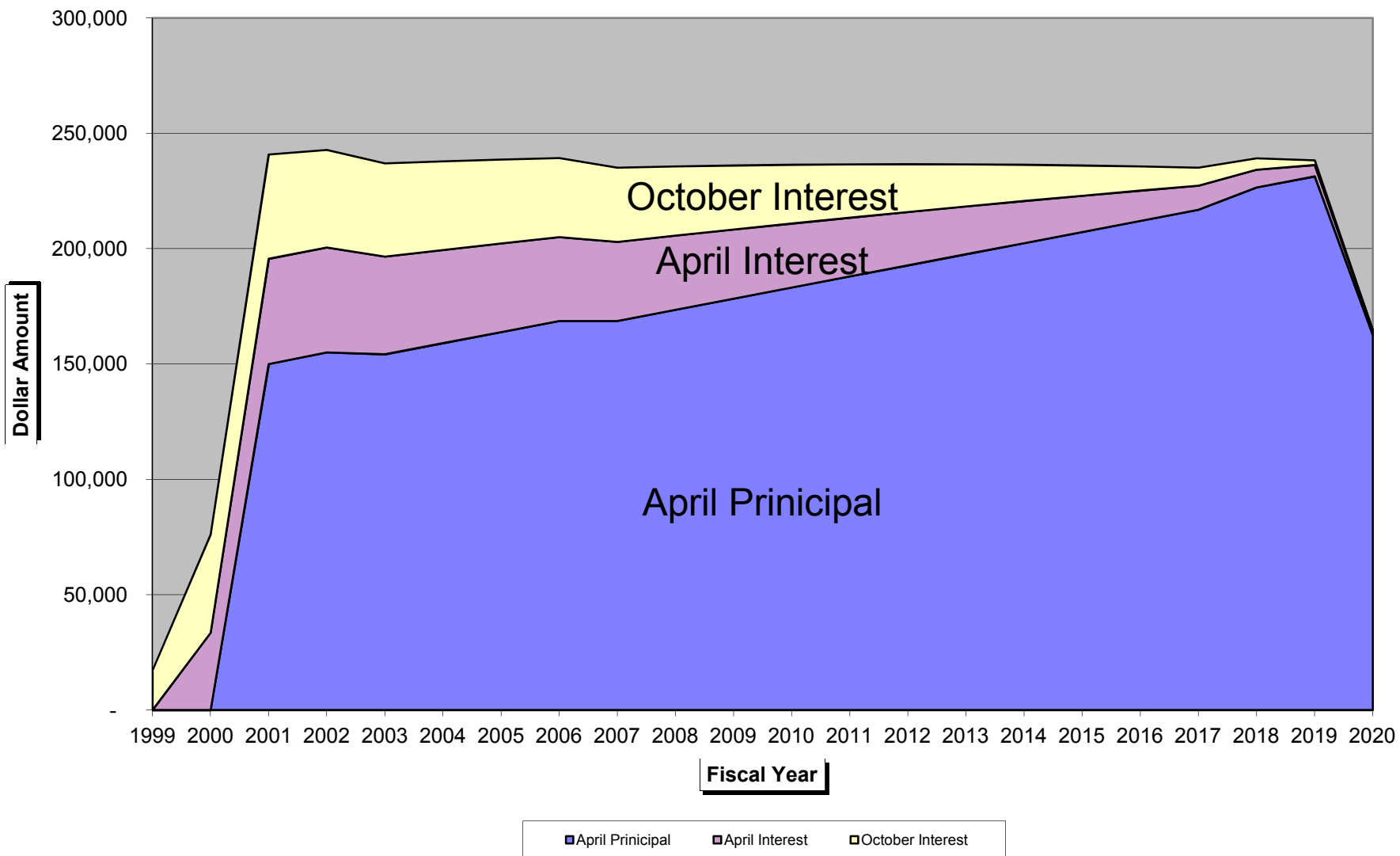
Major Road Bonds Series II - \$3,650,000



City of Wixom
Schedule of Indebtedness
Water Bonds, Series 1998A
Year 1999
Amount of Originally Issued Debt - \$3,691,753 (\$3,895,000)
Interest Rate: 2.50

Date of Fiscal Year	Due October Principal	Due October Interest	Due April Interest	Total	Interest Rate	Balance Principal 3,691,753
Jun-99	-	-	17,094	17,094	0.00	3,691,753
Jun-00	-	33,508	42,511	76,019	2.50	3,691,753
Jun-01	150,000	45,627	45,181	240,808	2.50	3,541,753
Jun-02	155,000	45,504	42,289	242,793	2.50	3,386,753
Jun-03	154,218	42,334	40,407	236,959	2.50	3,232,535
Jun-04	159,037	40,407	38,419	237,863	2.50	3,073,498
Jun-05	163,856	38,419	36,371	238,646	2.50	2,909,642
Jun-06	168,676	36,371	34,262	239,308	2.50	2,740,966
Jun-07	168,676	34,262	32,154	235,091	2.50	2,572,290
Jun-08	173,495	32,154	29,985	235,634	2.50	2,398,795
Jun-09	178,314	29,985	27,756	236,055	2.50	2,220,481
Jun-10	183,134	27,756	25,467	236,356	2.50	2,037,347
Jun-11	187,953	25,467	23,117	236,537	2.50	1,849,394
Jun-12	192,772	23,117	20,708	236,597	2.50	1,656,622
Jun-13	197,592	20,708	18,238	236,537	2.50	1,459,031
Jun-14	202,411	18,238	15,708	236,356	2.50	1,256,620
Jun-15	207,230	15,708	13,117	236,055	2.50	1,049,390
Jun-16	212,049	13,117	10,467	235,634	2.50	837,340
Jun-17	216,869	10,467	7,756	235,091	2.50	620,472
Jun-18	226,507	7,756	4,925	239,188	2.50	393,964
Jun-19	231,327	4,925	2,033	238,284	2.50	162,637
Jun-20	162,637	2,033	-	164,670	2.50	0
Total	3,691,753	547,861	527,963	4,767,577		

Water System-Series 1998A - \$3,691,753

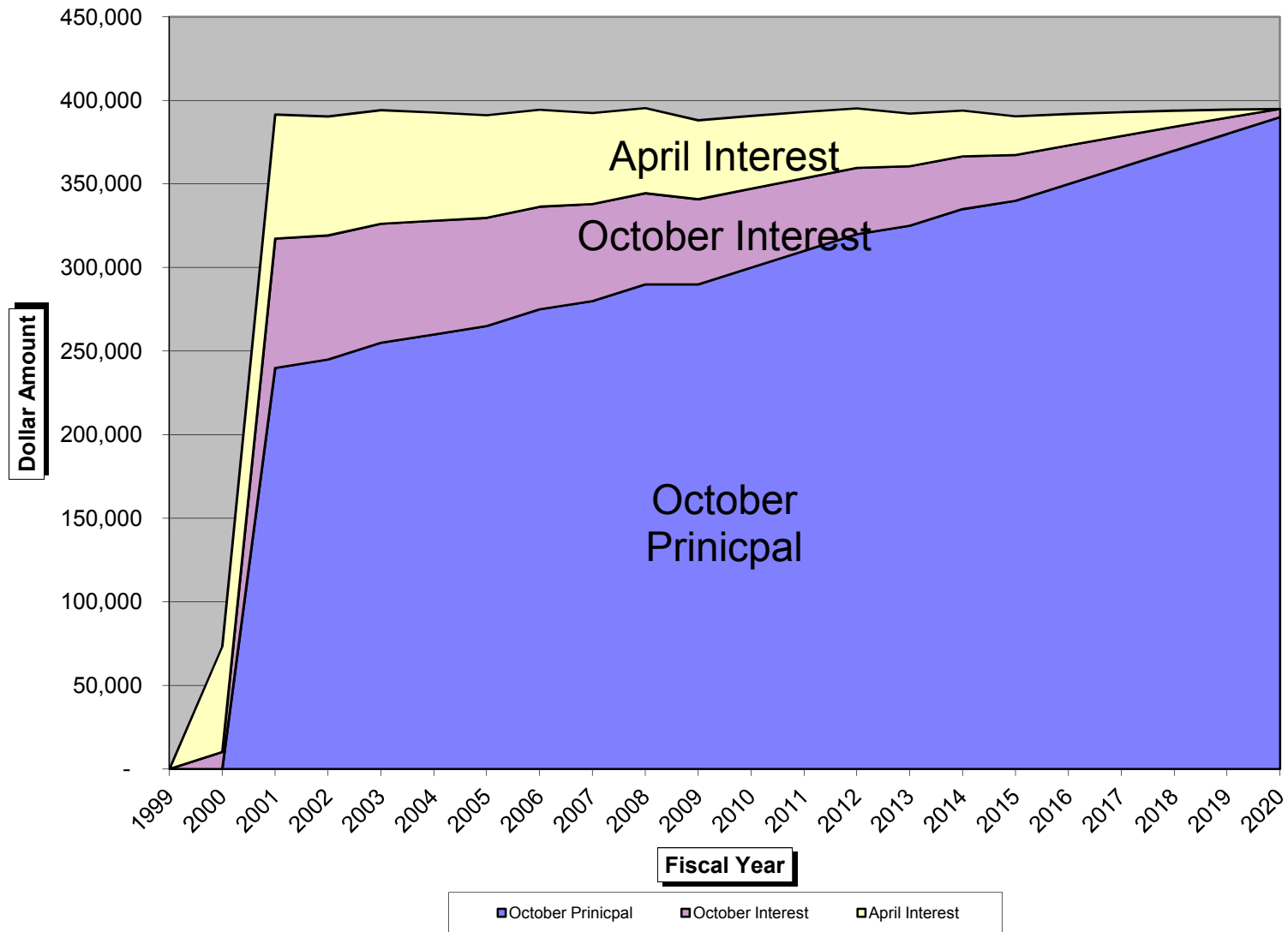


City of Wixom
Schedule of Indebtedness
Water Bonds, Series 1999
Year 1999
Amount of Originally Issued Debt - \$6,180,000
Interest Rate: 2.50

Date of Fiscal Year	Due October Principal	Due October Interest	Due April Interest	Total	Interest Rate	Balance Principal 6,180,000
Jun-99	-	-	-	-	0.00	6,180,000
Jun-00	-	10,131	63,132	73,262	2.50	6,180,000
Jun-01	240,000	77,340	74,250	391,590	2.50	5,940,000
Jun-02	245,000	74,250	71,188	390,438	2.50	5,695,000
Jun-03	255,000	71,188	68,000	394,188	2.50	5,440,000
Jun-04	260,000	68,000	64,750	392,750	2.50	5,180,000
Jun-05	265,000	64,750	61,438	391,188	2.50	4,915,000
Jun-06	275,000	61,438	58,000	394,438	2.50	4,640,000
Jun-07	280,000	58,000	54,500	392,500	2.50	4,360,000
Jun-08	290,000	54,500	50,875	395,375	2.50	4,070,000
Jun-09	290,000	50,875	47,250	388,125	2.50	3,780,000
Jun-10	300,000	47,250	43,500	390,750	2.50	3,480,000
Jun-11	310,000	43,500	39,625	393,125	2.50	3,170,000
Jun-12	320,000	39,625	35,625	395,250	2.50	2,850,000
Jun-13	325,000	35,625	31,563	392,188	2.50	2,525,000
Jun-14	335,000	31,563	27,375	393,938	2.50	2,190,000
Jun-15	340,000	27,375	23,125	390,500	2.50	1,850,000
Jun-16	350,000	23,125	18,750	391,875	2.50	1,500,000
Jun-17	360,000	18,750	14,250	393,000	2.50	1,140,000
Jun-18	370,000	14,250	9,625	393,875	2.50	770,000
Jun-19	380,000	9,625	4,875	394,500	2.50	390,000
Jun-20	390,000	4,875	-	394,875	2.50	-
Total	6,180,000	886,033	861,694	7,927,727		

Water Bonds, Series 1999

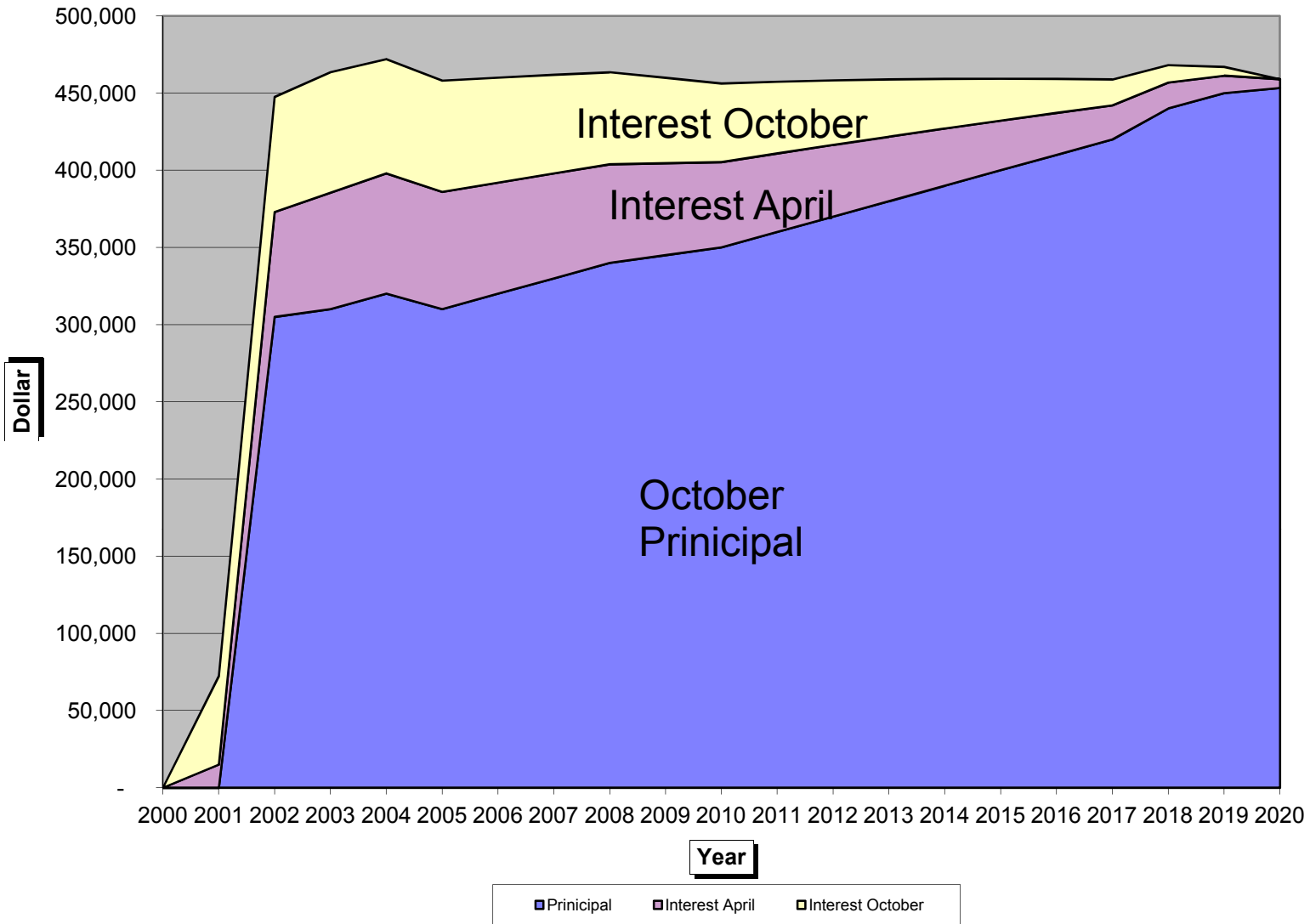
Water Bonds Series 1999 - \$6,180,000



City of Wixom
Schedule of Indebtedness
Water Bonds, Series III
Year 2000
Amount of Originally Issued Debt - \$7,003,331 (\$7,290,000)
Interest Rate: 2.50

Date of Fiscal Year	Due October Principal	Due October Interest	Due April Interest	Total	Interest Rate	Balance Principal 7,003,331
Jun-99	-	-	-	-	0.00	7,003,331
Jun-00	-	-	-	-	2.50	7,003,331
Jun-01	-	14,985	57,374	72,358	2.50	7,003,331
Jun-02	305,000	67,901	74,534	447,435	2.50	6,698,331
Jun-03	310,000	75,503	78,020	463,523	2.50	6,388,331
Jun-04	320,000	78,020	74,020	472,040	2.50	6,068,331
Jun-05	310,000	76,017	71,979	457,996	2.50	5,758,331
Jun-06	320,000	71,979	67,979	459,958	2.50	5,438,331
Jun-07	330,000	67,979	63,854	461,833	2.50	5,108,331
Jun-08	340,000	63,854	59,604	463,458	2.50	4,768,331
Jun-09	345,000	59,604	55,292	459,896	2.50	4,423,331
Jun-10	350,000	55,292	50,917	456,208	2.50	4,073,331
Jun-11	360,000	50,917	46,417	457,333	2.50	3,713,331
Jun-12	370,000	46,417	41,792	458,208	2.50	3,343,331
Jun-13	380,000	41,792	37,042	458,833	2.50	2,963,331
Jun-14	390,000	37,042	32,167	459,208	2.50	2,573,331
Jun-15	400,000	32,167	27,167	459,333	2.50	2,173,331
Jun-16	410,000	27,167	22,042	459,208	2.50	1,763,331
Jun-17	420,000	22,042	16,792	458,833	2.50	1,343,331
Jun-18	440,000	16,792	11,292	468,083	2.50	903,331
Jun-19	450,000	11,292	5,667	466,958	2.50	453,331
Jun-20	453,331	5,667	-	458,998	2.50	-
Total	7,003,331	922,425	893,948	8,819,704		

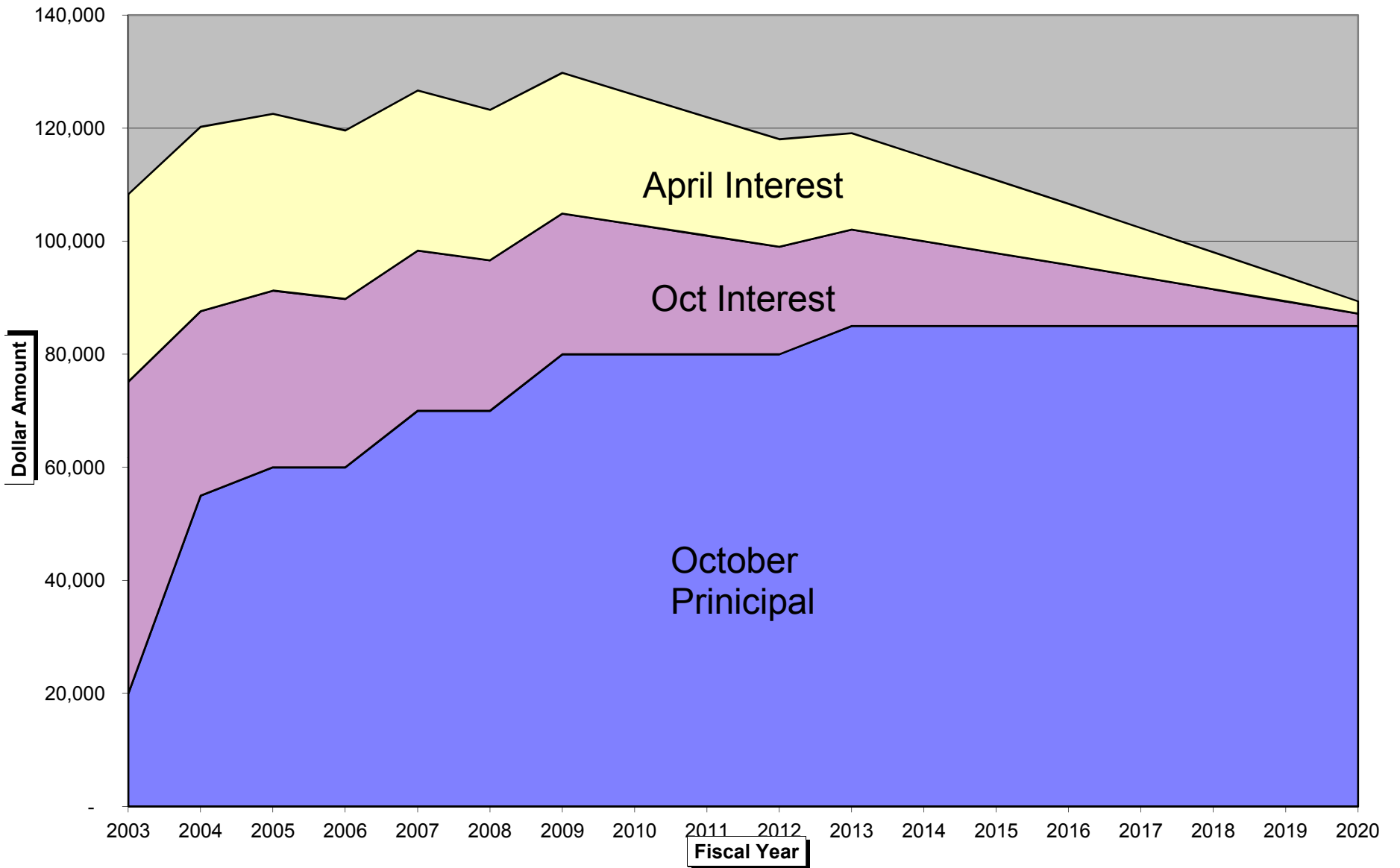
Principal & Interest - Water Segment III - \$7,003,331



City of Wixom
Schedule of Indebtedness
Water Bon Series 4
Year 2001
Amount of Originally Issued Debt - \$1,335,000
Interest Rate: 4.90%-5.15%

Date of Fiscal Year	Due October Principal	Due October Interest	Due April Interest	Total	Interest Rate	Balance Principal 1,335,000
Jun-02	-	-	-	-	0.00	1,335,000
Jun-03	20,000	55,185	33,111	108,297	4.90	1,315,000
Jun-04	55,000	32,621	32,621	120,243	4.90	1,260,000
Jun-05	60,000	31,274	31,274	122,548	4.90	1,200,000
Jun-06	60,000	29,804	29,804	119,608	4.90	1,140,000
Jun-07	70,000	28,334	28,334	126,668	4.90	1,070,000
Jun-08	70,000	26,619	26,619	123,238	4.90	1,000,000
Jun-09	80,000	24,904	24,904	129,808	4.90	920,000
Jun-10	80,000	22,944	22,944	125,888	4.90	840,000
Jun-11	80,000	20,984	20,984	121,968	4.90	760,000
Jun-12	80,000	19,024	19,024	118,048	4.90	680,000
Jun-13	85,000	17,064	17,064	119,128	4.90	595,000
Jun-14	85,000	14,981	14,981	114,963	4.90	510,000
Jun-15	85,000	12,899	12,899	110,798	4.90	425,000
Jun-16	85,000	10,816	10,816	106,633	5.05	340,000
Jun-17	85,000	8,670	8,670	102,340	5.05	255,000
Jun-18	85,000	6,524	6,524	98,048	5.05	170,000
Jun-19	85,000	4,378	4,378	93,755	5.15	85,000
Jun-20	85,000	2,189	2,189	89,378	5.15	-
Total	1,335,000	369,212	347,138	2,051,349		

Water System-Series 2001 - \$1,335,000

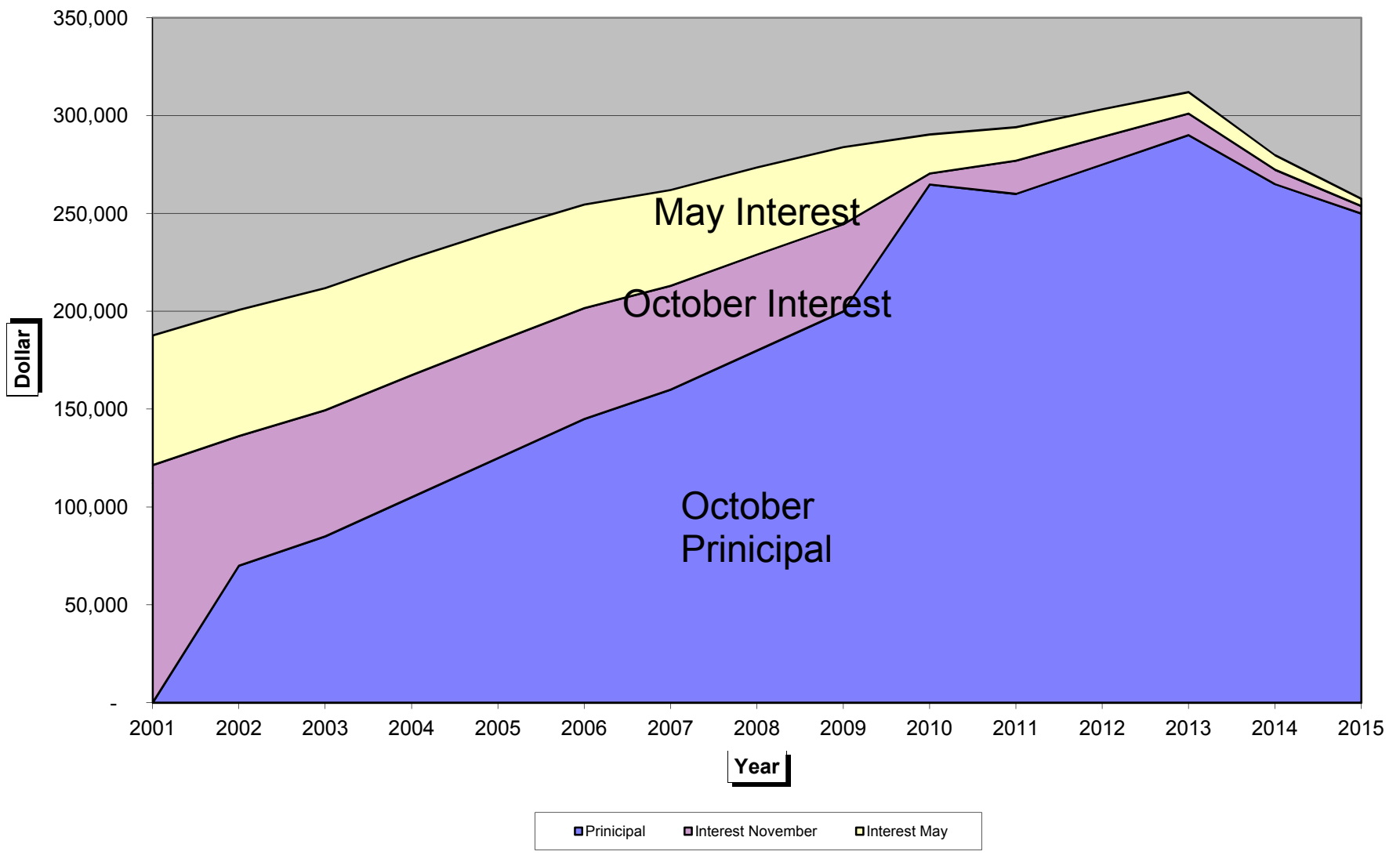


■ Series1 ■ Series2 ■ Series3

City of Wixom
Schedule of Indebtedness
DPW & Fire Construction Bonds
Year 2000
Amount of Originally Issued Debt - \$2,615,000
Interest Rate: 5.1832

Date of Fiscal Year	Due October Principal	Due October Interest	Due May Interest	Total	Interest Rate	Balance Principal 2,674,800
Jun-99	-	-	-	-	0.00	2,674,800
Jun-00	-	-	-	-	0.00	2,674,800
Jun-01	-	121,454	66,248	187,701	0.00	2,674,800
Jun-02	70,000	66,248	64,498	200,745	5.00	2,604,800
Jun-03	85,000	64,498	62,373	211,870	5.00	2,519,800
Jun-04	105,000	62,373	59,748	227,120	5.00	2,414,800
Jun-05	125,000	59,748	56,623	241,370	5.00	2,289,800
Jun-06	145,000	56,623	52,998	254,620	5.00	2,144,800
Jun-07	160,000	52,998	48,998	261,995	5.00	1,984,800
Jun-08	180,000	48,998	44,498	273,495	5.00	1,804,800
Jun-09	200,000	44,498	39,398	283,895	5.10	1,604,800
Jun-10	264,800	5,610	19,972	290,382	5.10	1,340,000
Jun-11	260,000	17,038	17,038	294,076	2.25	1,080,000
Jun-12	275,000	14,113	14,113	303,226	2.25	805,000
Jun-13	290,000	11,019	11,019	312,038	2.50	515,000
Jun-14	265,000	7,394	7,394	279,788	2.75	250,000
Jun-15	250,000	3,750	3,750	257,500	3.00	-
Total	2,674,800	636,358	568,664	3,879,821		

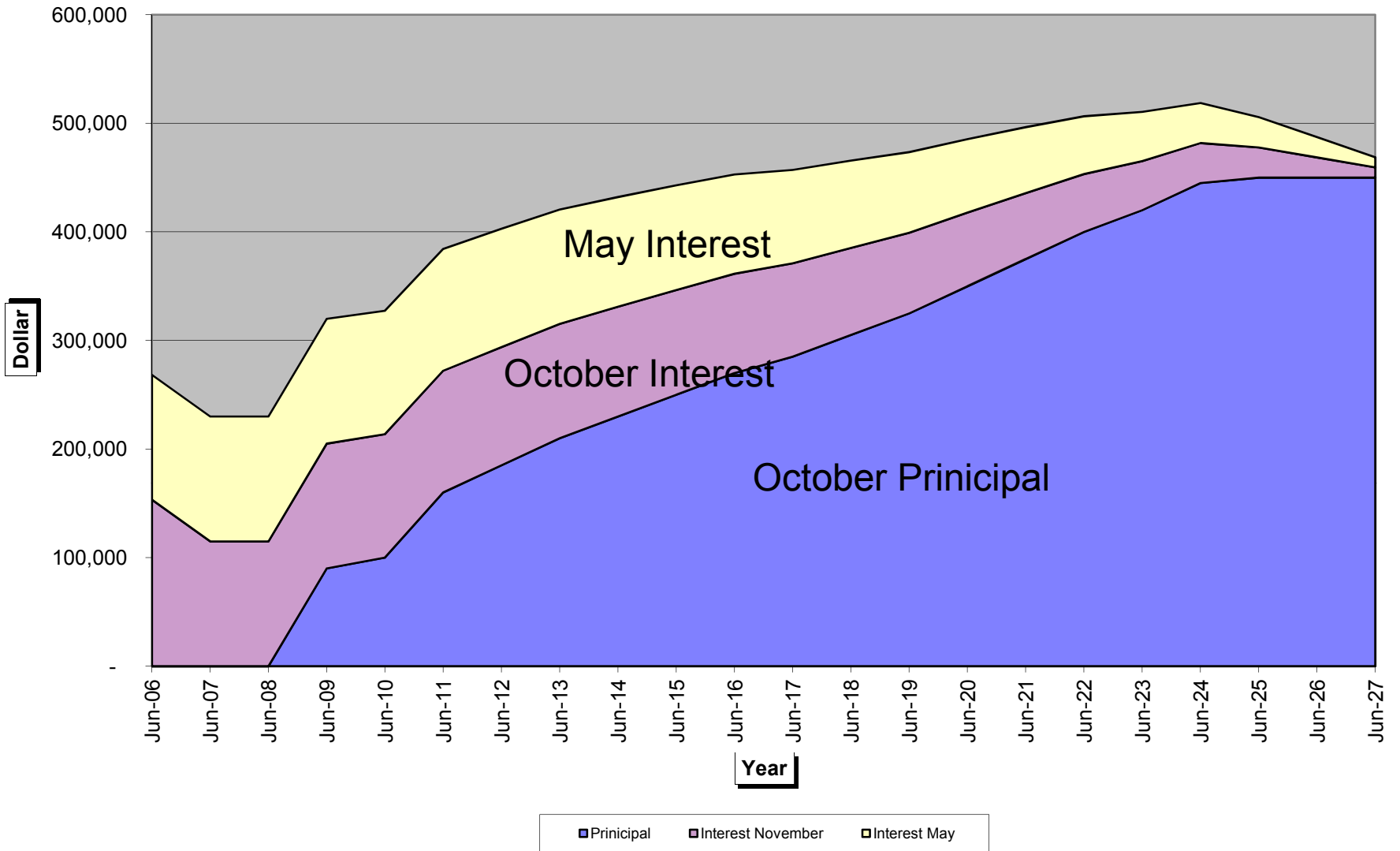
DPW & Fire Construction Bonds - \$2,615,000



City of Wixom
Schedule of Indebtedness
DDA/VCA Development Bonds
Year 2005
Amount of Originally Issued Debt - \$5,750,000
Interest Rate: 4.01214%

Date of Fiscal Year	Due October Principal	Due October Interest	Due May Interest	Total	Interest Rate	Balance Principal 5,750,000
Jun-06	-	153,340	115,005	268,345	0.00	5,750,000
Jun-07	-	115,005	115,005	230,010	0.00	5,750,000
Jun-08	-	115,005	115,005	230,010	0.00	5,750,000
Jun-09	90,000	115,005	115,005	320,010	3.00	5,660,000
Jun-10	100,000	113,655	113,655	327,310	3.00	5,560,000
Jun-11	160,000	112,155	112,155	384,310	4.00	5,400,000
Jun-12	185,000	108,955	108,955	402,910	4.00	5,215,000
Jun-13	210,000	105,255	105,255	420,510	4.00	5,005,000
Jun-14	230,000	101,055	101,055	432,110	4.00	4,775,000
Jun-15	250,000	96,455	96,455	442,910	4.00	4,525,000
Jun-16	270,000	91,455	91,455	452,910	4.00	4,255,000
Jun-17	285,000	86,055	86,055	457,110	4.00	3,970,000
Jun-18	305,000	80,355	80,355	465,710	4.00	3,665,000
Jun-19	325,000	74,255	74,255	473,510	4.00	3,340,000
Jun-20	350,000	67,755	67,755	485,510	4.00	2,990,000
Jun-21	375,000	60,755	60,755	496,510	4.00	2,615,000
Jun-22	400,000	53,255	53,255	506,510	4.00	2,215,000
Jun-23	420,000	45,255	45,255	510,510	4.00	1,795,000
Jun-24	445,000	36,855	36,855	518,710	4.05	1,350,000
Jun-25	450,000	27,844	27,844	505,688	4.10	900,000
Jun-26	450,000	18,619	18,619	487,238	4.13	450,000
Jun-27	450,000	9,338	9,338	468,675	4.15	-
Total	5,750,000	1,787,680	1,749,345	9,287,025		

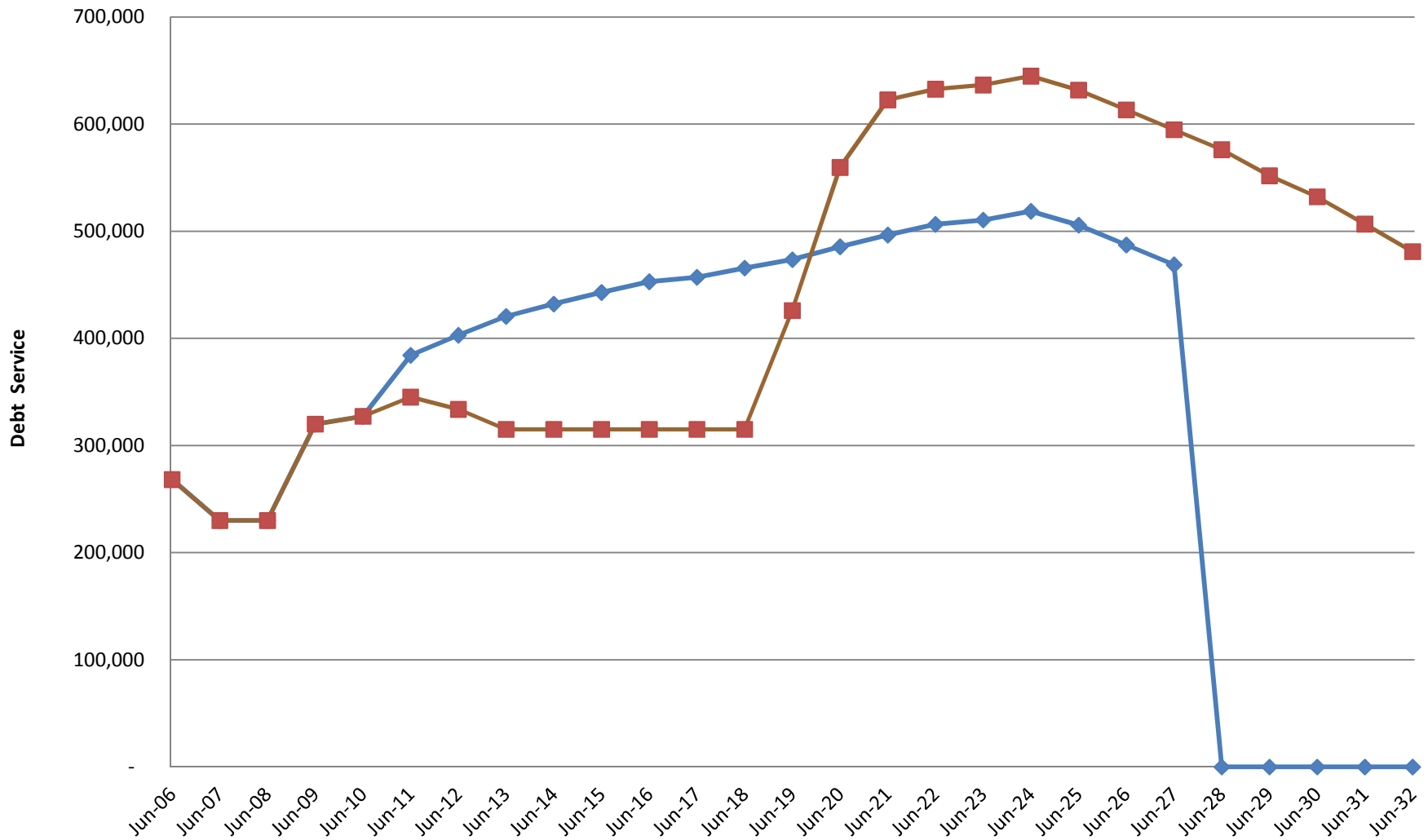
DDA Development Bonds - Series 1 - \$5,750,000



City of Wixom
Schedule of Indebtedness
DDA/VCA Development Bonds - Restructured
Year 2005
Amount of Originally Issued Debt - \$5,750,000
Interest Rate: Various

Date of Fiscal Year	Original Interest & Principal	Paid Original Amount	Restructured Debt Schedule	Total Paid Restructured	Interest Rate	Net Change Restructure
Jun-06	268,345	268,345	-	268,345	0.00	-
Jun-07	230,010	230,010	-	230,010	0.00	-
Jun-08	230,010	230,010	-	230,010	0.00	-
Jun-09	320,010	320,010	-	320,010	3.00	-
Jun-10	327,310	327,310	-	327,310	3.00	-
Jun-11	384,310	-	345,310	345,310	1.37	39,000
Jun-12	402,910	-	333,822	333,822	1.73	69,088
Jun-13	420,510	-	315,129	315,129	2.08	105,381
Jun-14	432,110	-	315,129	315,129	2.49	116,981
Jun-15	442,910	-	315,129	315,129	2.78	127,781
Jun-16	452,910	-	315,129	315,129	3.04	137,781
Jun-17	457,110	-	315,129	315,129	3.40	141,981
Jun-18	465,710	-	315,129	315,129	3.71	150,581
Jun-19	473,510	-	426,038	426,038	3.99	47,472
Jun-20	485,510	-	559,638	559,638	4.24	(74,128)
Jun-21	496,510	-	622,638	622,638	4.43	(126,128)
Jun-22	506,510	-	632,638	632,638	4.61	(126,128)
Jun-23	510,510	-	636,638	636,638	4.78	(126,128)
Jun-24	518,710	-	644,838	644,838	4.94	(126,128)
Jun-25	505,688	-	631,816	631,816	5.08	(126,129)
Jun-26	487,238	-	613,366	613,366	5.19	(126,129)
Jun-27	468,675	-	594,803	594,803	5.29	(126,128)
Jun-28			576,128	576,128	5.39	(576,128)
Jun-29			551,873	551,873	5.49	(551,873)
Jun-30			532,168	532,168	5.58	(532,168)
Jun-31			506,779	506,779	5.66	(506,779)
Jun-32			481,026	481,026	5.72	(481,026)
Total	9,287,025	1,375,685	10,580,293	11,955,978		(2,668,953)

DDA/VCA Development Bonds - Original vs. Restructured Debt

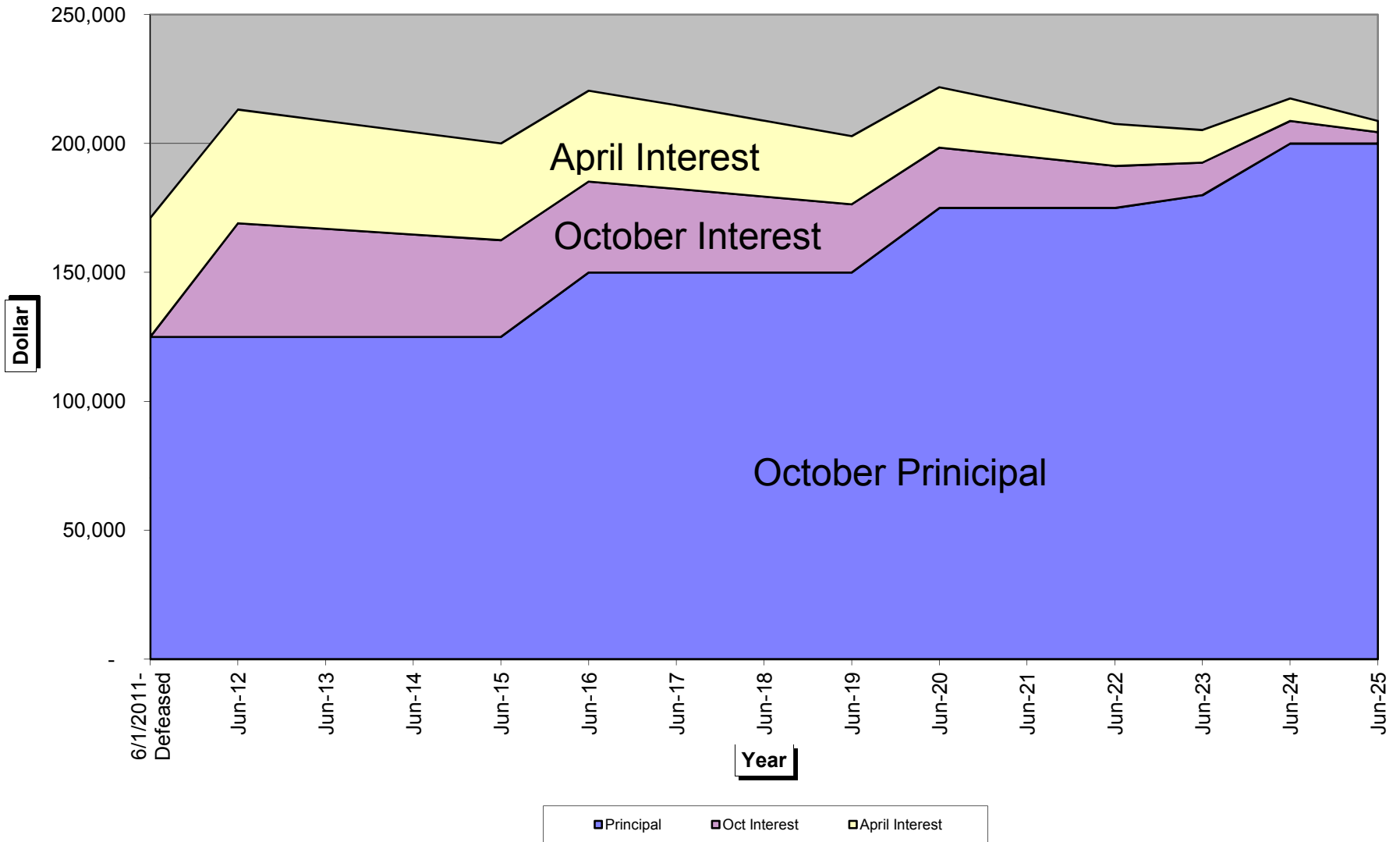


In Thousands	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Jun-11	Jun-12	Jun-13	Jun-14	Jun-15	Jun-16	Jun-17	Jun-18	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jun-24	Jun-25	Jun-26	Jun-27	Jun-28	Jun-29	Jun-30	Jun-31	Jun-32
Original	268	230	230	320	327	384	402	420	432	442	452	457	465	473	485	496	506	510	518	505	487	468	-	-	-	-	-
Restructured	268	230	230	320	327	345	333	315	315	315	315	315	315	426	559	622	632	636	644	631	613	594	576	551	532	506	481

City of Wixom
Schedule of Indebtedness
SAD Tribute Drainage Districts (Defeased)
Year 2005, Defeased in FY2011-\$2,330,000
Amount of Originally Issued Debt - \$2,830,000
Interest Rate: 4.012 From 3.00%-4.40%

Date of Fiscal Year	Due October Principal	Due October Interest	Due April Interest	Total	Interest Rate	Balance Principal 2,830,000
6/1/2011-Defeased	125,000		46,114	171,114	3.25	2,330,000
Jun-12	125,000	44,083	44,083	213,165	3.50	2,205,000
Jun-13	125,000	41,895	41,895	208,790	3.50	2,080,000
Jun-14	125,000	39,708	39,708	204,415	3.50	1,955,000
Jun-15	125,000	37,520	37,520	200,040	3.65	1,830,000
Jun-16	150,000	35,239	35,239	220,478	3.75	1,680,000
Jun-17	150,000	32,426	32,426	214,853	4.00	1,530,000
Jun-18	150,000	29,426	29,426	208,853	4.00	1,380,000
Jun-19	150,000	26,426	26,426	202,853	4.00	1,230,000
Jun-20	175,000	23,426	23,426	221,853	4.05	1,055,000
Jun-21	175,000	19,883	19,883	214,765	4.10	880,000
Jun-22	175,000	16,295	16,295	207,590	4.20	705,000
Jun-23	180,000	12,620	12,620	205,240	4.30	525,000
Jun-24	200,000	8,750	8,750	217,500	4.35	325,000
Jun-25	200,000	4,400	4,400	208,800	4.40	125,000
Total	2,330,000	372,096	418,210	3,120,306		

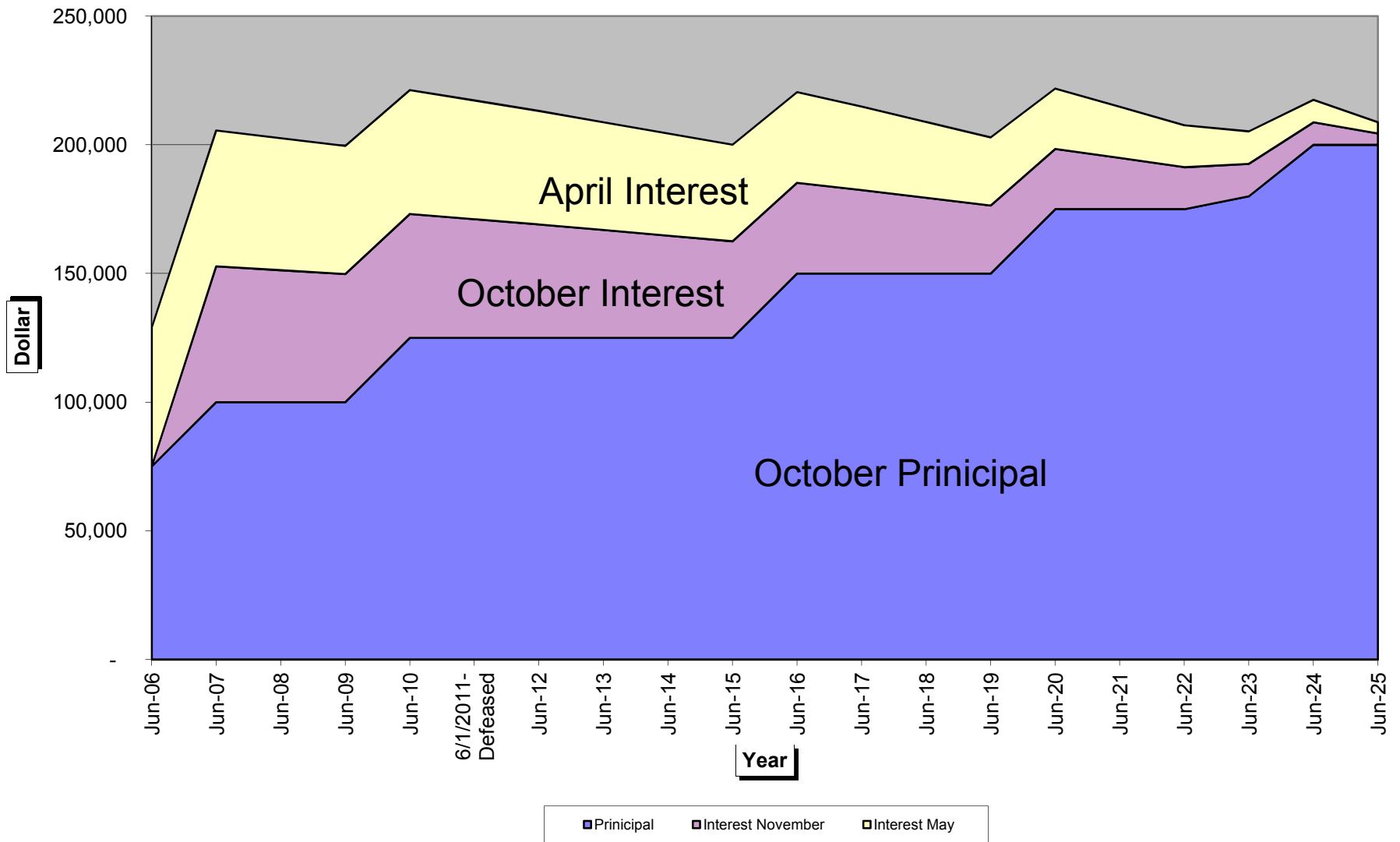
SAD Tribute Drain Bonds - Defeased \$2,330,000



City of Wixom
Schedule of Indebtedness
SAD Tribute Drainage Districts
Year 2005
Amount of Originally Issued Debt - \$2,830,000
Interest Rate: 4.012' From 3.00%-4.40%

Date of Fiscal Year	Due October Principal	Due October Interest	Due April Interest	Total	Interest Rate	Balance Principal 2,830,000
Jun-06	75,000	-	53,895	128,895	3.00	2,755,000
Jun-07	100,000	52,770	52,770	205,540	3.00	2,655,000
Jun-08	100,000	51,270	51,270	202,540	3.00	2,555,000
Jun-09	100,000	49,770	49,770	199,540	3.25	2,455,000
Jun-10	125,000	48,145	48,145	221,290	3.25	2,330,000
6/1/2011-Defeased	125,000	46,114	46,114	217,228	3.25	2,205,000
Jun-12	125,000	44,083	44,083	213,165	3.50	2,080,000
Jun-13	125,000	41,895	41,895	208,790	3.50	1,955,000
Jun-14	125,000	39,708	39,708	204,415	3.50	1,830,000
Jun-15	125,000	37,520	37,520	200,040	3.65	1,705,000
Jun-16	150,000	35,239	35,239	220,478	3.75	1,555,000
Jun-17	150,000	32,426	32,426	214,853	4.00	1,405,000
Jun-18	150,000	29,426	29,426	208,853	4.00	1,255,000
Jun-19	150,000	26,426	26,426	202,853	4.00	1,105,000
Jun-20	175,000	23,426	23,426	221,853	4.05	930,000
Jun-21	175,000	19,883	19,883	214,765	4.10	755,000
Jun-22	175,000	16,295	16,295	207,590	4.20	580,000
Jun-23	180,000	12,620	12,620	205,240	4.30	400,000
Jun-24	200,000	8,750	8,750	217,500	4.35	200,000
Jun-25	200,000	4,400	4,400	208,800	4.40	-
Total	2,830,000	620,165	674,060	4,124,225		

SAD Tribute Drain Bonds - \$2,830,000



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FINANCIAL MANAGEMENT POLICIES

FINANCIAL MANAGEMENT POLICIES

When possible, the City will follow the Financial Management Policies listed below. Recognize that financial conditions may change to warrant a possible deviation from these policies.

Operating Budget Policies

The City will pay for all current expenditures with current revenues and fund balance. The City will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing expenditures, accruing future years' revenues, or rolling over short-term debts.

The budget will provide for adequate maintenance of capital plan and equipment and for their orderly replacement.

The budget will provide for adequate funding of all retirement systems.

The City will maintain a budgetary control system to help it adhere to the budget.

The City administration will prepare regular reports comparing actual revenues and expenditures to budgeted amounts.

Each year, the City will update expenditure projections for the next fiscal year. Projections will include estimated operating costs of future capital improvements that are included in the capital budget.

Where possible, the City will integrate performance measurement and productivity indicators with the budget.

Capital Improvement Programs

The City will make all capital improvements in accordance with an adopted capital improvement program.

The City will develop a multi-year plan for capital improvements and update it annually.

The City will enact an annual capital budget based on the multi-year capital improvement plan. Future capital expenditures necessitated by changes in population, changes in real estate development, or changes in economic base will be calculated and included in capital budget projects.

The City will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital improvement will be projected and included in operating budget forecasts.

The City will use intergovernmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and the City priorities, and whose operating and maintenance costs have been included in operating budget forecasts.

The City will maintain all its assets at a level adequate to protect the City's capital investment and to minimize future maintenance and replacement costs.

The City will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted to council for approval.

The City will determine the least costly financing method for all new projects.

FINANCIAL MANAGEMENT POLICIES

Debt Policies

The City will confine long-term borrowing to capital improvements or projects that cannot be financed from current revenues.

When the City finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the expected useful life of the project.

When possible, on all debt-financed projects, the City will make a down payment of at least ten percent of total project cost from current revenues.

Total debt service for general obligation debt will not exceed an acceptable range as to the total annual locally generated operating revenue.

Total general-obligation debt will not exceed ten to twenty percent of the assessed valuation of taxable property.

Where possible, the City will use special assessment, revenue, or other self-supporting bonds instead of general-obligation bonds.

The City will not use long-term debt for current operations.

The City will retire tax anticipation debt annually and will retire bond anticipation debt within six months after completion of the project.

The City will maintain good communications with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus.

Revenue Policies

The City will try to maintain a diversified and stable revenue system to shelter it from short-run fluctuations in any one revenue source.

The City will estimate its annual revenues by an objective, analytical process.

The City will project revenues for the next fiscal year. Each existing and potential revenue source will be reexamined annually.

The City will maintain sound appraisal procedures to keep property values current. Property will be assessed at fifty percent of full market value.

A review of assessments of all property will be made on an annual basis. Reappraisals will be made of all property at least every ten years.

The City will follow an aggressive policy of collecting property tax revenues. The annual level of uncollected personal property taxes will generally to exceed five percent.

The City will establish all user charges and fees at a level related to the cost of providing the services.

Each year, the City will recalculate the full costs of activities supported by user fees to identify the impact of inflation and other cost increases.

FINANCIAL MANAGEMENT POLICIES

The City will automatically revise user fees with review of the governing board to adjust for the effects of inflation.

The City will set fees for other user activities, such as recreational services, at a level determined necessary to partially support the direct and indirect cost of the activity.

Reserve Policies

The City will establish a Capital Improvement Fund and will appropriate funds to it annually to provide for timely replacement of equipment/vehicles.

Investment Policies

When permitted by law, the City will combine cash from several different funds for investment purposes.

The City will analyze market conditions and investment securities regularly to determine what yield can be obtained.

The City will attempt to obtain the best possible return on all cash investments.

The accounting system will provide regular information concerning cash position and investment performance.

Accounting, Auditing, and Financial Reporting Policies

The City will establish and maintain a high standard of accounting practices and will implement and follow reporting requirements as stipulated in GASB 34.

The accounting system will maintain records on a basis consistent with accepted standards for local government accounting.

Regular monthly and annual financial reports will present a summary of financial activity by major types of funds.

Where possible, the reporting system will also provide monthly information on the total cost of specific services by type of expenditure and, if necessary, by fund.

An independent public accounting firm will perform an annual audit and will publicly issue a financial opinion.

The City will adhere to Public Act 493 which now requires a general appropriation act for all funds except trust and agency, internal service, enterprise, debt service and capital project funds for which the legislative body may pass a special appropriation act. A budget and general appropriations act are required for only the general fund and each special revenue fund. This will exclude the need for budget resolutions for all capital project funds, debt service funds, trust and agency funds, and enterprise funds. These excluded funds will still be discussed and examined during budget sessions, but budget resolutions will not be required on the passage of the budget.

CHART OF ACCOUNTS

**GENERAL FUND
REVENUES**

GENERAL PROPERTY TAXES

Account	Explanation and Description
01 02-01 4000	Revenues received from real property tax (land and improvements)
01 02-01 4002	Revenues received from personal property tax (office Furniture, equipment, etc.)
01 02-01 4003	L DFA/DDA Property Tax
01 02-01 4004	Revenues received from industrial facilities tax
01 02-01 4006	Revenues received from millage levied to accommodate bonded debt of building authority
01 02-01 4007	Revenues received from industrial facilities tax-Building Authority
01 02-01 4008	Delinquent personal property
01 02-01 4009	Delinquent personal property-Building Authority
01 02-01 4010	Maple North Service Income
01 02-01 4011	Maple North Service Income-Building Authority
01 02-01 4012	MTT/Board of Review Adjustment - Prior Year
01 02-01 4013	IFT Job Shortfall Revenue
01 02-01 4015	PRE Denial Distribution
01 02-01 4020	Penalties (on all unpaid City, County, and school taxes after due dates) and interest on all delinquent taxes
01 02-01 4022	Tax Assessment and Collection Reimbursement
01 02-01 4023	1% fee on taxes collected (excluding City) - Maple North
01 02-01 4024	1% fee on taxes collected (excluding City) to partially reimburse administrative costs for tax collection including legal defense of tax assessments before the tax tribunal
01 02-01 4025	1% fee on taxes collected (excluding City) - IFT
01 02-01 4026	Property Demolition
01-02-01 4027	Special Assessment

STATE REVENUE

01 04-06 4110	6% sales tax collected by the state and distributed to the City based on population
01 04-06 4120	Michigan income tax distributed to City quarterly, based on the City's population and relative tax effort
01 04-06 4130	Tax collected by the state on intangible personal property such as bank deposits and distributed annually to the City based on population
01 04-06 4140	Tax levied by state on all Michigan business distributed to City annually based on population and relative tax effort
01 04-06 4142	Single business tax index
01 04-06 4150	State revenue designed to rebate monies lost by City with exemption of inventories from personal property tax
01 04-06 4155	Increase in State Revenue due to Special Census.
01 04-06 4170	City's share of licenses, renewals received in June
01 05-00 4262	Oakland County Road Monies

OTHER REVENUE

01 06-00 5898	Donation – Memorial Brick
01 06-00 5899	Revenues received from Private Donations

**GENERAL FUND
REVENUES**

BUILDING PERMITS AND FEES

Account	Explanation and Description
01 02-03 4070	Fees received for building, electrical, heating, plumbing, refrigeration system permits; special permits; registration fees for various contractors; license fees, etc.
01 02-03 4072	Miscellaneous building revenues, primarily fees for permits to occupy, and soil erosion permit fees
01 02-03 4074	Fees to appear before the Board of Appeals
01 02-03 4075	Fees collected for Zoning and Site Plans
01 02-03 4076	Fees collected for builders, developers to appear before the Planning Board to request zoning changes
01 02-03 4077	Subdivision Review Fees
01 02-03 4079	SPR – Easement Revenue
01 02-03 4080	Fees collected for General Right-of-way Permits
01 02-03 4081	Fees collected for Wetland Permits
01 02-03 4082	Fees collected for Woodland Permits
01 02-03 4083	Fees collected for Resid. Drive Approach/Culvert
01 02-03 4084	Fees collected for Sidewalk Permits
01 02-03 4085	Fees collected for Soil Erosion Permits
01 02-03 4086	Fees collected for Zoning Review (Bd of Appeals)
01 02-03 4087	Fees collected for Aerial Topo & Misc Mylars
01 02-03 4088	Fees collected for Xerox Copies
01 02-03 4089	Engineering Fees
01 02-03 4095	Rental Review Fee

MISCELLANEOUS DEPARTMENT REVENUE

01 06-00 5898	Donation – Memorial Brick Program
01 06-02 5800	User charge - the funds that are used to meet contractual obligations with garbage collector collected primarily from residential homeowners
01 06-02 5801	Interest Income - Residual Equity
01 06-02 5802	Interest earned on general fund monies invested in certificate of deposit, repurchase agreements and other investment alternatives
01 06-02 5803	Interest Income - Solid Waste
01 06-02 5804	Fines collected by the District Court for moving violations issued by City
01 06-02 5805	Business License Fees
01 06-02 5806	Parks & Rec. General Revenue - Charges levied for use of ball park lighting, T-shirt sales, etc.
01 06-02 5807	Civic Center Rental Income
01 06-02 5808	Parks and Recreation Softball Revenue
01 06-02 5809	Ticket Sales by Parks & Recreation
01 06-02 5810	DPW Revenue - Charges for installation of culverts and reimbursement from cemetery fund
01 06-02 5811	Parks and Recreation Soccer Revenue
01 06-02 5814	Fees charged for parking violations
01 06-02 5815	Ameritech Rental Revenue
01 06-02 5816	Cable TV Revenue
01 06-02 5817	Sale of Land
01 06-02 5818	Workers Compensation Revenue
01 06-02 5820	Sale of Fixed Assets

**GENERAL FUND
REVENUES**

MISCELLANEOUS DEPARTMENT REVENUE (cont.)

Account	Explanation and Description
01 06-02 5821	Oakland County 1813 Resolution
01 06-02 5822	All other miscellaneous revenues not covered in any of the above accounts
01 06-02 5823	Metro Act Funds
01 06-02 5824	Discounts Earned
01 06-02 5825	FAST COP Grant - Federal Grant for additional officer
01 06-02 5826	Economic Development Fees
01 06-02 5827	SEMTA Bus Credits
01 06-02 5828	Beautification Revenue
01 06-02 5829	Seniors Revenue
01 06-02 5830	Revenue from fees on recycling material sold to vendors
01 06-02 5831	Ameritech Mobile Credit
01 06-02 5832	Park Watch
01 06-02 5833	Passport Revenue
01 06-02 5834	Gas Rebate
01 06-02 5835	Fire Revenue – Misc. Fire revenue not covered in other accts. (ex. Reimbursements and Fire common are inspection).
01 06-02 5836	Insurance Loss Payment - Retention
01 06-02 5837	Police Revenue
01 06-02 5839	Insurance Loss Repayment
01 06-02 5840	Dare Contributions Revenue
01 06-02 5841	Teen Center Revenue from DARE and Walled Lake Schools
01 06-02 5842	Community Policing Grant
01 06-02 5843	FEMA Reimbursement
01 06-02 5844	Election Reimbursement
01 06-02 5845	West Nile Virus Reimbursement
01 06-02 5847	Other Government – WOCCA
01 06-02 5848	Showcase Revenue
01 06-02 5849	Ford Motor Reimbursement of Interest Revenue
01 06-02 5850	Property Transfer Fine Revenue
01 06-02 5851	Revenue Cost Recovery – Funds received from District Court and reimbursement for various Police services provided.
01 06-02 5853	Prisoner Lodging
01 06-02 5854	Utility Reimbursement Revenue – Received from Huron Valley ambulance for the utility costs at Fire Station #2.
01 06-02 5855	Revenue Compost Site – Funds received from Spurt Industries in accordance with the City agreement.
01 06-02 5856	Utility Reimbursement Revenue – Funds received from Spurt Industries for utility costs.
01 06-02 5857	Utility Reimbursement Revenue – General – Water tower access Lease utility reimbursement from 123.Net.
01 06-02 5858	Mayors and Municipal Auto Coalition
01 06-02 5859	Utility Billing Late Fee – Delinquent water/sewer accts. Placed on the summer tax roll.
01 06-02 5860	AT&T Video Service Franchise Fee – Revenue received in accordance with agreement.
01 06-02 5861	AT&T Video Service InKind PEG – Revenue received in accordance with agreement.
01 06-02 5862	Fire Open House Donation Revenue – Received from local business to support this event.
01 06-02 5863	Rental / User Fees – Received from 123.Net for water tower space lease.
01 06-02 5864	Community Foundation Reimbursement
01 06-02 5866	Rental Income - Fire - Huron Valley Ambulance Station #2 rental.
01 06-02 5867	Police Records Management Income

**GENERAL FUND
EXPENSES**

GRANTS

Account	Explanation and Description
01 06-03 4260	Federal Grants
01 06-03 4264	State Grants

INTERGOVERNMENTAL REVENUES

01 08-00 5910	Contribution - Library
01 08-00 5914	Contribution - DDA
01 08-00 5915	Contribution - Community Development Fund
01 08-00 5916	Funds received from the state designated for major roads
01 08-00 5917	Funds received from the state designated for local roads
01 08-00 5920	Land Acquisition Transfer
01 08-00 5922	Contribution - Local Development Finance Authority
01 08-00 5924	Contribution – Major Road Program
01 08-00 5925	Contribution – Local Road Program
01 08-00 5926	Contribution – Safety Path Program
01 08-00 5929	Budget Stabilization Fund Transfer
01 08-00 5930	Insurance Fund - Fire Department
01 08-00 5934	Solid Waste Contribution
01 08-00 5940	Special Agency Fund
01 08-00 5960	Water Enterprise Fund Transfer
01 08-00 5961	Wastewater Enterprise Transfer
01 08-00 5971	Contribution - Cemetery Fund

APPROPRIATIONS

01 09-00 5999	Appropriation from the unencumbered fund balance of the General Fund which is needed to balance the budget
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**CITY COUNCIL
SALARIES AND WAGES**

01 14-10 6000	Mayor's Salary
01 14-10 6001	Annual salaries for Wixom City Council members (6)
01 14-10 7001	FICA Fringe on City Council's salary
01 14-10 7002	FICA Fringe on Mayor's salary

PROFESSIONAL AND CONTRACTUAL

01 14-10 8100	Other expenses incurred by Council in the performance of their legislative responsibilities
01 14-10 8101	Various misc. expenses associated with performing Mayor's duties
01 14-10 8200	Expenses incurred for conferences and workshops attended by members of City Council
01 14-10 8201	Attendance by the Mayor at various seminars and conferences related to City administration
01 14-10 9201	Awards and Plaques

**GENERAL FUND
EXPENSES**

**EXECUTIVE
SALARIES AND WAGES**

Account	Explanation and Description
01 14-12 6011	City Manager's Salary
01 14-12 6012	Administrative Assistant's Wages
01 14-12 6013	Administrative Secretary's Wages
01 14-12 6014	Assistant City Manager's Salary
01 14-12 6015	Economic Development Director
01 14-12 6080	Wages- Part-Time Help
01 14-12 6111	Retirement - Deferred Compensation paid to City Manager
01 14-12 6212	Administrative Assistant's Overtime
01 14-12 6213	Overtime
01 14-12 6311	Merit Bonus - City Manager
01 14-12 6312	Merit Bonus - Administrative Assistant
01 14-12 6811	Sick Pay - City Manager
01 14-12-6814	Sick Pay - Assisstant City Manger
01 14-12 7011	All fringe benefit costs paid by City for employee,
7012	except for part-time personnel, including:
7013	1. All Medical Coverage (BC/BS or HAP), 2. Life Insurance,
7014	3. Pension coverage, 4. Longevity, 5. Dental & Vision,
7015	6. Social Security, 7. Unused personal days (1/2 of unused)
01 14-12 7040	Fringes – HRA Expense
01 14-12 7080	Fringes – Part-Time Help

PROFESSIONAL AND CONTRACTUAL

01 14-12 8111	To accommodate expenses related to performing administrative functions
01 14-12 8211	Attendance at MML, ICMA, SEMCOG and functions
01 14-12 8230	Education and training funds for Mayor, City Manager, Asst. City Manager and Administrative Secretary to attend seminars, classes and various educational programs related to City administration
01 14-12 8300	Consultants or personnel to assist City Manager's Office in various municipal areas, e.g. personnel, cable TV
01 14-12 8600	Computer Software and Supplies
01 14-12 8900	City Dues and Memberships
01 14-12 8901	City Car Lease Agreement
01 14-12 8902	Vehicle Allowance

OPERATING SUPPLIES

01 14-12 8500	Office Supplies
01 14-12 8501	Public notices and any professional publications related to general administration
01 14-12 8505	Copier Maintenance and Service

MAINTENANCE & REPAIR

01 14-12 9700	Repair and Maintenance expense on Office Equipment
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CAPITAL OUTLAY

01 14-12 9800	Office equipment (calculator, file cabinet.)
01 14-12 9801	Office furniture (desks, chairs, filing cabinets, etc.) Purchase of typewriters, adding machines, etc.

**GENERAL FUND
EXPENSES**

**ASSESSOR
SALARIES AND WAGES**

Account	Expenditures and Descriptions
01 14-14 6013	Assessing Technician Wages
01 14-14 6080	Part-time employee account-for hiring summer help to assist with reappraisal program & part-time secretarial help during the year
01 14-14 6222	Overtime – Assessing Technician
01 14-14 6313	Merit Bonus – Assessing Technician
01 14-14 7013	Fringe benefits for full-time employees including: 1. Medical Coverage (Blue Cross/Blue Shield or BCN) 2. Life Insurance 3. Pension Coverage 4. Longevity 5. Dental and Vision 6. Social Security 7. Personal days (1/2 of unused)
01 14-14 7080	Fringe Benefits for part-time employees - FICA tax
01 14-14 8000	Assessor's fee (Part-time consultant at hourly rate)

PROFESSIONAL AND CONTRACTUAL

01 14-14 8100	To accommodate expenses related to performing Assessor's duties
01 14-14 8103	Contractual Services for assessing related expenses
01 14-14 8230	Education and Training funds for the Assessor's Secretary to attend seminars, classes and various educational programs related to assessing
01 14-14 8307	CAD / GIS Expenditure
01 14-14 8600	To cover 40% of the Assessment/Tax File Computer expenses, and maintenance charges connected with the processing of Master Appraisal File records.
01 14-14 8601	To cover costs of the Personal Property Tax File Computer expenses, and maintenance charges connected with the processing of Personal Property Taxes.

OPERATING SUPPLIES

01 14-14 8500	To cover costs of personal property forms, assessment change notices and roll binders, printing costs, photographic expenses and miscellaneous office supplies.
01 14-14 8506	Copier Supplies / Maintenance
01 14-14 8603	Computer supplies (i.e. ribbons, paper, disks, etc.).

MINOR CAPITAL OUTLAYS

01 14-14 9800	Office equipment (typewriter, calculator, file cabinets, etc.)
01 14-14 9801	Office furniture

**GENERAL FUND
EXPENSES**

**DEPARTMENT OF PUBLIC SERVICE
SALARIES AND WAGES**

Account	Explanation and Description
01 14-20 6011	Public Service Director's Salary.
01 14-20 6022	Public Service Director Secretary's Wages.
01 14-20 6080	Part-time Help
01 14-20 6222	Overtime
01 14-20 6511	Unemployment Compensation
01 14-20 6922	Prior Year Retro- DPS Secretary
01 14-20 7011	Fringe benefits for full-time employees including:
7022	1. Medical Coverage (Blue Cross/Blue Shield or BCN)
	2. Life Insurance
	3. Pension Coverage
	4. Longevity
	5. Dental and Vision
	6. Social Security
	7. Personal days (1/2 of unused)
01 14-20 7080	Fringes - Part-time Help

PROFESSIONAL AND CONTRACTUAL

01 14-20 8100	To accommodate expenses related to performing Public Service Director's duties
01 14-20 8201	Attendance at various conferences and workshops related to City Engineering Department responsibilities
01 14-20 8230	City Engineering Training Course, and various courses related to City Engineering Department functions
01 14-20 8300	Consultants or personnel to assist City Engineer in various municipal areas
01 14-20 8304	Soil Erosion Administration
01 14-20 8305	SPR – Easements Expenditure
01 14-20 8600	Computer Software and Supplies
01 14-20 8900	Dues and Memberships

OPERATING SUPPLIES

01 14-20 8500	Office supplies (stationary, business forms and cards, etc.)
01 14-20 8503	Gas and oil for department vehicle
01 14-20 8504	Postage and shipping charges
01 14-20 8506	Copier Lease
01 14-20 9000	Telephone

MAINTENANCE AND REPAIR

01 14-20 9705	Vehicle warranty and repairs, supplies (oil filters, battery, headlights, etc.) for Department vehicle
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CAPITAL OUTLAY

01 14-20 9800	Office equipment (typewriters, adding machines, etc.)
01 14-20 9801	Office furniture (desks, chairs, filing cabinets, etc.)
01 14-20 9805	Office remodeling

**GENERAL FUND
EXPENSES**

**BUILDING DEPARTMENT
SALARIES AND WAGES**

Account	Explanation and Description
01 14-24 6011	Building Official's Salary
01 14-24 6012	Building Inspector/Code Enforcement Officer
01 14-24 6022	Building Secretary's Wages
01 14-24 6024	Wages - Clerk
01 14-24 6080	Wages – Part-Time Help
01 14-24 6212	Overtime- Building Inspector
01 14-24 6222	Overtime
01 14-24 6811	Sick Pay – Building Official
01 14-24 6822	Sick Pay – Building Secretary
01 14-24 7011	Fringe benefits for full-time employees including:
7012	1. Medical Coverage (Blue Cross/Blue Shield or
7022	BCN)
7024	2. Life Insurance
	3. Pension Coverage
	4. Longevity
	5. Dental and Vision
	6. Social Security
	7. Personal days (1/2 of unused)
01 14-24 7040	Fringes – HRA Expense
01 14-24 7080	Fringes – Part-Time Help

PROFESSIONAL AND CONTRACTUAL

01 14-24 8001	Plumbing Inspector's Fees, utilized on part-time basis
01 14-24 8002	Electrical Inspector's Fees, utilized on part-time basis
01 14-24 8003	Heating Inspector's Fees, utilized on part-time basis
01 14-24 8006	Part-time building Inspector
01 14-24 8007	Plan Review – Contractor
01 14-24 8105	To accommodate expenses related to performing Code Enforcement Officer's duties
01 14-24 8111	To accommodate expenses related to performing Building Official's duties
01 14-24 8211	Attendance at various conferences and workshops related to Building Department responsibilities
01 14-24 8230	Electrical Inspector Training Course, and various courses related to Building Department functions
01 14-24 8301	Hearing Officer hired to resolve disputes between developers/citizens and Building Department
01 14-24 8302	SPR – Easement Expenditure
01 14-24 8304	Soil Erosion Administration
01 14-24 8602	Computer Software and Supplies
01 14-24 8900	Dues and Memberships
01 14-24 9000	Telephone

OPERATING SUPPLIES

01 14-24 8500	Office supplies (stationary, business forms and cards, permits, etc.)
01 14-24 8501	Publications and printing (BOCA manuals, various permits, etc)
01 14-24 8503	Gas and oil for department vehicle (Ford pick-up truck)
01 14-24 8506	Copier Lease

**GENERAL FUND
EXPENSES**

**BUILDING DEPARTMENT (cont.)
MAINTENANCE AND REPAIR**

Account	Explanation and Description
01 14-24 9705	Vehicle warranty and repairs, supplies (oil filters, battery, headlights, etc.) for Ford pick-up truck
01 14-24 9709	Other Property Activities - Monies available for demolition of buildings and other property activities.

CAPITAL OUTLAY

01 14-24 9800	Office equipment (typewriters, adding machines, etc.)
01 14-24 9801	Office furniture (desks, chairs, filing cabinets, etc.)
01 14-24 9805	Office Remodeling

**LEGAL ASSISTANCE
PROFESSIONAL AND CONTRACTUAL**

01 14-26 8000	Retainer for attorney to provide attendance at Council meetings, ordinance drafting, opinion, telephone calls, etc.
01 14-26 8001	Legal fees associated with union contract negotiations and related personnel issues.
01 14-26 8002	To provide professional assistance in negotiating City union contracts through an hourly labor consultant
01 14-26 8005	Legal Counsel Annexation
01 14-26 8700	Fees for significant litigation
01 14-26 8701	Legal fees for tax-related lawsuits, e.g. Michigan Tax Tribunal and civil suits against property tax assessments.
01 14-26 8702	Fee for all prosecution and ordinance violation
01 14-26 8703	City Attorney - Meetings, Update, etc.

**GENERAL FUND
EXPENSES**

**CLERK
SALARIES AND WAGES**

Account	Explanation and Description
01 14-28 6011	City Clerk's salary
01 14-28 6013	Deputy Clerk's salary
01 14-28 6024	Clerk I's Wages
01 14-28 6080	Part-Time Help
01 14-28 6213	Overtime - Deputy Clerk
01 14-28 6222	Overtime for clerical employees
01 14-28 6811	Sick Time Pay – City Clerk
01 14-28 7011	Fringe Benefits for full-time employees including:
01 14-28 7013	1. Medical Coverage (Blue Cross/Blue Shield or
7024	BCN)
	2. Life Insurance
	3. Pension Coverage
	4. Longevity (No longer applies at this time)
	5. Dental and Vision
	6. Social Security
	7. Personal Days (1/2 of unused)
01 14-28-7040	Fringes – HRA Expense
01 14-28-7080	Fringes – Part Time

PROFESSIONAL AND CONTRACTUAL

01 14-28 8001	Salaries for temporary election help with special City and general elections
01 14-28 8101	Election expense (setting up machines, Oakland County processing, publications, etc.)
01 14-28 8111	City Clerk's expense (travel expenses, dues for meetings, etc.)
01 14-28 8211	Conferences and workshops (Oakland County Director of Election, Lansing Director of Elections, City Clerk's Conferences, etc.)
01 14-28 8230	Education and Training (bookkeeping and speed-writing classes for secretary, letter writing classes for Clerk, and secretary, etc.)
01 14-28 8300	Consultants & Personnel
01 14-28 8301	Special Census
01 14-28 8600	Computer Software
01 14-28 8900	Memberships & Dues

OPERATING SUPPLIES

01 14-28 8500	Office supplies (stationary, business forms, etc.)
01 14-28 8501	Publications and printing for legal notices for all City departments, also includes the updating of City ordinances, Quarterly Newsletters.

CAPITAL OUTLAY

01 14-28 9800	Office Equipment (copy machine, typewriters, etc.)
01 14-28 9801	Office Furniture (desks, chairs, file cabinets, etc.)

**GENERAL FUND
EXPENSES**

**INFORMATION SYSTEMS
PROFESSIONAL AND CONTRACTUAL**

Account	Explanation and Description
01 14-30 6080	Part-Time Help Wages
01 14-30 7080	Part-Time Help Fringes
01 14-30 8300	Consultant – System Administrator
01 14-30 8600	Data Processing - Maintenance
01 14-30 8601	Data Processing - Contractual
01 14-30 8602	Data Processing - Update
01 14-30 8603	Internet Operations
01 14-30 8604	Support Contract - Website

**FINANCIAL ADMINISTRATION
SALARIES AND WAGES**

01 14-31 6011	Financial Director's Salary
01 14-31 6013	Deputy Treasurer's Wages
01 14-31 6022	Account Clerk I - Wages
01 14-31 6024	Clerk I - Wages
01 14-31 6025	Account Clerk II's Wages
01 14-31 6026	Account Clerk I's Wages
01 14-31 6080	Part-time help
01 14-31 6213	Deputy Treasurer's Overtime
01 14-31 6222	Account Clerk I's Overtime
01 14-31 6225	Account Clerk II 's Overtime
01 14-31 6311	Merit Bonus
01 14-31 6811	Sick Pay – Finance Director
01 14-31 7011	Fringe Benefits for full-time employees including:
01 14-31 7013	1. Medical Coverage (Blue Cross/Blue Shield or
7025	BCN)
7026	2. Life Insurance
	3. Pension Coverage
	4. Personal Days (1/2 of unused)
	5. Dental and Vision
	6. Social Security
01 14-31 7040	Fringe Benefits – HRA Expense
01 14-31 7080	Fringe Benefits for part-time help (Social Security)

**GENERAL FUND
EXPENSES**

**FINANCIAL ADMINISTRATION (cont.)
OPERATING SUPPLIES**

Account	Explanation and Description
01 14-31 8500	Office supplies (stationery, business forms and cards, etc.)

PROFESSIONAL AND CONTRACTUAL

01 14-31 8111	Other expenses associated with Financial Director's position (mileage, publication costs, etc.)
01 14-31 8211	Conferences and Workshops (attendance at biannual Michigan Municipal Finance Officers Association and various related financial seminars)
01 14-31 8230	Education and Training-Financial/assessing course work and classes for Finance Director and Deputy (graduate accounting courses and Assessor's certificate)
01 14-31 8300	Consultants to advise and consult on financial conditions and matters (Plante and Moran)
01 14-31 8600	Costs for tax billing preparation through Oakland County
01 14-31 8601	Costs of Software Programs and use of Hardware for computerization of property taxes by Oakland County.
01 14-31 8604	Cost of Bank services for computerized tax collection.
01 14-31 8900	Dues and Subscriptions

OPERATING SUPPLIES

01 14-31 8500	Office Supplies – Financial Administration
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CITY AUDIT FEE

01 14-31 8800	Annual audits performed by Plante and Moran - general fund, special revenues, debt service
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MAINTENANCE AND REPAIR

01 14-31 8602	Maintenance and repairs on computer system
01 14-31 8603	Software costs for revisions in programs

CAPITAL OUTLAY

01 14-31 9801	Office Furniture (desks, chairs, filing cabinets, Computer accessories such as anti-static mat, disk drive, etc.
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**GENERAL FUND
EXPENSES**

**GENERAL OPERATING
OPERATING SUPPLIES**

Account	Explanation or Description
01 14-32 8503	Gas and oil for City lease car
01 14-32 8504	Rental of postage machine and cost of stamps
01 14-32 8505	Maintenance and supply costs for photocopy machine (paper, toner, etc.)

PROFESSIONAL AND CONTRACTUAL

01 14-32 6911	Wage & Salary adjustment account – Non-Union
01 14-32 6912	Wage & Salary adjustment account - Union
01 14-32 6914	Wage & Salary Adjustment
01 14-32 7040	Fringes – HRA Expense
01 14-32 8400	Community
01 14-32 8401	Minor Home Repair
01 14-32 8402	Holiday Decorations
01 14-32 8403	Economic Development
01 14-32 8404	Mayors and Municipal Auto Coalition
01 14-32 8501	Publication & printing costs for City's newsletter
01 14-32 8512	Postage & Copier Library
01 14-32 8513	Community Center Rental - Library
01 14-32 8602	Computer Maintenance
01 14-32 8603	Outside Storage
01 14-32 8604	Record Retention / Maintenance-Support
01 14-32 8802	Financial Audit of City's Capital Planning, Capital Improvement Fund, other Capital Funds
01 14-32 8803	Financial Audit of other Funds
01 14-32 8804	Financial Audit - Single Audit
01 14-32 8805	Financial Audit - GASB
01 14-32 8806	Financial Audit – SAS112
01 14-32 8900	Memberships and dues for the City administration - Michigan Municipal League and SEMCOG
01 14-32 8904	Auction Costs
01 14-32 8905	Rebate of property taxes based on Michigan Tax Tribunal decisions
01 14-32 8901	City Car Lease
01 14-32 9000	Telephone costs for City Hall departments
01 14-32 9601	Natural Gas expenses
01 14-32 9602	Electrical Expense
01 14-32 9604	Water Expense

INSURANCE SERVICES

01 14-32 9101	Insurance policy to cover claims arising from employee injuries that are directly job related
01 14-32 9102	City's basic insurance policy covering a variety of liabilities - property damage, personal and bodily injury, and general claims related to the municipal operation.

MAINTENANCE AND REPAIRS

01 14-32 9700	Maintenance and repair of all office equipment - typewriters, calculators, etc.
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**GENERAL FUND
EXPENSES**

**BUILDING MAINTENANCE
OPERATING SUPPLIES**

Account	Explanation and Description
01 14-33 8506	Custodial supplies (brooms, pails, detergent, rugs, etc.)
01 14-33 8507	Light purchases/replacements

PROFESSIONAL AND CONTRACTUAL

01 14-33 9704	Heating/Cooling maintenance agreement for City Hall (includes additional work/labor costs not covered under agreement)
01 14-33 9705	Outside Custodial Services

MAINTENANCE AND REPAIR

01 14-33 9707	Miscellaneous building maintenance costs not covered elsewhere, such as carpet cleaning, lock service, water conditioning service, landscaping, etc.
01 14-33 9708	Building Maintenance - Other. Park and Recreation Maintenance and other special maintenance items
01 14-33 9710	Bldg Maintenance – Library
01 14-33 9711	HVAC – Library

CAPITAL OUTLAY

01 14-33 9811	Capital Outlay
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**CULTURAL CENTER
SALARIES AND WAGES**

01 14-35 6011	Salary - Community Services Director
01 14-35 6014	Wages - Community Services Supervisor
01 14-35 6080	Wages - Monitors
01 14-35 6081	Wages - Part-time Help
01 14-35 6222	Overtime
01 14-35 6314	Merit Bonus – Community Service Director
01 14-35 7011	Fringes - Community Service Director
01 14-35 7014	Fringes - Community Center Supervisor
01 14-35 7040	Fringes – HRA Expense
01 14-35 7080	Fringes - Monitors
01 14-35 7081	Fringes - Part-time Help

OPERATING SUPPLIES

01 14-35 8506	Custodial supplies (brooms, pails, detergent, rugs, etc.)
01 14-35 8507	Light purchases/replacements

PROFESSIONAL AND CONTRACTUAL

01 14-35 8100	Mileage and Reimbursement
01 14-35 8400	Community Programs
01 14-35 8501	Publication & Printing
01 14-35 8602	Computer Supplies & Maintenance
01 14-35 9102	City's basic insurance policy covering a variety of liabilities - property damage.
01 14-35 9601	Natural Gas Expenses
01 14-35 9602	Electrical Expenses
01 14-35 9704	Heating/Cooling maintenance agreement for Cultural Center

**GENERAL FUND
EXPENSES**

CULTURAL CENTER (cont.)

PROFESSIONAL AND CONTRACTUAL

Account **Explanation and Description**

01 14-35 9705 Outside Custodial Services
01 14-35 9706 Room Arrangement Expense
01 14-35 9708 Weekend Preparation

MAINTENANCE AND REPAIR

01 14-35 9707 Miscellaneous building maintenance costs not covered elsewhere, such as carpet cleaning, lock service, water conditioning service, landscaping, etc.

CAPITAL OUTLAY

01 14-35 9800 Community Equipment
01 14-35 9801 Community Furniture

EMERGENCY MANAGEMENT

PROFESSIONAL AND CONTRACTUAL

01 16-34 9200 Emergency Management activities - expenses for educational materials, helmets, vests, ID badges, meetings, etc.

FIRE DEPARTMENT

SALARIES AND WAGES

01 16-35 6010 Full-time Public Service Director Wages
01 16-35 6011 Full-Time Fire Chief Wages
01 16-35 6012 Full-time Fire Captain Wages
01 16-35 6022 Wages for Fire Secretary
01 16-35 6025 Salary – Records Manager
01 16-35 6080 Clerk-Part Time
01 16-35 6081 Part Time Training Coordinator Wages
01 16-35 6082 Part Time Inspector Wages
01 16-35 6222 Secretarial overtime
01 16-35 6511 Unemployment Compensation
01 16-35 6810 Sick Pay Out – Public Service Director
01 16-35 6822 Sick Time Pay – Fire Secretary
01 16-35 7010 Fringe Benefits for full-time employees (Public Service Director, Fire Captain and
7011 Secretary) includes:
7012 1. Medical Coverage (BC/BS or BCN)
7025 2. Life Insurance
7022 3. Pension Coverage
4. Dental and Vision
5. Social Security
6. Personal Days (1/2 of unused)
01 16-35 7040 Fringe Benefits – HRA Expense
01 16-35 7080 Fringe Benefits for part-time help (Social Security)
7081
7082
01 16-35 8000 Inspector Part-Time
01 16-35 8001 Assistant Fire Chief's Wages (Part-time), responsible for all fire activities during the Fire Chiefs' absence.

**GENERAL FUND
EXPENSES**

**FIRE DEPARTMENT(cont.)
SALARIES AND WAGES**

Account	Explanation and Description
01 16-35 8002	Firefighters' Wages
01 16-35 8005	Rapid Response Program
01 16-35 8006	Public Safety Director Fee
01 16-35 8102	Officers Compensation (Captain, Lieutenants, Sergeants)

OPERATING SUPPLIES

01 16-35 8500	Office supplies (stationary, maintenance, medical, FM18 & inspection forms, etc.)
01 16-35 8503	Gas and oil costs for fire vehicles
01 16-35 8505	Supplies and maintenance contract for copy machine (shared 50% with Parks and Recreation).
01 16-35 8508	Medical Supplies to properly equip and maintain rescue truck.
01 16-35 8509	Dress uniforms for firefighter personnel
01 16-35 8602	Computer supplies (i.e. ribbons, paper, disks, etc.).
01 16-35 9200	Miscellaneous operating supplies, such as: physicals for firefighters, ID cards, dues to professional organizations, professional journals, etc.

PROFESSIONAL AND CONTRACTUAL

01 16-35 8111	Expenses related to performing Fire Chiefs' duties.
01 16-35 8211	Conferences and workshops on fire management and prevention, secretarial, etc.
01 16-35 8230	Education and training on firefighting techniques, EMS, and other related topics.
01 16-35 8300	Consultants and personnel - to consult and assist in areas and matters as needed.
01 16-35 8306	Fire Personnel – Medical Evaluation
01 16-35 8900	Dues and Memberships
01 16-35 8901	Mileage - seminars, etc.
01 16-35 8902	Vehicle Lease – Fire Captain
01 16-35 9000	Telephone - incoming lines only to dispatch and phones for each station.
01 16-35 9001	Fire Dispatch - contract
01 16-35 9100	Insurance policy to provide benefits to injured firefighters.
01 16-35 9103	Fire Insurance - Disability
01 16-35 9301	Fire prevention inspections for compliance with code standards, investigations, and annual open house.
01 16-35 9601	Natural gas expense for operating the City's two fire stations.
01 16-35 9602	Electric expense for operating City's two fire stations.

**GENERAL FUND
EXPENSES**

**FIRE DEPARTMENT(cont.)
MAINTENANCE AND REPAIR**

Account	Explanation and Description
01 16-35 9703	Repair and maintenance of existing equipment such as radios, generators, fans, SCBA, etc.
01 16-35 9705	Vehicle maintenance for all 12 fire vehicles.
01 16-35 9707	Expenses necessary for complete maintenance of two fire stations (parking lot, painting, cleaning, etc.)
01 16 35-9708	Custodial Services

MINOR CAPITAL OUTLAY

01 16-35 9800	Office Equipment for continuing set up of new office (hoses, tanks, rope, hand radios, turn out gear, nozzles, etc.)
01 16-35 9801	Office Furniture
01 16-35 9803	Firefighting Equipment
01 16 35 9805	Vehicle Repairs

**POLICE DEPARTMENT
SALARIES AND WAGES**

01 16-37 6011	Public Safety Director's Salary
01 16-37 6022	Police Secretary Wages
01 16-37 6023	Police Sergeants' Salaries
01 16-37 6024	Police Officers' Salaries
01 16-37 6025	Police Technician's Wages
01 16-37 6080	Part-time Emergency Assistance-police assistance.
01 16-37 6083	Police Reserves Wages
01 16-37 6085	Crossing Guard
01 16-37 6086	Co-Op Student's Wages
01 16-37 6087	Civilian Desk Aides Wages
01 16-37 6088	Public Safety Training Coordinator Salary
01 16-37 6211	Overtime – Comp payout Public Safety
01 16-37 6311	Public Safety Director Merit Bonus
01 16-37 6222	Overtime - Police Secretary
01 16-37 6223	Overtime - Police Sergeants
01 16-37 6224	Overtime - Police Officers
01 16-37 6225	Overtime - Police Technician
01 16-37 6323	Overtime - 312 Training Fund - Sergeants
01 16-37 6324	Overtime - 312 Training Fund - Officers
01 16-37 6423	Holiday Pay - Sergeants
01 16-37 6424	Holiday Pay – Officers

GENERAL FUND EXPENSES

**POLICE DEPARTMENT(cont.)
SALARIES AND WAGES**

Account	Explanation or Description
01 16-37 6523	Education income payments for all sergeants who have earned college credit hours (minimum status of one year)
01 16-37 6524	Education income payments for all officers who have earned college credit hours (minimum status of one year)
01 16-37 6623	Special Sergeants Holiday Work Pay
01 16-37 6624	Special Police Officers Holiday Work Pay
01 16-37 6723	Longevity Pay - Sergeants
01 16-37 6724	Longevity Pay - Police Officers
01 16-37 6725	Longevity Pay - Police Technician
01 16-37 6811	Sick Pay – Police Chief
01 16-37 6822	Sick Pay – Secretarial
01 16-37 6823	Sick Pay – Sergeants
01 16-37 6824	Sick Pay – Police Officers
01 16-37 7011	Fringe benefits for full-time employees including:
7022	1. Medical Coverage (Blue Cross/Blue Shield or Health Alliance Plan)
7023	2. Life Insurance
7024	3. Pension Coverage
7025	4. Social Security
	5. Dental and Vision
	6. Personal days (1/2 of unused)
01 16-37 7040	Fringe benefits – HRA Expense
01 16-37 7080	Fringe benefit for part-time assistance
01 16-37 7083	Fringe benefit for Police Reserves
01 16-37 7087	Fringe benefit for Civilian Desk Aides
01 16-37 7086	Fringes - Co-Op Student
01 16-37 7088	Fringe benefit for Public Safety Training Coordinator
01 16-37 8006	Public Safety Director Fee

**GENERAL FUND
EXPENSES**

**POLICE DEPARTMENT (cont.)
OPERATING SUPPLIES**

Account	Explanation or Description
01 16-37 8006	Public Safety Director Fee
01 16-37 8500	Office supplies (stationary, office forms, citations, etc.)
01 16-37 8501	Publications and printing
01 16-37 8503	Gas and oil for all police vehicles
01 16-37 8505	Maintenance fee and supplies (paper, toner, etc.) for copy machine
01 16-37 8506	Custodial supplies (brooms, pails, detergent, rugs, etc.)

PROFESSIONAL & CONTRACTUAL

01 16-37 8111	Police Chief's expense account (membership dues and activities)
01 16-37 8211	Police Chief's conferences and workshops (M.A.C.F. conference, Legal Advisor Seminars, etc.)
01 16-37 8230	Formal education expense, law enforcement training and materials, travel expense, and membership dues and activities
01 16-37 8240	Tuition for Police Officers attending College
01 16-37 8300	Consultants & Personnel - Police
01 16-37 8509	Reimbursement for purchase and cleaning of uniforms
01 16-37 8510	Civilian Desk Aide – Additional Costs
01 16-37 8601	Specialized Computer software for the Police Department.
01 16-37 8900	Dues and Memberships
01 16-37 8901	Contract for patrol car washing
01 16-37 8902	City Car Lease agreement
01 16-37 8903	Contract for car towing
01 16-37 9000	Telephone
01 16-37 9001	Police Radio Dispatch Service
01 16-37 9002	Telephone for Cellular Phones
01 16-37 9101	Insurance - Oakland County Computer Equipment
01 16-37 9100	Insurance - Police
01 16-37 9201	Operating Expense – Emergency Management
01 16-37 9301	Witness Fees
01 16-37 9302	Equipment Rental
01 16-37 9303	Law enforcement supplies (supplies unique to law enforcement, such as ammunition, firearms, film, fingerprint maintenance, breathalyzer equipment, investigative expenses, etc.)
01 16-37 9304	Costs associated with operating crime prevention programs, such as printing, supplies, training, etc.
01 16-37 9305	Costs associated with Police Auxiliary Program - Supplies
01 16-37 9306	Community Programs
01 16-37 9601	Natural Gas Expense
01 16-37 9602	Electrical Expense

REPAIRS AND MAINTENANCE

01 16-37 9700	Maintenance on office equipment (typewriters, calculators, etc.)
01 16-37 9703	Outside Custodial Services for Police Station
01 16-37 9705	Vehicle maintenance and cost and installation of life shields
01 16-37 9706	Repair and maintenance of radio/transmittal equipment
01 16-37 9707	Building Maintenance - Police
01 16-37 9708	Radar unit maintenance for police vehicles

**GENERAL FUND
EXPENSES**

POLICE DEPARTMENT (cont.)
CAPITAL OUTLAY

Account	Explanation and Description
01 16-37 9800	Office Equipment (typewriters, adding machines, etc.)
01 16-37 9801	Office Furniture (desks, chairs, file cabinets, etc.)
01 16-37 9805	Vehicle Repair
01 16-37 9811	Capital Outlay

PUBLIC WORKS
SALARIES AND WAGES

01 18-39 6011	DPW Director's salary
01 18-39 6022	DPW Secretary's Wages
01 18-39 6026	DPW Superintendent's Wages
01 18-39 6027	DPW Employees wages (Equipment Operator III and General Maintenance)
01 18-39 6028	DPW Mechanic Wages
01 18-39 6029	DPW part time Maintenance Wages
01 18-39 6080	Part-time wages - for seasonal summer employees to assist in various DPW activities (lawn mowing, park maintenance, etc.)
01 18-39 6081	Part Time Secretary Wages
01 18-39 6222	Secretary Overtime
01 18-39 6226	Emergency Overtime - DPW Superintendent's (used primarily snow removal, sewer/drain problems, etc.)
01 18-39 6227	Emergency Overtime - DPW Employees (used primarily for emergency snow removal, sewer/drain problems, etc.)
01 18-39 6280	Part-Time Help (Summer and for Special Functions)
01 18-39 6311	Merit Bonus for DPW Director
01 18-39 6511	Unemployment Compensation
01 18-39 6726	Longevity - DPW Superintendent's
01 18-39 6727	Longevity - DPW Employees
01 18-39 7011	Fringe Benefits for full-time employees including:
7022	1. Medical Coverage (Blue Cross/Blue Shield or
7026	BCN)
7027	2. Life Insurance
7028	3. Pension Coverage
	4. Dental and Vision
	5. Social Security
	6. Personal Days (1/2 of unused)
01 18-39 7029	Fringe Benefit for part-time maintenance
01 18-39 7040	Fringe Benefit – HRA Expense
01 18-39 7080	Fringe Benefit for part-time seasonal help (Social Security)

OPERATING SUPPLIES

01 18-39 8451	Municipal Parking
01 18-39 8500	Office Supplies
01 18-39 8503	Gas and oil for DPW Equipment and vehicles
01 18-39 8504	Postage and Shipping
01 18-39 8506	Copier Supplies and Maintenance
01 18-39 8509	Uniform Allowance (Per Union Contract)
01 18-39 8510	Small tools and supplies (mechanics tools, hammers, nails, rakes, small electrical tools, miscellaneous supplies)

**GENERAL FUND
EXPENSES**

**PUBLIC WORKS (cont.)
OPERATING SUPPLIES cont.**

Account	Explanation and Description
01 18-39 8520	Road maintenance materials and supplies (gravel, topsoil, sod, etc.)
01 18-39 8521	Road oiling expense for gravel street in the City
01 18-39 8522	Culverts for drainage
01 18-39 8523	Landscape Material
01 18-39 8524	Tree Removal
01 18-39 8527	Storm Drainage
01 18-39 8530	Traffic control supplies and signs
01 18-39 8540	Salt, sand and other snow removal supplies
01 18-39 8550	Road Markings
01 18-39 8601	Computer Software
01 18-39 8602	Computer supplies (i.e. ribbons, paper, disks, etc.)
01 18-39 9706	Park Maintenance Material

PROFESSIONAL AND CONTRACTUAL

01 18-39 8111	DPW Director's expense account (membership dues and activities)
01 18-39 8211	Conferences and workshops on road and equipment maintenance/construction, etc.
01 18-39 8230	Costs for classes, books, training manuals, etc. for DPW employees
01 18-39 8240	Education - Tuition
01 18-39 8300	Consultants and personnel, primarily engineering services related to road construction and other public improvements
01 18-39 8500	Office Supplies
01 18-39 8525	Gypsy moth program
01 18-39 8526	Bike Path Maintenance
01 18-39 8530	Traffic Control Supplies
01 18-39 8540	Snow Removal Supplies
01 18-39 8601	Computer Software
01 18-39 8602	Computer Supplie
01 18-39 8900	Dues & Subscriptions
01 18-39 9000	Telephone service for DPW operation provided by AT&T
01 18-39 9302	Primarily for street improvement equipment
01 18-39 9303	Street Sweeping
01 18-39 9601	Natural gas service for DPW garage provided by Consumers Energy
01 18-39 9602	Electric service for DPW garage provided by DTE
01 18-39 9603	Street Lighting

MAINTENANCE AND REPAIRS

01 18-39 9703	Custodial Services
01 18-39 9705	Costs of parts and labor to repair DPW equipment/vehicles
01 18-39 9707	Supplies for building maintenance (soap, paper towels, eavestroughs, etc.)
01 18-39 9708	Equipment Maintenance – DPW
01 18-39 9771	Cemetery-Landscape / Maintenance Contract

**GENERAL FUND
EXPENSES**

PUBLIC WORKS (cont.)

CAPITAL OUTLAY

Account	Explanation and Description
01 18-39 9800	Office Equipment (typewriters, adding machines, etc.)
01 18-39 9801	Office Furniture (desks, chairs, file cabinets, etc.)
01 18-39 9803	Garage Equipment
01 18-39 9805	Vehicle Repairs - DPW

**BOARD OF APPEALS
SALARIES AND WAGES**

01 20-44 6022	Recording Secretary's wages
01 20-44 6080	Member's Wages

OPERATING SUPPLIES

01 20-44 8201	Conf. and Workshops
01 20-44 9200	Miscellaneous operating costs for board operation, such as office supplies, legal ads, etc.

**BOARD OF REVIEW
SALARIES AND WAGES**

01 20-45 6022	Recording Secretary's wages
01 20-45 7000	Wages – Recording secretary B/R
01 20-45 8000	Members wages \$200/year flat fee under current budget

OPERATING SUPPLIES

01 20-45 9200	Miscellaneous operating costs for board operation, such as office supplies, legal ads, etc.
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**PLANNING COMMISSION
SALARIES AND WAGES**

01 20-48 6022	Recording Secretary's wages
01 20-48 8102	Various miscellaneous expenses associated with performing duties of the Planning Commission

PROFESSIONAL AND CONTRACTUAL

01 20-48 8000	Legal Counsel - Planning
01 20-48 8102	Planning Commission Expense
01 20-48 8221	Attendance at various seminars and conferences related to Planning Commission
01 20-48 8300	Consultants to assist board with technical information and analysis of planning related issues.
01 20-48 8301	Update of Master Plan and Residential Update
01 20-48 8302	Expenses related to workshop meetings
01 20-48 8303	Expenses related to Ordinance updating by Consultant
01 20-48 8304	SPR Easement Expense
01 20-48 8501	Printing and Publication
01 20-48 8900	Memberships and Dues
01 20-48 9200	Miscellaneous Operating Expense

**GENERAL FUND
EXPENSES**

**SENIOR CITIZENS
SALARIES AND WAGES**

Account	Explanation and Description
01 20-50 6081	Wages – Part Time Senior Coordinator
01 20-50 6082	Wages – Part-Time Help
01 20-50 7081	Fringes – Part Time Senior Coordinator (Social Security)
01 20-50 7082	Fringes – Part-Time Help

OPERATING EXPENSES

01 20-50 8400	Senior Citizens Activities
01 20-50 8401	Senior Special Events
01 20-50 8501	Publication and Printing
01 20-50 8408	Senior Transportation
01 20-50 8500	Senior Supplies
01 20-50 8500	Publication and Printing
01 20-50 9801	Senior Furnishings

**PARKS AND RECREATION
SALARIES AND WAGES**

01 20-54 6011	Parks and Recreation Director
01 20-54 6014	Recreational Coordinator's Wages
01 20-54 6018	Parks & Recreation Coordinator's Wages
01 20-54 6080	Two full-time seasonal/maintenance employees to maintain parklands and facilities.
01 20-54 6222	Overtime for Parks and Recreation Board Recording Secretary - to transcribe monthly meeting minutes.
01 20-54 7011	Fringes Parks & Recreation Director
01 20-54 7014	Fringes Recreational Coordinator
01 20-54 7018	Fringes Parks & Recreation Coordinator
01 20-54 7040	Fringes – HRA Expense
01 20-54 7080	Fringes part-time Program Coordinator
01 20-54 8002	Instructors Fees - Part time help and contractual instructor fees for summer programs, aerobics, golf, etc.

PROFESSIONAL AND CONTRACTUAL

01 20-54 8100	Mileage & Other Reimbursement
01 20-54 8102	Commissioners Expense - Commissioners appreciation Dinner
01 20-54 8221	Conferences and workshops on recreation activities and facilities (M.R.P.A. Annual Conference, softball seminars, & other parks related seminars.)
01 20-54 8230	Education & Training - necessary educational classes & training for parks and recreation related items
01 20-54 8300	Consultants & Personnel
01 20-54 8301	Comcast Cable
01 20-54 8900	Dues and Subscriptions

**GENERAL FUND
EXPENSES**

**PARKS AND RECREATION (cont.)
COMMUNITY PROMOTION**

Account	Explanation and Description
01 20-54 8400	Funding for Spring recreational activities to serve citizens of all ages (Easter egg hunt, field trips through SEMTA, etc.)
01 20-54 8401	Funding for July 4th (fireworks, 5K run, games & prizes, entertainment, etc.)
01 20-54 8402	Funding for Winter recreational activities (cross-country skiing event, Breakfast with Santa, craft show, snowmobile clinic, circus trip, etc.)
01 20-54 8403	Funding for Fall recreational activities (hayride/dinner, Halloween for kids, volleyball, etc.)
01 20-54 8404	Funding for holiday decorations for the city, this account was transferred to the Beautification Committee in 1986/87 Budget.
01 20-54 8408	Semta Bus Credits
01 20-54 8409	Ticket Sales
01 20-54 8410	Park Concerts
01 20-54 8413	All events for Parks & Recreation
01 20-54 8414	Promotional Items
01 20-54 8415	Events - Youth Night Program
01 20-54 8416	Gibson House
01 20-54 8417	Soccer
01 20-54 8422	Holiday Party
01 20-54 8424	Mayors Exchange
01 20-54 8426	Recreation Programming
01 20-54 8427	Cultural Enrichment
01 20-54 8428	Summer Camp
01 20-54 8429	Signage
01 20-54 8430	Civic Appreciation
01 20-54 8448	Showcase Expense

OPERATING SUPPLIES

01 20-54 8500	Office Supplies - Stationery, paper, forms, etc.
01 20-54 8501	Gas and Oil
01 20-54 8503	Gas and Oil Community Services
01 20-54 8505	Copy machine maintenance & supplies - maintenance contract and supplies for copy machine shared 50% with Fire Department.
01 20-54 8602	Computer Supplies - ribbons, paper, disks, etc.
01 20-54 8901	Vehicle Lease
01 20-54 9200	Misc. operating - publications, memberships, etc.
01 20-54 9705	Vehicle Maintenance
01 20-54 9770	Landscaping

PUBLIC UTILITY

01 20-54 9000	Telephone expense
01 20-54 9602	Electrical costs for municipal parks and annex (also heat expense for annex)

**GENERAL FUND
EXPENSES**

MINOR CAPITAL OUTLAY

Account	Explanation and Description
01 20-54 9800	Office Equipment - (file & storage cabinets, transcriber, desk items, etc.)
01 20-54 9801	Office Furniture - Tables, chairs, desks, storage & filing cabinets, etc.
01 20-54 9808	Memorial Brick Program - Capital
01 20-54 9813	Recreational Equipment (tennis nets, volleyball nets & balls, bases, replacement parts for existing park equipment, horseshoes equipment, etc.)

**BEAUTIFICATION COMMITTEE
SALARIES AND WAGES**

01 20-56 6080	Part-time help for maintenance of landscapes.
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OPERATING EXPENSES

01 20-56 8201	Conference and Workshops
01 20-56 9200	Miscellaneous Operating Expenditures.
01 20-56 9201	Awards and Plaques.
01 20-56 9202	Committee Activities
01 20-56 9770	Landscaping

**INTER-FUND TRANSFERS
MISCELLANEOUS**

01 30-00 9910	Transfer of monies from General Fund to Library Fund
01 30-00 9911	Transfer of monies from General Fund to Capital Improvement Fund
01 30-00 9912	Transfer of monies from General Fund to Capital Planning Fund
01 30-00 9914	Transfer of monies from General Fund to DDA
01 30-00 9920	Transfer of monies from General Fund to Land Acquisition
01 30-00 9921	Transfer of monies from General Fund to Water Project Fund
01 30-00 9922	Transfer of monies to General Fund from LDFA Fund (Local Development Finance Authority)
01 30-00 9923	Transfer of monies from General Fund to Civic Center Fund
01 30-00 9925	Transfer to local road program
01 30-00 9926	Transfer to safety path program
01 30-00 9929	Transfer of monies from General Fund to Budget Stabilization Fund
01 30-00 9930	Transfer of monies from General Fund to Insurance Fund for Retiree's Health Insurance
01 30-00 9932	Transfer of monies from General Fund to Insurance Fund for Retiree's Health Insurance
01 30-00 9971	Transfer of monies from General Fund to Cemetery Fund
01 30-00 9971	Transfer of monies from General Fund to DDA/VCA

**CITY OF WIXOM - PROGRAM STRATEGIES
FISCAL YEAR END 2013, 2014, and 2015**

**FUND SUMMARY
WATER ENTERPRISE FUND AND WASTEWATER ENTERPRISE FUND**

The Water Enterprise Fund and Wastewater Enterprise Fund is utilized to record the operations of the City's utility systems. The funds include expenditures for operations, bond payments, and capital improvements.

**City of Wixom – Program Strategies
FISCAL YEAR 2012-13 SUMMARY**

NAME OF PROGRAM: Water Utility System

PROGRAM #: 60-18

Description	FY2008-2009	FY2009-2010	FY2010-2011	FY2011-2012 Rate	FY2012-2013
	Rate	Rate	Rate		Rate
Water Rate per MCF	27.57	25.45	23.45	24.59	26.50
DWSD Wholesale Rate	13.85	15.15	14.83	13.38	12.12
DWSD Mthly Flat Rate	N/A	N/A	13,765	37,485	60,727

PROGRAM DESCRIPTION:

This fund serves as the repositories for monies received by the City from the operation of the water system, bond sales, grants, payments, and capitol improvement expenditures from proceeds realized from the water utility system. The City uses these monies for the maintenance and improvement of our water distribution system, elevated storage tank and booster station facility and payment for water provided by Detroit Water and Sewer Department (DWSD). The funds supplied from utility revenue and connection fees are used to cover the cost of providing the current level of maintenance and planned capital improvement for the distribution system in the City.

ACHIEVEMENT GOALS FOR FY 2012-13

- Continuation of capital improvement program for replacement and repair of various hydrants and gate wells within the distribution system.
- Continuation of capital improvement program for replacement older water meters in the system.
- Continue with the implementation of a Municipal Water System Cross-Connection Control Program in accordance with State of Michigan’s Part 14 of Act 399 and the Rules promulgated pursuant to the Act to eliminate any potential of contamination into the water system.
- Update the meter maintenance charge schedule

BUDGET HIGHLIGHTS

60 18-41 8304 Detroit Water Charge \$1,717,000

This fund is used for the payment of increase in Wixom’s water use and the increase of Detroit (DWSD) water costs for water purchased by the City. These costs are paid through utility revenues. The wholesale rate for DWSD was increased due to system wide capital improvements.

60 18-41 8305 Contract Operations (United Water) \$ 320,570

This fund is used for the monthly payment to United Water for the operation and maintenance of the City’s metering, booster station, elevated storage tank, water wells, and the distribution system. The noted increase is as a result of estimated CPI increase for the calendar year. Funding for this increase is paid through utility revenues.

60 11-93 XXXX Capital Improvements \$333,000

Funds within this account are proposed for system maintenance, meter replacement and maintaining the water tower and other contract repairs and replacements.

DEPT -	WATER UTILITY SYSTEM	
FUND -60	WATER UTILITY SYSTEM	
WATER RATE	PROPOSED RATE:	Water-Rate \$26.50
DATE	April 8, 2012	

Water Rate	23.45	23.45	23.45	23.45	26.50	29.50	32.00
Millage	1.231	1.3997	1.3997	1.3997	1.8600	1.8600	1.8600

ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
REVENUES								
60 02-01 4000	Real Property Tax	763,482	801,270	754,163	801,270	960,710	951,053	969,218
60 02-01 4002	Personal Property Tax	142,525	164,911	159,268	159,268	226,061	223,801	228,053
60 02-01 4004	Industrial Facilities Tax	8,693	10,776	10,486	10,486	17,029	16,961	16,988
60 02-01 4008	Delinquent Pers. Prop	(21,783)	-	-	-	-	-	-
60 02-01 4010	Maple North Income	912	-	-	-	-	-	-
60 02-01 4013	IFT Job Shortfall Revenue	1,123	-	-	-	-	-	-
60 02-01 4020	Delinq Int & Pen	4,619	-	1,545	1,545	-	-	-
60 02-03 4077	Connection Permit Fees	-	15,000	22,005	33,000	15,000	15,000	15,000
60 05-00 4261	Utility Revenues	1,708,211	1,828,531	1,395,171	1,853,742	1,997,756	2,223,946	2,412,448
60 05-00 4263	Meter Maintenance Revenue	39,431	40,000	28,114	40,000	40,000	40,000	40,000
60 05-00 4266	Delinquent - Util Charge	100,849	-	-	-	-	-	-
60 06-00 5898	Lines Contribution - Developer	37,845	-	-	-	-	-	-
60 06-00 5899	Contribution - Developer	-	-	-	-	-	-	-
60 06-02 5802	Interest Income	15,844	16,000	6,938	10,000	10,000	10,000	10,000
60 06-02 5803	Interest Income - Permit	85	119	53	80	80	80	80
CATEGORY TOTAL		2,801,835	2,876,607	2,377,743	2,909,391	3,266,635	3,480,840	3,691,786
EXPENDITURES								
60 18-41 8300	Consultants & Personnel	6,002	50,000	5,804	50,000	15,000	15,000	15,000
60 18-41 8304	Detroit Water Charge	1,372,514	1,434,741	1,024,054	1,506,000	1,717,000	1,888,000	2,116,000
60 18-41 8305	Contract - Operations	298,739	311,230	199,443	311,230	320,570	330,200	340,150
60 18-41 8306	Permit Fee Expenditures	-	15,000	15,058	33,000	15,000	15,000	15,000
60 18-41 8307	CAD/GIS Expenditure	11,626	15,000	1,084	15,000	15,000	15,000	15,000
60 18-41 8308	Service Flushing	-	1,000	-	1,000	1,000	1,000	1,000
60 18-41 8310	Administrative Costs	173,891	175,630	117,087	175,630	175,630	178,264	180,938
60 18-41 8311	Cross Connection Control Prog	-	17,000	13,980	17,000	17,000	17,000	17,000
60 18-41 9102	Insurance	33,483	33,483	30,920	33,483	34,487	35,522	36,588
60 18-41 9601	Natural Gas Expense-Water	2,740	3,500	1,262	3,500	3,536	3,571	3,607
60 18-41 9602	Electricity Expense-Water	14,488	13,000	6,091	13,000	13,140	13,309	13,479
60 18-41 9800	Use of Capital Reserve	-	-	102,694	-	-	-	-
60 18-41 9803	Cleaning of Water System	-	5,000	-	5,000	5,000	5,000	5,000
60 18-41 9900	Depreciation	628,828	717,924	419,219	732,324	748,974	781,674	792,224
60 80-00 8907	Interest Expense	264,918	245,331	128,183	245,331	219,095	192,055	164,456
CATEGORY TOTAL		2,807,232	3,037,839	2,064,878	3,141,498	3,300,432	3,490,595	3,715,442
EXCESS (DEFICIT) OF REV OVER EXPENDITURES		(5,396)	(161,232)	312,865	(232,107)	(33,797)	(9,755)	(23,656)
RETAINED EARNINGS 7/1		16,607,855	16,602,458	16,602,458	16,602,458	16,370,351	16,336,554	16,326,799
FIXED ASSET ADD/DEL		288,000	288,000	102,694	288,000	333,000	654,000	211,000
CONTRIBUTED CAPITAL		10,916,331	10,916,331	11,012,078	10,916,331	10,916,331	10,916,331	10,916,331
RETAINED EARNINGS 6/30		27,518,789	27,357,557	28,030,096	27,286,682	27,252,885	27,243,130	27,219,474

Cash Flow	Cash Flow
Total Exp	3,300,432
Add::Fixed Assets	333,000
Less:Deprec	(748,974)
Less:Interest	(219,095)
Less: Permit	(15,000)
County Op	2,650,363
Operating Rev	2,047,836
Difference	(602,528)

City of Wixom – Program Strategies
FISCAL YEAR 2012-13 SUMMARY
NAME OF PROGRAM: Wastewater Utility System PROGRAM #: 61-18

Description	FY2008-2009 Rate	FY2009-2010 Rate	FY2010-2011 Rate	FY2011-2012 Rate	FY2012-2013 Rate
Sewer Rate per MCF	9.00	11.12	13.12	15.12	18.12
Sewer Falt Rate			138,000	138,000	138,000
<i>The City's Sewer Rate continues be one of the lowest Sewer Rates in Oakland County</i>					

PROGRAM DESCRIPTION:

This fund provides for the collection, treatment and discharge of municipal wastewater including residential, commercial and industrial waste. Revenue generated for the fund includes various sources, such as, grants, bond sales and wastewater service billings.

ACHIEVEMENT GOALS FOR FY 2012-13

- Continue to plan capital upgrades to correspond to the expansion from the sewer expansion from the Milford connection.
- Monitor energy savings after capital improvements are implemented.

BUDGET HIGHLIGHTS

61 11-93 8305 Contract Agreements (United Water) \$675,960

This fund is used for the monthly payment to United Water for the operation and maintenance of the City sewage disposal system and the wastewater treatment plant.

61 11-93 XXXX Capital Improvements \$539,500

Funds within this account are proposed for upgrading and replacement of existing essential components of the wastewater system.

DEPT -	WASTEWATER UTILITY SYSTEM	
FUND -	WASTEWATER SYSTEM	
FUND 61	WASTEWATER SYSTEM	
SEWER RATE	PROPOSED RATE:	Sewer-Rate \$18.12
DATE	April 9, 2012	

Water Rate	13.12	15.12	15.12	15.12	18.12	21.12	24.12
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ACCOUNT NUMBER	ACCOUNT CATEGORY & ACCOUNT NAME	ACTUAL 2010-11	CURRENT BUDGET 2011-12	ACTUAL 8 MTH 02/29/12	EST ACTUAL 06/30/12	CITY COUNCIL 2012-13	CITY PROJECTION 2013-14	CITY PROJECTION 2014-15
REVENUES								
61 02-01 4020	Delinq Int & Pen	496	-	156	-	-	-	-
61 02-03 4077	Connection Permit Fees	-	(27,421)	93,304	100,000	-	-	-
61 05-00 4261	Utility Revenues	920,586	1,183,036	788,277	1,182,416	1,587,600	1,827,600	2,067,600
61 05-00 4262	IPP Revenue	73,898	54,000	50,573	54,000	54,000	54,000	54,000
61 05-00 4264	Delinquent Interest/Penalty	-	1,000	-	1,000	1,000	1,000	1,000
61 05-00 4265	Late Charge Income	16,869	25,000	20,605	25,000	25,000	25,000	25,000
61 05-00 4266	Delinquent - Util Charge	44,225	-	-	-	-	-	-
61 06-02 5802	Interest Income	26,043	26,000	14,571	22,000	22,000	22,000	22,000
61 06-02 5807	Interest - Surplus Fund	6,489	8,000	2,547	4,000	4,000	4,000	4,000
61 06-02 5808	Interest - MNB	550	1,000	230	-	-	-	-
61 06-02 5810	Interest - Sewer Op	192	203	67	100	100	100	100
61 06-02 5811	Interest - Other	24,342	-	-	-	-	-	-
CATEGORY TOTAL		1,113,690	1,270,818	970,329	1,455,493	1,693,700	1,933,700	2,173,700
EXPENDITURES								
61 18-41 8300	Consultants & Personnel	4,074	30,000	321	30,000	10,000	10,000	10,000
61 18-41 8301	I&I Study/Flow Monitoring/Cap Imp	-	45,000	1,442	45,000	45,000	45,000	45,000
61 18-41 8303	Discharge Permit Charges	-	6,000	-	6,000	6,000	6,000	6,000
61 18-41 8305	Contract - Operations	613,893	656,275	420,725	656,275	675,960	696,300	717,200
61 18-41 8306	Sludge Removal	185,853	150,000	79,346	150,000	150,000	150,000	150,000
61 18-41 8307	CAD/GIS Expenditure	14,075	20,000	1,181	20,000	20,000	20,000	20,000
61 18-41 8310	Administrative Costs	173,891	175,630	117,087	175,630	175,630	178,264	180,938
61 18-41 8501	Publication and Printing	-	1,000	-	1,000	1,000	1,000	1,000
61 18-41 9102	Insurance Wastewater Fund	43,384	45,060	41,611	45,060	46,412	47,804	49,238
61 18-41 9601	Natural Gas Expense-Sewer	17,509	19,500	14,451	19,500	20,000	20,500	20,500
61 18-41 9602	Electricity Expense-Sewer	205,209	180,000	124,101	180,000	182,000	185,000	185,000
61 18-41 9800	Use of Capital Reserve	-	-	676,457	-	-	-	-
61 18-41 9200	Miscellaneous Expense	2,099	1,000	62	1,000	1,000	1,000	1,000
61 18-41 9801	Televising and Cleaning	63,381	65,000	54,468	65,000	65,000	65,000	65,000
61 18-41 9900	Depreciation	703,533	813,595	469,022	878,220	896,203	912,903	965,903
CATEGORY TOTAL		2,026,901	2,208,060	2,000,274	2,272,685	2,294,205	2,338,771	2,416,780
EXCESS (DEFICIT) OF REV OVER EXPENDITURES		(913,210)	(937,242)	(1,029,945)	(817,192)	(600,505)	(405,071)	(243,080)
RETAINED EARNINGS 7/1		(4,830,235)	(5,716,024)	(5,716,024)	(5,716,024)	(6,533,216)	(7,133,721)	(7,538,793)
FIXED ASSET ADD/DEL			1,292,500	-	1,292,500	539,500	501,000	1,590,000
CONTRIBUTED CAPITAL		32,939,994	32,912,573	33,033,298	33,039,994	33,039,994	33,039,994	33,039,994
RESIDUAL EQUITY		1,152,273	1,152,273	1,152,273	1,152,273	1,152,273	1,152,273	1,152,273
FUND BALANCE 6/30		28,348,822	27,411,580	27,439,601	27,659,051	27,058,546	26,653,475	26,410,395

Ine/(Loss)	(600,505)
Add:Deprec	896,203
Debt	
Capital	(539,500)
Total	(243,802)

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WATER & WASTEWATER CAPITAL PROGRAM
FYE2013 to FYE2018

**CITY OF WIXOM
 CAPITAL IMPROVEMENT FUND
 FIXED ASSET ADDITIONS/DELETIONS
 WATER UTILITY FUND**

CAPITAL PROJECT TITLE	PROJECT EXPENDITURES							TOTAL
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6		
	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018		
Distribution, valves, hydrants	16,000	16,000	16,000	16,000	16,000	16,000	96,000	
Water Meter Replacement Program	100,000	100,000	15,000	15,000	15,000	15,000	260,000	
Cross Connection Control Program							-	
Water Assessment Study							-	
Maple Forest - Roof Repair							-	
Telemetry System							-	
Maple Forest Standby Well Maintenance							-	
Wixom West Tech Standby Well Maintenance	15,000						15,000	
Grand Oaks Standby Well maintenance							-	
Wixom Business Center Standby Well Maintenance		15,000					15,000	
Water Tower Improv. Altitude/Control Valve							-	
Water Meter Battery Replacements							-	
Water Tower Cleaning							-	
ADD Water Tower Paint/Recoat	107,000	107,000	45,000	45,000	45,000	45,000	394,000	
Water Tower Cathodic Protection System							-	
Storz Hydrant Retrofit	10,000			10,000			20,000	
Water main Extension I-96 (Eng & Const)		356,000					356,000	
Replace Service Lead Saddles -- Helfer Phase 1	25,000						25,000	
Replace Left Handed Hydrant Isolation Valves							-	
Contract Repair & Replace	60,000	60,000	60,000	60,000	60,000	60,000	360,000	
Water Main Repairs							-	
Flow Meters							-	
Valve Replacement Pontiac Trail							-	
Meter Reader							-	
SCADA			75,000				75,000	
Generator							-	
TOTAL FIXED ASSET ADDITIONS/DELETIONS	333,000	654,000	211,000	146,000	136,000	136,000	1,616,000	
PROJECT FUNDING SOURCE								
CDBG FUNDING	-	-	-	-	-	-	-	
FEDERAL REVENUE SHARING	-	-	-	-	-	-	-	
STATE GRANTS	-	-	-	-	-	-	-	
GENERAL OBLIGATION BONDS	-	-	-	-	-	-	-	
PRIVATE CONTRIBUTION-FOMOCO	-	-	-	-	-	-	-	
CONTRIB-CAPITAL PLANNING FD	-	-	-	-	-	-	-	
CONTRIB-GENERAL FUND	-	-	-	-	-	-	-	
CONTRIB-WATER FUND	333,000	654,000	211,000	146,000	136,000	136,000	1,616,000	
Total	333,000	654,000	211,000	146,000	136,000	136,000	1,616,000	

These capital items are funded through the Water Enterprise Fund.

CITY OF WIXOM
CAPITAL IMPROVEMENT FUND
ACTIVITY:
WASTEWATER UTILITY FUND

EXPENDITURES								
CAPITAL PROJECT TITLE	YEAR 1 2012-13	YEAR 2 2013-14	YEAR 3 2014-15	YEAR 4 2015-16	YEAR 5 2016-17	YEAR 6 2017-18	TOTAL	
ENGINEERING								
Secondary Sludge Thickening System Engineering			20,000					20,000
Influent screening System Engineering								-
Aerobic Digester System Engineering			75,000					75,000
Plant Program Logic Controller Installation Engineering			100,000					100,000
Aeration Channel Engineering		40,000						40,000
Sludge Dewatering System Engineering			70,000					70,000
								-
								-
PROJECT DESCRIPTION								
HVAC Improvements				75,000	75,000			150,000
Return Sludge Pump P-5 metering			25,000					25,000
Return Sludge Pump P-7 metering			25,000					25,000
Return Sludge Pump P-8 metering			25,000					25,000
Return Sludge Pump P-6 metering			25,000					25,000
Return Sludge Pump P-9 metering			25,000					25,000
Secondary Sludge Thickening System			135,000					135,000
Lamella Parallel Plate Separator LAM-1	30,000							30,000
Lamella Parallel Plate Separator LAM-2	30,000							30,000
Lamella Parallel Plate Separator LAM-3	30,000							30,000
Lamella Parallel Plate Separator LAM-4	30,000							30,000
Manhole Repairs	30,000	30,000	30,000	30,000	30,000	30,000		180,000
Final Filter FF-1	45,000							45,000
Final Filter FF-2	45,000							45,000
Final Filter FF-3	45,000							45,000
Final Filter FF-4	45,000							45,000
Headwork's Bldg. Recoat Channel and Chamber								-
Influent Pump P-1 Install Variable Frequency Drives								-
Influent Pump P-2 Install Variable Frequency Drives								-
Influent Pump P-3 Install Variable Frequency Drives			50,000					50,000
Influent Pump P-4 Install Variable Frequency Drives			50,000					50,000
Influent Pump Station Electric Chain Hoist								-
Influent Pump Station Channel Monster Rebuild	30,000							30,000
Influent Screening System								-
Instrumentation & Electrical Vaults Install Sump Pumps and Seal								-
Return Sludge Flow Reader	16,000							16,000

CITY OF WIXOM
CAPITAL IMPROVEMENT FUND
ACTIVITY:
WASTEWATER UTILITY FUND

CAPITAL PROJECT TITLE	EXPENDITURES							TOTAL
	YEAR 1 2012-13	YEAR 2 2013-14	YEAR 3 2014-15	YEAR 4 2015-16	YEAR 5 2016-17	YEAR 6 2017-18		
	Digester Blower B-8	10,000						
Digester Blower B-9	10,000						10,000	
Aerobic Digester System				250,000	500,000		750,000	
Alum Feed Pump P-33 used for Ferric Chloride		24,000					24,000	
Plant Program Logic Controller Installation (wiring and controls)			400,000				400,000	
Aeration Channel Aerator E-4		200,000					200,000	
Aeration Channel Aerator E-5			90,000				90,000	
Aeration Channel Aerator E-6				90,000			90,000	
Aeration Channel Aerator E-7					90,000		90,000	
Roediger Sludge Thickener R-28		10,000					10,000	
Roediger Sludge Thickener R-29		10,000					10,000	
Industrial Water System P39		16,000					16,000	
Industrial Water System P40		16,000					16,000	
Generator Portable - Lift Station							-	
Grit Washer							-	
Grit Room Heaters/Air Exchange							-	
Grit Room Lighting							-	
Grit Room Gate Valve Repair							-	
Grit Handling System							-	
Sul-Air Compressor Replacement			100,000				100,000	
Sul-Air Compressor Air Dryer							-	
Secondary Clarifiers Re-coat		75,000					75,000	
Laboratory Effluent Sample Line							-	
BOD Incubator, Fecal Bath and Drying Oven	7,500						7,500	
Portable Sampler							-	
Influent Flume Flow Meter			5,000				5,000	
Biological Sludge Blower B-6							-	
Biological Sludge Blower B-7							-	
Biological Sludge Transfer Pump P-27	18,000						18,000	
Biological Sludge Transfer Pump P-28	18,000						18,000	
Sludge Dewatering System			300,000	1,374,000			1,674,000	
UV Disinfection System North							-	
UV Disinfection System South							-	
Plant Safety Upgrades							-	
Contract Repair & Replace	40,000	40,000	40,000	40,000	40,000	40,000	240,000	
Portable Line Camera							-	

CITY OF WIXOM
CAPITAL IMPROVEMENT FUND
ACTIVITY:
WASTEWATER UTILITY FUND

EXPENDITURES							
CAPITAL PROJECT TITLE	YEAR 1 2012-13	YEAR 2 2013-14	YEAR 3 2014-15	YEAR 4 2015-16	YEAR 5 2016-17	YEAR 6 2017-18	TOTAL
Land Application Sludge Storage Tank Improvements						795,000	795,000
ILP VFD and Level Controller	40,000						40,000
Recycle Pump Level Control	20,000						20,000
UV Room Sump Pump Replacement		20,000					20,000
Pipe Gallery Sump Pump Replacement					20,000		20,000
TOTAL	539,500	481,000	1,590,000	1,859,000	755,000	865,000	6,089,500
PROJECT FUNDING SOURCE							
CONTRIB-OTHER FUND	539,500	481,000	1,590,000	1,859,000	755,000	865,000	6,089,500
Total	539,500	481,000	1,590,000	1,859,000	755,000	865,000	6,089,500

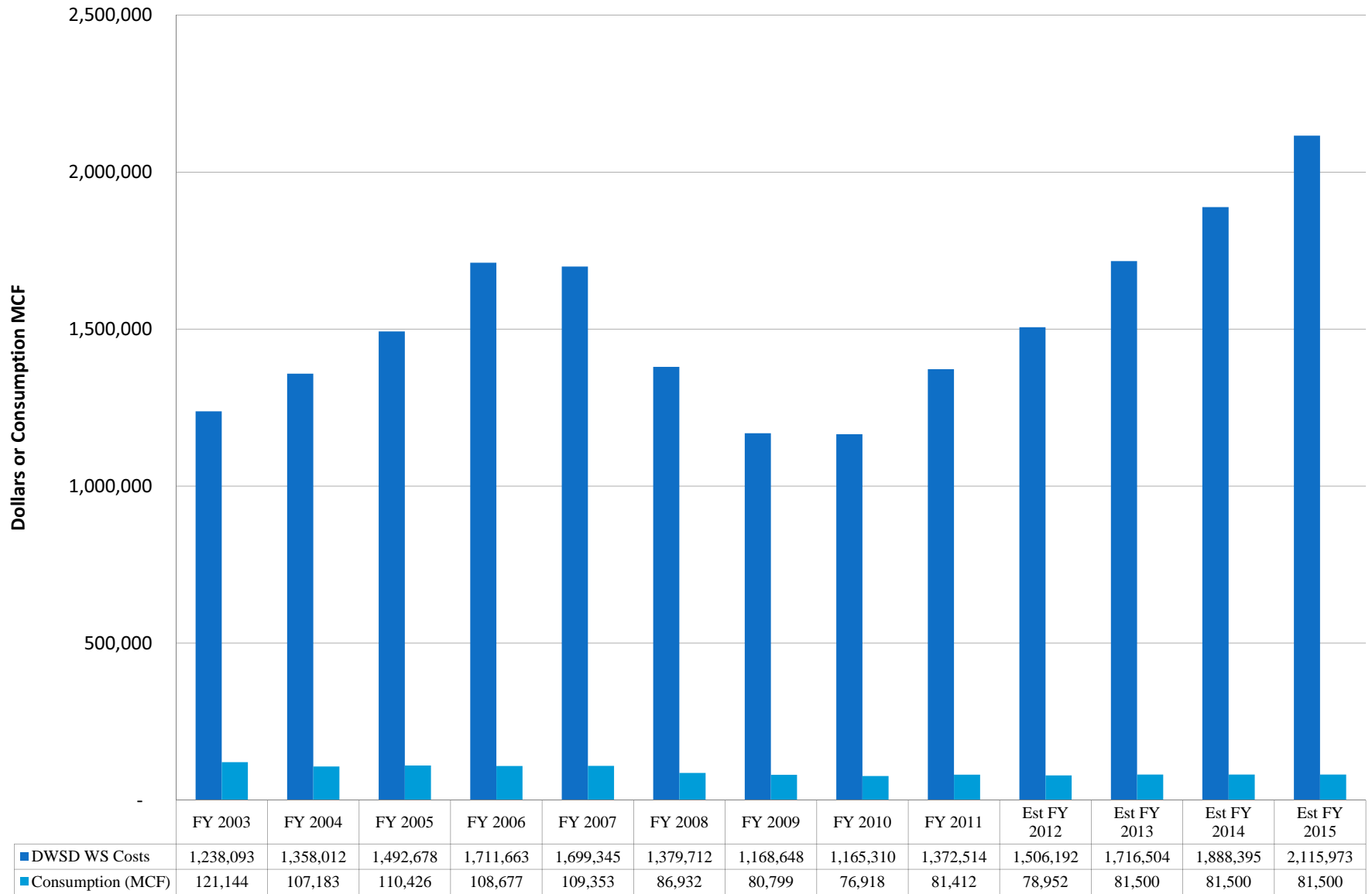
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WATER & WASTEWATER ANALYSIS DOCUMENTS

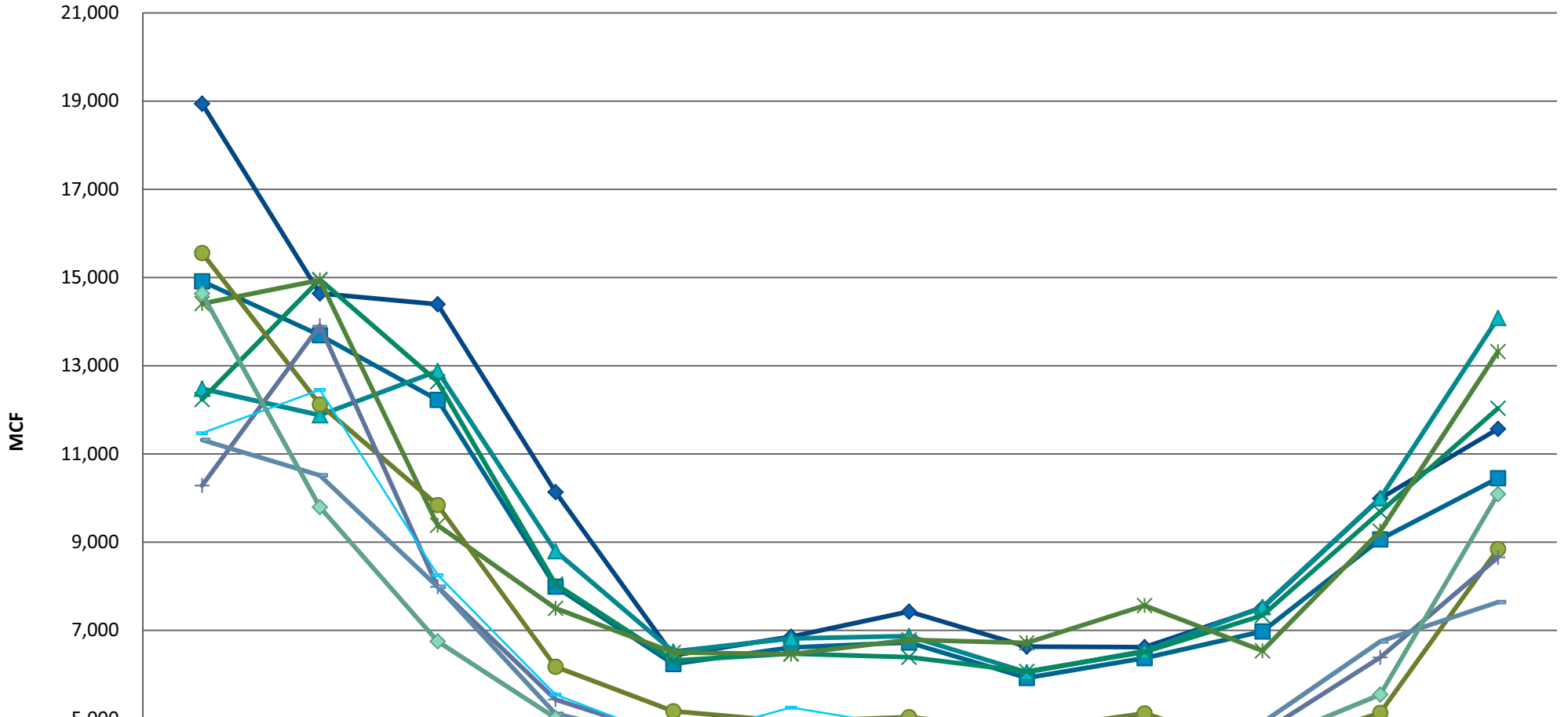
**City of Wixom
 Estimated Cost of Detroit Water
 FY 2003 to FY2012**

	Est FY2015	Est FY2014	Est FY2013	Est FY2012	Est FY2011	FY2010	FY2009	FY2008	FY 2007
Cubic Feet-Detroit Meter (From DWSD Billing Sched)-MCF	81,500	81,500	81,500	78,952	81,412	76,918	80,799	86,932	109,353
Flat Rate Charge	67,469	62,704	60,727						
Annual Flat Rate Charge	809,634	752,448	728,721						
Detroit Wholesale Price	16.03	13.94	12.12	19.08	16.86	15.15	14.46	15.90	15.54
Composite Detroit Wholesale Rate	25.96	23.17	21.06	19.08	16.86	15.15	14.46	15.90	15.54
Amount	2,115,973	1,888,395	1,716,501	1,506,192	1,372,514	1,165,310	1,168,648	1,379,712	1,699,345
Days	365	365	365	365	365	365	365	365	365
Average Cost Per Day	5,797	5,174	4,703	4,127	3,760	3,193	3,202	3,780	4,656
Average Monthly Cost	176,331	157,366	143,042	125,516	114,376	97,109	97,387	114,976	141,612
Difference DWSD Usage	227,578	171,894	210,309	133,678	207,204	(3,339)	(211,063)	(319,633)	(12,318)
Percent Increase/(Decrease) in DWSD Cost	12.05%	10.01%	13.96%	9.74%	17.78%	-0.29%	-15.30%	-18.81%	-0.72%
Difference Rates	12.02	11.05	1.98	2.22	1.71	0.69	(1.44)	0.36	(0.21)
Percent Increase/(Decrease) in Rates	86.27%	91.18%	10.40%	13.16%	11.28%	4.75%	-9.03%	2.32%	-1.33%

City of Wixom - Water Utility System, DWSD Wholesale costs and consumption

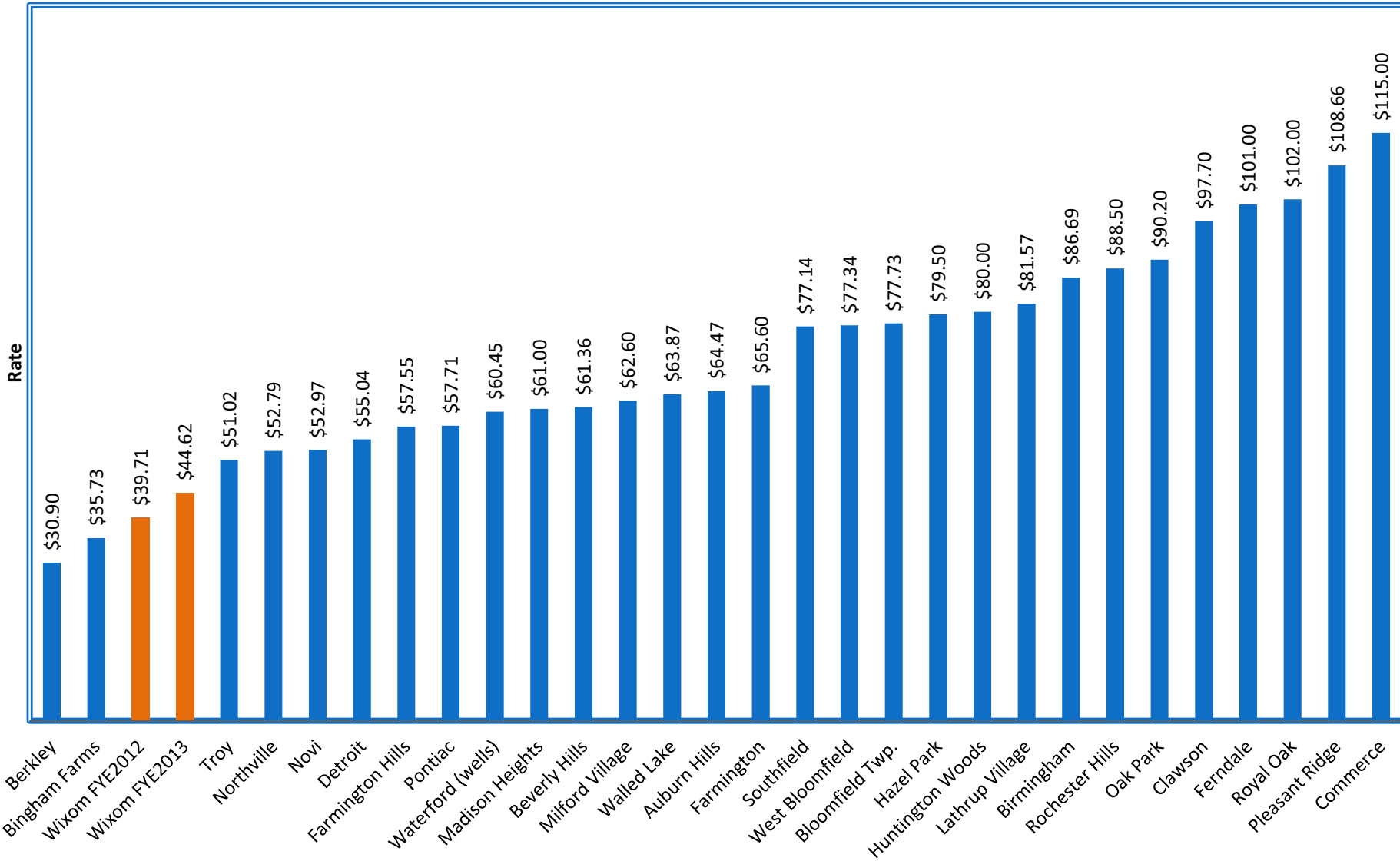


City of Wixom-DWSD Monthly Water Usage (MCF)



	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
◆ FY2003	18,942	14,640	14,394	10,135	6,433	6,856	7,426	6,631	6,619	7,510	9,989	11,567
■ FY2004	14,917	13,693	12,227	7,991	6,238	6,609	6,725	5,920	6,372	6,975	9,063	10,452
▲ FY2005	12,479	11,878	12,878	8,796	6,518	6,816	6,871	6,049	6,531	7,528	9,999	14,083
✕ FY2006	12,234	14,953	12,637	8,049	6,314	6,471	6,390	6,066	6,507	7,338	9,684	12,034
✱ FY2007	14,408	14,942	9,383	7,498	6,500	6,458	6,784	6,715	7,561	6,535	9,248	13,321
● FY2008	15,558	12,122	9,841	6,174	5,167	4,932	5,031	4,741	5,118	4,276	5,128	8,844
+ FY2009	10,282	13,907	7,987	5,431	4,571	4,751	4,822	4,612	4,712	4,684	6,384	8,655
— FY2010	11,317	10,513	7,986	5,104	4,493	4,713	4,744	4,162	4,593	4,905	6,747	7,639
— FY2011	11,470	12,454	8,255	5,543	4,519	5,250	4,807	4,287	4,758	4,440	5,543	10,088
◆ FY2012	14,637	9,794	6,750	5,013	3,825	4,849	4,811	4,445	4,758	4,440	5,543	10,088

City of Wixom - Water and Sewer Rate Comparison with other Oakland County communities (April 2012)



**City of Wixom
Water and Sewer Rate Survey April 2012**

City	Combined Rates	Water Rate	Method	Sewer Rate	Method
Berkley	\$30.90	\$14.60	MCF	\$16.30	MCF
Bingham Farms	\$35.73	\$19.30	MCF	\$16.43	MCF
Wixom FYE2012	\$39.71	\$24.59	MCF	\$15.12	MCF
Wixom FYE2013	\$44.62	26.50	MCF	18.12	MCF
Troy	\$51.02	\$25.50	MCF	\$25.52	MCF
Northville	\$52.79	\$36.22	MCF	\$16.57	MCF
Novi	\$52.97	\$24.70	MCF	\$28.27	MCF
Detroit	\$55.04	\$18.09	MCF	\$36.95	MCF
Farmington Hills	\$57.55	\$33.62	MCF	\$23.93	MCF
Pontiac	\$57.71	\$23.30	MCF	\$34.41	MCF
Waterford (wells)	\$60.45	\$18.00	MCF	\$42.45	MCF
Madison Heights	\$61.00	\$23.90	MCF	\$37.10	MCF
Beverly Hills	\$61.36	\$14.78	MCF	\$46.58	MCF
Milford Village	\$62.60	\$15.30	MCF	\$47.30	MCF
Walled Lake	\$63.87	\$35.08	MCF	\$28.79	MCF
Auburn Hills	\$64.47	\$35.41	MCF	\$29.06	MCF
Farmington	\$65.60	\$29.92	MCF	\$35.68	MCF
Southfield	\$77.14	\$31.31	MCF	\$45.83	MCF
West Bloomfield	\$77.34	\$33.14	MCF	\$44.20	MCF
Bloomfield Twp.	\$77.73	\$33.30	MCF	\$44.43	MCF
Hazel Park	\$79.50	\$37.50	MCF	\$42.00	MCF
Huntington Woods	\$80.00	\$40.00	MCF	\$40.00	MCF
Lathrup Village	\$81.57	\$29.39	MCF	\$52.18	MCF
Birmingham	\$86.69	\$25.19	MCF	\$61.50	MCF
Rochester Hills	\$88.50	\$46.50	MCF	\$42.00	MCF
Oak Park	\$90.20	\$31.20	MCF	\$59.00	MCF
Clawson	\$97.70	\$48.95	MCF	\$48.75	MCF
Ferndale	\$101.00	\$50.50	MCF	\$50.50	MCF
Royal Oak	\$102.00	\$28.56	MCF	\$73.44	MCF
Pleasant Ridge	\$108.66	\$54.33	MCF	\$54.33	MCF
Commerce	\$115.00	\$51.00	MCF	\$64.00	MCF

FY 2012-13 PROPOSED RATE CALCULATION

COMMUNITY: Wixom

	A	B	C	D	E	F	G
Service Category	Cct Dmds or Proxies mgd	Units of Service Mcf/day	Applied Units Mcf/day ~	Unit Cost	Allocated Costs	Cost Recovery	
						Fixed (c)	Commodity
1 Commodity	(a)	287.7	325.2	\$214.33	\$69,699	\$0	\$69,699
2 Max Day Usage	5.1	681.8	719.3	997.27	717,305	499,522	217,783
3 Peak Hour Usage	5.1	681.8	719.3	0.00	0	0	0
4 Peak Hour Increment			0.0	269.05	0	0	0
5 Commodity Distance	33.9 miles		11,024.3	0.00	0	0	0
6 Max Day Distance		(2)*(5)	24,383.3	0.00	0	0	0
7 Peak Hour Use Distance		(3)*(5)	24,383.3	9.51	231,983	210,818	21,165
8 Peak Hour Incr Distance		(4)*(5)	0.0	0.00	0	0	0
9 Commodity Distance-EI	65.5 miles (b)		21,300.6	11.78	250,942	0	250,942
10 Max Day Distance-Elevation		(2)*(9)	47,112.2	1.52	71,705	0	71,705
11 Peak Hour Use Distance-Elevation		(3)*(9)	47,112.2	13.61	641,385	0	641,385
12 Peak Hour Incr Distance-Elevation		(4)*(9)	0.0	9.88	0	0	0
13 Customer B (Meters)		155 eq 5/8" mtrs		16.89	2,618	2,618	0
14 Wholesale Customer Support			325.2	48.47	15,763	15,763	0
15 Total FY 2013 Revenue Requirement					\$2,001,400	\$728,721	\$1,272,679
16 FY 2013 Billing Units					105,000	12	105,000
17 FY 2013 Rate Schedule (16)/(17)		Fixed Monthly Charge & Commodity Rate - \$/Mcf			\$19.06	\$60,727	\$12.12

(a) **Units of Service** = annual volume on Line 16 / 365 days. **Applied Units** include allocated Non-Revenue (unaccounted for) Water @ 13.0% of sales based on distance factor.

(b) **Elevation Factor** = 944 - 610 = 334 feet / 10.56 = 31.6 miles + 33.9 miles = 65.5 miles.

(c) 100% of the Capital portion of "Plant" and "Pipe" categories plus all of "Other" categories.

	Unit Costs - \$/Mcf Water Sales				Cost Recovery		
	Comm'd	Max Day	PH Use	PH Incr	TOTAL	Fixed	Commodity
TOTAL							
Regular (Lines 1-4)	0.66	6.83	-	-	7.50	4.76	2.74
Distance (Lines 5-8)	-	-	2.21	-	2.21	2.01	0.20
Dist/Elev (Lines 9-12)	2.39	0.68	6.11	-	9.18		9.18
Other (Lines 13-14)	0.18				0.18	0.18	-
TOTAL	3.23	7.51	8.32	-	19.06	6.94	12.12
<i>Treatment</i>	0.66	6.83			7.50	4.76	2.74
<i>Pipes / Meters</i>	0.18	-	2.21	-	2.38	2.18	0.20
<i>Storage / Pumping</i>	2.39	0.68	6.11	-	9.18	-	9.18

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**City of Wixom
Road/Bikepath Program
FY2013 to FY2017**

LOCAL ROAD CAPITAL PROGRAM
LOCAL ROAD CAPITAL PROGRAM
March 28, 2012

Input Items	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Estimated Percent Increase in IFT Property Taxes	NEW					
Estimated Percent Increase in Ad Valorem Property Taxes	MILLAGE					
ACCOUNT CATEGORY & ACCOUNT NAME	Projected Year	Projected Year	Projected Year	Projected Year	Projected Year	Projected Year
	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
EXPENDITURES						
Design Engineering						
West Maple			\$ 100,000			
Hidden Creek		\$ 140,000				
Palmer						
Theodore						
Indian Wells and Indian Springs						
Highgate on the Lake				\$ 75,000		
Highgate on the Green					\$ 50,000	
West Rd						\$ 65,000
Construction (Contract Admin., Testing, Inspection, ROW Acq., Construction)						
Palmer	\$ 700,000					
West Maple				\$ 920,000		
Hidden Creek			\$ 1,200,000			
Theodore						
Sibley						
Indian Wells and Indian Springs						
Highgate on the Lake					\$ 660,000	
Miscellaneous Repairs						
Highgate on the Green						\$ 400,000
Other						
Contribution to General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pavement Management System	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Pavement Preservation	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Master Plan	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Traffic Signal LED Update						
Transfer to General Fund	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Total Expenditures	\$ 805,000	\$ 245,000	\$ 1,405,000	\$ 1,100,000	\$ 815,000	\$ 570,000

MAJOR ROAD CAPITAL PROGRAM
MAJOR ROAD CAPITAL PROGRAM
March 28, 2011

Input Items	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Estimated Percent Increase in IFT Property Taxes	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Estimated Percent Increase in Ad Valorem Property Taxes	-3.00%	-3.00%	-3.00%	-3.00%	-3.00%	-3.00%
ACCOUNT CATEGORY & ACCOUNT NAME	Projected Year	Projected Year	Projected Year	Projected Year	Projected Year	Projected Year
	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
EXPENDITURES						
Design Engineering						
S. Wixom Road - Wetland Mitigation	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Beck Road (south of West Road to Twelve Mile Road) (90% Grant Dependent)		\$ 2,158,900				
Landrow Extension						
Construction						
Beck Road (south of West Road to Twelve Mile Road) (90% Grant Dependent)	\$ 15,000		\$ 9,588,900			
Landrow Extension						
Other						
Contribution to General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pavement Management System	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Total Expenditures	\$ 22,000	\$ 2,165,900	\$ 9,595,900	\$ 7,000	\$ 7,000	\$ 7,000

SAFETY PATH CAPITAL PROGRAM

March 28, 2011

Input Items	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Estimated Percent Increase in IFT Property Taxes						
Estimated Percent Increase in Ad Valorem Property Taxes						
ACCOUNT CATEGORY & ACCOUNT NAME	Projected Year 2012-2013	Projected Year 2013-2014	Projected Year 2014-2015	Projected Year 2015-2016	Projected Year 2016-2017	Projected Year 2017-2018
EXPENDITURES						
<u>Design Engineering & ROW Acquisition</u>						
Loon Lake Road		\$ -	\$ -	\$ -	\$ -	\$ -
Wixom Road (Gaps) Safety Path***		\$ -	\$ -	\$ -	\$ -	\$ -
West Maple Road Safety Path			\$ 25,000			
Beck Road Gaps		\$ 30,000				
Pathway Heavy Maintenance				\$ 15,000	\$ 10,000	
Bike Path System Inventory/Inspection						\$ 5,000
Contribution - General Fund						
<u>Construction</u>						
Loon Lake Road		\$ -	\$ -	\$ -	\$ -	\$ -
Wixom Road (Gaps) Safety Path***	\$ 55,000		\$ -	\$ -	\$ -	\$ -
West Maple Road Safety Path	\$ -			\$ 150,000	\$ 100,000	
Beck Road Gaps		\$ 130,000	\$ 110,000			
Pathway Heavy Maintenance					\$ 50,000	\$ 50,000
<u>Other</u>						
ADA Safety Path Ramps (City-wide)	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Yearly Maintenance Repairs (City-wide)	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Contribution - General Fund	\$ 38,096					
Total Expenditures	\$ 113,096	\$ 180,000	\$ 155,000	\$ 185,000	\$ 180,000	\$ 75,000

Other Resources

Table of Contents

1. Popular Annual Financial Report – June 30, 2012
2. Wixom Way
3. Michigan Update (March 13, 2012) - Citizens Research Council
4. State funding incentives foster local collaboration, but also raise concerns - Michigan Public Policy Survey (MPPS)
5. MPPS finds fiscal health continues to decline across the state, though some negative trends eased in 2011
6. Stabilized State Budget and Rainy Day Fund Deposits Improve State's Cash Position - Citizens Research Council
7. Financial Emergencies in Michigan Local Governments - Citizens Research Council

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Other Resources

Popular Annual Financial Report – June 30, 2012

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CITIZENS' GUIDE

POPULAR ANNUAL FINANCIAL REPORT

For Fiscal Year Ended June 30, 2011



CONTENTS

Message to Wixom Citizens	3
Who We Are	4
Getting More Information	5
Building a Lasting Community	6
Vision 2025	7
Economic Development	8
About Our City—Public Safety	9
Community Development	10
About Our City—Other Depts	11
Parks and Recreation	12
Community Center	13
Millage and Rates	14
Financial Information—Revenues	15
Financial Information—Expenditures	16
Financial Information—Assets & Liabilities	17
Historical Revenues	18
Historical Expenditures	19
Financial Highlights	20
Where do we stand?	21
City Budget	22
Capital Assets	23
Water System Highlights	24
Wastewater System Highlights	25
Pension and OPEB Highlights	26
2000/2010 U.S. Census Results	27



*A Crossroads
Community with
Character*

City of Wixom
Entrepreneurial City
University of Michigan



Named an Entrepreneurial City by the University of Michigan – Dearborn School of Management in 2007, 2009, 2010, and 2011. The City has been hosting their 2025 City Visioning sessions to address the future direction, needs and appearance of the City. In tandem with the 2025 Visioning, the City is updating the City’s Master Plan and the Parks and Recreation’s Master Plan. The City has received valuable public input and we are integrating our citizen’s ideas into the 2025 City Vision Plan to make our City a holistically sustainable community.

Our mission is to provide our citizen’s with quality, cost effective services and leadership. We will foster a strong business environment, with a safe and livable community while offering educational, cultural, and recreational opportunities. Wixom, Michigan is one of the most desirable locations to live, work, raise a family and run a business. A community that is easy to fall in love with.

Wixom has a positive outlook which serves as an example to other communities. Innovative collaborations and programs that aid entrepreneurial business growth make it an excellent community in which to work and live. Historic homes, downtown development and many green spaces make it a highly desirable location situated in Oakland County.



To the Citizens of the City of Wixom:

It is with great pleasure that we present our annual Citizen's Report for fiscal year ended June 30, 2011. The intent of this report is to offer, in an uncomplicated way, information on how your tax dollars were spent. We hope that this report is useful for you to better determine the City of Wixom's financial condition.

The information provided in this report is derived primarily from the 2011 Comprehensive Annual Financial Report (CAFR). The financial information provided in the CAFR was independently audited by Plante & Moran, PLLC, and was prepared in accordance with generally accepted accounting principles (GAAP). The City has once again received an unqualified ("clean") opinion from our auditors which is the highest form of financial assurance that an organization can receive from their audit firm.

Unlike the CAFR, this PAFR is unaudited and not prepared in accordance with GAAP. Only the financial data for the primary government is included in this report and all of the City's discretely presented components units are excluded. Information in this report is condensed and summarized and certain financial statements and note disclosures required by GAAP are not included. A copy of the City's 2011 CAFR prepared in accordance with GAAP is located on the City's website at <http://www.wixomgov.org>.

We are honored to have received the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association for the seventh straight year for the fiscal year ended June 30, 2010 CAFR. A certificate is valid for one year only, and we believe that the City has met the requirements to receive the award for the fiscal year ended June 30, 2011.

The City of Wixom is responding to the current economic downturn in the correct way and in a fiscally responsive manner. Providing the highest quality government services to this community, in a cost-effective manner, continues to be our fundamental goal. The City continues to maintain existing services while improving the delivery of those services. We have tightened our belts and found better ways to get the job done.

The City of Wixom's finances continue to be solid. A number of years ago, in a proactive approach to the economic projections, the City adopted a Five Year Fiscal Action Plan. This Plan, which includes a Budget Stabilization Fund, has provided a means to maintain consistency in taxes while avoiding service reductions during the current state of the economy. Partly attributable to the Five Year Action Plan, the State of Michigan Department of Treasury has rated Wixom's financial strength and future as superior. Only 13.4% of Michigan cities were able to attain this rating. Further, Moody's has continued to affirm an A1 bond rating for the City citing sound financial operations characterized by healthy reserves and prudent fiscal management. Like all communities, the City is not immune to the economic downturn, the decline in property tax values, and the decrease in overall revenues, but the City through its fiscally conservative approach to the City's finances has provided a sensible plan to deal with the downturn.

The City has placed on their website interactive financial tools including a Citizen's Guide, a City Scorecard, a City Dashboard and further financial data. The Citizen's Guide and Dashboard is the Accountability and Transparency requirement under the State of Michigan Economic Vitality Incentive Plan (EVIP). Understanding the current status and future prospect of the City of Wixom's financial health/condition is an integral responsibility of City Council and the professional staff, and is essential to paving the way to prosperity for the generations to come.

We hope you find this information interesting and informative. We welcome any feedback and suggestions regarding the information provided in this report. The achievements of the last year are a clear indication of our sustainability and our bright future.

Respectfully,

J. Michael Dornan
City Manager

Kevin Brady
Finance Director

City of Wixom Officials

As of June 30, 2011

Mayor: Kevin W. Hinkley, (248) 624-4557

City Council: Richard Ziegler, Mayor Pro Tem
 Patrick Beagle
 James Cutright
 John Lee
 Lori Rich
 Thomas Rzezniak

Meetings: 7:30PM, 2nd and 4th Tuesday of each month
 City Hall—City Council Chamber
 49045 Pontiac Trail
 Wixom, MI 48393

Manager: J. Michael Dornan, (248) 624-0894

Clerk: Linda Kirby, (248) 624-4557

www.wixomgov.org

Awards

Selected Awards from
 July 2010 - June 2011



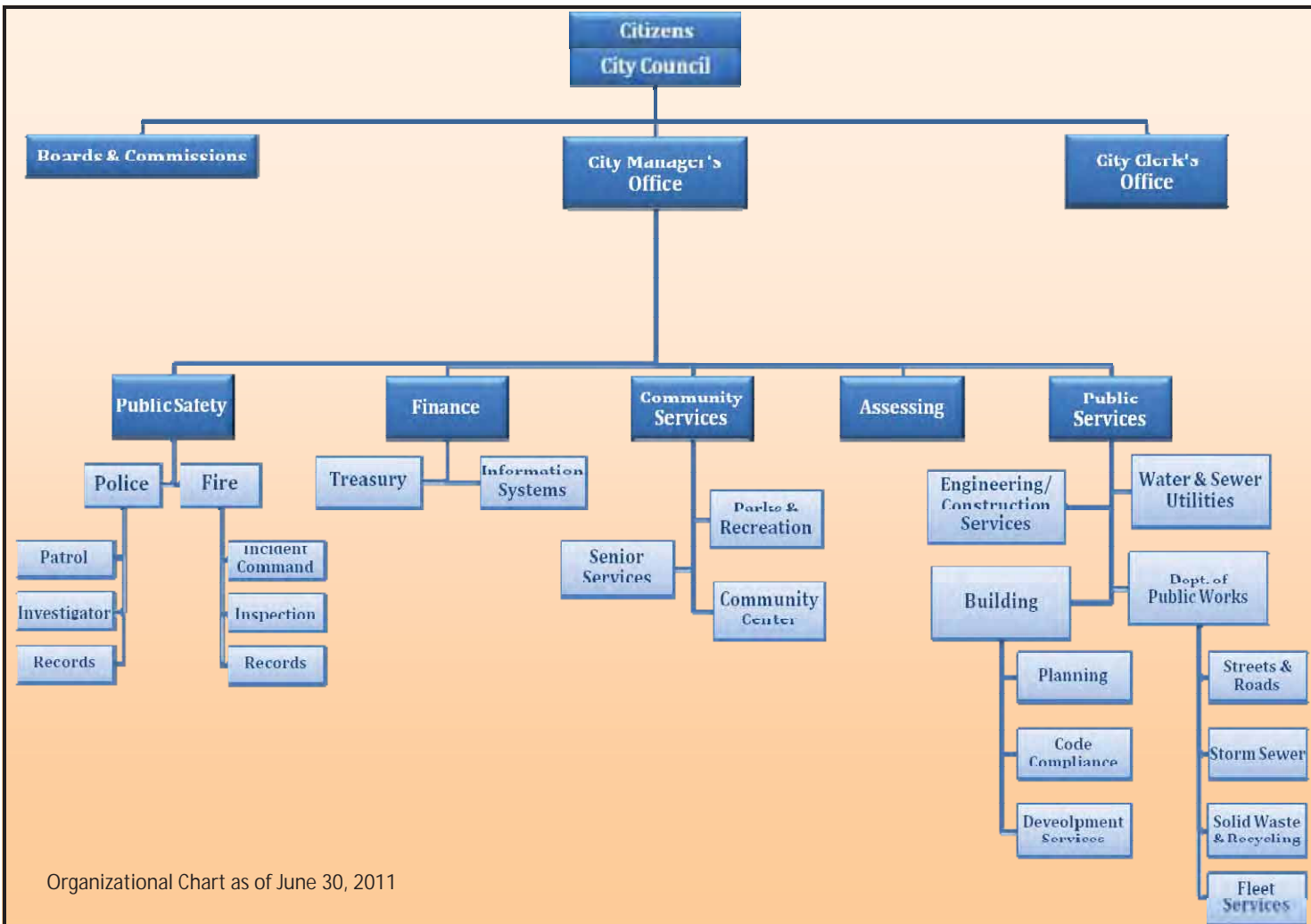
Entrepreneurial City - 2011
 by the University of Michigan – Dearborn School of Management



Certificate of Achievement
 for Excellence in Financial Reporting
 for Fiscal Year 2010 from the GFOA



Award for Outstanding Achievement
 in Popular Annual Financial Reporting
 for Fiscal Year 2010 from the GFOA



Organizational Chart as of June 30, 2011



The City of Wixom's website is your source to information about City policies, services, and events, available 24 hours per day, seven days a week. Log onto www.wixomgov.org and find information about public meetings, press releases, employment opportunities, community events and much more. Take advantage of many online services through our website.

- Ability to check your property taxes
- City Council meeting agendas & minutes
- Emergency alert notice
- Community Calendar
- Activity and event Information
- City Charter and Code
- Business Tools - Economic Development and Film Office
- City Hall Department Information, Passports, Permits, Trash & Taxes
- Crossroads, Annual Budgets, Citizen's Guide and CAFR and other publications
- Interactive Scorecard & Dashboards
- Construction Project Updates
- Customizable Home Page
- Document / Archive Center - Agendas, Minutes, Applications, Newsletters
- Current bid Information
- External Links
- FAQ's
- General Government Information, Mayor and City Council
- GIS Maps
- Job Postings within the City
- News and Announcements
- Notify Me / Email Subscription updates
- Online Job Application
- Online Payments
- Opinion Polls
- Parks and Recreation Registration
- Photo Album
- Quick Links
- Quick Search
- Report a concern
- Resident Information - Event and rental information
- Resources Directory
- Staff Directory
- Visitor Information - Parks, maps and trails
- Voter Information - Ballots and Precincts

Categories	Telephone
<u>Emergencies</u>	911
<u>Your Elected Officials</u>	248-624-4557
<u>Mayor</u>	248-624-4557
<u>City Administration</u>	248-624-0894
<u>City Manager</u>	248-624-0894
<u>City Clerk</u>	248-624-4557
<u>Assessing</u>	248-624-3280
<u>Building, Planning & Zoning</u>	248-624-0880
<u>Finance</u>	248-624-0885
<u>Information Systems</u>	248-624-0885
<u>City Community Services</u>	248-624-2850
<u>Community Center</u>	248-624-2850
<u>Parks & Recreation</u>	248-624-2850
<u>Active Adults 50+</u>	248-624-0870
<u>City Public Works</u>	248-624-0141
<u>City Public Safety</u>	
<u>Fire</u>	248-624-1055
<u>Police</u>	248-624-6114
<u>Board of Review</u>	248-624-3280
<u>Cemetery Board</u>	248-624-4557
<u>Parks & Recreation</u>	248-624-2850
<u>Planning Commission</u>	248-624-0880
<u>Zoning Board of Appeals</u>	248-624-0880
<u>City Water & Wastewater</u>	248-624-6421
<u>Wixom Library</u>	248-624-2512

City of Wixom Photo Album

CityofWixom's Albums

TABLE OF CONTENTS

Come visit <http://www.cityofwixom.phanfare.com/>

BUILDING A LASTING COMMUNITY



Remembering the Past



The Vision creates the Place:
You can't have a "Place" until you have a Vision.

- the vision creates consensus
- the vision creates opportunity
- the vision provides confidence
- the vision can attract investors
- the vision affects decisions
- the vision allows adaptability
- having a vision prevents you from stopping short!

Once we have a vision and a plan – we can develop a road map that will take us there. We are all part of this new and exciting journey.

What Makes Wixom Great?



- Known for good services, reasonable taxes
- Safe
- Easy to get around
- Great neighborhoods
- Convenient retail, services, and businesses
- Good schools
- Access to neighboring cities
- Variety of industry
- Recreational amenities
- Involved citizens
- Convenient access to interstate



What Makes a Great Neighborhood?



- Variety (suburban to urban neighborhoods)
- Identifiable neighborhood character
- Variety in housing
- Character of older buildings
- Well-maintained homes
- Neighborhood commercial areas
- Good and safe streets
- Well-maintained public and private spaces and buildings
- Places to connect with neighbors and friends
- Community gardens
- Parks, open spaces, nature preserves
- Good city services
- Good schools
- Safety
- Sidewalks that connect
- Tree-lined streets
- Strong neighborhood organizations
- Well-maintained Housing



What Makes an Economically Sustainable City?



- A commercial and industrial base that employs local residents and those from the region



- Modern, efficient buildings to house a wide range of industrial and commercial uses



- Educational and training opportunities to maintain a qualified work force



- Support for start-up companies and entrepreneurs

- Organized industrial recruitment efforts

- Companies that grow in place rather than relocating to meet their needs

What Makes a Great Parks and Recreation System?



- Availability
- Accessibility
- Building trail connections



- Different park types and sizes

- Passive, active and natural parks

- Variety of programming



- Variety of learning abilities

ECONOMIC DEVELOPMENT



TOP EMPLOYERS IN THE CITY OF WIXOM

Here the City of Wixom recognizes their Top Employers

Did You Know?

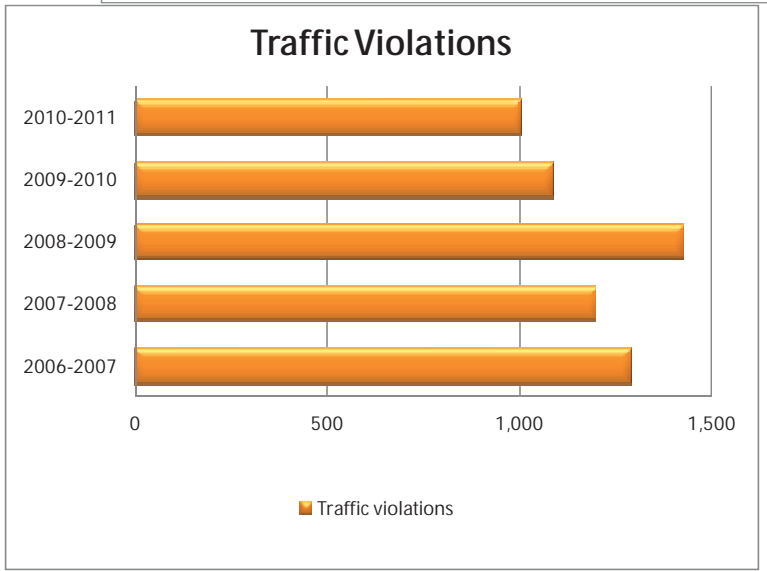
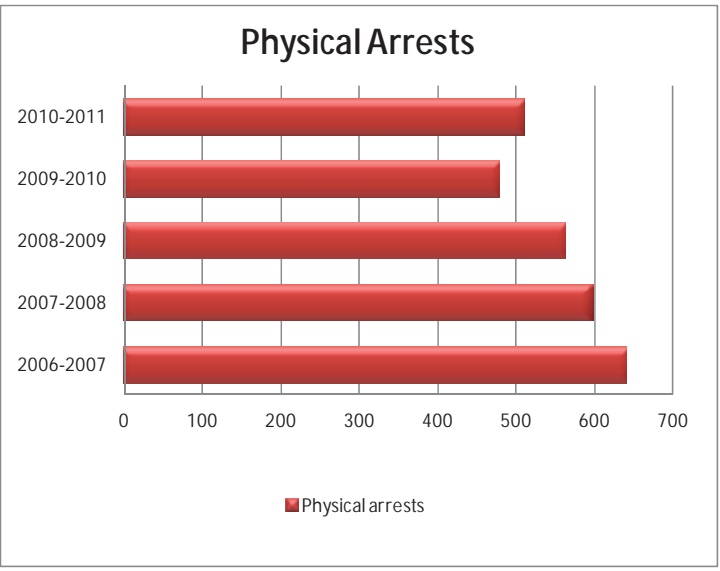
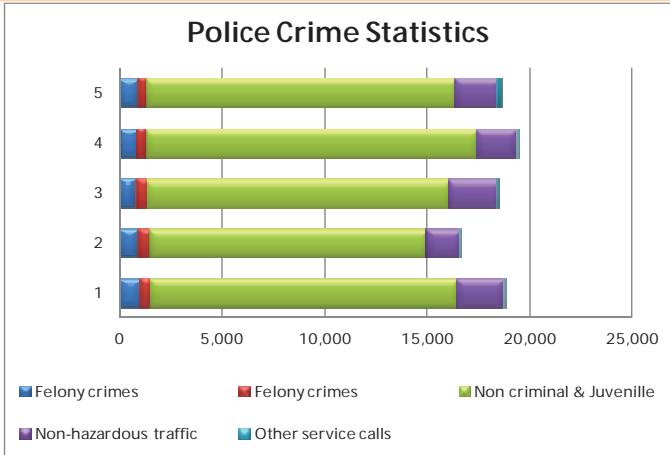
Acromag Inc	Ford Motor Company	Lakeside Oakland Dev LLC	Sabic Innovative Plastics
AFC-Holcroft LLC	Gary's Catering Inc	Mac Valves Inc	Trijicon Inc
Beck Business Center Inc	General Motors	McDonalds Restaurant	Trugreen
Burger King	General RV Center	Meijer Inc.	US Real Property, LLC
Container, Dart	GM Performance Build Center	Moeller Manufacturing Company, Inc.	United Parcel Service, Inc
Detroit Edison Company	Great Lakes Rubber Co, Inc.	NLB Corporation	Walter Toebe Construction
Detroit Public TV	International - Wixom, Llc	Occidental Development	Wix Property, LLC
Diversified Machine Inc	ITC Transmission	Occidental Development Ltd	Wixkix Properties LLC
Eagle Industries Inc	Jatco USA Inc	Property Asset Management Inc	Wixom Grand River Assoc
Edward Rose & Sons	K Tool Corporation	Rockwell Medical Technologies Inc	

Police



The Police Department is responsible for the welfare and safety of the citizens of our community. This requires the Police Department to enforce City ordinances and state and federal laws, and to ensure the safety of those living, working, or traveling in our community. It is the Police Department's patrol strategy to facilitate public safety through community policing, crime prevention, and the aggressive apprehension and prosecution of offenders.

Through the sharing of personnel and equipment resources with the Fire Department, the Police Department strengthens its public safety responsiveness to provide efficiency and excellence. Through a continued and concerted effort to expand the training of police and fire first responders, the Police Department will facilitate emergency management and provide a mechanism whereby emergencies can be quickly resolved. The Police Department will continue to foster partnerships with individuals, groups, and businesses in our community and use these relationships to minimize crime as well as the impact of crime that occurs.

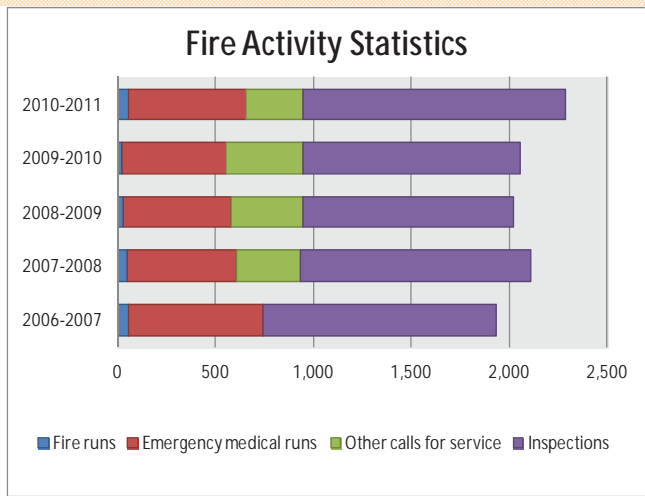


Fire

The Fire Department is responsible for the prevention and extinguishment of fires in the City of Wixom as well as providing basic life support services during medical emergencies. Additionally, the Fire Department performs annual safety inspections through the Business License Program and sponsors fire safety seminars for adults and children. In this manner, the Fire Department promotes the safety and welfare of all persons who work and live in our City, and prevents the loss of property from fire.



The Fire Department is staffed by a Fire Chief, Administrative support, two part-time Certified Fire Inspectors and a Training Coordinator. Fire and Emergency Medical Services response consists of twenty-two Paid-on-Call Firefighters EMT's responding to over 1000 calls for service annually. The fire department is responsible for the prevention and extinguishment of fires and the loss of property from fire, as well as providing basic life support services and transport during medical emergencies. Additionally, the fire department performs annual life safety inspections and sponsors fire and medical safety seminars for adults and children. The fire department promotes the safety and welfare of all who live, work and visit the City.



COMMUNITY DEVELOPMENT



THANKS TO ALL OUR SUPPORTERS

BASTON SYSTEMS INC. VOLUNTEERS	BUILDMASTER
CITY OF WIXOM VOLUNTEERS	WALLED LAKE EAGLES VOLUNTEERS
TONY POTTER ELECTRICAL	SHERRY HUDSON CLEANING SERVICES
VINCENT HAIR STUDIO	TOCONSTRUCT
LOWES	WASTE MANAGEMENT
CONVEYALL INDUSTRIAL SUPPLY	OAKLAND COUNTY

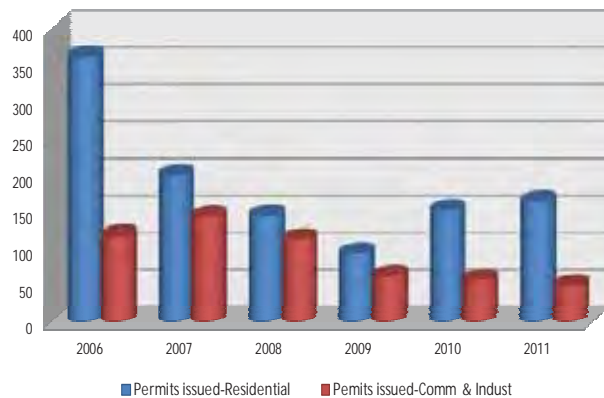
Building

The Building Department is responsible for ensuring that all work performed for new construction, rehabilitation and demolition is carried out with the materials and methods that conform to approved site plans and the appropriate federal state and local building codes including the review of plans and permit applications for building electrical, plumbing, mechanical, sewers signs, and other permits required by the City as well as obtaining required easements.

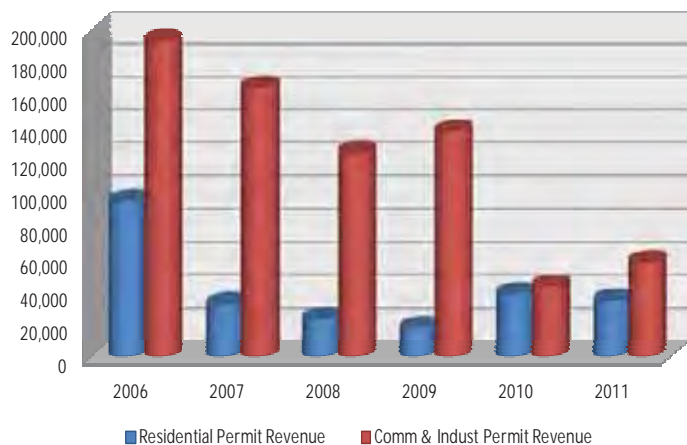


The Building Department is also responsible for all coordination and administration of the Planning Commission, Zoning Board of Appeals, Construction Board of Appeals, Property Maintenance and Code Enforcement. The Staff routinely provides data and reports to City Departments and represents the City in meetings with developers and landowners.

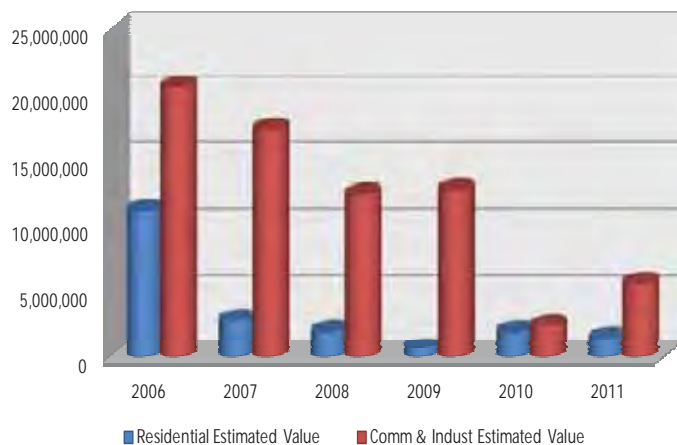
City of Wixom - Permits issued



City of Wixom - Permit Revenue



City of Wixom - Estimated Value of Construction



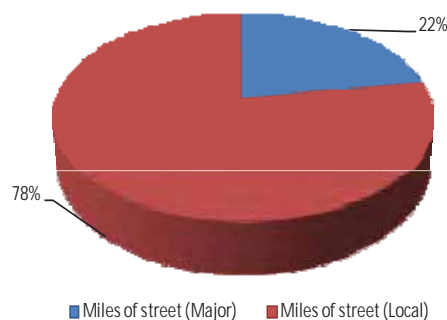
Public Works

The Department of Public Works is responsible for planning and delivery of the basic day-to-day public services that have become part of our daily life. Key objectives include maintenance and repair of a public infrastructure system. Specifically, services include maintenance of all City streets, buildings and grounds, public parks, sidewalks and bike paths, traffic control, street lights, vehicle and construction/maintenance equipment, street sweeping, roadside/park/cemetery mowing and snow removal and ice control.



As the City continues to grow, mature, and encounters an increasing request for service, the Department of Public Works continues to implement time and labor saving measures through multi-use equipment and operational improvements. The DPW is also responsible for providing the contractual oversight of the water and wastewater systems, refuse collection, recycling programs, and storm water management.

Roads - Major (10 miles) and Local (36 miles)





"In Wixom, discover what it means to be an active citizen, and take action in new and exciting ways. Wixom prides itself on delivering the highest level of service along with being the kind of place where we know and enjoy interacting with our neighbors. Our recreation and cultural offerings are constantly adapting to the characteristics of the amazingly diverse citizens we serve. Programs are sponsored throughout the year that expose citizens to different challenges to increase their awareness of self and the world in which we live. By bringing together citizens of all ages and walks of life, our recreation and parks programs and City events build the sense of community that makes Wixom home."

Deanna Magee
Director of Community Services

COMMUNITY CENTER

At the Wixom Community Center we welcome small meetings, large meetings, bridal showers, engagement parties and wedding receptions up to 250 people. The Community Center is the perfect choice for your engagement.



Where Does Your Tax Dollar Go?

MILLAGE AND RATES

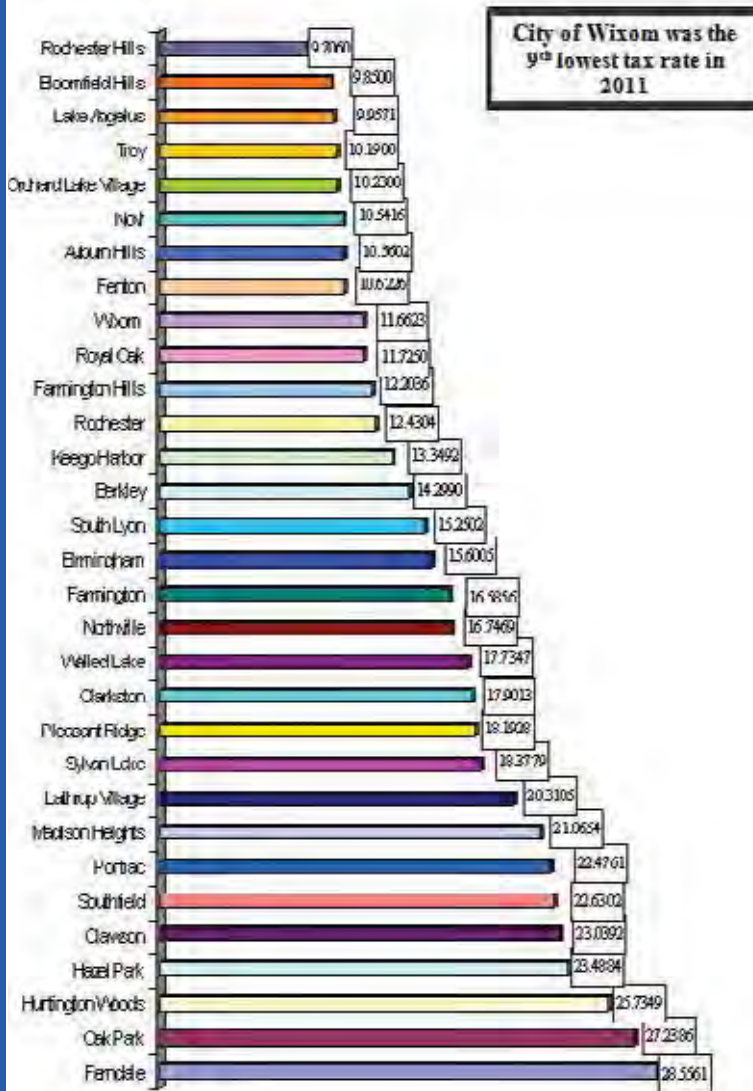
Residents - Where do my taxes go?						
Oakland County	Oakland Community	Oakland Intermediate	Library	State of Michigan	City	Schools
13%	5%	10%	3%	17%	33%	19%



Business - Where do my taxes go?						
Oakland County	Oakland Community	Oakland Intermediate	Library	State of Michigan	City	Schools
9%	3%	7%	2%	12%	23%	44%

Millage Rates—9th lowest in Oakland County

Water & Sewer Rates



City	Combined Rate: Water Rate Sewer Rate		
Berkley	\$26.00	\$13.00	\$13.00
Bingham Farms	\$34.89	\$17.29	\$17.60
Wixom	\$36.57	\$25.45	\$11.12
Pontiac	\$39.80	\$21.20	\$18.60
Detroit	\$43.27	\$15.17	\$28.10
Auburn Hills	\$43.62	\$23.12	\$20.50
Troy	\$45.50	\$26.40	\$19.10
Novi	\$50.34	\$30.37	\$19.97
Rochester Hills	\$51.30	\$26.60	\$24.70
Beverly Hills	\$51.34	\$15.66	\$35.68
Farmington Hills	\$51.58	\$28.74	\$22.84
Waterford (City Wells)	\$53.50	\$12.00	\$41.50
Farmington	\$55.57	\$25.80	\$29.77
Madison Heights	\$57.70	\$22.60	\$35.10
West Bloomfield	\$59.70	\$35.18	\$24.52
Bloomfield Twp.	\$60.21	\$31.04	\$29.17
Walled Lake	\$61.25	\$32.46	\$28.79
Milford Village	\$61.56	\$30.78	\$30.78
Northville	\$62.97	\$33.73	\$29.24
Lathrup Village	\$63.05	\$26.57	\$36.48
Hazel Park	\$66.10	\$31.20	\$34.90
Southfield	\$67.25	\$27.79	\$39.46
Huntington Woods	\$70.00	\$35.00	\$35.00
Birmingham	\$71.44	\$21.62	\$49.82
Royal Oak	\$75.00	\$22.50	\$52.50
Oak Park	\$77.74	\$27.64	\$50.10
Pleasant Ridge	\$86.63	\$43.31	\$43.32
Ferdale	\$92.00	\$46.00	\$46.00
Clawson	\$103.50	\$51.75	\$51.75
Commerce	\$110.97	\$40.12	\$70.85

Governmental Activities

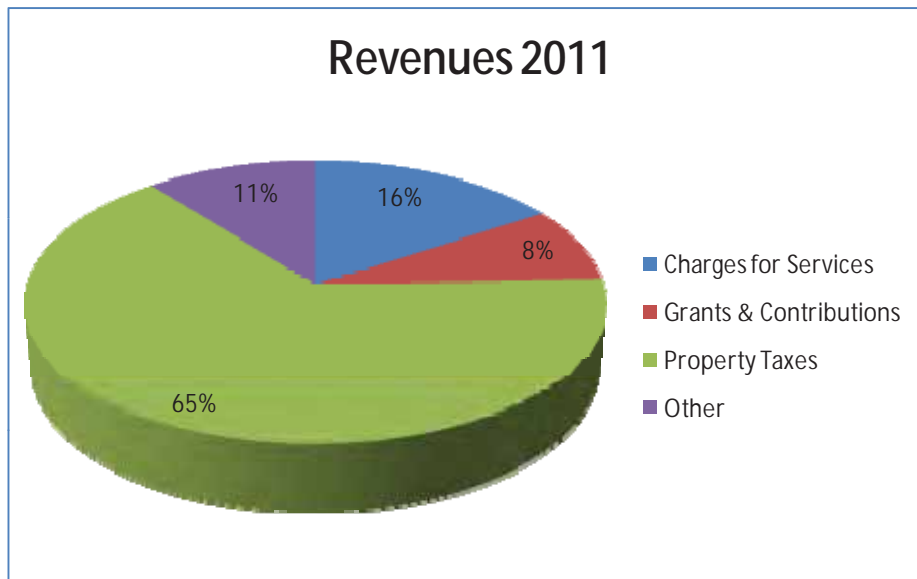
The governmental activities are the main operating activities for a city. Most city expenditures and revenues are accounted for in the general fund. In this section we will break down the revenues and expenditures of the governmental activities for the City of Wixom.

Revenues—Where City Money Comes From

Just like a for-profit business, governments need sources of income (revenue) in order to operate. However, unlike businesses, governments do not solely rely on selling a good or service in order to create revenues. Most of a government's revenues come from assessing and collecting taxes. The following chart shows the dollar amounts Wixom collected for each of its different sources of revenues. The table also gives 2010 data and displays the change from year to year.

Revenues	2011	2010	Change
Charges for Services	1,886,233	1,644,794	241,439
Grants & Contributions	982,480	979,741	2,739
Property Taxes	7,576,257	8,649,835	(1,073,578)
Other	1,281,987	1,142,464	139,523
Total	11,726,957	12,416,834	(689,877)

The other revenue category consists of state-shared revenue, earnings from unrestricted investments the City holds, and miscellaneous revenues. All revenues, except for property taxes, experienced an increase from 2010.



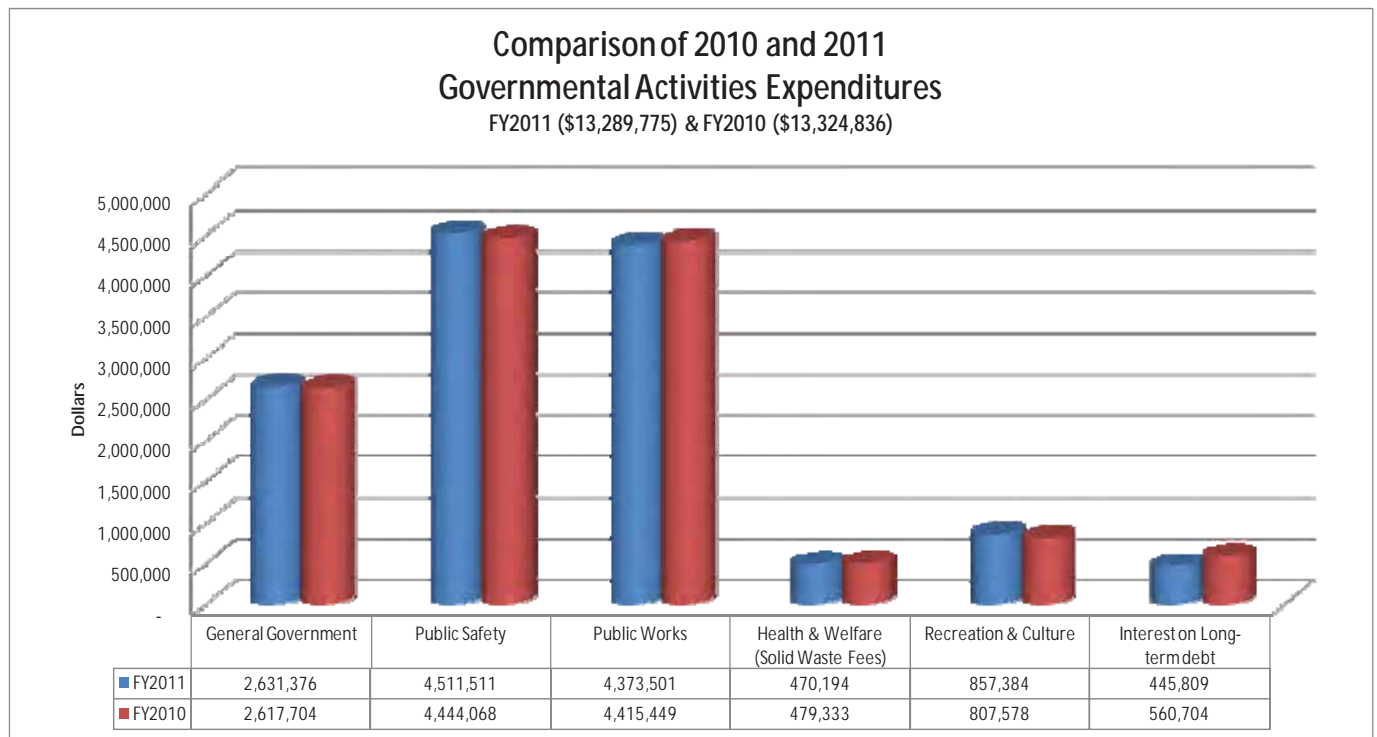
The following further breaks down revenues earned from charges for services for 2010, 2011, and the percentage change between the two years. These are revenues earned from charges paid by citizens for services provided by the city; they are not taxes collected by the city.

Charges for Services	2011	2010	Change	% Change
General Government	237,507	236,369	1,138	0.5%
Public Safety	140,345	125,333	15,012	12.0%
Public Works	769,118	562,942	206,176	36.6%
Health & Welfare (Solid Waste Fees)	486,895	480,494	6,401	1.3%
Recreation & Culture	252,368	239,656	12,712	5.3%
Total	1,886,233	1,644,794	241,439	15%

Expenditures—Where City Money Goes

Expenditures are the costs the government incurs while performing its every day job. The revenues collected by the government are used to pay the expenditures, just like a for-profit business. The expenditure categories listed below represent the different areas the City used its money. Expenditures can be for programs and activities, paying for financing, or for City sponsored business-type activities.

Charges for Services	2011	%	2010	%	Change	% Change
General Government	2,631,376	20%	2,617,704	20%	13,672	1%
Public Safety	4,511,511	34%	4,444,068	33%	67,443	2%
Public Works	4,373,501	33%	4,415,449	33%	(41,948)	-1%
Health & Welfare (Solid Waste Fees)	470,194	4%	479,333	4%	(9,139)	-2%
Recreation & Culture	857,384	6%	807,578	6%	49,806	6%
Interest on Long-term debt	445,809	3%	560,704	4%	(114,895)	-20%
Total	13,289,775	100%	13,324,836	100%	(35,061)	0%



The following list provides a more detailed explanation of the Governmental Activities expenditure categories:

- **General government** expenditures include the administration of City offices and officials. This includes the following functions and Departments: City Council, City Manager's Office, Clerk's Office, Assessing Department, Finance Department, Information Systems Department, Legal Counsel, General Operating and Maintenance, and certain Boards & Commissions.
- **Public safety** expenditures include the Wixom Police and Fire departments.
- **Public works** includes the DPW Department, which includes maintenance of City streets, parks, and other infrastructure, Building Department, Planning Commission and the Board of Appeals.
- **Health and welfare** are expenditures for the City's Solid Waste Collection program through Resource Recovery and Recycling Authority of Southwest Oakland County (RRRASOC) whose member communities include Farmington, Farmington Hills, Novi, Southfield, South Lyon, Walled Lake, and Wixom.
- **Recreation and culture** are expenditures for the City's Parks & Recreation Department, Cultural Center activities, Senior's Commission activities and Beautification Committee activities sponsored by the City.
- **Interest on long-term debt** are interest charges from long-term debt of the City which includes debt for Major Road Improvements, Fire and DPW Building construction and renovation, Special Assessments, and Downtown Development/Village Center Area improvements.

Assets and Liabilities

To better gauge the financial state of the city, we also need to look at the City's assets and liabilities. Looking at the City's assets and liabilities, along with the revenues and expenditures, will give us a complete financial picture of the City.

Assets are considered anything tangible or intangible of value owned by the City that will provide future benefits. Liabilities are amounts owed to others. The following table shows the difference in Wixom's assets and liabilities as of June 30, 2011.

Condensed Statement of Net Assets			
June 30, 2011			
	Governmental	Business-type	
	Activities	Activities	Total
Assets			
Cash and investments	10,175,736	9,535,211	19,710,947
Receivables, net	2,610,973	955,886	3,566,859
Internal Balances	(369,726)	369,726	-
Inventories	39,919	122,149	162,068
Restricted Assets	-	402,962	402,962
Capital Assets	42,796,883	54,314,667	97,111,550
Other Assets	180,960	-	180,960
Total Assets	55,434,745	65,700,601	121,135,346
Liabilities			
Payables and accrued liabilities	1,033,034	703,983	1,737,017
Deferred Revenue-unearned	149,000	-	149,000
Compensated absences:			
Due in one year	433,675	-	433,675
Due in more than one year	274,113	-	274,113
Long-term debt:			
Due in one year	1,140,000	962,772	2,102,772
Due in more than one year	8,910,000	8,529,953	17,439,953
Other liabilities	170,005	534,678	704,683
Total Liabilities	12,109,827	10,731,386	22,841,213
Net Assets	43,324,918	54,969,215	98,294,133

Below are explanations of a few of the asset and liability accounts.

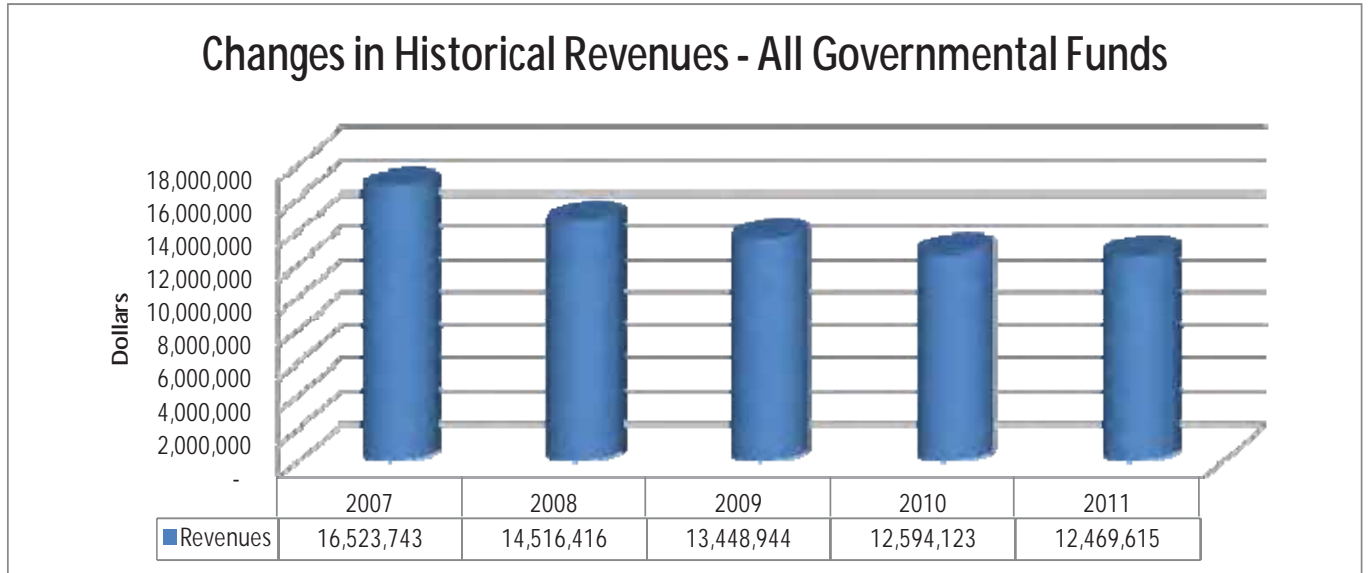
- **Receivables** are amounts owed to the City.
- **Capital assets** represent office furnishings, equipment, vehicles, land, buildings and the City's infrastructure including major and local roads, sidewalks, bike paths and utility and storm water systems.
- **Payables and accrued liabilities** represent amounts owed by the City to companies or individuals who supply goods or services to the City including accrued payroll and taxes.
- **Long-term debt** are amounts owed by the City for the issuance of debt.



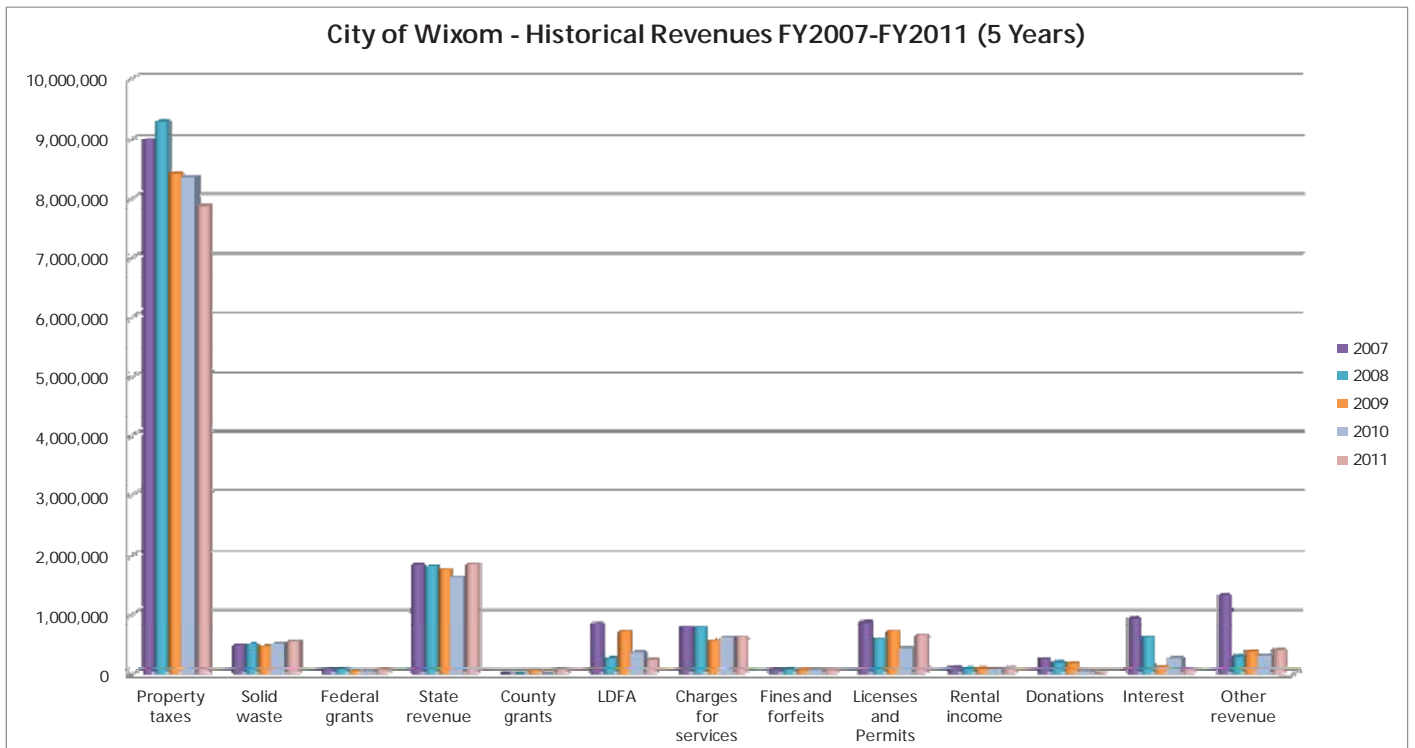
Historical Revenues

Taking into account how the City has performed in the past is essential to understand how it is doing now. We will dive deeper in the historical revenues and look at total historical revenues for the entire Governmental Funds. The Governmental Funds are a broader classification for current funds, which includes governmental activities discussed earlier. These Historical Revenues are reported on a Modified Accrual Basis (MAB), and are only showing Governmental Funds Activities.

The chart below represents the total historical revenues for the last five years. The numbers below were taken from the Governmental Funds Statement of Revenue, Expenditures, and changes in Fund Balances for the year ended June 30, 2011.

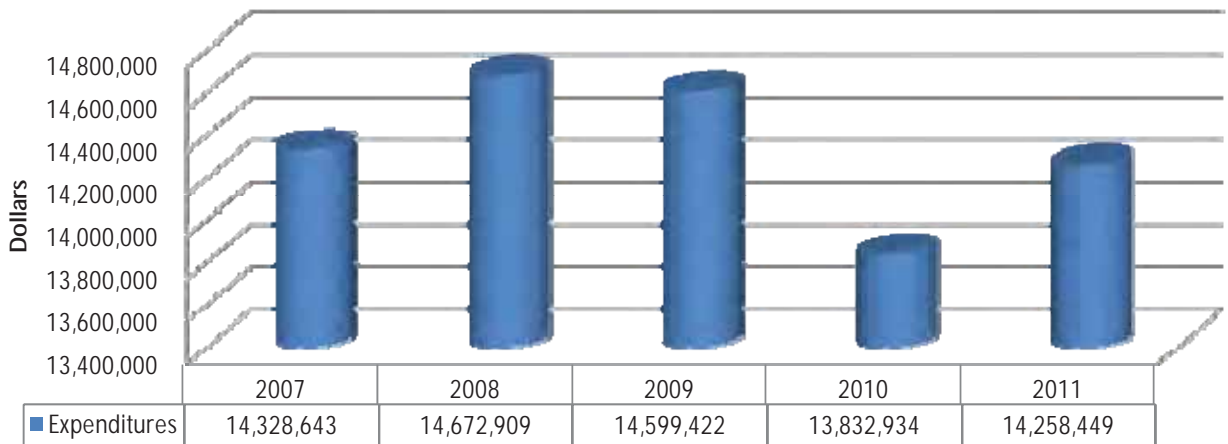


Governmental fund revenues come from various sources. The following chart indicates where the different sources of revenues have come from over the past five years. From 2010 to 2011, revenue for the Governmental Funds decreased by less than 1.00 percent or a decrease of **(\$124,508)**. Some of the contributing factors over the year are decreases in property taxes, early payment of State Shared revenue, increase in licenses, permits, and development fees and deposits, and increase in miscellaneous income.



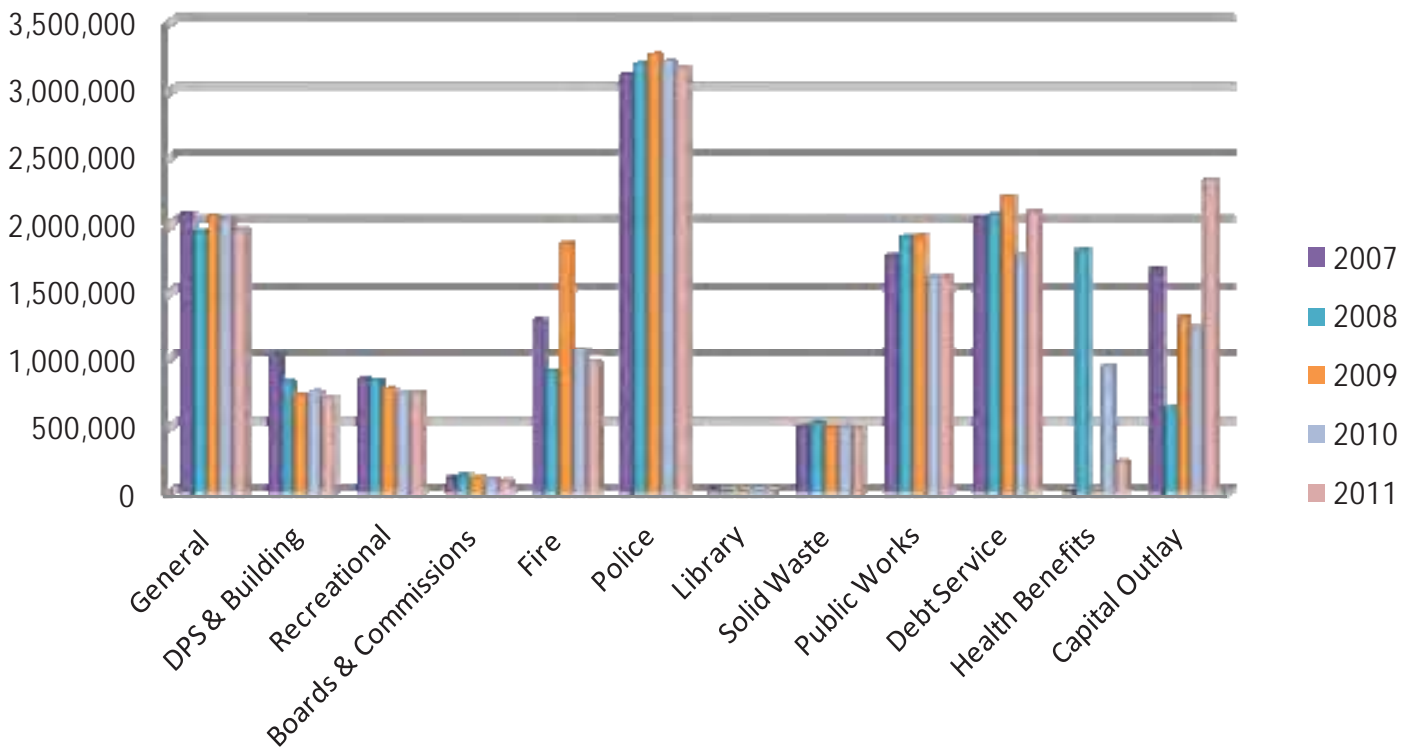
Now that we have looked at historical revenues, we will turn our attention to historical expenditures for the Governmental Funds. The chart below represents the total historical expenditures for the last five years. The numbers below were taken from the Governmental Funds Statement of Revenue, Expenditures, and changes in Fund Balances for the year ended June 30, 2011.

Changes in Historical Expenditures - All Governmental Funds



From 2010 to 2011, expenditures for Governmental Funds increased by 3 percent. Some of the factors that caused expenditures to increase over the year were general operating expenses, police and fire department expenditures, and public safety. Below is a further breakdown of historical expenditures by activity.

City of Wixom - Historical Expenditures FY2007- FY2011 (5 Years)

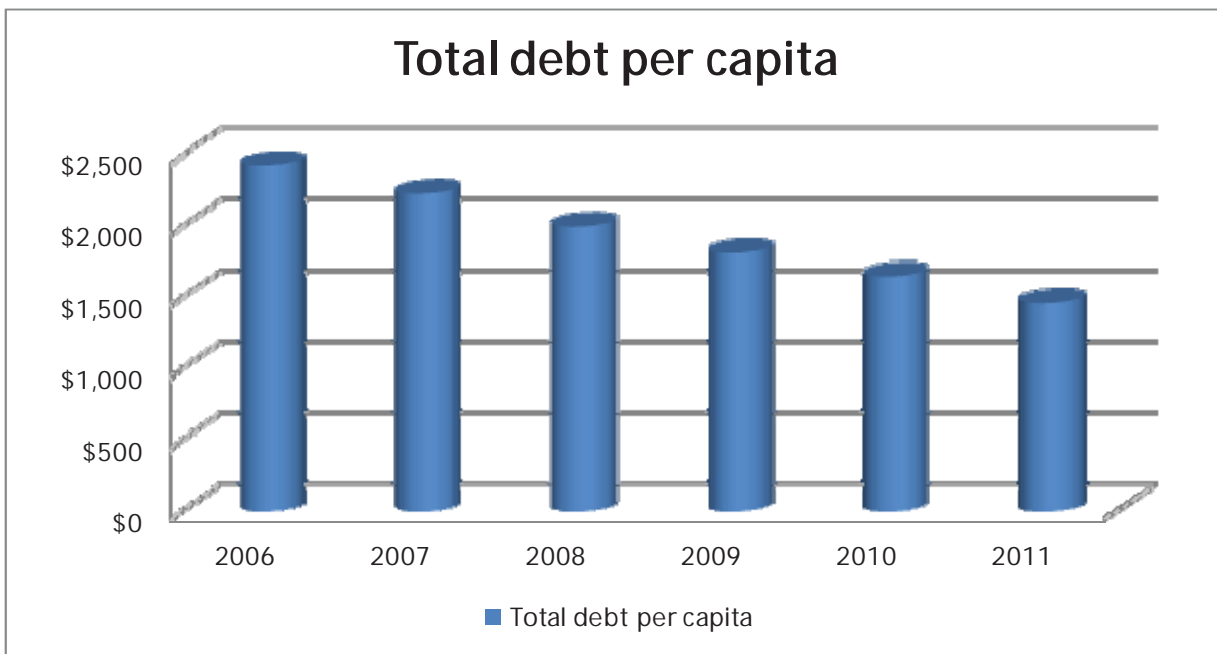


Other Important Financial Information and Recap

The following represents the most significant financial highlights for the fiscal year ended June 30, 2011:

- The current assets of the City's governmental activities exceed its current liabilities at the close of June 30, 2011 by \$12,597,943.
- The current assets of the City's business-type activities exceed its current liabilities at the close of June 30, 2011 by \$10,982,972.
- The City's total debt during the fiscal year decreased from \$22,105,678 to \$19,542,725, a decrease of \$2,562,953, which represents payments of outstanding debt.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9,573,342, a decrease of (\$1,788,834). The decrease in fund balance is primarily due to total expenditures exceeding total revenues for all governmental funds by (\$1,788,834), which provided resources for assistance in Local Roads Capital Program to be used for road projects (\$1,898,084), assistance in funding of capital improvement projects through the City's five year capital improvement plan, payments from Special Agency Fund, and the payment of debt service.
- The total debt per capita shows us the amount of debt the city has per each resident. The Ratio of debt to taxable value for 2011 was 2.59%. For the City population of 13,498, the total debt per capita for 2011 was
- Total net assets related to the City's governmental activities decreased by (\$1,562,818). The chart below provides the sources for the change in governmental activities total net assets.
- The net assets related to the City's business-type activities decreased by (\$872,512). This was primarily due to operating expenditures exceeding operating revenues by (\$1,665,145), contributions of water and sewer lines by developers of \$83,940, and non-operating revenues in the amount of \$708,693.

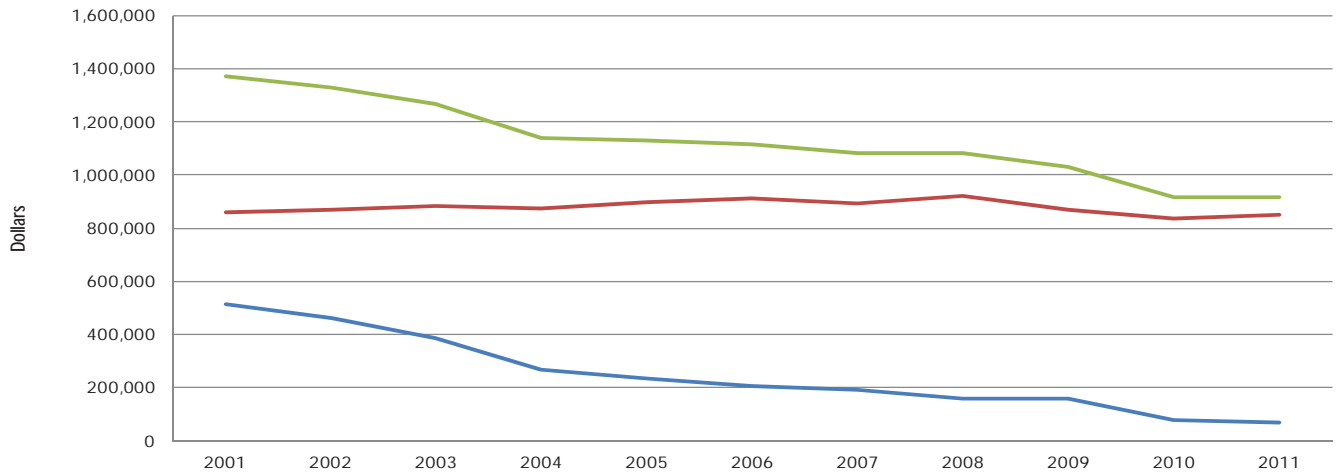
Category	Net Change
Increase in net investment in capital assets	1,007,623
Decrease in reserves for street and highway programs	(1,196,424)
Decrease capital projects expenditure reserves	(14,672)
Increase in special agency reserves	37,621
Other Purpose - Land Acquisition Fund	(551)
Other Purpose - Forfeiture Fund	11,172
Other Purpose - Other Funds	31,998
Change in debt service funds and deferred revenue for SAD	(876,856)
Change in unrestricted net assets	(562,729)
Net Change to Net Assets-Statement of Activities	(1,562,818)



The City's debt limit is \$70,718,522 for 2011. Direct debt of \$17,612,725 is subtracted from that amount to arrive at the Legal Debt Margin, or amount still legally available for the city to borrow. Only 24.91% of the Legal Debt Limit has been used, so 75.09% is available to the City.

State Shared Revenue

City of Wixom - State Shared Revenue



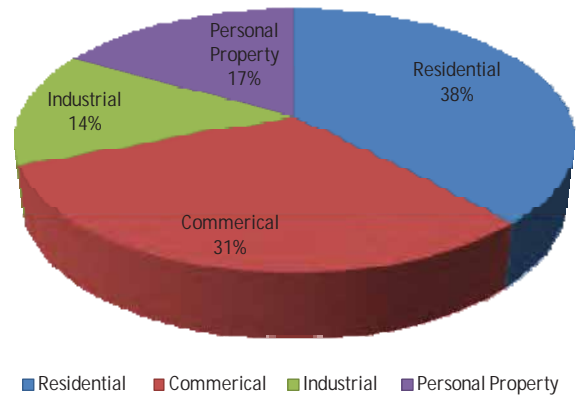
	10/31/2001	10/31/2002	10/31/2003	10/31/2004	10/31/2005	10/31/2006	10/31/2007	10/31/2008	10/31/2009	10/31/2010	10/31/2011
Statutory	511,469	460,228	384,318	265,494	232,197	204,406	190,121	160,349	160,349	78,092	67,360
Constitutional	860,664	869,432	884,153	874,548	895,419	910,663	891,741	921,513	869,098	837,498	848,230
Total	1,372,133	1,329,660	1,268,471	1,140,042	1,127,616	1,115,069	1,081,862	1,081,862	1,029,447	915,590	915,590

Though the State increased their income tax rate from 3.9% to 4.35% and raised their sales tax to 6% on certain services, the State still has severe budget problems. On March 21, 2011, Governor Snyder announced in his letter to the Michigan Legislature that he has proposed the statutory revenue sharing program be discontinued and replaced with the new Economic Vitality Incentive Program. Funding for the first year is expected to limit allocation to communities that are expected to receive over \$6,000 of the new reduced funding under the existing formula. Communities must qualify for this funding by meeting certain requirements based on best practices and implementing reforms. The City complied with State requirements by producing a Citizen’s Guide to their finances, as well as a “Dashboard” and Scoreboard for FY2010. Citizens of the City of Wixom can look forward to greater transparency and understanding through these documents. The City of Wixom has also adopted a multi-year budget for fiscal years 2012 and 2013.

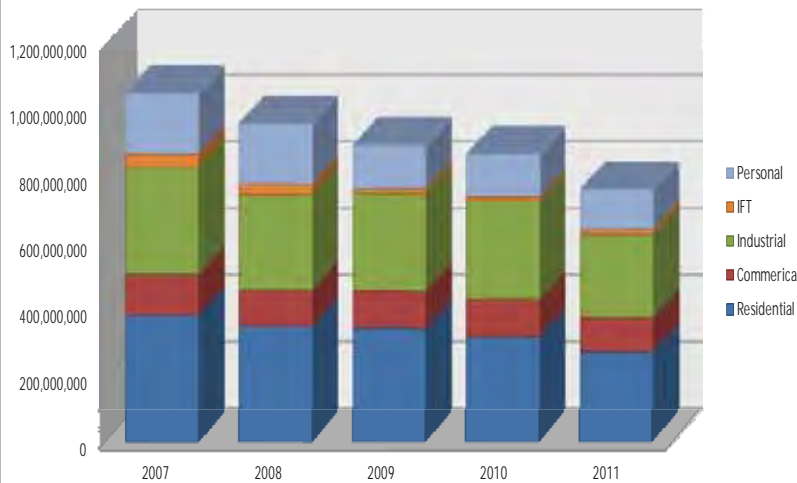
Tax Mix

The diverse tax mix of residential, manufacturing, office, service, technology, and retail recreational centers reduces Wixom’s impact of adverse economic cycles and provides a stable environment for new investment. The City also continues to have a strong, diversified tax base. A total of 38% of the tax roll is residential and apartments. The remaining 62% is nonresidential, composed of 31% commercial, 14% industrial and 17% personal property. The City is approximately 80 percent developed.

City of Wixom - Tax Mix



Property Tax Levy



Property Taxes

Property taxes were collected from the following (ordered from most to least) during the past 10 years:

1. Residential
2. Industrial
3. Personal
4. Commercial
5. IFT
6. Agricultural (None collected since 2007)

2011 Budget Highlights

The differences between the final amended budget and the actual amounts were significant in the revenue and expenditure areas. Revenues received were lower than budgeted by \$512,626 or 4.5%, while expenditures were 6.8 % less than budgeted (\$698,861).

The differences between the original budget and the final amended budget for revenues was 2/10ths of 1% and for overall expenditures remain the same for FY2010. The original General Fund budget planned to appropriate \$307,935 from Fund Balance, while the actual appropriation was for \$106,478.

	Original Budget	Amended Budget	Actual	Variance With Amended Budget
General Fund				
Fund Balance - Beginning of year	1,052,366	1,052,366	1,408,152	355,786
Resources (inflows):				
Property taxes	6,037,176	6,037,176	5,792,459	(244,717)
State sources	906,043	906,043	1,070,137	164,094
Fees and Permits	300,870	300,870	240,358	(60,512)
Miscellaneous revenues	792,365	792,365	773,446	(18,919)
Transfer from other funds	1,627,499	1,668,940	1,693,166	24,226
Amounts available for appropriation	10,716,319	10,757,760	10,977,718	219,958

The City of Wixom amended the budget to take into account unanticipated events during the year. The most significant event was the merging of the Capital Planning Fund with the Capital Improvement Fund. The Capital Planning Fund was a mechanism to fund and support the Capital Improvement Fund's 5 year capital plan. During the budget process each Department provided a five year projection of capital improvement expenditures. The Capital Planning Fund was used to even out the funding needs for these expenditures over a five year period as planned. This merger was done to comply with future GASB Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions.

Budgeting for 2012

Description	Amended Budget	Original Budget	Difference	Percent Change
	2010-2011	2011-2012		
Legislative	17,626	17,626	-	0.00%
City Manager	488,067	482,098	(5,969)	-1.22%
Assessor	162,537	162,992	455	0.28%
Building	430,865	430,385	(480)	-0.11%
Legal Counsel and Assistance Clerks	77,100	73,000	(4,100)	-5.32%
Information Systems	185,564	175,896	(9,668)	-5.21%
Financial Administration	134,759	131,907	(2,852)	-2.12%
General Operating	433,742	418,095	(15,647)	-3.61%
Building Maintenance	455,871	564,555	108,684	23.84%
Cultural Center	61,970	61,970	-	0.00%
Fire	328,486	324,866	(3,620)	-1.10%
Police	919,586	912,667	(6,919)	-0.75%
DPW	3,258,770	3,098,219	(160,551)	-4.93%
Board of Appeals	1,584,191	1,553,127	(31,064)	-1.96%
Board of Review	3,900	3,900	-	0.00%
Planning Committee	1,200	1,200	-	0.00%
Senior Citizen Committee	34,800	34,300	(500)	-1.44%
Community Service - P&R	60,392	60,392	-	0.00%
Interfund Transfers	451,028	449,481	(1,547)	-0.34%
EXPENDITURE TOTAL	573,500	359,780	(213,720)	-37.27%
EXPENDITURE TOTAL	9,663,954	9,316,456	(347,498)	-3.60%

The FY2012 General Fund budget calls for overall expenditures to decrease to \$9,316,456, compared to the amended budget for fiscal year 2011 with overall expenditures of \$9,663,954. This is an approximate 3.60 percent decrease, or a reduction of (\$347,498) in total General Fund budgeted expenditures over the previous year.

FY2011 Capital Assets - Placed in Service

Current reporting period: 06/30/2011



FY2011 Capital Assets - Remaining Life

Current reporting period: 06/30/2011

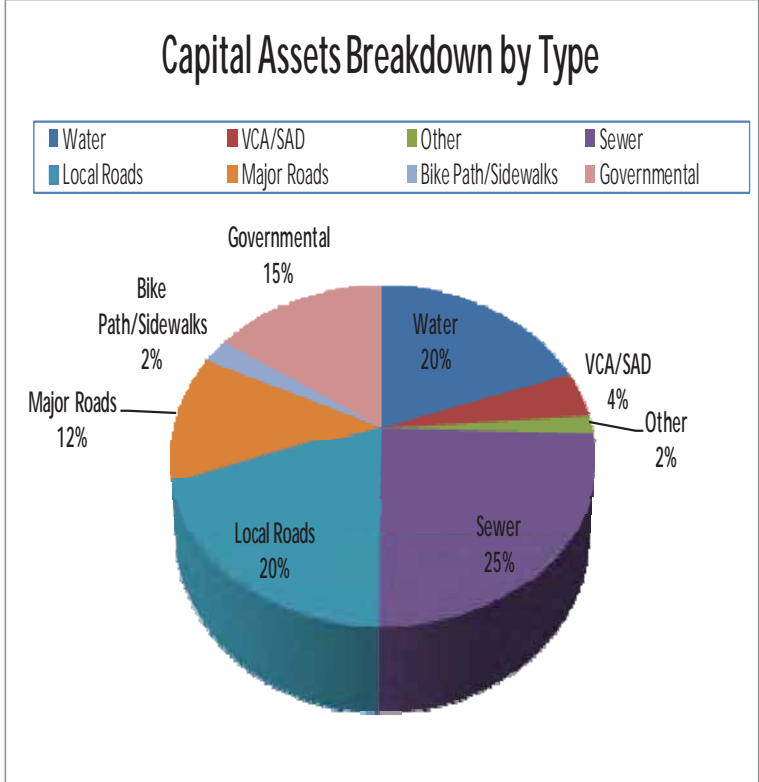


FY2011 Capital Assets - 5 Year Acquisitions

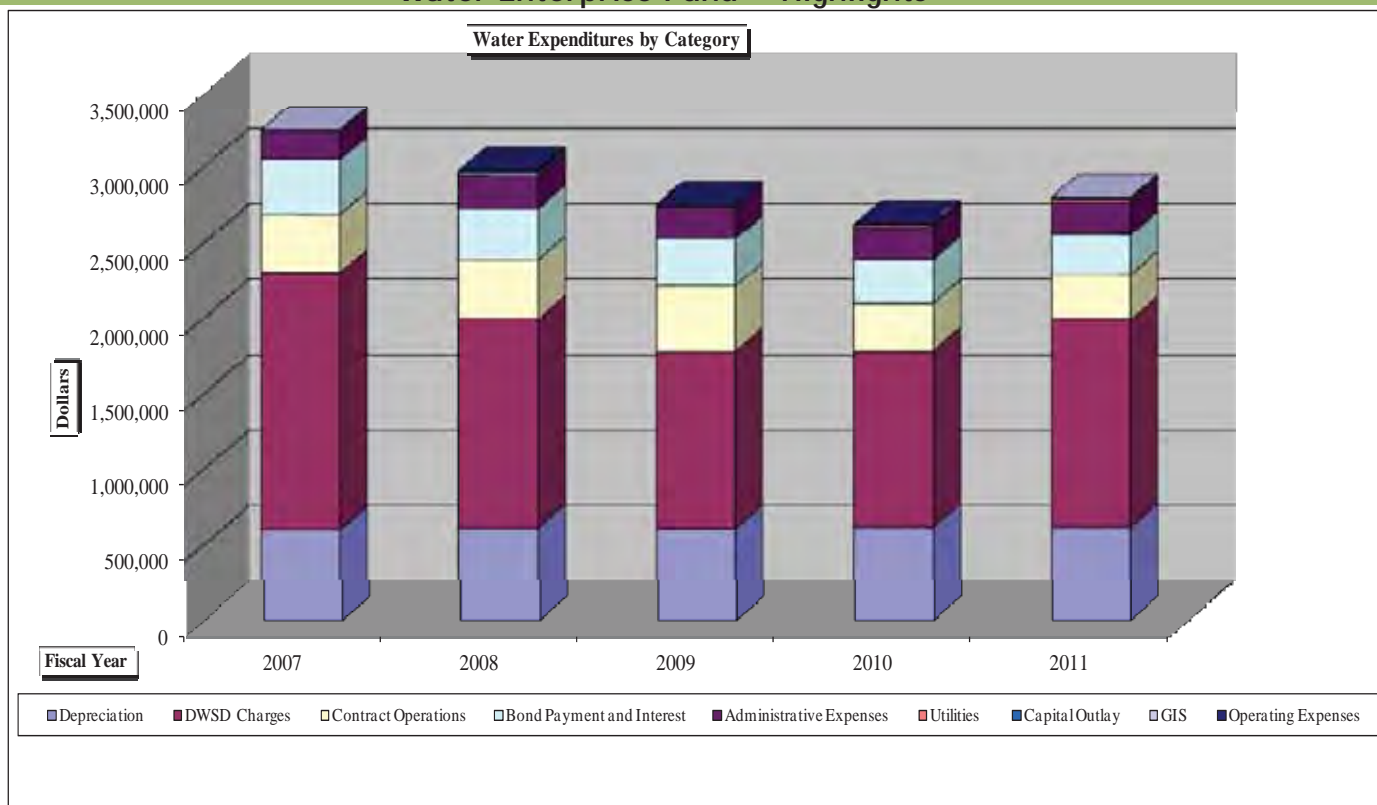
Current reporting period: 06/30/2011



FY2011 Capital Assets Breakdown by Type



The Water and Sewer system is the largest asset group of the City which comprises 45% of capital assets. This would include items such as buildings, lift stations, water and sewer lines, and equipment. Road improvements, local and major, comprise approximately 34%. The remainder of the capital assets are Governmental (15%), VCA/SAD (4%) and other (2%). The Governmental capital assets comprise buildings, equipment, vehicles and miscellaneous assets.



Water Enterprise Fund - The Water Enterprise Fund accounts for the operation and maintenance of the water supply system, capital additions, and retirement of revenue bonds. Financing is provided by user charges and contributions by other funds. This fund serves as the repositories for monies received by the City from the operation of the water system, bond sales, grants, payments, and capital improvement expenditures from proceeds realized from the water utility system. The City uses these monies for the maintenance and improvement of our water distribution system, elevated storage tank and booster station facility and payment for water provided by Detroit Water and Sewer Department (DWSD). The funds supplied from utility revenue and connection fees are used to cover the cost of providing the current level of maintenance and planned capital improvement for the distribution system in the City.

The City provides its residents water, which it purchases from the City of Detroit Water System. Approximately 50% of the City's water operating expense is related to the City of Detroit's wholesale charge for water service. The capital contribution for lines from developers decreased from \$93,708 to \$83,940. The Water Fund's operating expenses increased from fiscal year 2010 with additional increase in DWSD costs. The City has a 10 year contract with United Water for the operation and maintenance of the City's metering, booster station, elevated storage tank, water wells, and the distribution system.

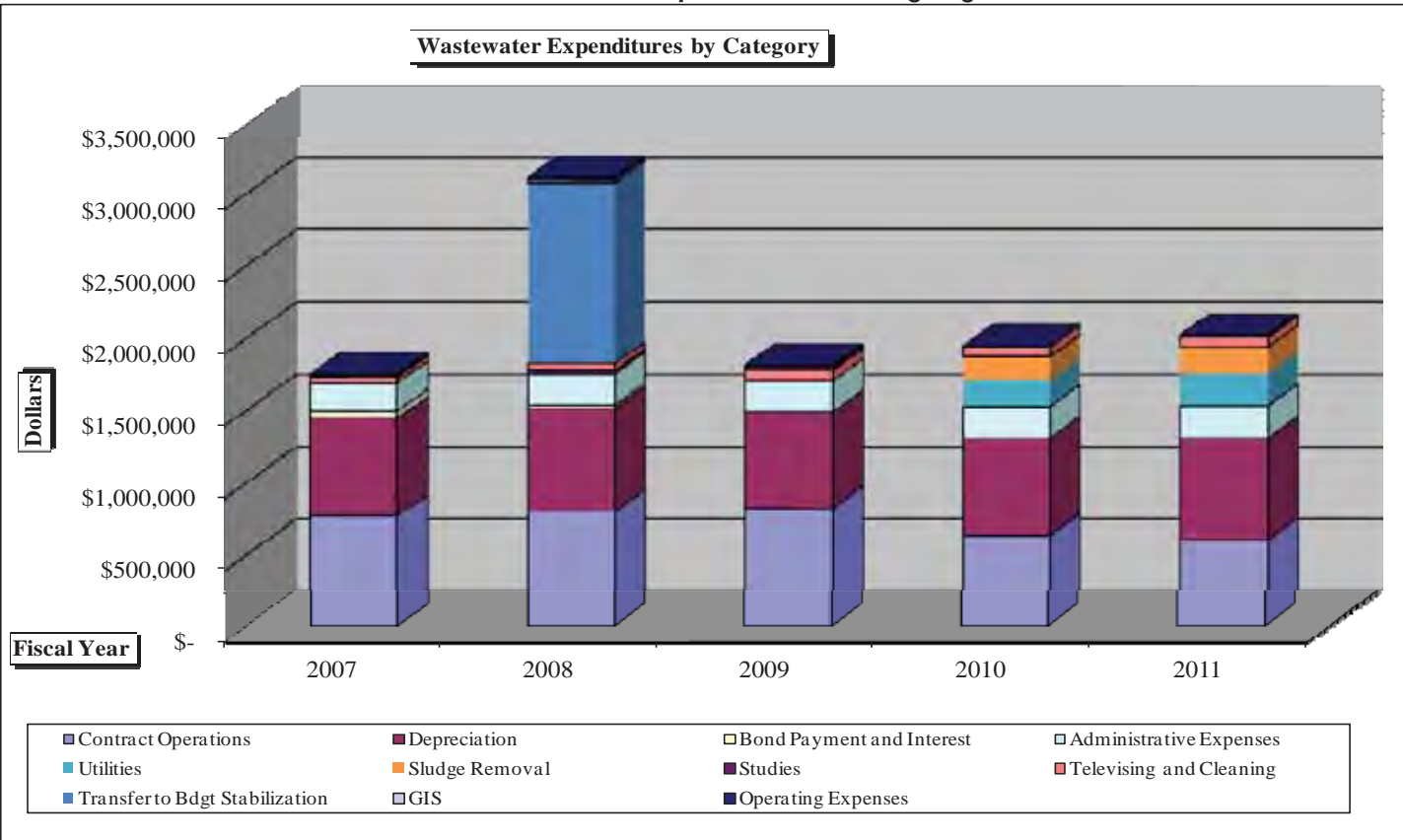
The proposed water utility rate for Fiscal Year 2010-2011 decreased from \$25.45/mcf to \$23.45/mcf. The wholesale price for Detroit water increased awaiting the approval by Detroit City Council to increase our wholesale rate from \$15.15/mcf to \$14.83/mcf with an additional monthly charge of \$13,765.

Achievement Goals for FY2010-2011

- Continuation of capital improvement program for replacement and repair of various hydrants and gate wells within the distribution system including Storz hydrant retrofit.
- Continuation of capital improvement program for replacement of older water meters in the system.
- Continue with the implementation of a Municipal Water System Cross-Connection Control Program in accordance with State of Michigan's Part 14 of Act 399 and the Rules promulgated pursuant to the Act to eliminate any potential of contamination into the water system.
- Repaint the Water Tower.

Capital Improvements of \$273,100 were proposed for system improvements and upgrades for telemetry equipment and other contract repairs and replacements. The combined total water and wastewater rates for FY2010-2011 remained the

Wastewater Enterprise Fund – Highlights



Sewer Enterprise Fund - The Sewer Enterprise Fund accounts for the operation and maintenance of the sewage disposal system, capital additions and improvements, and retirement of revenue bonds. Financing is provided by user charges and contributions by other funds and municipalities. This fund provides for the collection, treatment and discharge of municipal wastewater including residential, commercial and industrial waste. Revenue generated for the fund includes various sources, such as, grants, bond sales and wastewater service billings.

The Sewer Fund’s operating expenses increased by \$74,713 from fiscal year 2010 which was due to an increase in all categories of expenses. It should be noted that United Water’s new contract stipulated that the City will be responsible for sludge removal and utility costs. The City has a 10 year contract with United Water for the operation and maintenance of the City sewage disposal system and the wastewater treatment plant. The increase is due to a projected adjustment to the United Water contract. Funding for this expenditure is paid through utility revenues.

The wastewater utility rate for Fiscal Year 2010-2011 increased from \$11.12/mcf to \$13.12/mcf, which reflects an increased rate to cover system operating costs while also using surplus funds from retained earnings. Currently, the City of Wixom’s Sewer Rate is the lowest rate in Oakland County and one of the lowest in Michigan for these services. Therefore the combined total water and wastewater rates for FY2010-2011 remained at \$36.57/mcf.

Achievement Goals for FY2010-2011

- Continue to plan capital upgrades to correspond to the expansion from the sewer expansion from the Milford connection.
- Monitor energy savings after capital improvements are implemented.
- Construction of new grit handling system.

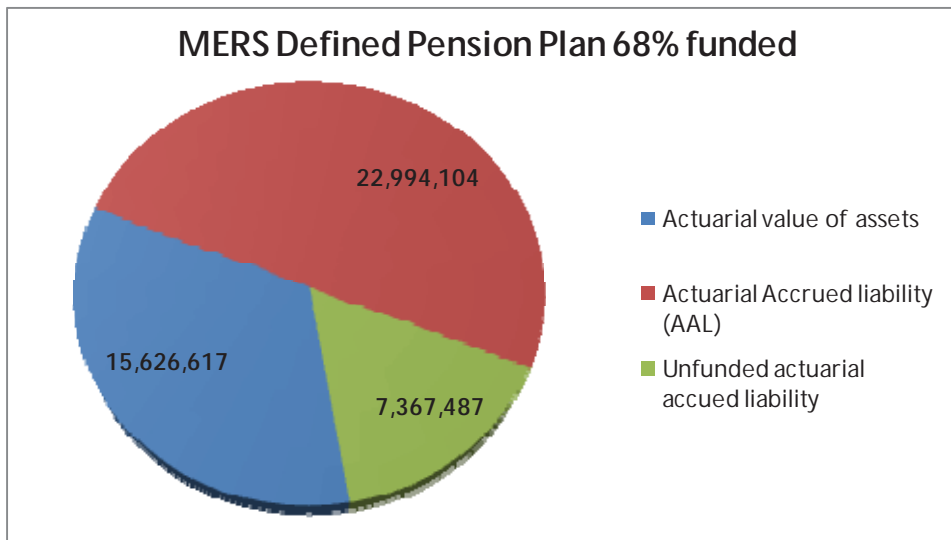
Capital Improvements of \$943,000 were proposed for system improvements for upgrading the ultra-violet and grit handling system improvements, and other contract repairs and replacements.

Pension Plan— Highlights

The City participates in the Municipal Employees’ Retirement System of Michigan (MERS), an agent multiple-employer defined benefit pension plan that covers substantially all full-time employees of the City. MERS provides retirement, disability, and death benefits to plan members and their beneficiaries. The MERS issues a publicly available financial report that includes financial statements and required supplementary information for the MERS.

Minimum Funding Requirements

Funding levels were required at 100% funding commencing July 1, 2012. This means no improvements to MERS benefits can occur unless the City has reached the funding percentage. This policy is designed to help municipalities provide sustainable, affordable retirement benefits to their employees. Beginning in fiscal year 2006 new non-union employees were only able to use the MERS Defined Contribution Plan. In addition, beginning with the December 31, 2006 annual actuarial valuations, the 30-year maximum amortization period for unfunded accrued liability was reduced to a 20-year maximum amortization period over the next 10 years. Annual pension cost was \$895,324 for FY2011.

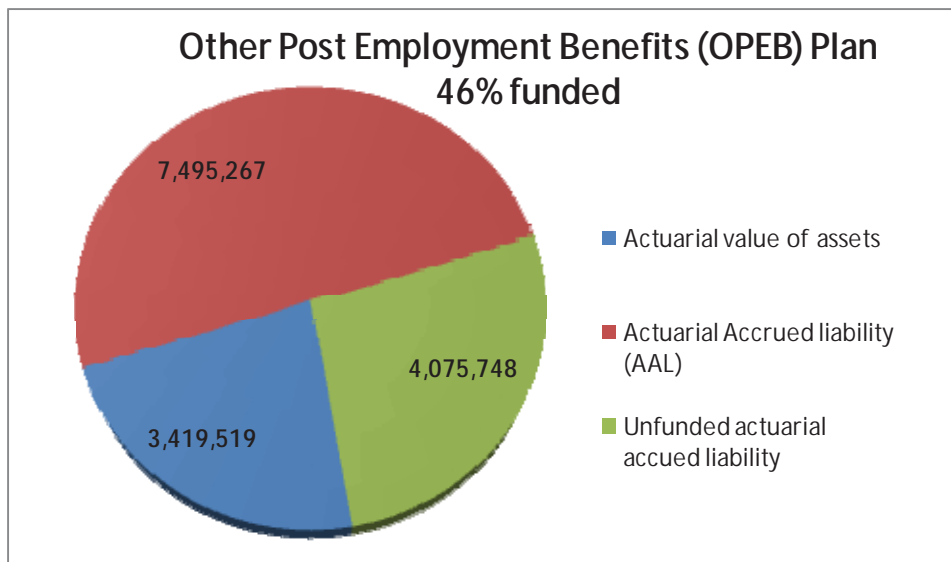


OPEB Highlights

Other Post Employment Benefits (OPEB): The City provides retiree health care benefits to eligible employees and their spouses. Currently, the plan has 59 members (including employees in active service, terminated employees not yet receiving benefits, and retired employees and beneficiaries currently receiving benefits). This is a single employer defined benefit plan administered by the Municipal Employees Retirement System (MERS). The benefits are provided under collective bargaining agreements or Executive Directives approved by City Council.

Minimum Funding Requirements

No funding levels are currently required. The City began to fund for this benefit in FY1993. Annual OPEB cost was \$623,623 for FY2011.





2000 / 2010 U.S. Census Results

	2010 Census	Percent		2000 Census	Percent
POPULATION			POPULATION		
Total population	13,498	100	Total population	13,263	100
Male population	6,731	49.9	Male population	6,933	52.3
Female population	6,767	50.1	Female population	6,330	47.7
Median age (years)	34.8	(X)	Median age (years)	30.3	(X)
18 years and over	10,075	74.6	18 years and over	9,963	75.1
21 years and over	9,603	71.1	21 years and over	9,279	70
62 years and over	1,237	9.2	62 years and over	878	6.6
65 years and over	945	7	65 years and over	721	5.4
EMPLOYMENT STATUS			EMPLOYMENT STATUS		
Population 16 years and over	10,272	100	Population 16 years and over	10,313	100
In labor force	8,099	78.8	In labor force	8,175	79.3
Civilian labor force	8,099	78.8	Civilian labor force	8,175	79.3
Employed	7,571	73.7	Employed	7,956	77.1
Unemployed	528	5.1	Unemployed	219	2.1
Not in labor force	2,173	21.2	Not in labor force	2,138	20.7
HOUSEHOLDS BY TYPE			HOUSEHOLDS BY TYPE		
Total households	5,725	100	Total households	5,889	100
Family households (families)	3,382	59.1	Family households (families)	3,153	53.5
With own children under 18 years	1,829	31.9	With own children under 18 years	1,821	30.9
Married-couple family	2,521	44	Married-couple family	2,462	41.8
With own children under 18 years	1,291	22.6	With own children under 18 years	1,370	23.3
Householder 65 years and over	87	1.5	Householder 65 years and over	241	4.1
Households with individuals under 18 years	1,925	33.6	Households with individuals under 18 years	1,896	32.2
Households with individuals 65 years and over	714	12.5	Households with individuals 65 years and over	522	8.9
Average household size	2.36	(X)	Average household size	2.24	(X)
Average family size	3.09	(X)	Average family size	3.07	(X)
OCCUPANCY STATUS			OCCUPANCY STATUS		
Total housing units	6,577	100	Total housing units	6,086	100
Occupied housing units	5,725	87	Occupied housing units	5,889	96.8
Vacant housing units	852	13	Vacant housing units	197	3.2



WIXOM
A Community with Character
SETTLED 1833 CHARTERED 1958

City of Wixom
49045 Pontiac Trail
Wixom, MI 48393

STAY OUT
UNSAFE TO
ENTER

Wixom Community Association

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Other Resources

Wixom Way



Municipal Public Services: “THE WIXOM WAY”

Incorporated in 1958, the City of Wixom has a long history of innovative operating policies and practices that have delivered municipal governmental programs in a cost effective and efficient manner. This coupled with an employee culture rooted in service and dedication to the community has resulted in one of the regions lowest tax rates, lowest combined water and sewer rates, a sustainable business environment and quality neighborhoods. This is municipal public service: “THE WIXOM WAY”.

The following is a general overview of operating policies and practices, as well as other initiatives that Wixom has employed.

Operations

1. Virtually 100% of the City’s professional engineering functions have been privatized.
2. Virtually 100% of the City’s professional planning functions have been privatized.
3. Virtually 100% of the City’s information technology functions have been privatized.
4. Virtually 100% of all building trade inspections have been privatized including mechanical, plumbing and electrical.
5. Virtually 100% of the City’s legal services needs have been privatized.
6. Virtually 100% of the City’s financial investment needs have been privatized.
7. Virtually 100% of the operation and maintenance of the City’s water distribution system has been privatized including a 1.5 million gallon elevated water storage tank, booster pumping station and emergency well system. Additionally, through a unique agreement with the Detroit Water and Sewerage Department, DSDW metering equipment is co-located in the City’s booster pumping station.
8. Virtually 100% of the operation and maintenance of the City’s wastewater collection and treatment system has been privatized including a 2.87 MGD tertiary wastewater treatment plant.
9. The City has entered into a service sharing agreement with Oakland County for all of the City’s assessing/equalization needs.
10. The City has entered into service sharing agreements with the Road Commission for Oakland County for all of the City’s traffic signal maintenance and operation needs.

11. The City has entered into service sharing agreements with the Road Commission for Oakland County and the City of Novi for winter maintenance needs. Specifically, Novi provides winter snow and ice control on a section of 12 Mile Road adjacent to Novi and Wixom provides snow and ice control for the Road Commission for Oakland County on Pontiac Trail within the City and Loon Lake Road in the County adjacent the City. Additionally, a section of Beck Road south of Pontiac Trail in the City of Novi is maintained and operated by the City of Wixom.
12. The Wixom Fire Department is staffed by 2 full-time employees (Fire Chief and a secretary) with the remainder of the force being paid-on-call personnel. Supplemental emergency service is available through mutual aid agreements with neighboring communities. The Fire Department currently transports ill and injured residents and visitors to the hospital only when the private Emergency Medical Service (EMS) provider is unavailable.

Huron Valley Ambulance (HVA) has been providing Advanced Life Support (ALS) for Wixom residents and visitors for six years. An agreement originally signed in June 2004 provides for ALS and BLS transport from HVA allowing fire department members to remain in the City to respond to all additional fire related and/or medical emergencies. The Wixom Fire Department has been licensed to perform Basic Life Support (BLS) Transport since 1996, all Wixom Firefighters are required to have or become Emergency Medical Technicians (EMT's) within two years of employment. With the newly renovated and recent completion of Providence Park Hospital a half mile south of the City, Wixom Firefighter/ EMT's are transporting the non-life threatening ill or injured patients more regularly, thus allowing HVA's ALS service to remain in Wixom and surrounding communities for life threatening patients.
13. The City has entered into a service sharing agreement with Oakland County for police and fire dispatch services.
14. The City has entered into a type of shared services agreement with the Oakland County Water Resources Commissioner for the establishment, maintenance and operation of the Tribute Drain.
15. Facility maintenance including janitorial, electrical, heating and cooling has been privatized.
16. The City has an agreement with the Village of Milford for the joint acquisition of pavement crack and joint sealing services. Wixom has invited other communities to participate as well.
17. The City has entered into a service sharing agreement with the Oakland County Water Resources Commissioner to provide soil erosion and sedimentation control inspections and reviews within the City.
18. The City has entered into a service sharing agreement with the Charter Township of Milford to provide sanitary sewer service to a significant portion of the Township.
19. The City has partnered with the Road Commission for Oakland County for the securing of pavement marking services.
20. The City participates in the State of Michigan and other material and equipment purchasing cooperatives.
21. The City has informal agreements with the City of Walled Lake and the Village of Milford related to public works equipment sharing.

22. The City has entered into agreements with neighboring communities to provide potable water in the event of a service disruption in the adjacent community.
23. The City has entered into mutual aid agreements with neighboring communities for emergency law enforcement services.
24. The City of Walled Lake has entered into a service sharing agreement with Wixom relative to Senior Citizens programs. Through this agreement, Wixom's Senior Citizen Facility and programs are made available to the senior residents of Walled Lake.
25. Under agreement, the City of Wixom provides prisoner lockup services for the City of Walled Lake and Village of Wolverine Lake.
26. Informally, the City of Wixom provides temporary prisoner lockup services for the Oakland County Sheriff's Department.
27. The City, through its Fire Department is a member of the Oakland County Mutual Aid Box Alarm System, MABAS. MABAS was formed to provide fire service back fill in the event a community's fire resources are temporarily depleted by an emergency situation.
28. The City of Wixom is a founding member of a consortium called WOCCCA (Western Oakland County Cable Communications Authority) to manage and negotiate cable contracts and work with the cable companies relative to governmental programming. WOCCCA is composed of nine governmental entities.

Cost Control/Revenue Initiatives

1. Implemented a Compressed Work Week Program. This program has resulted in an annual savings of nearly \$50,000, received positive comments from the public and facilitated the expansion of office hours Monday through Thursday.
2. In 2008 the City entered into an agreement with Spurt Industries to operate a yard waste composting facility on City owned property adjacent to the City's Wastewater Treatment Plant. From the lease of the land, the City realizes approximately \$22,000 in annual revenue. Additionally, Spurt provides City residents with free compost and mulch to an equivalent amount of \$10,000 along with accepting all of the City's yard and tree debris. This has resulted in revenue and cost avoidance of approximately \$48,000 annually. Further, the City has recently renegotiated the lease to provide Spurt with additional land which is accompanied by increased lease revenue.
3. Pioneered a snow and ice control measure utilizing a beet juice cocktail, as a prewetting/deicing agent, substantially reducing salt usage saving \$75,000 over a three year period and reducing the harmful effects of sodium chloride on the environment.
4. In 2010 the City entered into an agreement with 123.Net to lease antenna space on the City's elevated water storage tank. This lease, while generating revenue for the City, also serves to provide a needed redundant communications system for a major local business. Future antenna leases are anticipated.
5. The City, in conjunction with the Wixom Downtown Development Authority, has undertaken a lighting conversion to LED technology for all of the City's decorative street lights. This initiative, when fully implemented will reduce annual energy costs by at least 1/3.

6. For new non-union personnel, the City has eliminated defined benefit retirement programs and replaced them with a defined contribution program.
7. The City has instituted a Health Arrangement Plan (HRA) to lower health insurance premiums for Non-union, Police Officer Union, Police Sergeant Union, DPW Union, and Clerical Union. As of June 30, 2010 the estimated aggregate savings on the HRA program is \$467,300 of which \$256,264 relate to the FY2009-2010, \$131,400 relate to the FY2008-2009, and \$79,636 for FY2007-2008.
8. Over a 5-year period, the City has reduced its full-time work force by 13% through attrition.
9. The City's Newsletter as well as the Community Services Program Guide is now paperless utilizing distribution via the City's website, notify me, electronic message marquees etc.
10. In 2004 Police and Fire administration were merged and the position of Director of Public Safety created. Through this consolidation command and control of both departments has been strengthened along with improving operations and efficiencies by integrating the functions of training, records management, fleet management, budgeting and purchasing.

Other noteworthy items

1. Wixom is a founding member of the Resource Recovery and Recycling Authority of Southwest Oakland County (RRRASOC). In 2010 the RRRASOC conducted a Solid Waste Expenditure Benchmark Study reviewing the solid waste budgets of communities in southeast Michigan. RRRASOC communities were found to have the lowest service costs in the region in the solid waste expenditure category. Wixom had the lowest in blended service costs and was the lowest in cost per capita of all RRRASOC communities.
2. In a March 2010 study, Wixom rated third lowest in combined water and sewer rates of all Oakland County communities. From a low of \$26.00/mcf in Berkley, Bingham Farms (\$34.89) and Wixom (\$36.57) to a high of \$110.97/mcf in Commerce Township.
3. The City received a Fiscal Stress indicator of 2 from the Michigan Department of Treasury. The State surveyed 274 communities and scored them from 0-10 with 0 being the best; "No State Action Needed". Wixom scored a 0 for all indicators of stress except real taxable value growth. Even with the loss of the Ford plant, Wixom scored better than many of our neighbors including Novi (3), Farmington Hills (4) and Troy (6).
4. Wixom, for the third time in four years, was recognized as an eCities 2010 Top Performing Entrepreneurial Community by the University of Michigan-Dearborn, College of Business. 112 cities, townships and villages statewide were reviewed and judged on concentration of business property and infrastructure, incentives, growth, local government policies and practices, residents' education levels and community indicators of entrepreneurship.
5. Listed in SEMCOG's AgileGov website are 13 entries from the City of Wixom. This site is dedicated to providing ideas and examples for advancing local government effectiveness.
6. In the fall of 2010, the City of Wixom partnered with the Road Commission for Oakland County (RCOC) and Cadillac Asphalt to evaluate Warm Mix Asphalt (WMA) as an alternative to Hot Mix Asphalt (HMA). Possible benefits of WMA include reduced production costs, reduced greenhouse emissions and better

material compaction. Additionally, WMA is better suited for long distance transport, can be used in cooler temperatures and the newly placed asphalt can be open to traffic sooner.

The WMA test section is Wixom Road between West Road and the Wixom/Old Wixom Road intersection. Engineers from various agencies including the RCOC, Michigan Department of Transportation (MDOT) and private firms are all taking part in the evaluations.

7. In 2009 the communities of Wixom, Commerce and Walled Lake joined together through an intergovernmental agreement to form a trailway management council to acquire over 5 miles of railroad right-of-way in the three communities and oversee development of the land into a non-motorized recreational trail. The trail will have a regional impact and will eventually serve as an integral link to a cross-state non-motorized pathway.

Please feel free to contact City Manager Mike Dornan or Assistant City Manager Tony Nowicki with any questions or comments 248.624.0894.

Other Resources

Michigan Update (March 13, 2012) - Citizens Research Council



Michigan Update

Jeffrey Guilfoyle, President
Citizens Research Council of Michigan
Comerica Bank
March 13, 2012

www.crcmich.org / jguilfoyle@crcmich.org



Citizens Research Council

- Founded in 1916
- Statewide
- Non-partisan
- Private not-for-profit
- Promotes sound policy for state and local governments through factual research – accurate, independent and objective
- Relies on charitable contributions of Michigan foundations, businesses, and individuals
- *www.crcmich.org*



Overview

- Michigan's Recent Economic Experience
- State Budget Overview
- Education and Education Reforms
- Local Government



Michigan's Recent Economic Experience

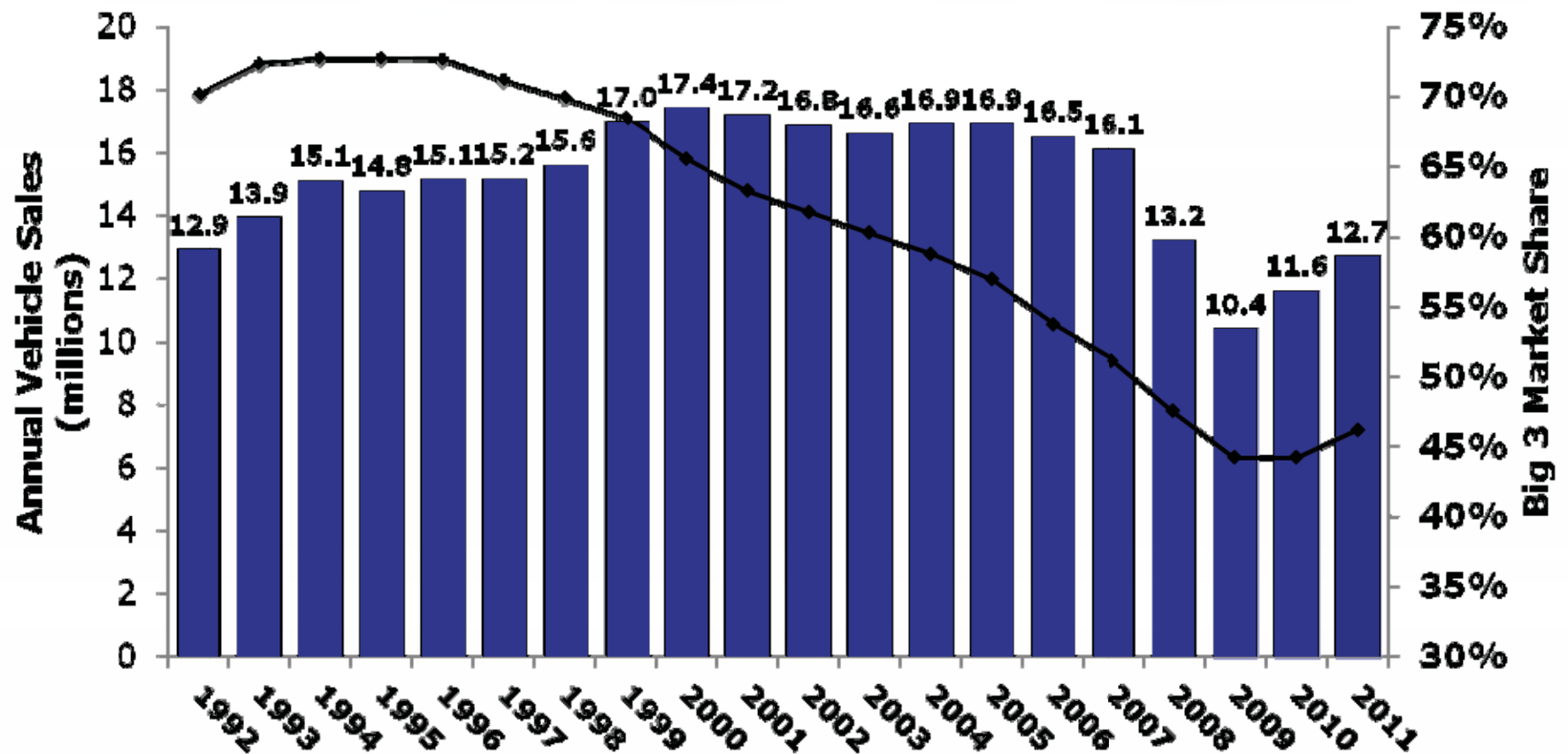


The Last Decade Was an Economic Disaster for Michigan

	Growth 2000 to 2010		Michigan
	<u>U.S.</u>	<u>Michigan</u>	<u>Rank</u>
Population	9.6%	-0.8%	51
Real Per Capita GDP*	6.5%	-6.4%	50
Employment	-0.3%	-17.4%	51
Real Per Capita Income	4.0%	-6.8%	51



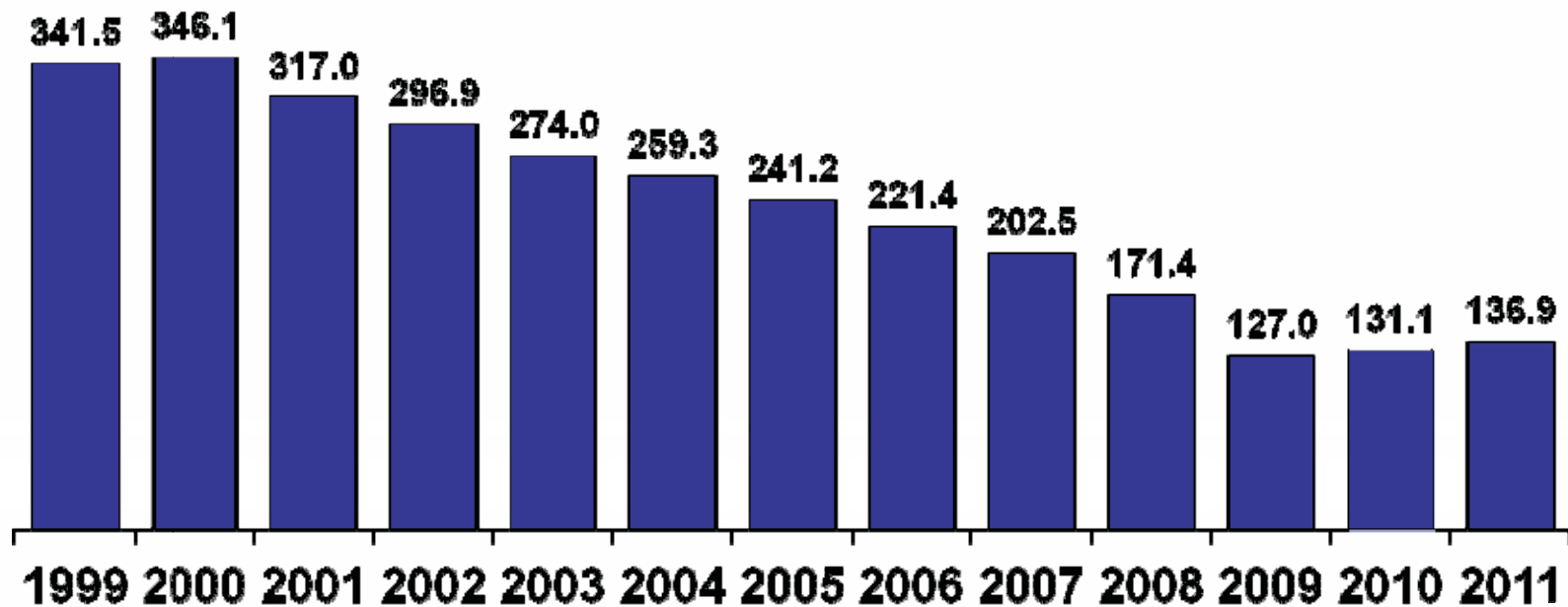
Big 3 Market Share Plummet





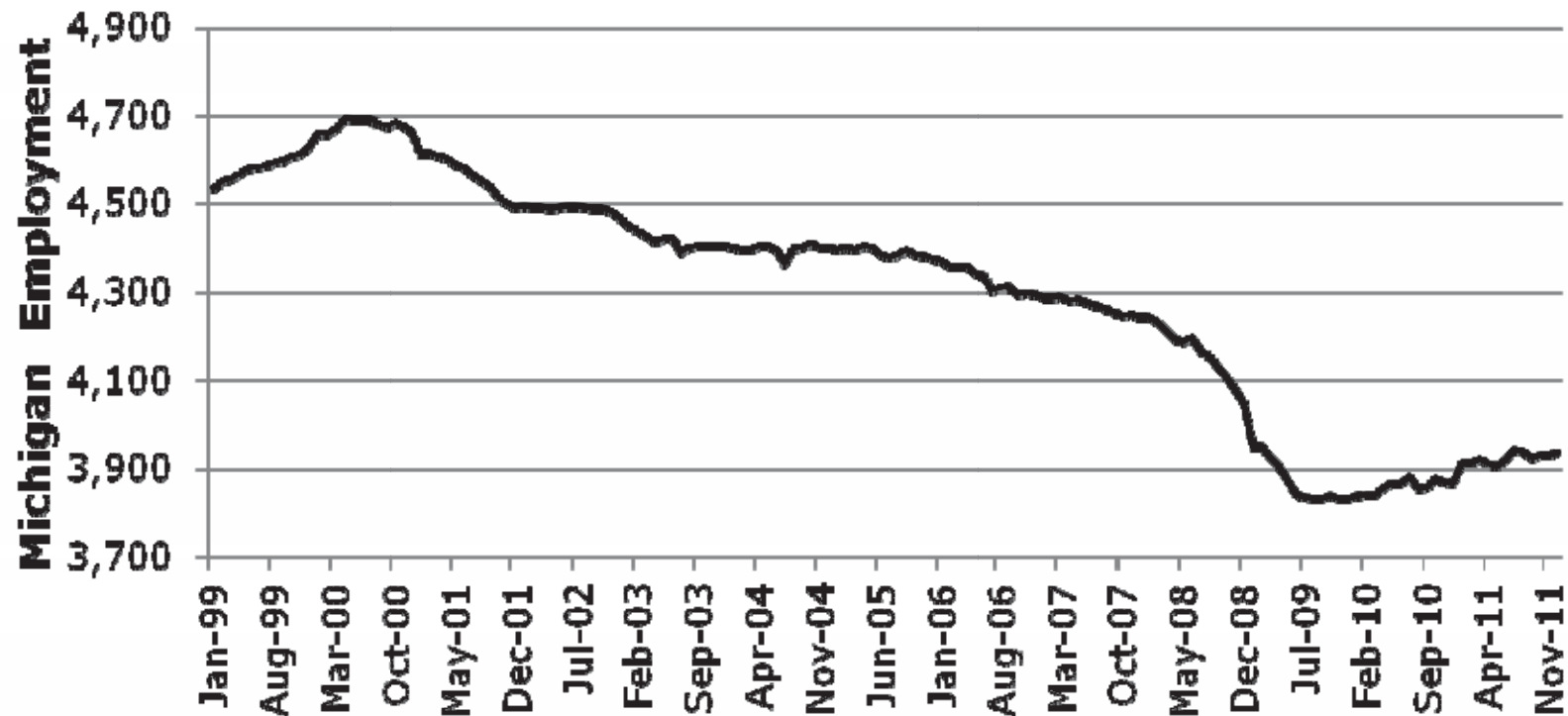
2 in 3 Auto Jobs Lost

Michigan Transportation Equipment Employment
(In Thousands)





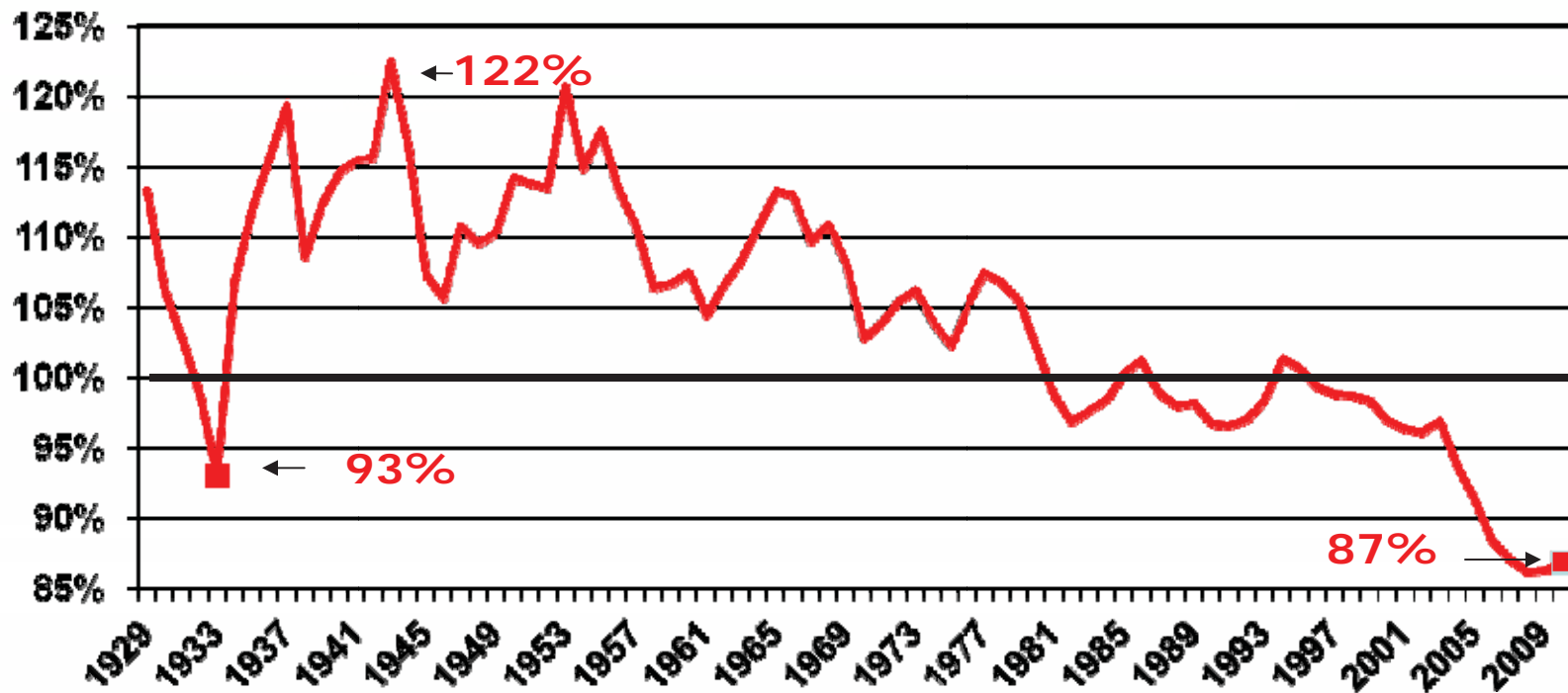
Michigan Employment Starts to Improve But Still Down 750,000 Jobs From Peak





Michigan Has Become Poorer Relative to Other States

Michigan per Capita Income as a Percent of U.S. Per Capita Income Rank has fallen from 20th in 2001 to 40th in 2010





State Budget Experience



Michigan Taxes at Average as % of Income But Well Below Average Per Capita

State and Local Taxes

Year	Per Capita			Per \$1,000 of Personal Income		
	U.S. (2009\$)	MI (2009\$)	MI as % of U.S.	U.S. (2009\$)	MI (2009\$)	MI as % of U.S.
1979	\$2,704	\$3,088	114.2%	\$100.13	\$108.51	108.4%
1989	\$3,287	\$3,452	105.0%	\$103.23	\$110.41	107.0%
1999	\$3,761	\$3,891	103.5%	\$103.08	\$108.46	105.2%
2009	\$4,144	\$3,627	87.5%	\$106.69	\$108.22	101.4%



State Spending From State Resources Down in Most Categories

	FY 2002 <u>(millions\$)</u>	FY 2012 <u>(millions\$)</u>	Nominal % <u>Change</u>
Medicaid/DCH	\$3,066	\$4,901	59.8%
Corrections	\$1,653	\$1,927	16.6%
Human Services	\$1,230	\$1,155	-6.1%
K-12	\$11,221	\$10,550	-6.0%
Community College	\$320	\$284	-11.3%
Universities/Fin Aid	\$1,941	\$1,264	-34.9%
Revenue Sharing	\$1,517	\$959	-36.8%
All Other	<u>\$5,139</u>	<u>\$5,219</u>	<u>1.6%</u>
Total	\$26,087	\$26,260	0.7%
U.S. CPI - U	178.9	229.1	28.1%



Select Budget Indicators

	<u>FY 2002</u>	<u>FY 2012</u>	<u>Percent Change</u>
Medicaid Caseload	1,211,816	1,920,000	58.4%
Prison Population	47,270	43,455	-8.1%
K-12 Pupil Count	1,647,459	1,552,300	-5.8%
Comm. Col. Students	116,802	177,277	51.8%
University Students	241,205	262,615	8.9%
Michigan Per Cap Income	30,193	35,597	17.9%
U.S. CPI-U	178.9	229.1	28.1%



Budget At State Level Has Improved

- Michigan faced \$1.5 billion budget deficit coming into FY 2012
- FY 2012 cut spending to align with revenues (K-12 -5.1%; higher ed -13.7%; comm coll -4.1%; revenue sharing -11.9%)
- Contributions to “Rainy Day Fund” FY 2012: \$256M; FY 2013: \$133M proposed
- Restructured state employee retiree benefits reducing long-term liability by \$5.6 billion
- Fully funds OPEB ARC for state employees
- State spending cuts put considerable pressure on K-12, universities, community colleges, and local governments



2011 Tax Changes

- MBT repealed and replaced with CIT. Noncorporate entities are exempt.
- Business tax revenues fall From \$2,013M to \$352M a \$1.6B cut (83 percent)
- IIT increased by \$1,353M by eliminating or reducing credits and exemptions and freezing rate
- Tax changes aimed at economic development not budget balancing



Education and Education Reform



K-12 Challenge

- In Governor Snyder's special message on education, he cited the following statistics:
 - Less than 50% of students in grades 4, 7, and 11 are proficient in writing
 - MI ranks 39th in 4th grade math and 34th in reading
 - Only 16% of students statewide are "college ready" based on ACT
 - 238 MI high schools have zero college ready students
- While there has been some push back on these statistics, clearly improving educational outcomes is essential to state's future



Teaching Reforms

- Recent estimate puts the PV of a teacher of 20 students one deviation above the mean at \$400,000; removing bottom 5 to 8 percent of teachers and replacing with average teachers could raise GDP growth by a full percentage point
- Recent law changes have focused on the lowest performing teachers:
 - Increase probationary period
 - Make it easier to dismiss a tenured teacher
 - Reduce importance of length of service in layoff decisions
 - Add requirements for teacher evaluation systems
 - Increase importance of student growth in evaluation
 - Removes some dismissal and recall provisions from collective bargaining
 - See: Public Acts 101 to 103 of 2011



School Choice

- School reforms in mid 1990s switched to per pupil funding and liberalized schools of choice
- In 2009, Michigan had 241 charter schools serving 103,000 students (6 percent); Detroit had 50 charter schools
- Public Act 277 of 2011 removed the numeric and geographic limitations on the number of charter schools
- SB 619 would increase the limit on the number of cyber schools from 2 to 30 over time; increase the enrollment limit from 400 (1,000 if enrolling dropouts) to half of Detroit's enrollment (currently 68,000) (under H-3)



K-12 Budget Challenges

- Districts are contending with reductions in per pupil funding
- Decline in number of pupils also increasing budget challenges in many districts
- Increasing retirement costs are an added strain on school district budgets – and since the state runs the program schools have no control over this cost



School Funding Down Sharply

Fiscal Year	State Appropriated Funds		Pupils		Per Pupil Funding	
	Funds (2013\$)	Change From 2000	Number (millions)	Change From 2000	Amount (2013\$)	Change From 2000
2000	\$13,616.3		1.6966		\$8,026	
2001	\$14,217.7	4.4%	1.7042	0.4%	\$8,343	4.0%
2002	\$14,645.1	7.6%	1.7096	0.8%	\$8,566	6.7%
2003	\$14,454.6	6.2%	1.7149	1.1%	\$8,429	5.0%
2004	\$13,783.5	1.2%	1.7144	1.0%	\$8,040	0.2%
2005	\$13,410.3	-1.5%	1.7078	0.7%	\$7,852	-2.2%
2006	\$13,160.5	-3.3%	1.6975	0.1%	\$7,753	-3.4%
2007	\$13,187.5	-3.1%	1.6811	-0.9%	\$7,845	-2.3%
2008	\$12,435.7	-8.7%	1.6526	-2.6%	\$7,525	-6.2%
2009	\$12,122.2	-11.0%	1.6197	-4.5%	\$7,484	-6.7%
2010	\$11,467.3	-15.8%	1.5957	-5.9%	\$7,186	-10.5%
2011	\$11,305.2	-17.0%	1.5694	-7.5%	\$7,203	-10.2%
2012	\$11,217.1	-17.6%	1.5528	-8.5%	\$7,224	-10.0%
2013*	\$10,986.0	-19.3%	1.5429	-9.1%	\$7,120	-11.3%

21* Gov's recommendation

Source: Senate Fiscal Agency and CRC calculations.



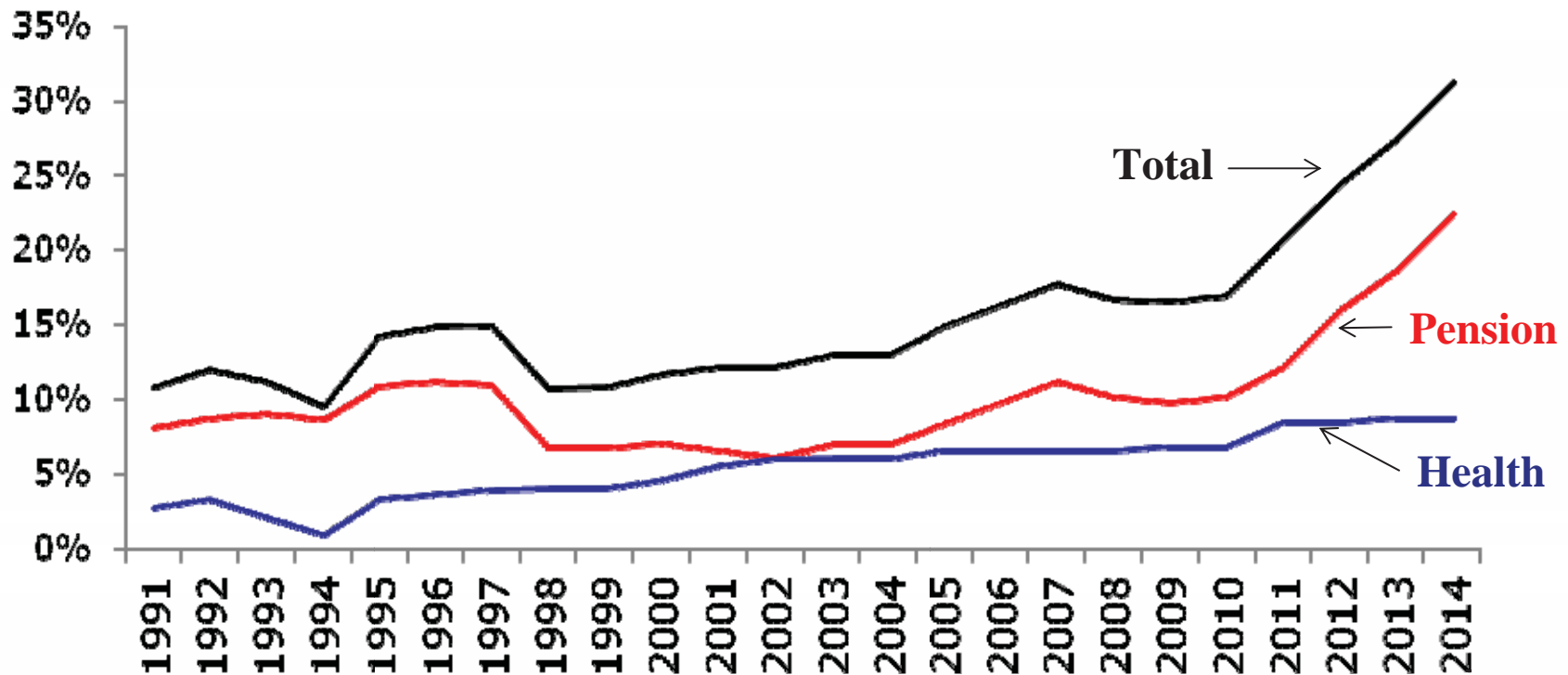
Some Larger Districts Experienced the Worst of Both Worlds

Changes in Enrollment, Foundation Grant, and Total Revenue in Urban Districts:
FY1995 to FY2009

	Percentage of Statewide Enrollment	District Enrollment Change	Real Foundation Change	Total Foundation Revenue Change
Flint	0.9%	-44.8%	-1.6%	-45.7%
Benton Harbor	0.2%	-43.8%	12.4%	-36.8%
Pontiac	0.5%	-42.6%	-1.5%	-43.5%
Detroit	6.2%	-40.3%	-2.9%	-42.0%
Grand Rapids	1.2%	-28.0%	1.2%	-27.1%
Lansing	1.0%	-27.3%	-1.0%	-28.0%
Saginaw	0.6%	-27.0%	-2.3%	-28.7%
Muskegon	0.3%	-23.8%	1.3%	-22.8%
Battle Creek	0.4%	-22.6%	-1.7%	-23.9%
Jackson	0.4%	-18.4%	-0.7%	-18.9%
Highland Park	0.2%	-13.9%	-4.3%	-17.6%
Bay City	0.6%	-13.0%	16.8%	1.7%



K-12 Retirement Costs Soar From 16.9% of Payroll in 07 to 31% in 14





K-12 Policy Questions

- What will the impact of declining resources be on K-12 outcomes?
- What will the impact of expanded school choice be on K-12 outcomes?
- How will other reforms (teacher evaluation, etc.) impact K-12 outcomes?
- Should local districts be allowed to raise additional funds to offset state cuts or to increase overall spending?
- What efficiencies are available through consolidation, collaboration, and outsourcing and how are these best achieved?
- As new dollars become available how should they be allocated –
24 equally per pupil, towards lower spending districts, towards districts with high risk students, or some other way?



Local Government

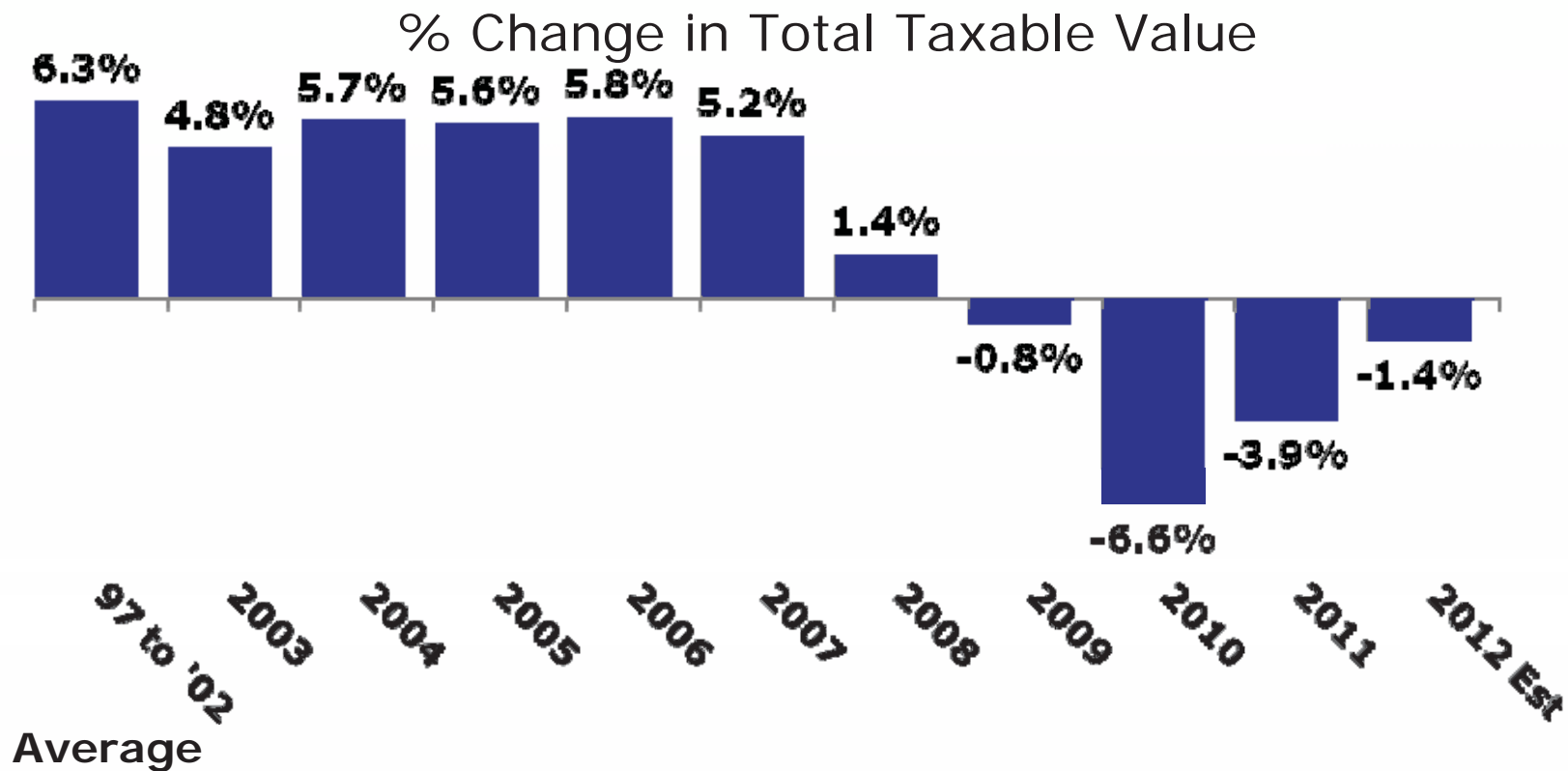


Local Government Fiscal Issues

- Local governments face many of the same budget challenges as schools with some notable differences:
 - While local governments get revenues from the state they also raise significant revenues locally primarily through the property tax
 - Fiscal pressures vary widely – cities under much more pressure than townships
 - Locals provide a large variety of services provided as opposed to schools districts which mostly provide the same service
 - Local governments set their own retirement policies for pension and healthcare while pension and healthcare for local school districts is a state controlled program



Property Taxes Had Held Up Well But That Has Changed





Property Tax Growth Varies Widely

Taxable Value Growth

	<u>2000 to 2007</u>	<u>2007 to 2011</u>	<u>2000 to 2011</u>
Pontiac	42%	-37%	-11%
Livonia	31%	-20%	5%
Grand Rapids	38%	-3%	34%
Claire	38%	6%	47%
US CPI-U	20%	8%	31%



Property Tax Recovery Unlikely

- **Headlee Amendment** – Constitution limits unit wide growth (excluding new construction) to the rate of inflation; if growth exceeds inflation tax rates fall
- **Taxable Value Cap** – Constitution limits growth in taxable value of individual parcels to the rate of inflation; ownership transfer causes TV to reset

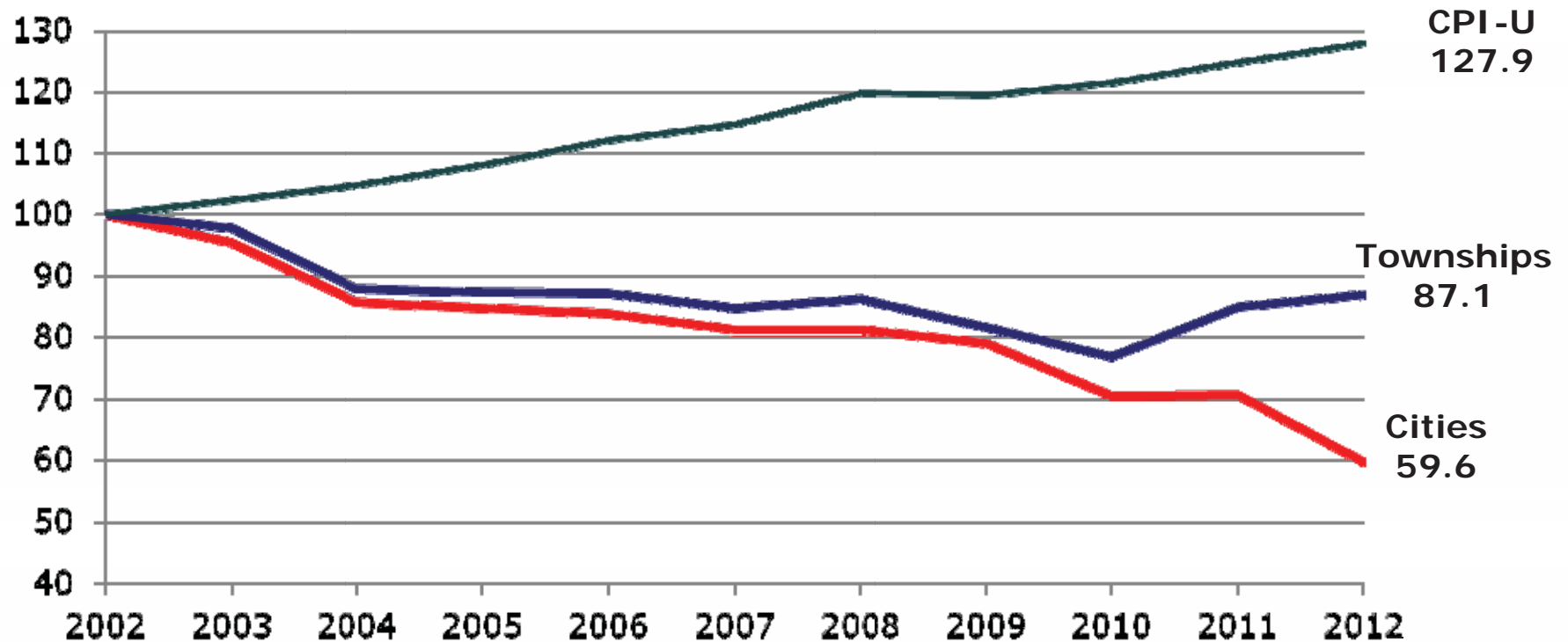


Revenue Sharing

- Two types of state revenue sharing:
 - Constitutional: 10% of sales tax distributed on per capita basis
 - Statutory: portion of sales tax distributed based on statutory formula
- Per capita distribution favors townships while statutory distribution more weighted towards cities
- After years of cuts, most townships receive zero statutory
- No restrictions on use of aid
- Revenue sharing totaled \$1.5B in FY 2003 (\$0.87B const; \$0.65B stat) and \$0.96B in FY 2012 (\$0.66B const; \$0.3B stat/EVIP)



State Revenue Sharing Payments Have Fallen Dramatically





EVIP

- 2012 budget repealed statutory revenue sharing and replaced with **Economic Vitality Incentive Program (EVIP)**
- Amount appropriated for EVIP was 2/3 what was appropriated for statutory revenue sharing
- EVIP did not change distribution formula – locals received 2/3 of what they received in FY 11 if they met certain conditions
- In general, townships did not receive statutory so this cut only effected cities



EVIP Criteria

- Old statutory revenue sharing grant did not require local governments to do anything
- In order to receive EVIP funding cities had to do the following:
 - Produce citizens financial guide and performance dashboard (accountability and transparency)
 - Produce a plan to increase level of collaboration and consolidation within or across jurisdictions
 - Employee compensation changes:
 - cap retirement contributions for new hires
 - limit retirement multipliers
 - new employees pay 20% healthcare premiums(Note: PA 152 subsequently instituted hard caps on share of healthcare costs public employers could pay)



Local Government and School District Accountability Act (PA 4 of 2011)

- Provides for EM's to address financial emergencies in local govts or schools; powers include:
 - Can remove virtually all powers of elected officials
 - Can abrogate contracts
 - Exempt from collective bargaining
 - Not constrained by local charter
 - Can sell, lease, or transfer assets (with state approval)
 - Can collaborate, consolidate, or disincorporate (with state approval)
- Hope was that threat of PA 4 would incent locals to address their problems more forcefully
- Constitutionality of PA 4 (contracts, local control, etc.) being challenged in court
- Signatures have been submitted to subject to referendum



Local Government Policy Questions

- Are cities fiscally viable given falling property taxes, diminished state aid, and constitutional caps on property tax growth?
- Given Michigan's long history of local control, how much should the state intervene in areas like collaboration, consolidation, employee compensation, etc.?
- Should more aid be distributed from the state to local governments, and if so, what criteria should be used for distribution: population, income of residents, level of service provision, etc.?
- For public employees in general, what is the appropriate level of compensation, and what should be done about legacy costs?
- How forcefully should the state intervene in the affairs of financially failing local governments?



Final Thoughts

- Michigan's economy is growing again, **but there is no quick recovery from an 18 percent employment decline**
- State government's budget situation is much improved – revenues are in line with spending, reserves are being replenished, and legacy costs are starting to be addressed
- The fiscal situation for schools and local governments remains dire and will likely get worse before it gets better



Questions?



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Other Resources

State funding incentives foster local collaboration, but also raise concerns - Michigan Public Policy Survey (MPPS)

The Center for Local, State, and Urban Policy

Gerald R. Ford School of Public Policy >> University of Michigan

Michigan Public
Policy Survey March 2012

State funding incentives foster local collaboration, but also raise concerns

In 2011, the state of Michigan implemented major policy changes in its statutory revenue sharing program, through which it distributes funding to a subset of Michigan's 1,856 local governments. The new policy replaced formula-based funding with an incentive program that uses revenue sharing to foster local government reform. The new program, called the Economic Vitality Incentive Program (EVIP), requires local governments to certify that they have met state-specified standards for "best practices" in each of three categories (accountability and transparency; intergovernmental collaboration and consolidation; and employee compensation policies) in order to receive their full allotment of incentive-based funds.

This report focuses on the second EVIP category (intergovernmental collaboration and consolidation). In order to encourage greater levels of intergovernmental collaboration, the EVIP program withheld the 2nd portion of revenue sharing funds unless eligible jurisdictions submitted a plan to the state by January 1, 2012, documenting their plans to launch new or expanded collaboration or consolidation efforts.

Findings in this report are based on statewide surveys of local government leaders in the Fall 2011 wave of the Michigan Public Policy Survey (MPPS), as well as supplementary data from the Fall 2010 MPPS wave which focused on intergovernmental collaboration.

>> The Michigan Public Policy Survey (MPPS) is conducted by the Center for Local, State, and Urban Policy (CLOSUP) at the University of Michigan in partnership with the Michigan Association of Counties, Michigan Municipal League, and Michigan Townships Association. The MPPS takes place twice each year and investigates local officials' opinions and perspectives on a variety of important public policy issues. Respondents for the MPPS this wave include county administrators and board chairs, city mayors and managers, village presidents and managers, and township supervisors, clerks, and managers from 1,331 jurisdictions across the state.

For more information, please contact: closup-mpps@umich.edu/(734) 647-4091.

CLOSUP

Center for Local, State, and Urban Policy
University of Michigan | Gerald R. Ford School of Public Policy

Gerald R. Ford
School of Public Policy
UNIVERSITY OF MICHIGAN

Key Findings

- To evaluate the EVIP program's effectiveness at increasing inter-governmental collaboration, it is important first to understand that most local governments were already engaged in joint service sharing efforts, and most were already looking to expand those efforts on their own, before the introduction of EVIP. Shortly before the EVIP was announced, the Fall 2010 MPPS survey found that:
 - 72% of all local Michigan jurisdictions were already engaged in collaborative efforts with other jurisdictions to jointly provide services.
 - 87% of the cities, villages and townships that are now eligible for EVIP incentive funds were already engaged in such collaboration.
 - Almost three-quarters (72%) of these EVIP-eligible jurisdictions were already looking to expand their collaborative efforts, before the introduction of the EVIP program.
- Still, on top of those high levels of pre-existing and expanding collaboration, the EVIP incentives appear to have fostered additional plans for new or expanded collaboration. Among jurisdictions that were not exploring new or expanded collaboration efforts in fall 2010, about 88% eventually "flipped" and did submit plans to the state for new or expanded collaboration efforts.
- Most of the jurisdictions that still chose not to pursue the EVIP funds are small jurisdictions, with populations below 1,500 residents. Among other potential reasons, low EVIP funding may have played a role in their decisions not to pursue additional collaboration.
 - Among small jurisdictions that "flipped" (changing course to pursue EVIP funds via new collaboration, after previously saying they would not pursue new collaboration), the average amount of EVIP incentive funding they received was \$4,995.
 - By comparison, among the small jurisdictions that did not "flip," the average amount of EVIP funding they would have received was only \$1,964.
- Local officials expressed numerous concerns regarding the EVIP's goal of expanding collaboration, including: a belief that the EVIP funding was not high enough to justify the extra work required; a belief among small jurisdictions that they are already collaborating on all the services they possibly can, and yet don't get EVIP credit for those existing collaborations; difficulty finding partners for collaboration; and problems encountered in previous collaborative efforts.
- The EVIP program also has grant-based funds available to all Michigan jurisdictions, to support costs of planning and implementing new or expanded collaboration efforts, but the MPPS finds that only 21% of Michigan officials predict their jurisdictions will apply for these grants.

Background

In the spring of 2011, Governor Snyder and the Michigan legislature enacted a major policy reform, replacing the former statutory revenue sharing program with a new program called the Economic Vitality Incentive Program (EVIP), which uses funding incentives to foster reform in local government operations. For more details about statutory revenue sharing and the introduction of the EVIP program, see the first MPPS report on the EVIP reforms, released in January 2012.¹

Under the EVIP program, only 486 cities, townships, and villages—those that received greater than \$4,500 in statutory revenue sharing in fiscal year 2009-10—are now eligible for the EVIP incentive funds. In its first year, the EVIP program uses its \$210 million appropriation to incentivize local government reform in three areas: accountability and transparency; intergovernmental collaboration; and employee compensation policies. Eligible local governments can opt-out of the EVIP program entirely, or they can certify in anywhere from just 1, to all 3 categories. Certifying in an individual category earns a jurisdiction one-third of its total available EVIP funding. Thus, jurisdictions must certify to the state that they are in compliance with the program’s “best practices” in all three categories in order to receive their full allotment of funding.

This report is a follow-up to the first MPPS EVIP report from January 2012 that explored local officials’ familiarity with the EVIP program, as well as their opinions regarding the first category of EVIP funding (accountability and transparency) related to creation of performance dashboards and citizen’s guides to local finances.

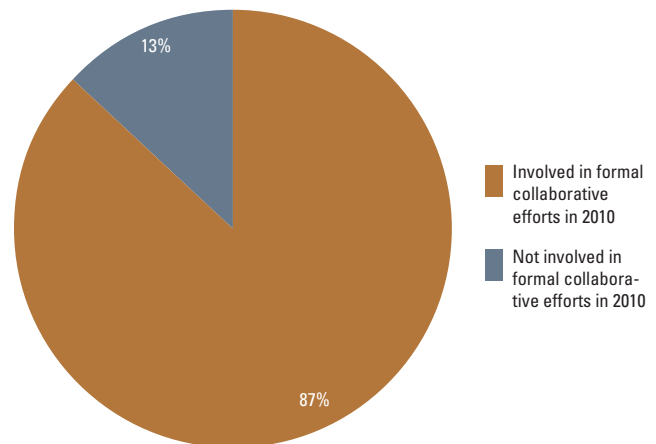
The following analysis focuses on local government compliance with the second EVIP category, which requires submission of plans for new or expanded intergovernmental collaboration or consolidation. The amount of potential EVIP funding in Category 2 varies for each jurisdiction, from a low of \$1,030 to a high of \$1.9 million (in addition to Detroit, which has about \$40 million available in EVIP funding for Category 2). In order to receive their EVIP funds in Category 2, eligible jurisdictions needed to submit a report to the state by January 1, 2012, documenting their plans to launch new or expanded collaboration or consolidation efforts.

Prior to the EVIP, most eligible jurisdictions were already engaged in collaboration

While the EVIP incentives are designed to increase levels of intergovernmental collaboration and consolidation, it is important to understand that most local governments in Michigan were already participating in formal collaboration efforts before the introduction of the EVIP program. The Fall 2010 MPPS survey—in the field shortly before the introduction of the EVIP program—focused largely on issues of collaboration, and found that 72% of all Michigan jurisdictions were already participating in such efforts.²

The percentage is even larger when looking at just those cities, villages, and townships that are now eligible for EVIP incentive funds. Among these jurisdictions, 87% said that they were already engaged in collaboration, prior to the introduction of EVIP incentives (see *Figure 1a*).

Figure 1a
Percentage of EVIP-eligible jurisdictions in Fall 2010 engaged in collaboration





And this collaboration is common among all types of local jurisdictions, based on a range of community sizes. As shown in *Figure 1b*, over three-quarters (76%) of the smallest EVIP-eligible jurisdictions, and 95% of the largest EVIP-eligible jurisdictions, confirmed that they were already engaged in formal collaborative efforts with other local governments in the Fall 2010 MPPS.

Similarly, collaboration is common in all regions of Michigan. Wide majorities of EVIP-eligible jurisdictions from every region of the state were already involved in formal collaborative efforts (see *Figure 1c*). On the “low” end, 79% of EVIP-eligible jurisdictions in the East Central region reported participating in collaborative efforts in the Fall 2010 MPPS, while 96% of such jurisdictions in the Northern Lower Peninsula reported the same.

And not only are most of these jurisdictions engaged in collaboration, but most are engaged in multiple types of collaboration. As of fall 2010, EVIP-eligible jurisdictions reported participating in a wide variety of collaborative efforts, from land use planning and zoning to public safety services to economic development, and more. When asked about 14 different types of services in which they might be cooperating with other governments, on average, EVIP-eligible jurisdictions reported collaboration in six different service areas. Some reported collaboration in all 14 service categories listed.

Prior to EVIP, most eligible jurisdictions were also already exploring new or expanded collaboration

The Fall 2010 MPPS survey also asked whether local jurisdictions were exploring new or expanded collaboration efforts, beyond those they were already engaged in. Among all EVIP-eligible jurisdictions, 72% reported that they were in fact already exploring new or expanded collaborative efforts, on their own initiative. As seen in *Figure 2*, large majorities in most types of EVIP-eligible jurisdictions were already exploring additional collaboration. For instance, among the state’s largest EVIP-eligible jurisdictions (those with more than 30,000 residents), 100% of jurisdictions that responded to the survey reported that they were already exploring additional collaboration efforts. Meanwhile, 58% of the state’s smallest EVIP-eligible jurisdictions (those with fewer than 1,500 residents) were also planning new efforts as of the fall of 2010.

Thus, before EVIP incentives were created with the intention of fostering additional collaboration, Michigan’s local jurisdictions were already heavily involved in such collaboration, and most EVIP-eligible jurisdictions were already planning to expand these efforts.

Figure 1b
Percentage of EVIP-eligible jurisdictions in Fall 2010 engaged in collaboration, by population size

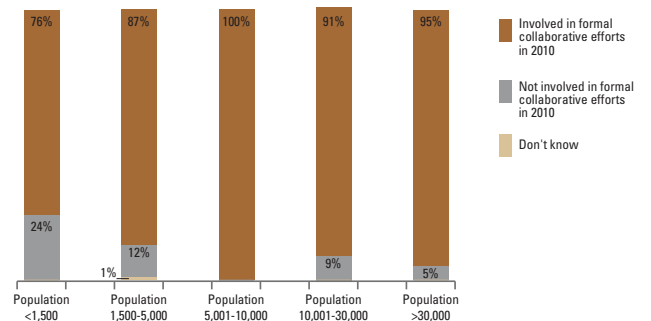


Figure 1c
Percentage of EVIP-eligible jurisdictions in Fall 2010 engaged in collaboration, by region

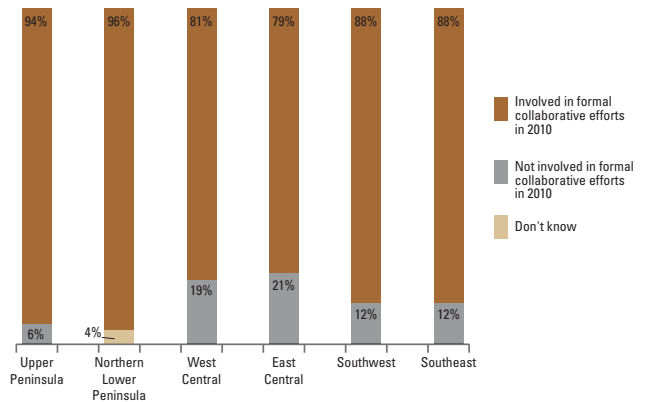
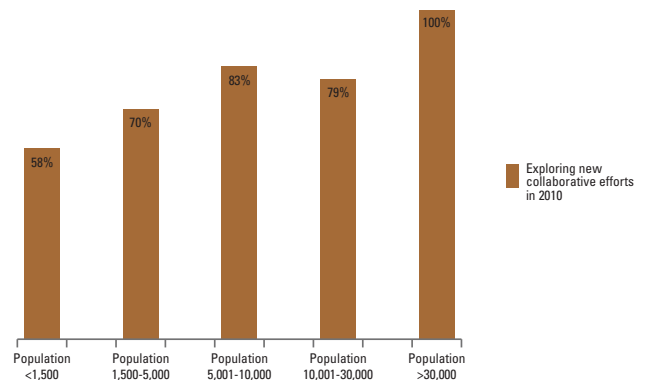


Figure 2
Percentage of EVIP-eligible jurisdictions in Fall 2010 exploring new collaborative efforts, by population size



Most EVIP-eligible jurisdictions certified plans to pursue new collaboration, securing Category 2 funds

While 72% of EVIP-eligible jurisdictions reported in the Fall 2010 MPPS survey that they were already exploring more collaboration efforts at that time, ultimately 91% submitted plans by the state's deadline, certifying they were now planning new or expanded collaboration efforts (see *Figure 3a*).³

As seen in *Figure 3b*, overwhelming percentages of jurisdictions from all population categories decided in the end to explore additional collaboration. Even among the smallest jurisdictions, 79% certified to the state that they had developed plans for additional collaboration, thereby securing their EVIP incentive funds in Category 2.

Most EVIP-eligible jurisdictions that weren't looking at new collaboration before EVIP "flipped" and decided to pursue collaboration after all

As of fall 2010, about 24% of EVIP-eligible jurisdictions said they were not exploring any new or expanded collaboration opportunities (and another 4% were unsure). Ultimately, 88% of these jurisdictions "flipped," deciding to pursue new collaboration—and EVIP funds—despite saying earlier they would not do so (see *Figure 4*).

In general, plans to launch or expand collaboration develop somewhat slowly. While it is possible that some jurisdictions "flipped" on their own between the fall 2010 MPPS survey and the time that the EVIP program was introduced in early 2011,⁴ it seems quite likely that the EVIP incentives played a significant role in fostering more collaboration.

Figure 3a
Percentage of EVIP-eligible jurisdictions certifying under EVIP Category 2 for consolidation of services

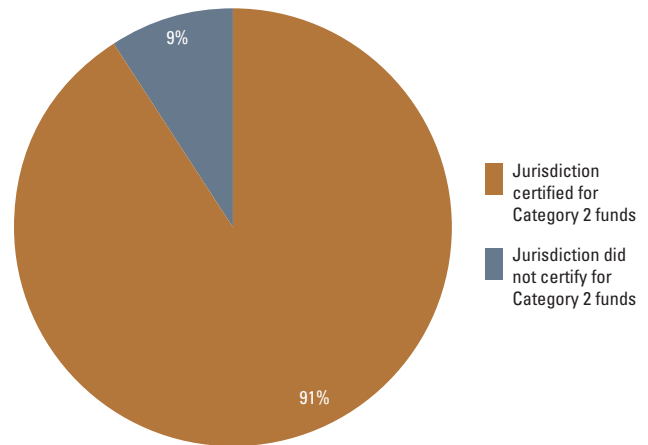


Figure 3b
Percentage of EVIP-eligible jurisdictions certifying under EVIP Category 2 for consolidation of services, by population size

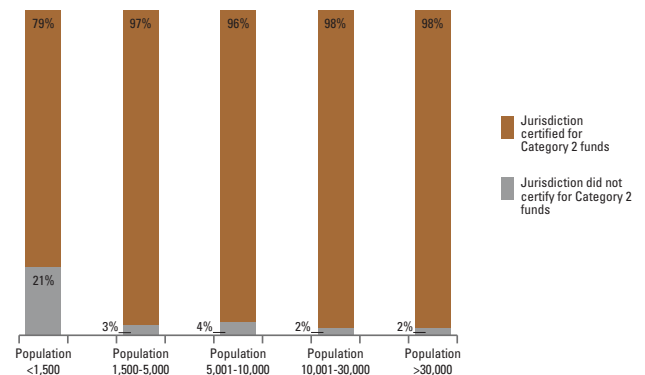
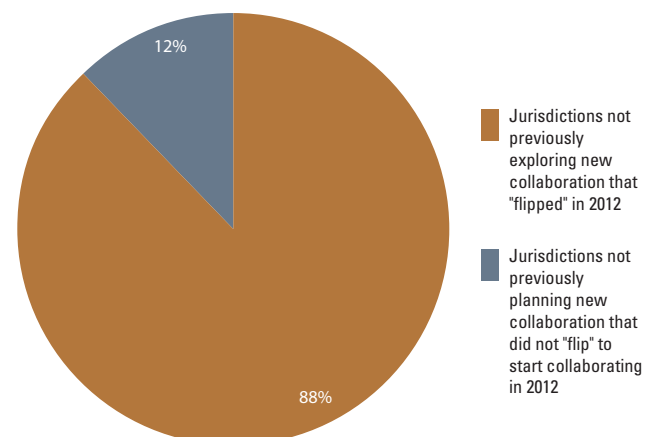


Figure 4
Percentage of EVIP-eligible jurisdictions not previously exploring new or expanded collaboration in Fall 2010 that ultimately certified for Category 2 EVIP funds





Why did some EVIP-eligible jurisdictions still not pursue the funding?

Drilling down further into the data reduces the number of jurisdictions in the analysis and decreases confidence in generalizing the findings. Still, there remains a group of jurisdictions that, even with the new EVIP funding incentives on the table, decided not to pursue additional collaboration and the associated EVIP funding. What do we know about these jurisdictions and why they may have decided not to pursue the funding?

The first thing that stands out is that the great majority of these jurisdictions are from the smallest MPPS population size category: jurisdictions with fewer than 1,500 residents. Most of this report section looks at only these small jurisdictions.

One difference between jurisdictions that flipped and those that did not flip was the amount of EVIP funding available to them for choosing to expand collaborative activities. Among the small jurisdictions that flipped from the fall 2010 MPPS findings, the average amount of EVIP funding they received for pursuing expanded collaboration was \$4,995 (and the median was \$5,202). By comparison, among the small jurisdictions that did not flip, the average amount of EVIP funding they would have received was only \$1,964 (and the median was \$1,727). While not conclusive, this raises the question of whether the EVIP funds were simply not large enough to convince those remaining jurisdictions to change their minds and decide to pursue additional collaboration after all.

Other factors were likely at play too. In open-ended responses on the Fall 2011 MPPS, local leaders mentioned challenges such as a lack of potential nearby partners for collaboration, logistical problems encountered in previous collaborative efforts, and a belief that their jurisdictions are already collaborating on all the services they can possibly provide jointly. In particular, this last comment was common among those providing open-ended responses. Among small jurisdictions, there is frustration that they are not eligible for EVIP funding based on existing collaborative efforts. Since some small jurisdictions provide relatively few services in the first place, there is a sense among some of these leaders that they have been effectively shut-out of the EVIP program since they may already be collaborating on service sharing, and they have few (if any) additional services that they could provide jointly with neighbors.

Voices Across Michigan

Quotes from local leaders, on particular difficulties jurisdictions encountered in the process of certifying, or why they won't certify for EVIP Category 2:

- “We are a small village and have developed many shared services over past years in response to budget challenges, we have few options left to develop that are feasible. It appears that small villages will likely be penalized for responding in past years and for having foresight.”
- “The most difficult will be the consolidation/cooperation information. We are unsure of what qualifies or how to measure current or potential savings.”
- “We already have several shared services. Creating a shared service without cost savings or that will result in an increase in costs may not be in our best interest.”
- “The collaboration requirement is flawed in that it doesn't recognize in a meaningful way previous or ongoing collaboration initiatives.”
- “The sharing is very hard in rural areas. The reward for complying is not as great as not doing it.”
- “The City is facing difficulty in consolidation efforts. For the last three years, the City has been in discussions with neighboring communities [on consolidating numerous potential services]. There seems to be problems with other cities moving forward and/or exchanging financial and managerial data to help make the decision.”
- “Competition among communities to engage in shared services has set in motion a practice of underbidding which would dissolve existing shared services. City A provided a service to City B. City C, without invitation, sends a bid to City B. City B will save money. An existing shared service will be dismantled and City A will lose revenue. This is happening and competition will create ill will among these cities.”

Small proportion of jurisdictions are familiar with EVIP’s grant program for collaboration, and few say their jurisdictions are likely to apply

Finally, as part of the EVIP program, the Department of Treasury also set aside \$5 million in grant funding (above and beyond the other incentive funds) available to all local jurisdictions to offset the costs associated with mergers, inter-local agreements, and cooperative efforts, or to offset costs for a shared service analysis. This grant assistance is available to all jurisdictions regardless of whether or not they are eligible for EVIP incentive funds, or received statutory revenue sharing in the past.

Overall, only 9% of officials from jurisdictions across the state say they are “very” familiar with the grant funding program, while 28% report being “somewhat” familiar with it. Officials from larger jurisdictions are more likely to be familiar with the grant program, with nearly seven in ten (69%) saying they have at least some familiarity with it (see *Figure 5*). Fewer than one in three of the state’s smallest jurisdictions report familiarity with the EVIP grant program to assist in collaboration.

Only 21% of Michigan officials predict that their jurisdictions will apply for an EVIP assistance grant. Even among the state’s largest jurisdictions, fewer than half (43%) say it is either somewhat or very likely that they will apply (see *Figure 6*).

Officials responding to a question about why they are unlikely to apply cite a variety of reasons, including a lack of staff or time to complete grant applications, negative perceptions about the grant process itself (such as concerns about “strings” attached and competition for small amounts of money, or misunderstanding about eligibility) and other issues.

Figure 5
Local officials’ familiarity with EVIP assistance grant program (among all jurisdictions), by population size

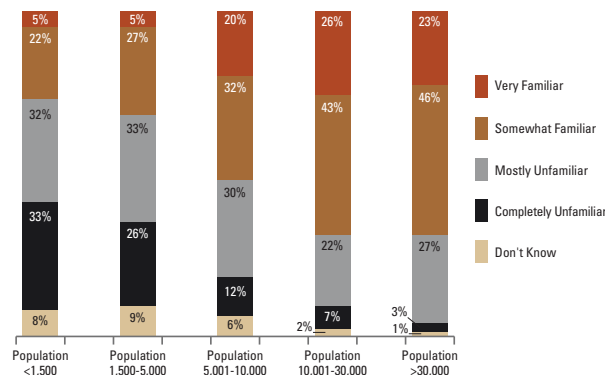
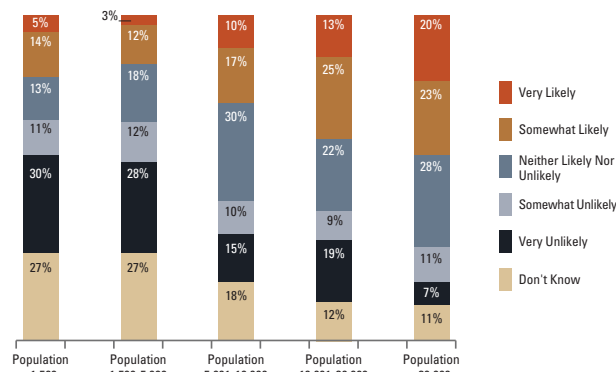


Figure 6
Percentage of jurisdictions predicting they will apply for EVIP assistance grant (among all jurisdictions), by population size



Voices Across Michigan

Quotes from local leaders on why their jurisdictions are unlikely to apply for EVIP grant funding:

- “We have no staff and therefore no time to apply for a grant.”
- “At this point we have been separating from other agreements because we have found we can do things more cost effectively on our own.”
- “Because we have been turned down so many times, and the expense.”
- “Due to the rural location of the City there are limited (essentially zero) opportunities for mergers - the “geographic penalty.” Inter-local agreements have been either concluded or are being negotiated now but the number of resources that can be reasonably shared are limited. Informal cooperative efforts to combine government operations have been in effect for years, but again the number of resources easily or economically shared are of limited scope.”
- “Grant writing is time consuming, and requires an expertise that we don’t have. In the past, our experiences with the process have been confusing, frustrating and disappointing.”
- “Lack of information or knowledge of what an EVIP grant is and under what circumstances a township may apply.”



Conclusion

In 2011 the state of Michigan enacted a major change in its relationship with local governments, replacing the former statutory revenue sharing program with the Economic Vitality Incentive Program, using revenue to incentivize reform in local government operations. One major goal was to foster greater levels of intergovernmental collaboration among local jurisdictions.

The EVIP incentive funds do appear to encourage local governments to expand the amount of collaboration they engage in. In particular, the MPPS surveys find that about 88% of jurisdictions that were not previously planning to expand collaborative activities ultimately decided to pursue new collaboration, and the associated EVIP funds.

However, it is important to know that most local jurisdictions that are eligible for EVIP were already engaged in collaboration, and most were already planning to expand their efforts, before the EVIP program was announced.

Meanwhile, there are likely numerous reasons why some jurisdictions chose not to expand collaborative activities. Local leaders cite problems such as already providing all the collaborative services that they can provide jointly, a lack of partnering jurisdictions within range to make collaboration work, and problems with prior collaborations.

Leaders from small jurisdictions in particular say the EVIP funding in some cases is not large enough to make the process worthwhile, and the MPPS finds evidence that jurisdictions that did not pursue expanded collaboration (and the associated EVIP funds) indeed had lesser funding amounts on the table, compared to their peers that did pursue the funds.

In many cases, especially for larger jurisdictions, there are still plenty of opportunities to further expand collaboration on service sharing. However, continuing to find new opportunities for additional collaboration in the future—especially for smaller jurisdictions—will presumably become a process of diminishing returns at some point. As jurisdictions provide more services jointly each year, they will have fewer options remaining for expansion in future years.

State policymakers should be aware of the possibility of perverse incentives, such that tying revenue sharing to expansion of collaborative activities may eventually lead to dissolution of existing collaborations in order to create new ones, decreased trust between local jurisdictions, or new collaborations that don't make financial sense on their own.

Survey Background and Methodology

The MPPS is a biannual survey of each of Michigan's 1,856 units of general purpose local government. Surveys were sent by the Center for Local, State and Urban Policy (CLOSUP) via the internet and hardcopy to top elected and appointed officials (including county administrators and board chairs, city mayors and managers, village presidents and managers, and township supervisors, clerks, and managers) from all 83 counties, 277 cities, 256 villages, and 1,240 townships in the state of Michigan.

The Fall 2011 wave was conducted from October 3 – November 23, 2011. A total of 1,331 jurisdictions in the Fall 2011 wave returned valid surveys, resulting in a 72% response rate by unit. The margin of error for the survey as a whole is +/- 1.43%. However, the margin of error may differ for analyses that include only a subset of respondents. Contact CLOSUP staff for more information. The key relationships discussed in the above report are statistically significant at the $p < .05$ level or below, unless otherwise specified. Missing responses are not included in the tabulations, unless otherwise specified. Data are weighted to account for non-response.

Detailed tables of the data analyzed in this report broken down three ways—by jurisdiction type (county, city, township or village); by population size of the respondent's community; and by the region of the respondent's jurisdiction—are available online at the MPPS homepage: <http://closup.umich.edu/mpps.php>

The views reported herein are those of local Michigan officials and do not necessarily reflect the views of the University of Michigan.

Notes

- Center for Local, State, and Urban Policy. "Local officials react to state policy innovation tying revenue sharing to dashboards and incentive funding." January 2012. <http://closup.umich.edu/files/mpps-evip-dashboards.pdf>.
- Center for Local, State, and Urban Policy. "Local leaders are mostly positive about intergovernmental cooperation and look to expand efforts." March 2011. <http://closup.umich.edu/files/mpps-intergovernmental-collaboration.pdf>.
- Memo printed on January 24, 2012 by the office of Revenue and Tax Analysis, Michigan Department of Treasury, received via the Michigan Municipal League.
- State of Michigan Executive Office. "A Special Message from Governor Rick Snyder: Community Development and Local Government Reforms." March 21, 2011. http://www.michigan.gov/documents/snyder/2011Special_Message-1_348148_7.pdf

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The **Center for Local, State, and Urban Policy (CLOSUP)**, housed at the University of Michigan's Gerald R. Ford School of Public Policy, conducts and supports applied policy research designed to inform state, local, and urban policy issues. Through integrated research, teaching, and outreach involving academic researchers, students, policymakers and practitioners, CLOSUP seeks to foster understanding of today's state and local policy problems, and to find effective solutions to those problems.

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Other Resources

MPPS finds fiscal health continues to decline across the state,
though some negative trends eased in 2011

The Center for Local, State, and Urban Policy

Gerald R. Ford School of Public Policy >> University of Michigan

Michigan Public
Policy Survey **October 2011**

MPPS finds fiscal health continues to decline across the state, though some negative trends eased in 2011

This report presents Michigan local government leaders' assessments of their jurisdictions' fiscal conditions and the actions they are taking in response to widespread fiscal challenges. The findings are based on responses from three statewide survey waves of the Michigan Public Policy Survey (MPPS) conducted in Spring 2011, 2010, and 2009. It is important to note that the Michigan and U.S. macro economies were trending in generally positive directions while the spring 2011 MPPS survey was in the field and that some economic conditions have worsened since the completion of the survey.

>> The Michigan Public Policy Survey (MPPS) is conducted by the Center for Local, State, and Urban Policy (CLOSUP) at the University of Michigan in partnership with the Michigan Association of Counties, Michigan Municipal League, and Michigan Townships Association. The MPPS takes place twice each year and investigates local officials' opinions and perspectives on a variety of important public policy issues. Respondents for the MPPS this wave include county administrators and board chairs, city mayors and managers, village presidents and managers, and township supervisors, clerks, and managers from 1,272 jurisdictions across the state.

For more information, please contact:
closup-mpps@umich.edu/(734) 647-4091.

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Key Findings

- Fiscal stress continues to be a widespread and significant problem for local governments across Michigan, although the number of jurisdictions reporting further declines in fiscal health now is lower than it was in 2010.
 - » Overall, nearly half (48%) of Michigan jurisdictions report in 2011 that they are somewhat or significantly less able to meet their financial needs compared to their previous fiscal year. While large, this percentage is lower than in either of the previous two MPPS fiscal surveys: 61% percent of jurisdictions reported declining fiscal health in 2010, and 52% did so in 2009.
 - » Looking ahead, 50% of Michigan's local leaders predict that their jurisdictions will be less able to meet their fiscal needs in the coming year compared to their ability this year. Again, while this large percentage is a significant concern, it is still a smaller percentage than in either of the two previous MPPS fiscal surveys: 65% of jurisdictions predicted declining fiscal health for the coming year during the 2010 MPPS survey, while 62% did so during the 2009 MPPS survey.
- Common fiscal challenges confronting Michigan's local governments today include:
 - » Declining property tax revenues
 - » Declining state aid
 - » Increasing numbers of home foreclosures
 - » Increasing numbers of tax delinquencies
 - » Increasing benefit costs, infrastructure needs and other service demands
- Common strategies pursued by local governments to address today's fiscal challenges include:
 - » Increasing the number and/or scope of collaborative efforts with other governments
 - » Increasing reliance on their general fund and "rainy day" balances
 - » Increasing the share of health care costs paid by employees
 - » Decreasing staffing and the amount of services provided
 - » Increasing charges for fees, licenses, permits, etc.

Fiscal health expected to decline further for most jurisdictions, though the trend has eased somewhat

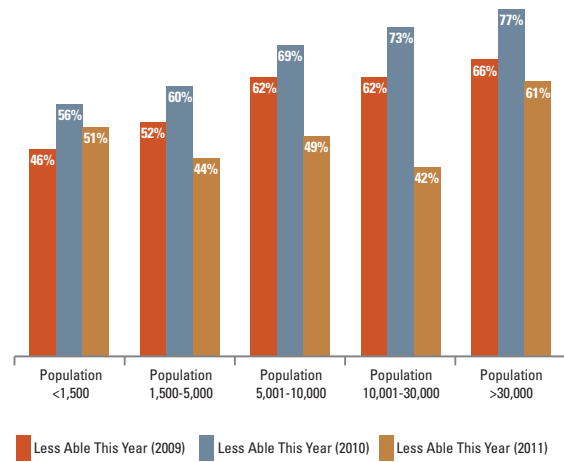
With the 2011 fiscal survey, the Michigan Public Policy Survey (MPPS) program has compiled tracking data on Michigan local governments' fiscal health spanning the last three years. The latest survey finds most local governments still face significant fiscal challenges, and in many cases these challenges continue to grow even worse today. At the same time, for a number of important fiscal indicators the 2011 survey finds fewer local governments reporting problems today compared to reports from last year.

The MPPS tracks numerous indicators of local government operations and fiscal health, many of which are explored throughout this report. The survey's summary indicator of fiscal health is a question asking local leaders whether their jurisdiction is better able or less able to meet its fiscal needs in the current year compared to the previous year. A follow-up question asks whether the government will be *better able* or *less able* to meet its fiscal needs in the next year compared to the current year. Responses to both questions in 2011 show major fiscal problems continue to confront most Michigan local governments, but also hint that previous trends of problems growing more *widespread* have eased somewhat, at least temporarily.

About half (48%) of all Michigan jurisdictions report they are somewhat or significantly *less able* to meet their fiscal needs this year compared to last year. This large percentage highlights widespread problems that are continuing to grow even worse today for many jurisdictions, above and beyond the significant problems reported over the last two years.

On the other hand, this percentage is smaller than the 61% of jurisdictions that said they were less able to meet their needs in 2010, compared to 2009, and is also lower than the 52% responding that way in 2009, compared to 2008. *Figure 1a* shows that regardless of jurisdiction size, *fewer* local governments report *declining* ability to meet their fiscal needs in the 2011 survey than did so in 2010. This easing trend among Michigan local governments corresponds to findings for cities across the U.S. based on the latest National League of Cities fiscal conditions survey.¹ A particularly large decrease is found among jurisdictions with 10,001 to 30,000 residents: in 2010, 73% of these jurisdictions reported declining ability to meet their fiscal needs, but this fell to only 42% in 2011. In fact, for jurisdictions of all sizes (except the smallest—those with

Figure 1a
Percentage of jurisdictions reporting they are less able to meet their fiscal needs in current year compared to previous year, 2009-2011, by population size



fewer than 1,500 residents), the percentage of governments reporting declining ability to meet fiscal needs are now at their lowest points since the MPPS began in 2009.

This easing trend in which fewer jurisdictions report problems in 2011 compared to last year is seen for many indicators presented in this report.

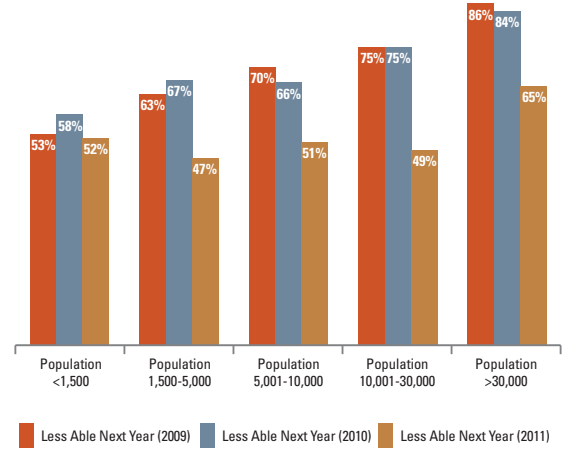
There are a number of ways to interpret this easing trend. Optimistically, it may indicate that, for now at least, the overall local government fiscal crisis peaked in 2010 in terms of the number of jurisdictions across Michigan with declining fiscal health. Another interpretation is that the easing trend may simply reflect the retrenchment in local government resulting from staffing and service cuts over the last few years. In other words, because local governments have cut employees and services, they may now be at least temporarily able to “meet their needs” (which are now lower) with less revenue. Whether that would be a positive or a negative finding depends on the reader’s viewpoint. Proponents of reduced government would likely approve the “new normal” established by today’s reduced revenues and service levels. On the other hand, those who rely on services such as public infrastructure, public safety, and so on, may find today’s “new normal” to be less than optimal. In any case, declining fiscal health may soon become a more widespread problem again, if local government costs continue to rise or revenues continue to fall.



Looking forward, a mixed message is also found for expected fiscal health next year. On one hand, a majority of officials (50% overall) expect their jurisdictions' fiscal health to decline even further next year, including 65% of officials from the state's largest jurisdictions (those with more than 30,000 residents). That is to say, even if 2011 may have brought a slight easing in the previous downward trends for fiscal health, most local officials predict this will prove to be a temporary plateau, with problems beginning to grow worse again next year.

On the other hand, *Figure 1b* shows that expectations for further declines in fiscal health in the future are also *below* their prior levels in the 2010 and 2009 surveys. For example, in the 2010 survey 84% of officials from the state's largest jurisdictions predicted declining fiscal health in the coming year. In the 2011 survey this percentage dropped to 65%.

Figure 1b
Percentage of jurisdictions predicting they will be less able to meet their fiscal needs in coming year, 2009-2011, by population size



Local government property tax revenues continue widespread declines

Declining revenues from property taxes present a major source of fiscal stress for Michigan’s local governments. Overall, nearly three-quarters (74%) of the state’s jurisdictions report continued declines in revenue from property taxes this year, most of which are on top of earlier decreases experienced in 2010 and 2009. Declining property tax revenue is strongly associated with community size, with the state’s larger jurisdictions more likely to report experiencing such declines (see *Figure 2a*). For instance, 91% of the state’s largest jurisdictions report declining revenues from property taxes in 2011, compared to 67% of the state’s smallest jurisdictions.

There are also significant differences in declining property tax revenues across different regions of Michigan, as seen in *Figure 2b*. Local governments in the Upper Peninsula (38%) are among the least likely to report such decreases this year, while those in the Southeast region (90%) are the most likely to report the problem. Meanwhile, by jurisdiction type, the problem is reported by 88% of Michigan cities, 87% of counties, 82% of villages, and 68% of townships.

It is worth noting that there are also jurisdictions reporting actual *growth* in their property tax revenues. In the 2011 MPPS, 12% of local jurisdictions overall report their property tax revenue increased somewhat since their last fiscal year. This is greater than the 8% of jurisdictions that reported property tax revenue growth in 2010. However, this growth is not evenly spread around the state: in the Upper Peninsula, 30% of jurisdictions report somewhat increased property tax revenues this year, compared to only 3% of jurisdictions in Southeast Michigan.

Further reductions in state aid for most jurisdictions

In addition to continued declines in property tax revenue, declining state aid also affects a majority of Michigan’s local governments. Overall, 61% of jurisdictions report declines in state aid this year. Again, these problems are most severe for the state’s largest jurisdictions, as shown in *Figure 3*. For example, 80% of officials from the state’s largest jurisdictions report declines in state aid this year, compared to 64% of officials from the state’s smallest communities. By jurisdiction type, the problem is reported by 87% of cities, 85% of villages, 83% of counties, and 49% of townships.

Figure 2a
Percentage of jurisdictions reporting declines in property tax revenue compared with previous fiscal year, 2010-2011, by population size

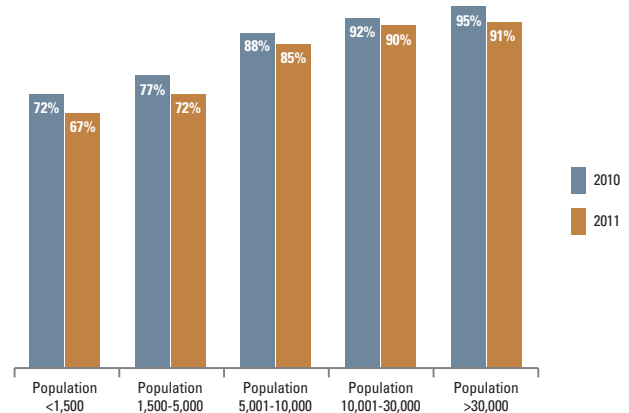


Figure 2b
Percentage of jurisdictions reporting declines in property tax revenue compared with previous fiscal year, 2010-2011, by region

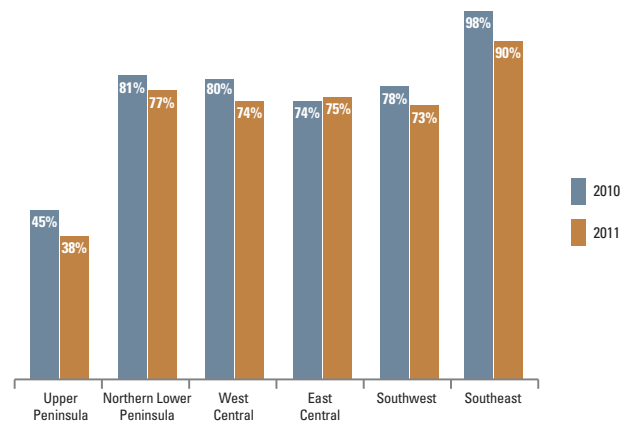
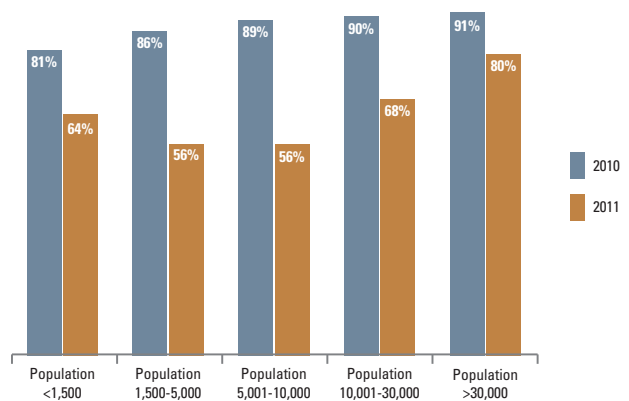


Figure 3
Percentage of jurisdictions reporting declines in state aid compared with previous fiscal year, 2010-2011, by population size





Other major problems include home foreclosures and tax delinquencies

Related to declining property tax revenues, home foreclosures are a continuing problem for a majority of Michigan local governments. Overall, 56% of jurisdictions report an increasing number of home foreclosures this year. Interestingly, this problem is not correlated with larger community sizes. In fact, as seen in *Figure 4a*, while the problem is reported by 51% of Michigan’s largest jurisdictions, it is also reported by 60% of jurisdictions with populations between 1,500 and 5,000 residents.

By region, the problem of increasing home foreclosures is most widespread in Michigan’s Southwest and Northern Lower Peninsula regions, where 62% of local governments report increasing numbers of home foreclosures this year. By comparison, jurisdictions in the Upper Peninsula (40%) are least likely to report this as a growing problem today.

Meanwhile, home foreclosures are now *decreasing* in some Michigan communities in 2011 compared to 2010. By jurisdiction type, 16% of Michigan cities report fewer home foreclosures in 2011 compared to 2010, as do 15% of villages. By comparison, only 8% of townships and 9% of counties report fewer foreclosures in the 2011 survey.

Tax delinquencies are another growing problem for almost half (47%) of Michigan’s local jurisdictions. While many MPPS indicators show problems being most severe in Michigan’s largest communities, this is not the case with tax delinquencies (see *Figure 5*). The problem is about as likely to affect Michigan’s smallest communities as it is to affect the largest.

Figure 4a
Percentage of jurisdictions reporting increases in foreclosures compared with previous fiscal year, 2010-2011, by population size

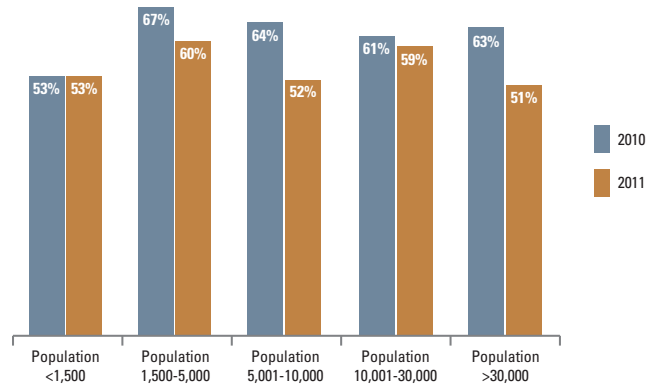


Figure 4b
Percentage of jurisdictions reporting increases in foreclosures compared with previous fiscal year, 2010-2011, by region

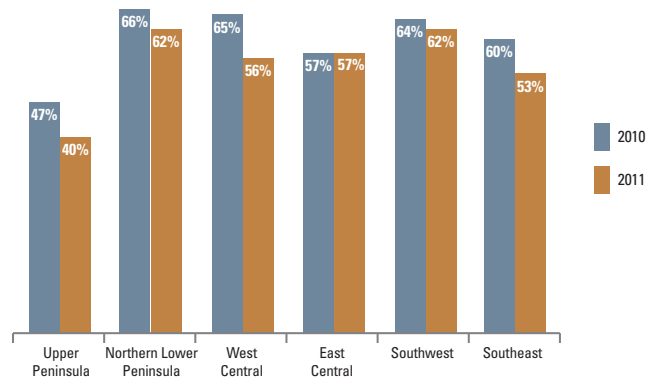
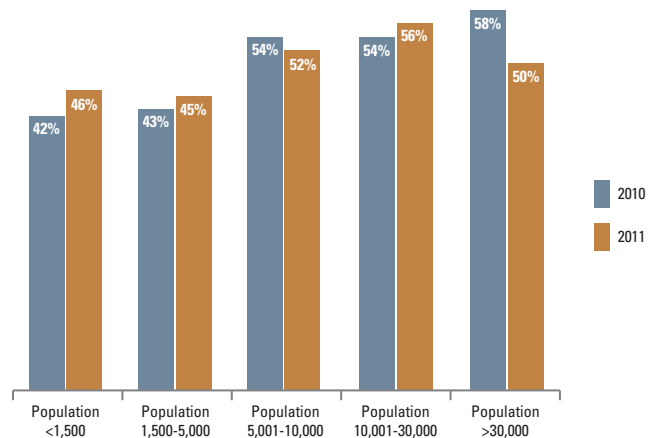


Figure 5
Percentage of jurisdictions reporting increases in tax delinquencies compared with previous fiscal year, 2010-2011, by population size



Increasing service demands add spending pressures

While most Michigan jurisdictions are experiencing declines in revenue, many also continue to face sustained pressures on the spending side. As seen in *Table 1*, local governments of all sizes continue to report increased infrastructure, human service, and public safety needs. Particularly large majorities of the state’s biggest jurisdictions report an increase in both infrastructure needs (70%) and human service needs (69%), and nearly half (46%) report an increase in public safety needs this year compared to last year. While the state’s smaller jurisdictions are less likely to report these problems increasing this year, nonetheless these spending pressures continue to affect significant numbers of Michigan’s smaller communities as well.

[Note: consult Appendix A for a full list of these and related questionnaire items.]

Table 1
Percentage of jurisdictions reporting changes in expenditure pressures from previous fiscal year, 2011

	Population <1,500	Population 1,500-5,000	Population 5,001-10,000	Population 10,001-30,000	Population >30,000	Total 2011
Increase in infrastructure needs	35%	40%	57%	60%	70%	43%
Increase in human service needs	25%	33%	45%	55%	69%	35%
Increase in public safety needs	21%	26%	34%	44%	46%	28%

Increased health care costs affecting most jurisdictions that provide benefits

Increases in employee and retiree costs, especially regarding health care benefits, are another major source of fiscal stress for many local governments, as seen in *Table 2*. It is important to note, though, that only 50% of Michigan’s jurisdictions report in 2011 that they offer any kind of fringe benefits to their current employees at all. Especially among the state’s small jurisdictions, some governments report having no full time employees, and many report not offering benefits of any kind to the employees they do have. Meanwhile, among those jurisdictions that do offer benefits, 70% report that health care costs for current employees increased this year, including 47% reporting that costs increased “somewhat” and 23% reporting that costs increased “greatly.”

Health care costs for current retirees are also rising for most of the 23% of jurisdictions that report they offer these benefits today. Forty-eight percent of the smallest jurisdictions that currently offer these benefits report their costs have increased this year (including 5% that say these costs have increased greatly), compared to 64% of the largest jurisdictions (including 18% that report costs increased greatly).

Table 2
Percentage of jurisdictions reporting changes in workforce-related costs* from previous fiscal year, 2011 (among those with any such costs at all)

	Population <1,500	Population 1,500-5,000	Population 5,001-10,000	Population 10,001-30,000	Population >30,000	Total 2011
Increase in cost of current employee health benefits	64%	68%	65%	79%	70%	70%
Increase in cost of retired employee health benefits	48%	55%	60%	63%	64%	60%
Increase in cost of employee pensions	24%	29%	37%	45%	57%	34%

* All percentages are among only those jurisdictions that report they provide current employee health care benefits, retired employee health care benefits, or current and/or retired employee pensions, respectively



Responding to fiscal challenges: Much more service sharing, some additional privatization

Michigan’s local governments are responding in a number of ways to the growing fiscal challenges they face. The most common strategy reported in 2011 is increasing the number and/or scope of interlocal agreements with other jurisdictions, which is often pursued to find cost savings. Overall, 40% of Michigan’s local governments report plans to increase cooperative efforts with their neighbors in the next 12 months. As seen in *Figure 6a*, these plans are strongly correlated with jurisdiction size: 28% of the state’s smallest jurisdictions plan to increase cooperative efforts, compared to 85% of Michigan’s largest jurisdictions. It should be noted that many of Michigan’s small jurisdictions provide relatively few services, and also that many of them are located at significant distances from potential partnering jurisdictions. For these reasons Michigan’s smallest local governments tend to have fewer opportunities to share services with other jurisdictions.

It is also worth noting that these plans for expanded interlocal cooperative efforts were already in place for Michigan’s local governments before the state government revised its revenue sharing program by introducing the new Economic Vitality Incentive Program (EVIP), which is designed in part to foster more interlocal collaboration.

[Note: the full set of questionnaire items asked about strategies being pursued by local governments is provided in Appendix B.]

Figure 6a
Percentage of jurisdictions planning to increase number and/or scope of interlocal agreements, by population size

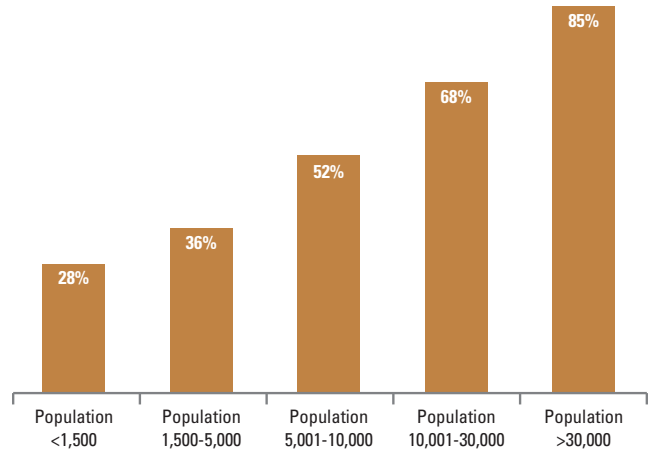
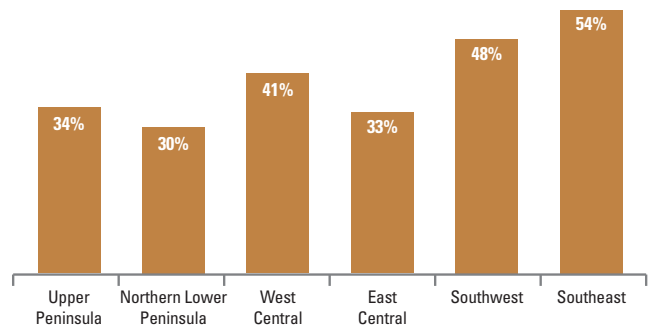


Figure 6b
Percentage of jurisdictions planning to increase number and/or scope of interlocal agreements, by region



Another alternative for service delivery is privatization, through which local governments contract with external organizations to directly provide services, frequently in hopes of realizing cost savings. Compared to plans for expanding inter-governmental cooperation, plans for increased privatization are much less common. Overall, only 15% of local jurisdictions plan to increase their levels of privatizing service delivery in the coming year. This strategy again is strongly associated with jurisdiction size: only 7% of the smallest jurisdictions plan to increase privatization this year, compared to 58% of the largest jurisdictions (see *Figure 7a*). Again, the fact that Michigan's smallest jurisdictions provide relatively few services in the first place also means they have fewer opportunities to increase privatization. Significant differences in plans for privatization are also found in various regions of Michigan, though this is tied in part to differences in jurisdiction sizes in the various regions. For instance, 29% of jurisdictions in Southeast Michigan plan to increase their levels of privatization in the coming year, compared to only 6% of jurisdictions in the Northern Lower Peninsula (see *Figure 7b*).

Figure 7a
Percentage of jurisdictions planning to increase privatization, by population size

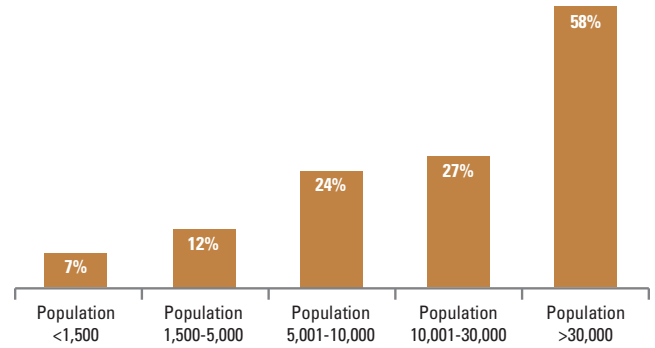
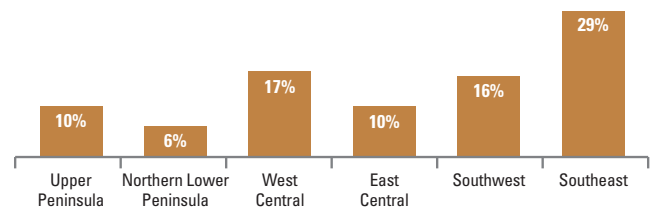


Figure 7b
Percentage of jurisdictions planning to increase privatization, by region





Responding to fiscal challenges: greater reliance on fund balances

To balance budgets in this era of decreasing revenues, 36% of Michigan local jurisdictions overall plan to increase their reliance on their general fund balances this year. It is worth noting that 4% of jurisdictions report having no general fund balances available at the end of their last fiscal year, and another 8% report having balances of 5% or less, calculated as a percentage of general fund expenditures. *Table 3* illustrates that communities with between 10,001 and 30,000 residents stand out regarding use of general fund balances. Among those jurisdictions, 47% plan to increase their reliance on general fund balances this year. And by jurisdiction type, 52% of counties, 48% of cities, 45% of villages, and 31% of townships plan this action in the coming year.

Similarly, many jurisdictions plan to increase their reliance on “rainy day” funds that they may still have available. Overall, 17% of jurisdictions indicated that this strategy was “not applicable” in their case, presumably signifying that they have no such funds available. Meanwhile, 25% of jurisdictions overall plan to increase their reliance on rainy day funds to help meet their fiscal needs this year. As seen in *Table 3*, larger jurisdictions are somewhat more likely than the state’s smaller jurisdictions to be following this strategy.

Table 3
Percentage of jurisdictions planning to increase their reliance on their general fund and “rainy day” balances in the coming year

	Population <1,500	Population 1,500-5,000	Population 5,001-10,000	Population 10,001-30,000	Population >30,000	Total 2011
Increase reliance on general fund balance	36%	35%	33%	47%	38%	36%
Increase reliance on “rainy day” funds	23%	23%	21%	35%	35%	25%

Responding to fiscal challenges: cutting staffing and services, raising fees

In order to operate at today’s reduced funding levels, many Michigan jurisdictions have reduced staff levels in the last year, although fewer plan to do so yet again in the upcoming year. Looking back, 23% of jurisdictions overall have reduced their staffing levels compared to their previous fiscal year, including 75% of the largest jurisdictions. Looking ahead, however, only 8% of jurisdictions overall plan to increase layoffs in the coming year, although this jumps to 35% among the largest jurisdictions (see *Table 4*).

Also looking ahead, 21% of local governments overall plan to cut back on the amount of services they provide in the coming year, instituting further cuts on top of those made over the past several years of economic downturn. Compared to the 18% of Michigan’s smallest jurisdictions that plan to cut services this year, 50% of the state’s largest jurisdictions plan such cuts. Again, it is worth noting that many of the smallest jurisdictions provide a very limited set of services in the first place, so they have fewer places to cut back. By jurisdiction type, 46% of counties plan service cuts this year, as do 45% of Michigan’s cities, 35% of villages, and 12% of townships.

Beyond just cutting back on service levels, in some cases local governments have decided to completely eliminate particular services. Relatively few jurisdictions, only 7% overall, took this more extreme action last year, although this includes 21% of Michigan’s largest jurisdictions. Looking ahead, 18% of the largest local governments also plan to completely eliminate at least one service in the coming year. In some cases these services may be provided by different organizations, but in other cases the services will no longer be provided in any way.

These ongoing staffing and service cuts are evidence of a continuing retrenchment underway for many local governments across Michigan.

While many jurisdictions are responding to their fiscal challenges by cutting staffing and services, many jurisdictions also plan to raise fees for some of the remaining services they still provide, as well as for licenses, permits, and so on. Overall, 20% of jurisdictions plan to increase these kinds of fees, though again this is correlated with jurisdiction size and type. While only 13% of Michigan’s smallest jurisdictions plan to raise fees this year, 38% of the largest jurisdictions plan to do so. And while only 14% of townships and 19% of villages plan these actions, 37% of counties and 38% of cities plan increases in fees in the coming year.

Table 4
Percentage of jurisdictions reporting recent and planned changes to staffing, services and fees in the coming year

	Population <1,500	Population 1,500-5,000	Population 5,001-10,000	Population 10,001-30,000	Population >30,000	Total 2011
Decrease in number of employees since last year	8%	17%	41%	59%	75%	23%
Plan to decrease amount of services provided in the coming year	18%	17%	30%	24%	50%	21%
Plan to increase charges for fees, licenses, etc. in the coming year	13%	18%	27%	39%	38%	20%
Plan to increase layoffs in coming year	2%	5%	20%	19%	35%	8%
Completely eliminated service(s) this year	5%	5%	11%	16%	21%	7%
Plan to completely eliminate service in the coming year	5%	4%	8%	13%	18%	6%



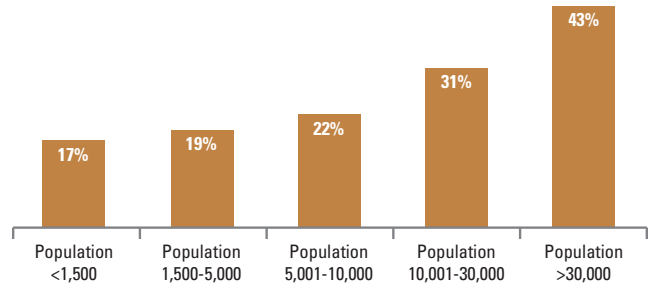
Responding to fiscal challenges: cutting infrastructure spending

As seen earlier, the need to improve infrastructure is a common problem for many jurisdictions in Michigan. Unfortunately, decreased revenues are prompting 21% of all local governments in the state to plan further cuts to their infrastructure spending. As seen in *Figure 8* this too is correlated with jurisdiction size: 17% of the smallest jurisdictions plan further infrastructure cuts, compared to 43% of the largest jurisdictions.

Since delaying infrastructure maintenance can lead to even higher expenses down the road, stakeholders should be aware that future infrastructure expenses could become an even bigger challenge for communities across Michigan in the future.

Figure 8

Percentage of jurisdictions planning to cut spending on infrastructure in the coming year

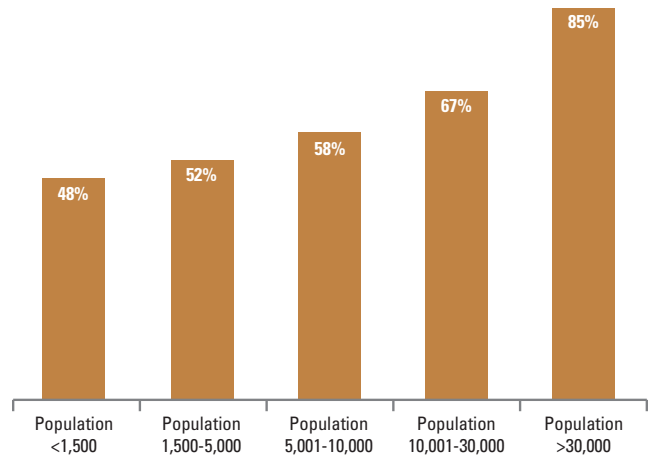


Responding to fiscal challenges: addressing health care costs for jurisdictions that provide benefits

Personnel costs normally make up the largest share of expenses for most jurisdictions, and as seen earlier, rising health care costs are one of the biggest fiscal challenges facing many governments in Michigan. In response to their fiscal challenges, 59% of jurisdictions that report providing benefits to current employees plan to increase the share of health care costs that are paid by their employees in the coming year. Again, these strategies are correlated with jurisdiction size: 48% of the smallest jurisdictions plan these changes, compared to 85% of Michigan’s largest jurisdictions (see *Figure 9*). It is again worth noting that these changes were planned by local jurisdictions before the state revised its local revenue sharing program in part to incentivize these kinds of changes at the local level. Clearly, Michigan’s ongoing fiscal challenges were already fostering these kinds of changes at the local level.

Figure 9

Percentage of jurisdictions reporting changes to health care benefits, among those that provide fringe benefits



Responding to fiscal challenges: other employee-related strategies

Michigan’s local governments are also planning a wide variety of additional actions to find cost savings related to personnel expenses in the coming year, including, for instance, reducing or eliminating training opportunities (34% of all jurisdictions), reducing compensation rates for new hires (25%), increasing retirees’ shares of their health care costs (18%), increasing current employees’ shares of contributions toward their retirement funds (14%), and more. These and other related strategies will be explored in detail in an upcoming MPPS report focused on personnel policies.

Conclusion

Overall, findings from the 2011 MPPS fiscal survey show that Michigan's local governments in general continue to struggle with significant fiscal challenges. From decreasing property revenues and state aid to increasing costs and service demands, Michigan's local jurisdictions continue to be squeezed between a rock and a hard place. Looking ahead, most local leaders' expect that they will be even less able to meet their jurisdictions' fiscal needs in 2012, compared to 2011.

At the same time, numerous indicators in the 2011 MPPS fiscal survey show that fewer local governments in Michigan report problems growing worse this year, compared to last year's survey. For instance, fewer local governments than last year report decreasing property tax revenues or declining state aid; fewer jurisdictions report increasing numbers of home foreclosures or tax delinquencies than reported these problems last year, and so on. Whereas the 2010 MPPS survey found fiscal problems were becoming more widespread and affecting more jurisdictions across the state, the 2011 survey finds at least a temporary reversal in those trends for many indicators.

Interpreting these mixed messages – serious and worsening fiscal challenges for most jurisdictions, but for fewer than last year – is not straightforward. While the easing trend in which fewer jurisdictions report problems could continue and expand in the future, it seems equally if not somewhat more likely that fiscal trends will again turn negative for more and more local governments. Potential problems include the state of the Michigan and U.S. economies in the second half of 2011 and the possibility of a “double-dip recession,” the likelihood of further cost increases for health care and municipal service provision, the potential for further revenue declines tied to state policymakers' focus on eliminating the personal property tax, and even Michigan's constitutional caps on local government property tax revenue increases which could restrict revenue growth if or when the housing market finally begins to climb again.

Despite all the unknowns, at least two things are clear: first, this is a time of significant and ongoing fiscal challenges for Michigan's local governments; and second, those local jurisdictions are taking action on a wide variety of fronts to deal with these challenges.

Notes

¹ National League of Cities (NLC). “City Fiscal Conditions in 2011.” September 2011. <http://www.nlc.org/find-city-solutions/research-innovation/finance/city-fiscal-conditions-in-2011>.

Survey background and methodology

The MPPS is a biannual survey of each of Michigan's 1,856 units of general purpose local government. Surveys were sent by the Center for Local, State and Urban Policy (CLOSUP) via the internet and hardcopy to top elected and appointed officials (including county administrators and board chairs, city mayors and managers, village presidents and managers, and township supervisors, clerks, and managers) from all 83 counties, 274 cities, 259 villages, and 1,240 townships in the state of Michigan.

The Spring 2011 wave was conducted from April 18 – June 10, 2011. A total of 1,272 jurisdictions in the Spring 2011 wave returned valid surveys, resulting in a 69% response rate by unit. The margin of error for the survey as a whole is +/- 1.5%. However, the margin of error may differ for analyses that include only a subset of respondents. Contact CLOSUP staff for more information. The key relationships discussed in the above report are statistically significant at the $p < .05$ level or below, unless otherwise specified. Missing responses are not included in the tabulations, unless otherwise specified. Data are weighted to account for non-response.

Detailed tables of the data analyzed in this report broken down three ways—by jurisdiction type (county, city, township or village); by population size of the respondent's community; and by the region of the respondent's jurisdiction—are available online at the MPPS homepage: <http://closup.umich.edu/mpps.php>

The views reported herein are those of local Michigan officials and do not necessarily reflect the views of the University of Michigan.



Appendix A

Conditions in 2011 Compared to Previous Fiscal Year

Description	<1500		1500-5000		5001-10000		10001-30000		>30000		Total
	Rank	Percent reporting	Rank	Percent reporting	Rank	Percent reporting	Rank	Percent reporting	Rank	Percent reporting	
Decrease in revenue from property taxes	1	67	1	72	1	85	1	90	1	91	74
Decrease in amount of state aid to jurisdiction	2	64	3	56	5	56	3	68	2	80	61
Increase in home foreclosures in jurisdiction	3	53	2	60	6	52	5	59		51	56
Decrease in revenue from fees, licenses, transfers, etc.	6	42	4	47	2	61	9	54	10	53	47
Increase in number of tax delinquencies	5	46	5	45	7	52	7	56		50	47
Decrease in population of jurisdiction	4	50	6	42	10	34		39		40	44
Increase in infrastructure needs	7	35	7	40	4	57	4	60	5	70	43
Increase in cost of current employee health benefits		20	9	29	3	59	2	79	4	70	35
Increase in human service needs	9	25	8	33	8	45	8	55	6	69	35
Decrease in amount of federal aid to jurisdiction	8	28		22		27		37	8	58	29
Increase in public safety needs	10	21	10	26		34		44		46	28
Decrease in number of employees		8		17	9	41	6	59	3	75	23
Increase in cost of employee pensions		14		17		32		44	7	59	22
Increase in pay rates for employee wages and salaries		19		20		33		23		17	21
Increase in cost of retired employee health benefits		5		12		28	10	46	9	57	17
Increase in amount of debt		13		10		15		13		13	12
Decrease in ability of jurisdiction to its repay debt		7		7		6		12		6	7

Appendix B
 Predicted Actions for the Coming Year

Description	<1500		1500-5000		5000-10000		10001-30000		>30000		Total
	Rank	Percent reporting	Rank	Percent reporting	Rank	Percent reporting	Rank	Percent reporting	Rank	Percent reporting	
Increase in number and/or scope of interlocal agreements or cost-sharing plans	2	28	1	36	1	52	1	68	2	85	40
Increase in reliance on general fund balance	1	36	2	35	3	33	3	47		38	36
Increase in employees' share of premiums, deductibles and/or co-pays on health insurance	7	15	4	21	2	48	1	68	1	86	30
Increase in reliance on rainy day funds	3	23	3	23		21	8	35		35	25
Decrease in amount of services provided	4	18	7	17	4	30		24	8	50	21
Decrease in actual infrastructure spending	5	17	5	19		22	10	31	9	43	21
Increase in charges for fees, licenses, etc.	8	13	6	18	7	27	6	39		38	20
Increase in retirees' share of premiums, deductibles and/or co-pays on health insurance		9	10	12	6	29	4	40	3	61	18
Increase in jurisdiction not filling vacant positions		5		12	5	30	5	39	6	54	16
Decrease in actual public safety spending	10	11	9	14	9	24		28		36	16
Increase in privatizing or contracting out services		7		12	9	24		27	4	58	15
Increase in property tax rates	6	15	8	14		15		19		17	15
Increase in employees' share of contributions to retirement funds		6		9		19	7	37	7	54	14
Decrease in jurisdiction's workforce hiring		6		9	8	26	9	34	5	57	13
Decrease in funding for economic development programs		7		1		14		25		27	12
Increase in jurisdiction's amount of debt	9	13		10		15		14		13	11
Decrease in actual human services spending		6		6		12		21	10	40	10
Increase in jurisdiction's workforce layoffs		2		5		20		19		35	8
Decrease in employee pay rates		3		6		5		14		24	6
Increase in sale of public assets (i.e., parks, buildings, etc.)		3		5		10		8		18	5

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The **Center for Local, State, and Urban Policy (CLOSUP)**, housed at the University of Michigan's Gerald R. Ford School of Public Policy, conducts and supports applied policy research designed to inform state, local, and urban policy issues. Through integrated research, teaching, and outreach involving academic researchers, students, policymakers and practitioners, CLOSUP seeks to foster understanding of today's state and local policy problems, and to find effective solutions to those problems.

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Other Resources

**Stabilized State Budget and Rainy Day Fund Deposits Improve
State's Cash Position - Citizens Research Council**



STATE BUDGET NOTES



2012-01

A publication of the Citizens Research Council of Michigan

February 2012

STABILIZED STATE BUDGET AND RAINY DAY FUND DEPOSITS IMPROVE STATE'S CASH POSITION

Introduction

State policymakers recently made strides to improve the state's cash position and cash flow, including reductions to state spending and deposits to the state's rainy day fund. Actions taken to address the long-standing structural budget deficit have resulted in a marked improvement in the state's cash position compared to Fiscal Year 2007 (FY2007), when the State of Michigan had to restructure its monthly payments to local school districts to avoid running out of money.

While the state has improved its year-end cash condition relative to five years ago, it still has a long way to go

before the cash situation looks like it did at the end of FY2000, when state coffers were sitting on \$4.8 billion in reserves. Early indicators suggest that the state has erased the accumulated year-end cash deficit in its major funds - the first time since FY2002. With the key ingredients of a structurally-balanced budget and an improving economy in place, state policymakers should maintain their focus on the underlying cash position and avoid unnecessary actions that will have negative effects on cash. The upcoming FY2013 budget represents the next opportunity to build upon the improving cash position and prepare the state budget for future economic disruptions.

Genesis of the Problem

In a May 2007 *CRC Note*, the Citizens Research Council drew attention to the state's deteriorating cash situation. From year-end FY2000 to year-end FY2003, the state exhausted over \$2.9 billion in its major funds cash reserves to support spending that exceeded ongoing revenues.¹ At the end of FY2006, the major fund cash balance was negative \$1.3 billion, a net change of more than \$4.2 billion over six years. The depletion of reserves and the development of the accumulated major fund cash deficit were borne out of Michigan's prolonged economic downturn. However, policy choices allowed the cash deficit to persist and prevented state policymakers from replenishing reserves.

Michigan's budget, like that of many other states, was negatively affected by the national recession in the early 2000s and the terrorist attacks of September 11, 2001, when state revenue growth slowed and demand for many state services continued or increased. While other states

experienced recovery and more robust revenue growth coming out of the downturn in the early- to mid-2000s, Michigan did not. Instead, Michigan's economic and attendant budget troubles continued, unabated, for a number of years. At the same time that the Michigan economy failed to recover, state policymakers failed to take the requisite steps to adjust the state budget to align ongoing spending with revenues. While state budget writers made sure to achieve the constitutionally required annual budget balance each year, state officials never attacked the underlying structural deficit. Instead they let the problem linger as they relied on a series of actions to achieve short-term goals; never embracing the reforms needed for long-term, lasting balance between spending and revenues; either significantly reducing spending or raising taxes, or some combination thereof.

The cash problems arising from Michigan's structural budget deficit were exacerbated by policy choices, including changing the timing of receipts and payments. While Michigan's deteriorating cash position became a secondary concern of the governor and legislators, it did not for Wall Street and the state's creditors, as the state's credit rating was reduced multiple times in the 2000s.

¹ Major funds include the General Fund (general and special purpose revenues), School Aid Fund, and Budget Stabilization Fund, commonly referred to as the state's rainy day fund.



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Reversing Course

Aided by an improving economy coming out of the Great Recession, state policymakers have made efforts in recent years to improve the cash position. Perhaps the best indicator of success on this front is the amount of "manageable" common cash on hand to satisfy state obligations (See **Table 1**).² Although not yet approaching the strong cash position of the early 2000s, there has been steady improvement in the major funds year-end cash deficit since the low point six years ago. The deficit stood at \$1.3 billion at the end of FY2006, but it declined to \$372 million at the end of FY2010 (most recent final numbers). The unaudited figures for FY2011 suggest that significant progress has been made and the major funds cash position returned to positive territory for the first time since the end of FY2002.³

² Manageable common cash consists of major fund (General, School Aid, and Budget Stabilization Funds) cash reserves and other, non-major funds. The majority of reserves from non-major funds are attributable to special revenue funds, such as transportation-specific funds. These resources are available to the state treasurer at any given point during the year to meet state obligations.

³ As of mid February 2012, the state did not complete book closing and release

Table 1
Year-End Balances of Manageable Common Cash, FY2000 to FY2011
(Millions of Dollars)

<u>Fiscal Year</u>	<u>General and School Aid Fund</u>	<u>Budget Stabilization Fund</u>	<u>Other*</u>	<u>Total</u>
2000	\$1,631.6	\$1,264.4	\$1,966.1	\$4,862.1
2001	1,091.5	994.2	1,782.5	3,868.2
2002	454.7	145.2	1,776.3	2,376.2
2003	(190.1)	0.0	1,915.8	1,425.7
2004	(897.6)	0.0	2,077.2	1,179.6
2005	(856.4)	2.0	1,873.3	1,018.9
2006	(1,300.5)	2.0	2,159.3	860.8
2007	(1,004.4)	2.1	2,396.9	1,394.6
2008	(616.6)	2.2	2,088.7	1,474.3
2009	(762.3)	2.2	1,843.8	1,083.7
2010	(373.7)	2.2	1,742.1	1,370.6
2011**	1,012.2	2.2	NA	NA

* Includes Special Revenue, Enterprise, Internal Service, Trust and Agency Funds

** Estimated based on unaudited state financial report for fiscal year ending September 30, 2011

Source: Michigan Department of Treasury; Michigan Department of Technology, Management and Budget

Some of the improvement is credited to the October 2007 individual income tax rate increase (from 3.9 percent to 4.35 percent), which generated an additional \$745 million for the General Fund in FY2008. Also, from FY2008 to FY2010, state spending from state resources was reduced from \$28.4 billion to \$25.3

Its audited comprehensive annual financial report (CAFR); therefore, the final FY2011 cash figures for each grouping (General/School Aid Fund, BSF, other) are unavailable for this report.

billion, evidence of efforts to address the structural budget problem.

The total amount of manageable common cash on hand at the end of FY2010 was \$1.4 billion, up from \$861 million at the end of FY2006, when the state's cash position was the most precarious. However, the level of reserves is still far below what existed in FY2000 (\$4.9 billion). At the end of FY2011, the major funds had just over \$1 billion, compared to nearly \$2.9 billion in FY2000.

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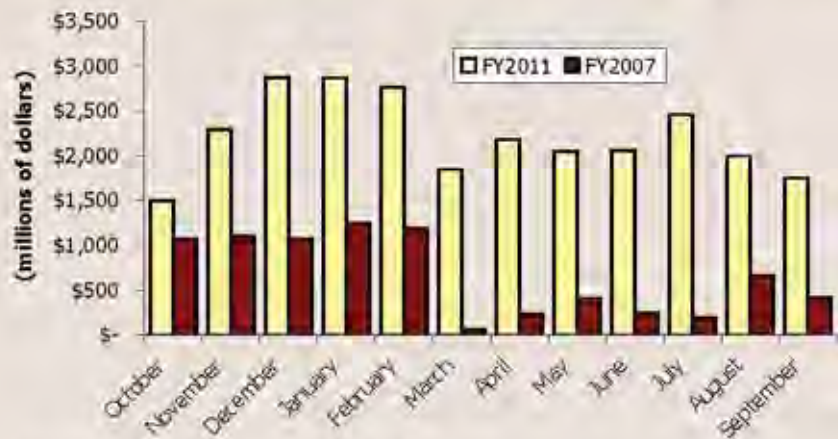
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Improvements are also apparent when monthly cash amounts on hand in FY2007 are compared to FY2011 (See **Chart 1**). On average, the monthly low averaged \$660 million in FY2007 compared to \$2.2 billion in FY2011. In FY2007, the monthly low ranged from just \$64 million in March to \$1.2 billion in January. In contrast, the monthly low in FY2011 never dipped below \$1.5 billion (January). On average, the difference between the monthly lows of FY2011 and FY2007 was \$1.6 billion.

The improvement in Michigan's manageable common cash position in FY2011 is one reason why state officials have not had to issue short-term notes in FY2012. Currently there are no plans to borrow externally to meet cash needs. Since FY2003, the state has borrowed from outside sources amounts close to the maximum permitted by the Michigan Constitution (15 percent of the previous year's undedicated revenues). In FY2011, \$1.1 billion was borrowed mainly to help meet the cash needs of the School Aid Fund throughout the year (i.e., monthly

Chart 1
Lowest Level of Manageable Common Cash: FY2007 and FY2011



Source: Michigan Department of Treasury.

payments to school districts). Each time the state borrows to meet cash flow needs, the full amount borrowed must be repaid, with interest, by the end of the fiscal year. The interest and issuance costs associated with external borrowing represent state resources that might

be used elsewhere in the budget. Borrowing to meet School Aid Fund obligations throughout the year will still occur in FY2012; however, the state will be able to rely on its manageable common cash reserves rather than external creditors to satisfy payments to schools.

Major Funds Cash Deficit Erased

As noted previously, the improvement in major funds cash is largely responsible for the improvement in the state's overall cash position (See **Table 1**). While the cash deficit still existed at the end of FY2010 (\$374 million), it was

well below the peak of \$1.3 billion at the end of FY2006. Preliminary year-end FY2011 figures indicate that the major funds deficit has been erased. The combined year-end cash balance of these funds has been negative since FY2003 and the

last positive balance was FY2002.

The growing year-end balances in both the School Aid Fund budget and the general purpose portion of the General Fund budget have been a key contributor to the improvement

Table 2
Year-End Budget Balances in Major Fund Components, FY2010 to FY2014
(Millions of Dollars)

<u>Major Fund Component</u>	<u>FY2010</u>	<u>FY2011*</u>	<u>FY2012**</u>	<u>FY2013**</u>	<u>FY2014**</u>
General Fund/General Purpose	\$187.2	\$566.6	\$541.9	\$78.7	\$10.4
School Aid	255.9	724.7	129.1	-	77.5
Budget Stabilization	<u>2.2</u>	<u>2.2</u>	<u>261.1</u>	<u>395.8</u>	<u>395.8</u>
Total	\$445.3	\$1,293.1	\$932.1	\$474.5	\$483.7

* Preliminary based on unaudited FY2011 comprehensive annual financial report

** Estimates based on Executive Budget for FY2013 and FY2014

source: Governor Rick Snyder, Executive Budget for FY2013 and FY2014

in the major fund cash deficit through FY2011 (See **Table 2**). In both cases, year-end balances increased substantially from FY2010 to FY2011. In FY2012, a substantial portion of the School Aid Fund balance is designated to finance \$456 million in one-time spending items. This one-time spending reduces the estimated year-end balance in the School Aid Fund significantly in FY2012, which will likely affect the combined year-end cash position of the major funds for the year. Similarly, nearly all of the General Fund's projected FY2012 year-end balance is committed to spending under Governor Snyder's FY2013 Executive Budget proposal.

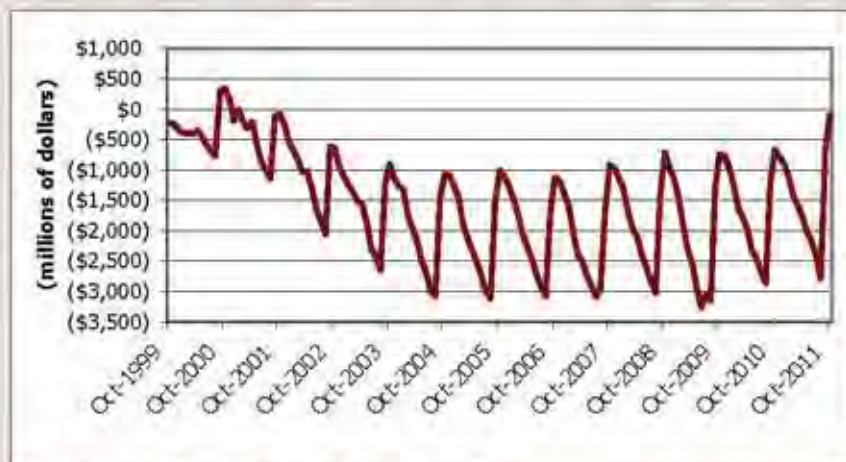
On average, monthly school aid payments (eleven made from October to August) represent about one-third of the state's total monthly cash outlay. These payments are a major contributor to the major fund cash deficit in any year. The problem arises because the 11 monthly payments are fairly uniform, but the revenue does not flow into the treasury evenly on a month-to-month basis. Much of the dedicated revenues to support the

school payments are received at the end of the fiscal year and there is no school aid payment made in September resulting in a sharp improvement in cash balances at the end of each fiscal year. The cumulative annual cash shortfall in the School Aid Fund resulting from these timing issues is presented in **Chart 2**. In each year, the cash shortage grows as the year progresses before improving (although still negative) right at the

end of the year when there is no monthly payment and a major portion of the revenues are received.

The improving School Aid Fund cash flow picture is reflected in recent monthly lows (in August) in FY2010 and FY2011 that are smaller negative numbers than previous years. Also, the figures for the beginning of the year (October) are not as grim as in the past; the

Chart 2
Cumulative School Aid Fund Monthly Cash Deficits: FY2000 to FY2011



Source: Michigan Department of Treasury

negative \$96 million in 2011 compared to a negative \$662 million for 2010.

The FY2012 budget begins to rebuild previously depleted cash reserves in the state's rainy day fund; it contains

a scheduled \$256 million General Fund appropriation to the Budget Stabilization Fund. Assuming these funds remain in reserve through the end of FY2012 and are not diverted to finance state spending, the deposit will improve the major funds'

year-end cash position. Governor Snyder's FY2013 budget recommendation calls for another deposit to the Budget Stabilization Fund (\$133 million), which will increase cash reserves to nearly \$400 million going into FY2014.

Summary

Often the "forgotten stepchild" of the state's financial picture, cash and cash flow are very important indicators of fiscal health. Throughout the annual budget debates of the 2000s, little attention was paid to the consequences (intentional or otherwise) that fiscal decisions had on the underlying cash position and the state's ability to meet its monthly obligations. Instead, policymakers and others mainly focused their attention on achieving annual budget balance, sometimes to the detriment of the state's cash position. Rarely did decisions positively influence the state's immediate cash position and often decisions did more harm than good to the state's overall fiscal health. As a result, substantial reserves were depleted and the cash position weakened throughout the last decade.

State policymakers are currently drafting a spending plan for FY2013. Improving national and state economies, along with sizeable estimated surpluses in the major funds going into FY2013, will create pressure to increase spending in areas of the budget that have experienced reductions over the years. While critical state and local priorities should and must be met, budget writers should exercise caution when committing budget surpluses. They should avoid designating these one-time resources for ongoing commitments, or risk jeopardizing the state's structural budget balance. The executive budget for FY2013 spends down the projected FY2012 School Aid Fund and General Fund surpluses mainly on one-time items, including a deposit to the rainy day fund.

Furthermore, state officials would be wise to ensure that financial decisions are not made that jeopardize the improving health of the state's cash position, such as tapping into the rainy day fund reserves. A strong case can be made that building up reserves to prepare Michigan for the next economic downturn would be a wise policy objective during the FY2013 budget development. The FY2013 executive budget includes a \$133 million deposit to the Budget Stabilization Fund, which, if approved by the legislature, would bring the estimated balance to nearly \$400 million at the end of FY2013. Clearly this is an improvement over recent experience and provides a positive signal to Michigan's creditors, but it represents less than one-quarter of the cash on hand that the rainy day fund had at the end of FY2000.

Other Resources

Financial Emergencies in Michigan Local Governments -
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Financial Emergencies in Michigan Local Governments

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Report 362

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FINANCIAL EMERGENCIES IN MICHIGAN LOCAL GOVERNMENTS

Contents

Summary	x
Introduction	1
Fiscal Distress in Local General Purpose Governments	1
Insolvency, Bankruptcy, Receivership, and Emergency Financial Managers	2
Judgment Levies	4
Local Government Fiscal Responsibility Act	6
History	6
Effectiveness	7
Municipal Bankruptcy	9
Recent History	9
Other Experiences	12
The New York City Experience	12
Pennsylvania's Approach	13
Pittsburgh	13
Other Possibilities	15
State or Federal Bailout	15
Amend PA 72 of 1990	15
State Takeover	15
Placing the Burden	17
Summary and Conclusions	18
Appendix A:	
The Local Government Fiscal Responsibility Act	19
Preliminary Review	19
Finding of a Serious Financial Problem	20
Appeal	21
Emergency Financial Manager	22
Liability	24
Role of Local Officials under PA 72	24
Taxes	24
Resolution	24
Local Government Emergency Financial Manager Exit Strategy Checklist	25
Appendix B:	
Municipal Bankruptcy: Chapter 9, Title 11, of the United States Code	27
Commencing the Case	27
Plan of Debt Adjustment	27

FINANCIAL EMERGENCIES IN MICHIGAN LOCAL GOVERNMENTS

Summary

Several factors prompt this return to the issue of local government fiscal distress: the current widespread and pervasive nature of the financial challenges facing Michigan's local governments (including governmental units that have traditionally been well-managed), and the severity of the problems facing the City of Detroit. In 1988, the State of Michigan adopted a procedure that allows state intervention in the affairs of local governments that are having a financial emergency. The Local Government Fiscal Responsibility Act, PA 72 of 1990, replaced

that 1988 law and provided a process for determining if there is a serious financial problem in a local government, for appointing an emergency financial manager with specified powers and duties, and for resolution of the financial emergency.

Further, the increasing frequency of allusions to municipal bankruptcy or receivership indicates that a review of Chapter 9 of the federal Bankruptcy Code, and clarification of the difference between insolvency and bankruptcy, would be useful.

Definitions

A number of local government officials in fiscally distressed communities have in recent months used the terms "bankruptcy" and "receivership." Use of these words may express the level of concern those officials have, or wish to convey, about the financial condition of their communities, but they are not particularly accurate or appropriate in the context of Michigan local government.

Michigan's general purpose local governments, which are facing extraordinary financial pressures, have a number of options for addressing a deficit between revenues and spending pressures:

- use fund balances accumulated in prior years;
- sell deficit financing bonds to be repaid from future revenue sharing payments;
- seek voter approval for new taxes or increased tax rates within state limits;
- sell assets;
- defer purchases and maintenance;
- lay off employees;
- privatize functions;
- reduce or eliminate services;
- renegotiate contracts to reduce payments; and/or
- consolidate functions with other governments.

At some point, all of these options may be effectively exhausted, or elected officials may be unable to reach agreement on a solution, and at that point, the definitions in the following section of this report become very important.

Cash flow **insolvency** is the inability to meet debts as they fall due. The condition of insolvency may be temporary and does not necessarily lead to state intervention under PA 72 or to bankruptcy. A government that fails to meet a debt is **in default**. Generally, a default is cured by refinancing or renegotiating the debt, but the creditor may seek a **judgment levy** through court action. Under PA 72, if a court orders a judgment levy without the prior approval of the local unit's governing body, then the state treasurer must conduct a preliminary review to determine whether a local government financial problem exists.

The Local Government Fiscal Responsibility Act, PA 72 of 1990, provides a mechanism for state intervention in local governments that incur a financial emergency. (PA 72 also includes provisions relating to school districts: those provisions are outside the scope of this report.) An **emergency financial manager** (EMF) may be appointed under PA 72 of 1990 if a financial emergency is found to exist in a local government and no consent agreement has been negotiated to resolve the emergency. An emergency financial manager assumes the power and duties of the chief executive officer and legislative body, and may reorganize the government structure and renegotiate contracts. PA 72 provides that if an emergency financial manager is unable to resolve the financial emergency, he or she may request approval from the local emergency financial assistance loan board to authorize the local government to proceed under Chapter 9 of Title 11 of the United States Code.

Municipal **bankruptcy** is a specific process available under Chapter 9 that allows the reorganization of cities, villages, townships, and counties, but not states. In spite of the facts that insolvency is one of several conditions necessary to file for bankruptcy under Chapter 9, and that bankruptcy addresses the condition of insolvency, insolvency and bankruptcy are not synonymous. Under Chapter 9, the condition of insolvency is addressed by the automatic stay provision, which stops all collection actions against the debtor at the time the bankruptcy petition is filed. Section 922(d) provides that the automatic stay does not apply to debts secured by pledged special revenues, such as revenue bonds. The federal law provides that states must specifically authorize their municipalities to use Chapter 9. No Michigan municipality has ever filed for bankruptcy, but the process is technically available only under the conditions specified in the Local Government Fiscal Responsibility Act, PA 72 of 1990.

Under federal law, **receivership** is a form of corporate bankruptcy in which the court appoints a receiver to run the company and recoup as much of the unpaid loans as possible, by liquidation if necessary. Receivership may occur when a state or federal regulator places a bank or financial institution under the control of a receiver pursuant to a statute. A court order may place a receiver over property, with or without the consent of the owner, to preserve that property during a lawsuit if there is a danger the property will be removed from the jurisdiction of the court if a receiver is not appointed. A receiver may be appointed over all, or only the contested part, of the property of an individual, part-

nership, or corporation. The receiver is responsible for administering, conserving, rehabilitating, or liquidating the assets for the benefit of creditors.

Under municipal bankruptcy, no receiver is appointed: the local government develops a plan for adjusting its debts and the court approves or disapproves that plan. The court does appoint a trustee who appoints a creditors committee, but the trustee does not oversee the financial operations of the municipality. The local government itself implements the plan of adjustment under the oversight of the court.

It was only after a court-ordered receivership was established for the City of Ecorse that the Michigan Legislature adopted PA 101 of 1988, the precursor to PA 72 of 1990. There is no state authorization for local government receivership under PA 72 of 1990; although an emergency financial manager may be incorrectly referred to as a “receiver,” he or she has different powers than a receiver appointed by a federal court in a corporate bankruptcy.

Six Michigan communities have had emergency financial managers appointed under PA 72 of 1990:

- City of Hamtramck, 2000
- City of Highland Park, 2001
- City of Flint, 2002
- Village of Three Oaks, 2008
- City of Ecorse, 2009
- City of Pontiac, 2009

On February 26, 2010, the governor declared a financial emergency in Benton Harbor.

Potential Alternatives to Current Statutory Approach

Emergency Financial Manager

PA 72 of 1990 has worked reasonably well in those situations where it has been used. It is obvious from past experience, however, that the selection of the individual who is to serve as emergency financial manager is key. It may be that in certain cases (e. g. Detroit) the complex financial and political situation demands a different approach, and that current elected officials or appointees may be the best to serve as emergency financial manager (EFM). If

the legislative body were an impediment to implementing financial reforms, appointing a chief executive officer to be EFM would allow that person to relieve the legislative body of authority and implement necessary budgetary and operational changes without their approval. The benefit of this approach is that the state would not be placing an “outsider” with no connection to the community in a position of authority. The problem is that it does not remove local political considerations from the process.

Public-Private Oversight

If it were to be determined that the City of Detroit could not resolve its fiscal difficulties on its own, it might require a specially tailored strategy that accommodates its size, complexity, and political realities, perhaps one similar to the plan developed for New York City in 1975. The establishment of an Emergency Financial Control Board, similar to that created by the State of New York to oversee New York City's financial affairs, may be more appropriate for a city the size and complexity of Detroit. That board could include both city and state officials as well as private sector experts, and could oversee the budget of the City of Detroit and direct implementation of deficit elimination plans. In order to be effective, the board would have to have authority to reject city budgets that contain unrealistic revenues, and to force the city to eliminate deficits as they arise. And in order for the board to be sufficiently well informed to make appropriate decisions, the city's accounting system would have to be improved to the point that financial information is timely and accurate.

State Takeover

Rather than appoint an emergency financial manager or an oversight board for a local government with a financial emergency, the state could designate a state agency that actually exercises financial and operational control of local governments that have financial emergencies. This agency could be authorized to sell notes and bonds guaranteed by defined revenues (including, but not limited to, deficit funding bonds and, with court cooperation, judgment bonds), to raise extraordinary revenues in a designated local unit of government, or to channel special state resources to the unit. The state agency could be empowered, where feasible, to execute

contracts transferring all service provision responsibilities to the county or other appropriate unit of government. Although there are constitutional considerations, the state agency could propose and advocate for a merger of local units of government, or propose and advocate for replacing a dysfunctional charter with a model charter.

The proposed agency could be designed to be very intrusive, approving budgets and expenditures, hiring and firing local department heads and employees, negotiating and approving contracts, and managing operations. Or, it could be less intrusive, negotiating a rehabilitation plan and overseeing its implementation by local officials. There could be an established set of threshold events that trigger the state involvement (if, for example, the community's credit rating falls below investment grade or if the local government is unable to meet its operating expenses), or the governor or legislature could be authorized to designate specific local governments for takeover.

Bankruptcy

There is no prohibition in any Michigan statute on the voluntary renegotiation of local government contracts. There is, however, no possible amendment of any Michigan statute that would allow abrogation of local government contracts. Therefore, if the critical problem facing a local government is the inability to afford contractually obligated pay and benefits, and the union(s) refuse to make concessions, no remedy for that problem is possible outside of bankruptcy. Similarly, if the critical problem facing a local government is the inability to make payments on limited tax general obligation debt, and bond or note holders refuse to make concessions, no remedy for that problem is possible outside of bankruptcy.

Conclusion

In Michigan, local governments of all kinds are facing financial challenges. In general, these challenges are defined by declining property tax revenues attributable to the real estate collapse and to economic restructuring. In many well managed communities, the decline in revenues has provided an unexpected, and unprecedented, challenge. In other communities with long standing problems, the political environment has not allowed leaders to make necessary reforms.

The state has developed a strategy for addressing local government financial emergencies, but PA 72 of 1990 has not been used in every instance of local government distress. In particular, the state's larg-

est city, Detroit, may require a different approach if it is deemed to have a financial emergency.

While a simple bailout is greatly desired by many local officials, the state is unable or at least unwilling, and the federal government is so far unwilling, to provide this kind of aid. Nor would a bailout address the underlying cause of local government financial distress in Michigan. At this time in our state, a challenge even greater than balancing local budgets with declining revenues and increasing spending pressures, is rebuilding an economic base devastated by the loss of manufacturing and the collapse of real estate values. The most stringent of cost cutting cannot address this fundamental problem.

FINANCIAL EMERGENCIES IN MICHIGAN LOCAL GOVERNMENTS

Introduction

Fiscal Distress in Local General Purpose Governments

Michigan's general purpose local governments are facing extraordinary financial pressures. These general purpose local governments, which include counties, cities, villages, and townships, depend most heavily on revenues from property taxes and state revenue sharing. Both of these sources have been affected by the Great Recession that officially began in December, 2007. Property values have declined precipitously, in many cases eliminating the gap that had grown between state equalized value and taxable value and reducing the tax payments made by owners. While constitutional state revenue sharing payments to local governments are protected, statutory payments to local governments have been reduced or eliminated as a result of fiscal distress at the state level.

Some local governments have utilized additional tax bases. In the 22 cities that impose a municipal income tax, high levels of unemployment and underemployment caused by the loss of manufacturing, construction, and other jobs have affected income tax receipts. The state's largest and most iconic city, Detroit, also has the most diversified tax base in the state, imposing property, municipal income, utility users' excise, and casino wagering taxes. Factory closings, energy savings initiatives, and population losses affect utility use, and consequently utility users' excise tax payments. Although surprisingly resilient, casino wagering taxes have also been affected by the economic malaise. In addition, a variety of fees, fines, and other local government revenues have been affected by the economic situation. In Detroit, declining tax revenues combined with increasing personnel and other costs, have contributed to an estimated Fiscal Year 2010 accumulated general fund deficit of \$326 million on a \$1.6 billion budget.

Related to the decline in the property tax base is the decline in the value of public pension funds. Although the value of most funds is smoothed over

several years, the recent steep reduction in the value of assets available to make constitutionally guaranteed pension payments contributes to spending pressures. The Governmental Accounting Standards Board (GASB) requirement for disclosure of the present value of promised other post retirement benefits (OPEBs) adds to pressure on the appropriation side. Further, annual cost increases for negotiated employee health care and for retiree health care continue to stress budgets.

Local governments have a number of options for addressing a deficit between revenues and spending pressures:

- use fund balances accumulated in prior years;
- sell deficit financing bonds to be repaid from future revenue sharing payments;
- seek voter approval for new taxes or increased tax rates within charter and state limits; sell assets;
- defer purchases and maintenance;
- lay off employees;
- privatize functions;
- reduce or eliminate services;
- renegotiate contracts to reduce payments;
- consolidate functions with other governments.

In some cases, however, local government officials have not been able to control expenditures or increase revenues in a manner sufficient to avoid deficits. When strategies to balance revenues and expenditures fail, resulting deficits exacerbate the financial challenges. This has been the case over a number of years, but is increasingly common as a result of the national recession that began in December of 2007 (it should be noted that Michigan never recovered from the 2001 recession, and that this state has been in recession for nearly a decade).

The State of Michigan has adopted a number of statutes intended to prevent local government fiscal crises and to help deal with crises when they do occur. Prior to 1988, local government fiscal emergencies were handled on an ad hoc basis. PA 101 of 1988

was adopted in response the imposition of a court-appointed receivership on the City of Ecorse. The Local Government Fiscal Responsibility Act, PA 72 of 1990, replaced PA 101 of 1988. PA 72 of 1990 allowed direct state intervention in the affairs of local units of government, by providing a mechanism for state intervention in local governments that incur a financial emergency. PA 72 also extended the provisions of PA 101 to school districts: those provisions are outside the scope of this report.

A full description of relevant state statutes including PA 72 of 1990, as well as recommendations for improvements in state oversight, are included in the July 2000 report, *Avoiding Local Government Financial Crisis: The Role of State Oversight*, Citizens Research Council Report No. 329, available on the CRC website, www.crcmich.org.

Two factors prompt this return to the issue of local government fiscal distress: the current widespread and pervasive nature of the financial challenges facing Michigan's local governments (including governmental units that have traditionally been well-managed), and the severity of the problems facing the City of Detroit. Local government financial crises can have a serious effect on the quality of life in communities, and on the perception and future economic development of those communities.

Additionally, the increasing frequency of allusions to municipal bankruptcy or receivership indicates that a review of Chapter 9 of the federal Bankruptcy Code, and clarification of the difference between insolvency and bankruptcy, would be useful. (While a number of high profile, Michigan-based auto suppliers continue to struggle in bankruptcy, the success of pre-negotiated bankruptcy for Chrysler and General Motors has increased awareness, and possibly acceptance, of the potential of that approach to shedding liabilities.)

This paper will define some of the terms related to governmental fiscal distress, and will review the Lo-

cal Government Fiscal Responsibility Act, Chapter 9 of the federal Bankruptcy Code, the special structures created to address New York City's financial emergency in 1975 and Pittsburgh's 2004 fiscal crisis, and other approaches that could be considered as an alternative to PA 72.

Insolvency, Bankruptcy, Receivership, and Emergency Financial Managers

A number of local government officials in fiscally distressed communities have in recent months used the terms "bankruptcy" and "receivership." Use of these words may express the level of concern those officials have, or wish to convey, about the financial condition of their communities, but they are not particularly accurate or appropriate in the context of Michigan local government.

Use of the terms "bankruptcy" and "receivership" may express the level of concern local government officials have, or wish to convey, about the financial condition of their communities, but they are not particularly accurate or appropriate in the context of Michigan local government.

Cash flow **insolvency** is one of several conditions necessary

to file for bankruptcy under Chapter 9 of Title 11 of the United States Code, 11 U.S.C. 101 to 1330 (the Bankruptcy Code). This form of insolvency is the inability to meet debts as they fall due. Balance sheet insolvency, which refers to a condition of negative net assets, in which liabilities exceed assets, is not relevant to governments. Generally, governments' operations and debt are paid and secured not by assets but by taxes. The condition of insolvency may be temporary and does not necessarily lead to state intervention.

A government that fails to meet a debt is **in default**. Generally, a default is cured by refinancing or renegotiating the debt, but the creditor may seek a **judgment levy** through court action.

Under Chapter 9, the condition of insolvency is addressed by the automatic stay provision of Section 362, which stops all collection actions against the debtor at the time the bankruptcy petition is filed. Section 922(d) provides that the automatic stay does not apply to debts secured by pledged special revenues, such as revenue bonds. In spite of the fact

that bankruptcy addresses the condition of insolvency, insolvency and bankruptcy are not synonymous.

Municipal **bankruptcy** is a specific process available under Chapter 9 of the federal Bankruptcy Code that allows the reorganization of cities, villages, townships, and counties, but not states. The federal law provides that states must specifically authorize their municipalities to use Chapter 9. No Michigan municipality has ever filed for bankruptcy, but the process is technically available only under the conditions specified in the Local Government Fiscal Responsibility Act, PA 72 of 1990 as amended.

PA 72 provides that if an emergency financial manager is unable to resolve the financial emergency, he or she may request approval from the local emergency financial assistance loan board to authorize the local government to proceed under Chapter 9.

Receivership may be a form of corporate bankruptcy in which the court appoints a receiver to run the company and recoup as much of the unpaid loans as possible, by liquidation if necessary. Receivership may occur when a state or federal regulator places a bank or financial institution under the control of a receiver pursuant to a statute. A court order may place a receiver over property, with or

without the consent of the owner, to preserve that property during a lawsuit if there is a danger the property will be removed from the jurisdiction of the court if a receiver is not appointed. A receiver may be appointed over all, or only the contested part, of the property of an individual, partnership, or corporation. The receiver is responsible for administering, conserving, rehabilitating, or liquidating the assets for the benefit of creditors.

PA 72 provides that if an emergency financial manager is unable to resolve the financial emergency, he or she may request approval from the local emergency financial assistance loan board to authorize the local government to proceed under Chapter 9.

Under municipal bankruptcy, no receiver is appointed: the local government develops a plan for adjusting its debts and the court approves or disapproves that plan. The court does appoint a trustee who appoints a creditors committee, but the trustee does not monitor the financial operations of the municipality.

The local government itself implements the plan of adjustment under the oversight of the court.

An **emergency financial manager** may be appointed under PA 72 of 1990 if a financial emergency is found to exist in a local government and no consent agreement has been negotiated to resolve the emergency. An emergency financial manager assumes the power and duties of the chief executive officer and legislative body, and may reorganize the government structure and renegotiate contracts.

Judgment Levies

A clear indication of local government fiscal distress is the inability to pay a debt. In that case, the possible remedies available to the creditor include filing a lawsuit against the municipality seeking payment (alternatively, the creditor could choose to write the debt off or offer to renegotiate the debt, or the creditor could ask the state to conduct a review under the Local Government Fiscal Responsibility Act, but the creditor cannot force the municipality into bankruptcy). If the creditor prevails in the lawsuit and receives a favorable judgment, the court can issue an order (a “writ of mandamus”) directing the local government to levy and collect taxes in an amount sufficient to pay the judgment. The municipality is thereby directed by the court to impose a judgment levy on taxpayers. This

approach transfers the financial obligation to taxpayers and does not require, or even imply, any change in the administration or operation of the local government. This form of relief for the creditor is based on the premise that residents should pay for the debts incurred by their local government.

One of the threshold events in the Local Government Fiscal Responsibility Act is the imposition of a judgment levy without the prior approval of the local government’s legislative body.

In Michigan, this approach has been used by members of local government pension systems to force sponsoring local governments to levy taxes to fund those systems.

One of the threshold events in the Local Government Fiscal Responsibility Act is the imposition of a judgment levy without the prior approval of the local government’s legislative body.

FINANCIAL EMERGENCIES IN MICHIGAN LOCAL GOVERNMENTS

Fiscal Indicator Scores

The Michigan Department of Treasury has developed fiscal indicator scores for all local general purpose governments in the state. Though not necessarily predictive of a local government's future financial condition, the scores are intended to provide public officials and citizens with objective information about cities, villages, townships, and counties. Each community is scored, with 0-4 points representing a fiscally neutral position requiring no state

action; 5-7 points designating a "fiscal watch" condition; and 8-10 points denoting fiscal stress. Local governments that score 8-10 are notified, placed on a watch list for the current year and following year, and receive consideration for state review. The most recent scores published are for 2008 and are available on the Michigan Department of Treasury website (www.michigan.gov/treasury).

Local Governments with 2008 Cumulative Scores 8-10

Cities*

Crystal Falls, Iron County (8)
Jackson, Jackson County (8)
Standish, Arenac County (8)
Benton Harbor, Berrien County (9)
Ecorse, Wayne County (9)
Muskegon Heights, Muskegon County (9)
Wakefield, Gogebic County (9)

Villages

Elberta, Benzie County (8)
Middleville, Barry County (8)
Owendale, Huron County (8)

Townships

McMillan, Ontonagon County (8)
Royal Oak, Oakland County (8)
Bedford, Calhoun County (9)
Genesee, Genesee County (9)

Counties

Hillsdale (8)

*The state's largest city, Detroit, was not included in the 272 cities scored.

The applicable statutory approach to communities in a financial emergency is the Local Government Fiscal Responsibility Act, PA 72 of 1990. However, the Bureau of Local Government Services of the Michigan Department of Treasury has created the Treasury Rapid Response Team (TRRT) for Fiscally Distressed Local Units to provide a quick and efficient methodology for Treasury to access fiscally distressed local units of government and to give

them fiscal repair options that may help avoid the PA 72 process. The Treasury website lists the methodology and benefits of TRRT:

- a. Utilize various organizations such as the Michigan Municipal League (MML), Michigan Townships Association (MTA), and the Michigan Association of Counties (MAC), if necessary, to facilitate meetings with the local governmental officials and a TRRT member.
- b. The organization/local unit will get credit for addressing the financial issues early and timely.
- c. At the meeting the TRRT members will ask the local officials what they feel comfortable sharing with the team about their fiscal distress.
- d. Once the fiscal issues are disclosed the TRRT will give the local government officials a list of fiscal health building options that do not include P.A. 72 triggers.
- e. If it is determined that P.A. 72 must be invoked the local government officials will be given the 4 page summary of P.A. 72 that will guide them through what to expect from that process.
- f. If it is determined after the meeting that P.A. 72 needs to be invoked the formal process can begin without unnecessary delay.

Using the TRRT will wisely use Treasury resources in identifying which local units of government require assistance without P.A. 72 or with P.A. 72 while giving substantial credit for the assistance to the organizations that represent various local units of government, or to the local unit of government that asks for our help on its own, according to Treasury.

The Local Government Fiscal Responsibility Act

History

The State of Michigan has adopted a number of statutes designed to prevent local governments from falling into a financial crisis. These include the Uniform Budgeting and Accounting Act, PA 2 of 1968; the Emergency Municipal Loan Act, PA 243 of 1980; the Fiscal Stabilization Act, PA 80 of 1981; the Revised Municipal Finance Act, PA 34 of 2001; and the Home Rule Cities Act, PA 279 of 1909. The state constitution provides for the removal or suspension of local officials. In spite of these statutory and constitutional provisions, the current fiscal condition of a number of Michigan local governments is challenged.

An extensive description of the Local Government Fiscal Responsibility Act was published by CRC in August, 1990 at the request of the Michigan Commission on Intergovernmental Relations. That report, *An Analysis of the Effectiveness of the Local Government Fiscal Responsibility Act*, which is available on the CRC website, describes the law as it was at that time. PA 72 of 1990 was subsequently amended by PA 265 of 1992, PA 408 of 2002, PA 282 of 2003, and PA 181 of 2009. A summary of the statute is contained in this section, and a complete description of the PA 72 process is contained in **Appendix A**, of this report.

Six general purpose Michigan communities have had emergency financial managers appointed under PA 72 of 1990:

- City of Hamtramck, 2000
- City of Highland Park, 2001
- City of Flint, 2002
- Village of Three Oaks, 2008
- City of Ecorse, 2009
- City of Pontiac, 2009

On February 26, 2010, the governor declared a financial emergency in Benton Harbor. (Although school districts are outside the scope of this report, it should be noted that an emergency financial manager has also been appointed for the Detroit Public School District.)

According to PA 72 of 1990, there are three possible strategies that can be employed for a local government that is in a declared fiscal emergency:

- Locally elected officials can develop and implement a plan to resolve the crisis under a consent agreement negotiated with the state-appointed review team.
- A state-appointed emergency financial manager can develop and implement a plan to resolve the financial crisis.
- If the emergency financial manager recommends and the state approves, the local government can file under Chapter 9 of the federal Bankruptcy Code.

The PA 72 process starts with a preliminary review by the state treasurer to determine if a financial problem exists. The state treasurer must inform the governor within 30 days after beginning the preliminary review whether or not the investigation has determined that a serious financial problem may exist because one or more conditions indicative of a serious financial problem exist within the local government. If the state treasurer's preliminary review determines that a serious financial problem may exist, or if the governing body of a local government, by resolution, requests assistance in meeting the ordinary needs of government and identifies the existing financial conditions that make the request for assistance necessary, the governor must appoint a review team composed of the state treasurer, auditor general, a nominee of the senate majority leader, a nominee of the speaker of the house, and other state officials or other people with relevant professional experience within the local government.

The review team must report to the governor within 60 days of their appointment (a 30-day extension may be granted) whether a serious financial problem exists. The review team's report must include one of three possible conclusions:

- A serious financial problem does not exist in the local government.
- A serious financial problem exists in the local government, but a consent agreement contain-

FINANCIAL EMERGENCIES IN MICHIGAN LOCAL GOVERNMENTS

ing a plan to resolve the problem has been adopted pursuant to section 14(1)(c).

- A local government financial emergency exists because no satisfactory plan exists to resolve a serious financial problem.

If the governor determines that a financial emergency exists, he or she then assigns the responsibility for managing the local government financial emergency to the local emergency financial assistance loan board, which appoints an emergency financial manager (EFM). The EFM is chosen solely on the basis of competence and cannot have been either an elected or appointed official or employee of the local government for at least five years before the appointment. The EFM may hire staff and contract for professional assistance, after obtaining approval of the local emergency financial assistance loan board. Those costs are born by the local government.

In consultation with the local government, the EFM is responsible for developing and implementing a financial plan that balances expenditures with the EFM's revenue estimate and that pays debt service and other legal obligations when due. Both the plan and revenue estimates may be reviewed and revised as necessary by the EFM, and while the written plan is to be made public, it does not require public approval. The EFM is authorized by the statute to order officials or employees of the local government to take those actions necessary to implement the financial plan. An emergency financial manager may assume the power and duties of the chief administrative officer and legislative body, and may renegotiate contracts, but may not abrogate contracts.

If the EFM successfully resolves the fiscal problem, he or she informs the local emergency financial assistance loan board that the financial emergency has been solved. The governor may determine that the conditions for revoking the declaration of a financial emergency have been met after receiving a recommendation from the local emergency financial assistance loan board.

The Act 72 process is the only way a local government in Michigan can be authorized to file under Chapter 9 of the federal bankruptcy code.

If however, the EFM is unable to resolve the financial emergency, he or she may request approval from the local emergency financial assistance loan board to authorize the local government to proceed under Chapter 9 of Title 11 of the United States Code, 11 U.S.C. 101 to 1330. That notice to the local emergency financial assistance loan board must include a determination by the EFM that no feasible financial plan can be adopted that can satisfactorily resolve the financial emergency in a timely manner, or a determination by the emergency financial manager that an adopted financial plan, in effect for at least 180 days, cannot be implemented, as written or as it might be amended,

in a manner that can satisfactorily resolve the financial emergency in a timely manner. The local emergency financial assistance loan board has 60 days to approve or disapprove the request. This is the only way a local government in Michigan can be authorized to file under Chapter 9 of the federal bankruptcy code.

Effectiveness

Of the seven general purpose local government financial emergencies that have been declared, Hamtramck and Flint have emerged from the Act 72 process, Ecorse and Pontiac currently have an emergency financial manager, Highland Park and Three Oaks no longer have an emergency financial manager in place, but the declaration of a financial emergency still exists. On April 1, 2010, an emergency financial manager was appointed for the City of Benton Harbor.

A review of quarterly reports filed by emergency financial managers reveals a variety of problem areas that these state appointees have faced:

- Accounting, budgeting, financial records, late payments, and cash management
- General management, need for operational efficiencies
- Staffing, overtime, cost and administration of employee benefits, union contracts

CRC Report

- Insurance costs, costs of contracts for service provided to the local government
- Lawsuits and legal fees
- Condition of infrastructure, illegal dumping, code enforcement, abandoned property, development pressures
- Service levels, pricing of services provided by the local government

- Sale of surplus property

PA 72 places the burden of resolving a local government fiscal emergency on the state. State-appointed emergency financial managers have generally been successful in cutting expenses and balancing budgets over time, but it is unclear if this process would work if applied to a city the size of Detroit.

Municipal Bankruptcy: Chapter 9, Title 11, of the United States Code

Congress passed municipal bankruptcy legislation in 1934, during the Great Depression, when many municipalities that were unable to meet their obligations sought protection. The U.S. Supreme Court in 1936 found that the 1934 act was an improper interference with the sovereignty of states. In 1937, Congress enacted a revised act that was upheld by the Supreme Court and that has been amended several times.

Recent History

Historically, filing for bankruptcy has been a last resort for municipalities, and no Michigan municipality has ever filed for protection under Chapter 9. The traditional argument against the use of bankruptcy is that it would negatively affect the municipality's credit rating, reduce access to credit, and increase future costs of borrowing. A municipal bankruptcy is believed to have a detrimental impact on the state's credit rating and on that of other local governments in the state. The moral argument against use of bankruptcy relates to making only promises (i.e. contracts) that can be kept, and honoring promises that have been made. The practical argument is that bankruptcy is expensive, contentious, and can take several years.

The restructuring of the domestic automobile industry, which has shaped the economy of this state, has in large part been accomplished through corporate bankruptcy. Multiple large and small auto suppliers have used federal bankruptcy to restructure (and in some cases to liquidate). The apparent success of the structured bankruptcies of Chrysler and GM, as well as the well publicized municipal bankruptcies of Orange County in 1994 and the City of Vallejo in 2008 (both are in California, which provided a blanket authorization for local agencies to utilize federal bankruptcy in 1949), have increased

interest in the potential of this option to give governmental filers a fresh start.

Municipal bankruptcy differs from corporate bankruptcy in important ways. Private companies can be liquidated and cease to exist, but municipalities continue to have critically important responsibilities to residents. Chapter 9 allows municipalities to restructure and reorganize assets and debts, and to abrogate contracts, but the court is much less active in municipal bankruptcies: no receiver is appointed and the court is generally limited to approving the petition, confirming a plan of adjustment developed by the municipality (not by the creditors), and ensuring

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implementation of the plan. The municipality is not required to liquidate assets to pay creditors, and the court may not increase tax rates in the municipality. Because the court has "cram down" authority, not all creditors have to approve the plan of adjustment, which is developed by the municipality. (A "cram down" is the imposition of a reorganization plan by a court over the objection of some classes of creditors.)

While the traditional use of Chapter 9 has been to reorganize debt through extending maturities, reducing the amount of principal or interest, or refinancing using a new loan, the Vallejo, California case demonstrated that municipal bankruptcy can be used to void union contracts.

Vallejo officials blamed the city's financial problems on police and firefighter salaries and benefits, which made up about 80 percent of the general fund budget; unexpected retirements resulting in unbudgeted payouts; and the housing market crash and struggling economy. The Vallejo City Council voted to file for Chapter 9 in 2008. In the city's Motion for Approval of the Rejection of Collective Bargaining Agreements, the city noted the value of future health ben-

efits already earned (which the Governmental Accounting Standards Board now requires to be reported annually) as well as negotiated salary increases and unfunded pension obligations. Under Chapter 9, contracts can be rejected if they are so burdensome that they would result in the inability of the debtor to adjust its debt absent rejection. The police and white collar unions made supplemental agreements with the city and the motions against them were voluntarily dismissed. Vallejo was allowed to abrogate the firefighter contracts.

Municipal bankruptcy has not been used to abrogate pension obligations that are protected in state constitutions. Only 19 states have specific authorization procedures in place for municipal bankruptcy, and only nine states have constitutional provisions that participants in a public retirement system have a guaranteed right to a benefit that has been promised. Michigan and Pennsylvania have both provisions for municipal bankruptcy and constitutional guarantees for public pensions.

According to the Allegheny Institute for Public Policy “Municipal bankruptcy may be a vehicle through which municipalities begin to deal with pension obligations and other legacy costs that have become too burdensome. The Pennsylvania Constitution prohibits the revocation of pension benefits through laws or ordinances, but this likely would not apply to proceedings before a bankruptcy judge. A recent high profile case in Vallejo, CA dealt with the issue of whether collective bargaining agreements and constitutional provisions on contracts would hold up in a bankruptcy proceeding. The court held that they would not, noting that when a state permits municipal filings it is valuing the benefits of bankruptcy for its municipalities greater than its state laws.”¹

¹ Allegheny Institute for Public Policy, Issue Summary: Municipal Bankruptcy, Updated January 2010.

Other recent municipal bankruptcies, and their primary causes, include the following:

- Orange County, California, 1994, investment losses
- Prichard, Alabama, 1999, inability to pay pensions
- Desert Hot Springs, California, 2001, loss of a housing discrimination lawsuit
- Millport, Alabama, 2005, loss of sales tax revenue after a factory closing
- Moffett, Oklahoma, 2007, loss of ability to issue traffic tickets
- Gould, Arkansas, 2008, spent money withheld to pay employee income taxes
- Westfall Township, Pennsylvania, 2009, loss of a lawsuit
- Washington Park, Illinois, 2009, loss of lawsuits, embezzlement by employees
- Prichard, Alabama, 2009, inability to pay pensions

Only 19 states have specific authorization procedures in place for municipal bankruptcy, and only nine states have constitutional provisions that participants in a public retirement system have a guaranteed right to a benefit that has been promised. Michigan and Pennsylvania have both provisions for municipal bankruptcy and constitutional guarantees for public pensions.

Not all units of government may file for protection under the federal bankruptcy code. In order to be eligible, all of the following conditions must be met:

1. The entity must be a municipality, which is defined as a political subdivision or public agency or instrumentality of the state. This includes counties, cities, villages, townships, school districts, public improvement districts, and some special districts. (This is the definition of municipality used in this report.) States cannot file for bankruptcy.
2. The municipality must have specific authorization from the state to be a debtor. Nineteen states have specific authorization procedures in place for municipal bankruptcy. In Michigan, this can only be achieved through the process contained in PA 72 of 1990, described above.

3. The municipality must be insolvent on a cash flow basis. This condition is met when the municipality is not paying its debts when they become due or is unable to pay debts as they become due.
4. The municipality must desire to adjust its debts. It must file a voluntary petition and cannot be forced into bankruptcy by its creditors.
5. The municipality must demonstrate one of the following:
 - a. Obtained approval of creditors holding a majority of the dollar value of claims in each class that the debtor intends to impair; or
 - b. Negotiated in good faith with creditors and

failed to obtain the agreement of creditors holding a majority of the dollar value of claims in each class that the debtor intends to impair; or

- c. Be unable to negotiate with creditors because such negotiations are impracticable; or
- d. Reasonably believe that a creditor may attempt to obtain a preferential transfer (a payment larger than would be likely under bankruptcy).

Chapter 9 places the burden of resolving a local government financial crisis on creditors and employees. A complete description of the municipal bankruptcy process is contained in **Appendix B**.

Other Experiences

Michigan is not the only state struggling with managing fiscal crises at the local government level. In one of the most well-known crises, both the State of New York and the federal government resisted appeals for assistance from New York City. In contrast, Pennsylvania layered one oversight board over another to address Pittsburgh's financial emergency.

The New York City Crisis

A number of factors, including a declining manufacturing base, very generous welfare programs, and poor accounting and budgeting practices, contributed to a financial emergency in New York City. By 1974, New York City had become reliant on frequently maturing, short-term revenue anticipation notes (RANs) to cover operating expenses; this debt was increasingly difficult to retire. Creditors had formed the Financial Community Liaison Group to try to pressure the city into changing its fiscal policies (decreasing labor costs, raising taxes, cutting welfare expenditures). When this failed, the city's credit rating was reduced and creditors increased interest rates, and then, in early 1975, banks refused to extend any more credit.

In response, the State of New York in June, 1975, created the Municipal Assistance Corporation (MAC), which was initially authorized to issue \$3 billion in bonds backed by the city's sales tax, stock and transfer tax, and state aid. MAC, composed primarily of banking and business leaders, also demanded that the city impose fiscal austerity and responsible accounting and budgeting. (MAC eventually sold almost \$10 billion in bonds, serviced them all, and voted itself out of existence in 2008.)

In September, 1975, the state created the Emergency Financial Control Board (EFCB) composed of the mayor, governor, city and state comptrollers, and three private-sector business people. The EFCB controlled city revenues and had oversight of the city

budget. (New York City still submits its budget to the renamed Financial Control Board.)

But on October 17, 1975, the city's lawyers were in New York State Supreme Court to file a bankruptcy petition, and a statement was prepared announcing that the city had insufficient cash on hand to meet debt obligations. At that point, union leaders agreed to use union pension funds to purchase \$2.5 billion in city securities, and to refinance \$700 million in MAC bonds and \$450 million in city notes, thereby allowing the city to avoid the Chapter 9 filing.

If the City of Detroit has a financial emergency, it may be that solving Detroit's fiscal difficulties, like New York City's, requires a specially tailored strategy that accommodates its size, complexity, and political realities.

The state legislature passed a 25 percent increase in the city's income tax as well as higher levies on businesses and inheritances. The city began a process of laying off employees, reducing various payments, and closing facilities, and reforming its financial practices.

During the crisis, the city appealed to the federal government for a bailout, which was rejected, prompting the famous *Daily News* headline: "Ford to City: Drop Dead." (President Ford did not actually say those words.) Eventually, in December, the federal government agreed to provide \$2.3 billion each year through 1978 to meet short-term debt obligations. These federal loans had to be repaid within the year they were made, and carried an interest rate of one percent higher than the U.S. Treasury rate (then about seven percent).

If the City of Detroit has a financial emergency, it may be that solving Detroit's fiscal difficulties, like New York City's, requires a specially tailored strategy that accommodates its size, complexity, and political realities. The establishment of an Emergency Financial Control Board, similar to that created by the State of New York to oversee New York City's financial affairs, may be more appropriate for a city the size and complexity of Detroit. That board could include both city and state officials as well as private sector experts, and could oversee the budget of the City of Detroit and direct implementation

of deficit elimination plans. In order to be effective, the board would have to have authority to reject city budgets that contain unrealistic revenues, and to force the city to eliminate deficits as they arise. And in order for the board to be sufficiently well informed to make appropriate decisions, the city's accounting system would have to be improved to the point that financial information is timely and accurate. Questions relating to this approach include whether an oversight board would have to have a role in union negotiations in order to be effective, and how arbitration required under PA 312 could be used by public safety employees to reduce the potential effectiveness of an oversight board.

Pennsylvania's Approach

Pennsylvania's Municipalities Financial Recovery Act, Act 47 of 1987, allows additional taxing authority (specifically, a nonresident wage tax) to municipalities that are declared fiscally distressed, based on the theory that fiscal distress is at least partially due to inelastic revenues that do not keep pace with inflation and the increased costs of municipal services. The statute requires that an Act 47 coordinator be appointed by the state Community and Economic Development Department and paid by the state. The act includes the following provisions:

- Criteria for identifying distress.
- Powers and duties of the Department of Community and Economic Development in assisting communities.
- Procedure for declaring a municipality as being distressed and for appointing a distressed municipality coordinator.
- Requirement for development of a fiscal plan, unique to the municipality, that will enable the municipality to remedy its distress.
- Provision that the municipality has the option of formulating its own fiscal plan.
- Requirement that the state withhold all state funds except those considered absolutely essential when a distressed municipality refuses

to adopt a fiscal solvency plan.

- If the Act 47 coordinator recommends filing, or if other specified conditions are met, authorization for a distressed municipality to file a municipal debt readjustment action under federal law.²

Contracts negotiated prior to a municipality falling under Act 47 remain in effect until they expire; new contracts cannot violate the terms of the recovery plan. Act 47 is neither a state takeover nor a state bailout: the Act 47 coordinator drafts a recovery plan in consultation with city officials, employees, community groups, and residents, and that plan is approved by the mayor and city council, or the municipality has the option of formulating its own fiscal plan. The coordinator oversees implementation of the plan, but elected officials continue to run the city.

Pennsylvania has adopted an additional act to address the problems in a particular city. The Intergovernmental Cooperation Authority Act for Cities of the Second Class, Act 11 of 2004, applies only to Pittsburgh, permits the creation of a financial oversight authority, and is intended to work concurrently and equally with Act 47.

Four of the ten largest cities in Pennsylvania are in some type of financial oversight, either Act 47, an oversight board, or both. A total of 18 cities are currently under Act 47; six others have emerged.

Four of the ten largest cities in Pennsylvania are in some type of financial oversight, either Act 47 (Scranton and Reading), an oversight board (Philadelphia, which is not subject to Act 47), or both (Pittsburgh). A total of 18 cities are currently under Act 47; six others have emerged.

Pittsburgh

In 2003, the City of Pittsburgh laid off 446 employees, closed some facilities and discontinued some services; its bond rating was downgraded to below investment grade. The city's dysfunctional and decentralized accounting and payroll systems provided no way to ascertain the true costs of labor or fringes

² Pennsylvania General Assembly, Local Government Commission; Pennsylvania Legislator's Municipal Deskbook, Third Edition, 2006, pgs 185-186.

associated with the various departments.

The mayor sought protection under Act 47 and asked that the city be placed in “distressed” status. After a review of the city’s finances, the state approved the request, which triggered the requirement that the city develop a recovery plan. Consultants³ were appointed by the secretary of the state’s Department of Community and Economic Development to act as the Act 47 recovery plan coordinator to develop the recovery plan, which was approved by the mayor and city council in June, 2004. That 234-page document included more than 200 specific recommendations, including provisions for operating changes, intergovernmental cooperation, managed competition, workforce cost containment, improved financial management, and tax policy. In November, 2004, the governor and legislature exercised their right to modify some elements of the recovery plan.

In 2007, the city’s request that it be removed from Act 47 was denied and in 2008, the coordinator was directed to develop a new recovery plan. Pittsburgh’s second five-year recovery plan, which was approved June 30, 2009, is intended to focus on legacy costs and to provide a roadmap for exiting Act 47 oversight. The recovery plan coordinator continues to oversee implementation of the plan.

In direct response to Pittsburgh’s financial crisis, the state also created the Intergovernmental Cooperation Authority (ICA), a financial oversight body adopted in early 2004 (Act 11 of 2004) by the Pennsylvania legislature, specifically for Pittsburgh. The ICA board is appointed by the governor and legislature and is funded by state appropriations; the city is contractually obligated to fund any portion of the ICA’s budget that exceeds the state appropriation. The ICA controls city revenues, approves or disapproves the annual and capital budgets and corresponding five-year financial plans prepared by the city administration,

and makes recommendations to the state General Assembly. The ICA uses its control of revenues and budget approval process to force process, technology, and operational improvements, with an emphasis on cost control. The city is required to make quarterly financial reports no later than 45 days after the close of the quarter, and to insure that contracts, including collective bargaining agreements, are compliant with the approved financial plan.

The goal of the ICA is to bring about changes in the cost structure of “second class cities,” including balancing the budget and addressing legacy costs: “to provide for the health, safety and welfare of their citizens, pay principal and interest owed on their debt obligations when due, meet financial obligations to their employees, vendor and suppliers, and provide for proper financial planning procedures and budgeting practices, as mandated by Act 11

Since 2004, there have been three groups planning the financial future of Pittsburgh: the Act 47 recovery plan coordinator team; the Intergovernmental Cooperation Authority; and the city’s elected mayor and city council.

of 2004.” The ICA has commissioned a number of reports by outside experts on various aspects of city operations and systems, including a strategic plan for public safety, and convened numerous meeting of public safety unions, supervisors, and the city administration. The state-appointed, volunteer board of the ICA works with the members of the Municipalities Financial Recovery Act team (the Act 47 team) and the city government through an intergovernmental cooperation agreement.

Since 2004, there have been three groups planning the financial future of Pittsburgh: the Act 47 recovery plan coordinator team; the Intergovernmental Cooperation Authority; and the city’s elected mayor and city council. (Adding to the complexity and expense, the city used internal staff and also engaged an outside consultant to confirm findings of the Act 47 team and the ICA.) While published statements stress the cooperation among the three groups, and while Act 47 was the only option available in 2003 when the city experienced a crisis, it may be that one state-appointed oversight group with both planning and budgetary responsibility would have been more efficient.

³ Public Financial Management and Eckert Seamons Cherin & Mellott, LLC.

Other Approaches

State or Federal Bailout

The easiest resolution to a local government fiscal crisis, from the perspective of the local government, would be a state or federal bailout. While this solution could be appropriate in unusual and discrete situations where local officials were not at fault, the State of Michigan is facing its own financial crisis and the federal government has thus far shown no inclination to provide general relief (although extraordinary aid has been provided for states and local governments for specific purposes as part of the American Recovery and Reinvestment Act (ARRA)).

Furthermore, a bailout could encourage and reward irresponsible behavior, especially when (as in Detroit, Ecorse, and some other communities) local officials have been convicted of corruption, have adopted budgets that were balanced with unrealistic revenues, have repeatedly failed to make expenditure reductions necessary to balance budgets, and have failed to address problems that are long standing and structural (not situational or cyclical).

Amend PA 72 of 1990

PA 72 of 1990 has worked reasonably well in those situations where it has been used. It is obvious from past experience, however, that the selection of the individual who is to serve as emergency financial manager is key. It may be that in certain cases (in cities of over 500,000 population, for example) the complex financial and political situation demands a slightly different approach, and that current or elected officials or appointees may be the best to serve as EFM. If the legislative body were an impediment to implementing financial reforms, appointing a chief executive officer to be EFM would allow that person to relieve the legislative body of authority and implement necessary budgetary and opera-

tional changes without their approval. If a financial expert who was recently employed by the city were judged best able to resolve the crisis, an amendment to the act could allow for his or her appointment. This approach would eliminate the system of checks and balances that is inherent in the mayor-council form of government. If it were to be considered, it should be in conjunction with a state oversight board.

The political appeal of this approach is that the state would not be placing an “outsider” with no connection to the community in a position of authority. The problem with the approach is that it does not remove local political considerations from the process.

There is no prohibition in any Michigan statute on the voluntary renegotiation of local gov-

ernment contracts. There is, however, no way to amend any Michigan statute to allow abrogation of local government contracts. Therefore, if the critical problem facing a local government is the inability to afford contractually obligated pay and benefits, unions refuse to make concessions, and no further layoffs may reasonably be made without endangering public health and welfare, no remedy for that problem is possible outside of bankruptcy. Similarly, if the critical problem facing a local government is the inability to make payments on limited tax general obligation debt, and bond or note holders refuse to make concessions, no remedy for that problem is possible outside of bankruptcy.

State Takeover

Rather than appoint an emergency financial manager or an oversight board for a local government with a financial emergency, the state could designate a state agency that actually exercises financial and operational control of local governments that have financial emergencies. This agency could be

A bailout could encourage and reward irresponsible behavior, especially when local officials have been convicted of corruption, have adopted budgets that were balanced with unrealistic revenues, have repeatedly failed to make expenditure reductions necessary to balance budgets, and have failed to address problems that are long standing and structural.

authorized to sell notes and bonds guaranteed by defined revenues (including, but not limited to, deficit funding bonds and, with court cooperation, judgment bonds), to raise extraordinary revenues in a designated local unit of government, or to channel special state resources to the unit. The state agency could be empowered, where feasible, to execute contracts transferring all service provision responsibilities for a city, village, or township to the county or other appropriate unit of government. Although there are constitutional considerations, the state agency could propose and advocate for a merger of local units of government, or propose and advocate for replacing a dysfunctional charter with a model charter.

The proposed agency could be designed to be very intrusive, approving budgets and expenditures, hir-

ing and firing local department heads and employees, negotiating and approving contracts, and managing operations. Or, it could be less intrusive, negotiating a rehabilitation plan and overseeing its implementation by local officials. There could be an

A standing local government administrative agency would encounter the same problems that an emergency financial manager faces, but might be able to develop extraordinary in-house capacity based on experience over time in a number of communities.

established set of threshold events that trigger the state involvement (if, for example, the community's credit rating falls below investment grade or if the local government is unable to meet its operating expenses), or the governor or legislature could be authorized to designate specific local governments for takeover.

A standing local government administrative agency would encounter the same problems that an emergency financial manager faces, but might be able to develop extraordinary in-house capacity based on experience over time in a number of communities.

Placing the Burden of Local Fiscal Distress

An academic approach to categorizing the various strategies for resolving local government fiscal crises is to identify where the burden of resolving the crisis is placed: on the taxpayers through judgment levies; on the state because it is responsible for local governments; or on creditors and employees through bankruptcy.⁴ In fact, a combination of stakeholders assumes the burden.

As a practical matter, even without judgment levies, residents of fiscally distressed local governments will assume at least part of the burden of resolving the financial problem. This is because service reductions, facility closures, and delayed maintenance of infrastructure will very likely be part of the strategy to reduce expenditures. It can be argued that placing the burden on residents promotes efficient resource allocation, because residents can determine fiscal policies through the political process. While the present confluence of events—declining property values, high and long-term unemployment, industrial restructuring—contributing to current problems could not be prevented, or even predicted, by local officials, a number of Michigan communities have long resisted addressing serious structural problems. Furthermore, placing the burden on residents, either by raising taxes or reducing services, encourages those resident individuals and business that are more mobile to move, further reducing the tax base.

The burden will be shared by local government employees, who will lose jobs, have pay rates frozen or

reduced, and benefits adjusted downward. Public employee labor contracts may be voluntarily renegotiated at any time, but may be abrogated only under Chapter 9.

Local officials will assume part of the burden, either because they are forced to make unpopular decisions or because they are relieved of financial responsibility by an emergency financial manager or oversight agency. While local officials may not be able to affect the underlying causes of a fiscal emergency, theirs is the primary responsibility for developing and implementing a plan that balances realistic revenues with essential services.

The State of Michigan is not now in a position to bail out local governments, and indeed has been contributing to their distress by reducing revenue shar-

ing payments and imposing unfunded mandates. The state has accepted part of the responsibility by establishing a process for identifying financial emergencies and placing an emergency financial manager in charge of distressed communities.

Creditors and vendors cannot force local governments to reduce deficits or adopt responsible financial plans, though financial institutions can set conditions for making loans to the municipality. Creditors cannot force a municipality into bankruptcy, but outside of bankruptcy, creditors have the right to sue local governments for payment. Under bankruptcy, creditors (and employees) can be forced to shoulder the burden of a local government financial emergency.

As a practical matter, even without judgment levies, residents of fiscally distressed local governments will assume at least part of the burden of resolving the financial problem.

⁴ Omer Kimhi, Boston University Law Review, Reviving Cities: Legal Remedies to Municipal Financial Crises.

Summary and Conclusions

In Michigan, local governments of all kinds are facing financial challenges. In general, these challenges are defined by declining property tax revenues attributable to the real estate collapse and to economic restructuring. In many well managed communities, the decline in revenues has provided an unexpected, and unprecedented, challenge. In other communities with long standing problems, the political environment has not allowed leaders to make necessary reforms.

The state has developed a strategy for addressing local government financial emergencies, contained in the Local Government Fiscal Responsibility Act, PA 72 of 1990, but that statute has not been used in every instance of local government distress. In particular, the state's largest city, Detroit, may require a different approach if it is deemed to have a financial emergency.

It was only after a court-ordered receivership was established for the City of Ecorse that the Michigan Legislature adopted PA 101 of 1988, the precursor to PA72 of 1990. It may be that a similar event is necessary to motivate a legislative response to Detroit's continuing challenges. Examination of possible alternative strategies, including bankruptcy, is appropriate.

While creditors may sue a local government for payment of a particular debt, this does not constitute a

strategy for dealing with that government's fiscal distress. An emergency financial manager appointed by the state in accordance with PA 72 may well be able to improve budgeting, renegotiate contracts, and reduce expenditures. Other possibilities include amending PA 72 to allow a mayor or other current or recently elected or appointed official to be appointed EFM; establishing a financial oversight board with state, local, and private sector representation; or establishing an agency in state government to assume operation and control of a local government that is having a financial emergency.

If the resolution of a financial emergency requires abrogation of contracts, only bankruptcy will provide the necessary authority.

However, if the resolution of the emergency requires abrogation of contracts, only bankruptcy will provide the necessary authority.

While a simple bailout is greatly desired by many local officials, the state is unable or at least unwilling, and the federal government so far unwilling, to provide this kind of aid. Nor would a bailout address the underlying cause of local government financial distress in Michigan. At this time in our state, a challenge even greater than balancing local budgets with declining revenues and increasing spending pressures, is rebuilding an economic base devastated by the loss of manufacturing and the collapse of real estate values. The most stringent of cost cutting cannot address this fundamental problem.

Appendix A The Local Government Fiscal Responsibility Act

Preliminary Review

The statute contains a lengthy process for determining if there is a fiscal emergency in a local government. That process starts with a preliminary review by the state treasurer to determine if a financial problem exists. The preliminary review is triggered by one or more of the events listed in Sec. 12 (MCL 141.1212):

(1) The state treasurer shall conduct a preliminary review to determine the existence of a local government financial problem if 1 or more of the following occur:

(a) The governing body or the chief administrative officer of a local government requests a preliminary review under this article. The request shall be in writing and shall identify the existing financial conditions that make the request necessary.

(b) The state treasurer receives a written request from a creditor with an undisputed claim that remains unpaid 6 months after its due date against the local government that exceeds the greater of \$10,000.00 or 1% of the annual general fund budget of the local government, provided that the creditor notifies the local government in writing at least 30 days before his or her request to the state treasurer of his or her intention to invoke this provision.

(c) The state treasurer receives a petition containing specific allegations of local government financial distress signed by a number of registered electors residing within the jurisdiction of the local government equal to not less than ten percent of the total vote cast for all candidates for governor within the jurisdiction of the local government at the last preceding election at which a governor was elected. Petitions shall not be filed under this subdivision within 60 days before any election of the local government.

(d) The state treasurer receives written notification from the trustee, actuary, or at least ten percent of the beneficiaries of a local government pension fund alleging that a local government has not timely deposited its minimum obligation payment to the local government pension fund as required by law.

(e) The state treasurer receives written notification that employees of the local government have not been paid and it has been at least 7 days after the scheduled date of payment.

(f) The state treasurer receives written notification from a trustee, paying agent, or bondholder of a default in a bond payment or a violation of 1 or more bond covenants.

(g) The state treasurer receives a resolution from either the senate or the house of representatives requesting a preliminary review under this section.

(h) The local government has violated the conditions of an order issued pursuant to, or of a requirement of, former 1943 PA 202, the revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140, the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, or any other law governing the issuance of bonds or notes.

(i) The local government has violated the conditions of an order issued in the effectuation of the purposes of the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942, by the local emergency financial assistance loan board created by the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942.

(j) The local government has violated the requirements of sections 17 to 20 of the uniform budgeting and accounting act, 1968 PA 2, MCL 141.437 to 141.440, and the state treasurer has forwarded a report of this violation to the attorney general.

(k) The local government has failed to comply with the requirements of section 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.921, for filing or instituting a deficit recovery plan.

(l) The local government fails to provide an annual financial report or audit that conforms with the minimum procedures and standards of the state treasurer and is required under the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a, or 1919 PA 71, MCL 21.41 to 21.55.

(m) The local government is delinquent in the distribution of tax revenues, as required by law, that it has collected for another taxing jurisdiction, and that taxing jurisdiction requests a preliminary review.

(n) A court has ordered an additional tax levy without the prior approval of the governing body of the local government.

Finding of a Serious Financial Problem

The state treasurer must inform the governor within 30 days after beginning the preliminary review whether or not his or her investigation has determined that a serious financial problem may exist because one or more conditions indicative of a serious financial problem exist within the local government. The conditions indicative of a serious financial problem are as follows (MCL 141.1214 (2)):

(a) A default in the payment of principal or interest upon bonded obligations or notes for which no funds or insufficient funds are on hand and segregated in a special trust fund.

(b) Failure for a period of 30 days or more beyond the due date to transfer 1 or more of the following to the appropriate agency:

(i) Taxes withheld on the income of employees.

(ii) Taxes collected by the government as agent for another governmental unit, school district, or other entity or taxing authority.

(iii) Any contribution required by a pension, retirement, or benefit plan.

(c) Failure for a period of 30 days or more to pay wages and salaries or other compensation owed to employees or retirees.

(d) The total amount of accounts payable for the current fiscal year, as determined by the state treasurer's uniform chart of accounts, is in excess of ten percent of the total expenditures of the local government in that fiscal year.

(e) Failure to eliminate an existing deficit in any fund of the local government within the 2-year period preceding the end of the local government's fiscal year during which the review team report is received.

(f) Projection of a deficit in the general fund of the local government for the current fiscal year in excess of ten percent of the budgeted revenues for the general fund.

The governor must appoint a review team composed of the state treasurer, auditor general, a nominee of the senate majority leader, a nominee of the speaker of the house, and other state officials or other people with relevant professional experience if the state treasurer's preliminary review determines that a serious financial problem may exist within the local government or if the governing body of a local government, by resolution, requests assistance in meeting the ordinary needs of government and identifies the existing financial conditions that make the request for assistance necessary.

The review team may use the resources of other state agencies and has the authority to review the books and records of the local government. It also has the authority to negotiate a consent agreement with the chief administrative officer of the local government; that agreement must be approved by the governing body of the local government. The agreement may provide for necessary remedial measures and a long-range financial recovery plan requiring specific local actions. The agreement may utilize state financial management and technical assistance and may provide for periodic fiscal status reports to the state treasurer. The review team must report to the governor within 60 days of their appointment (a 30-day extension may be granted) whether a serious financial problem exists.

The review team's report must include one of three possible conclusions:

- (a) A serious financial problem does not exist in the local government.
- (b) A serious financial problem exists in the local government, but a consent agreement containing a plan to resolve the problem has been adopted pursuant to section 14(1)(c).
- (c) A local government financial emergency exists because no satisfactory plan exists to resolve a serious financial problem.

The governor has a maximum of 30 days after receiving the report from the review team to make a determination that a serious financial problem does not exist in the local government; or a serious financial problem exists in the local government, but a consent agreement containing a plan to resolve the problem has been adopted; or a local government financial emergency exists because no satisfactory plan to resolve the serious financial problem exists. If a consent agreement is adopted, but the state treasurer or the review team informs the governor that the local government is not abiding by that agreement, the governor is required to declare that a financial emergency exists in the local government.

Appeal

If the governor determines that a financial emergency exists, he or she must provide the governing body and chief administrative officer of the local unit with a written notification of the determination, an explanation of the facts on which the decision was based, and notice that the chief administrative officer or the governing body of the local government has ten days to request a hearing conducted by the governor or the governor's designate. Following the hearing, or if no hearing is requested, the governor must either confirm or revoke the determination. If the decision is confirmed, the governor must provide a written report explaining the factual basis for the decision.

If the governor confirms that a financial emergency exists in a local government, that local government may appeal to the circuit court for the county in which the local government is located or to the circuit court for Ingham County. The court can only set aside the gubernatorial determination if it finds that the determination is either not supported by competent, material, and substantial evidence on the whole record or is arbitrary, capricious, or clearly an abuse or unwarranted exercise of discretion.

Emergency Financial Manager

If the governor determines that a financial emergency exists, he or she then assigns the responsibility for managing the local government financial emergency to the local emergency financial assistance loan board, which appoints an emergency financial manager (EFM). The EFM is chosen solely on the basis of competence and cannot have been either an elected or appointed official or employee of the local government for at least five years before the appointment. The EFM, who need not be a resident of the local government, serves at the pleasure of the local emergency financial assistance loan board. The emergency financial manager is entitled to compensation and reimbursement for actual and necessary expenses from the local government as approved by the local emergency financial assistance loan board. The EFM may hire staff and contract for professional assistance, after obtaining approval of the local emergency financial assistance loan board. Those costs are born by the local government.

In consultation with the local government, the EFM is responsible for developing and implementing a financial plan that balances expenditures with the EFM's revenue estimate and that pays debt service and other legal obligations when due. Both the plan and revenue estimates may be reviewed and revised as necessary by the EFM, and while the written plan is to be made public, it does not require public approval. The EFM is authorized by the statute to order officials or employees of the local government to take those actions necessary to implement the financial plan.

An emergency financial manager may assume the power and duties of the chief administrative officer and legislative body.

The EFM may renegotiate contracts, but may not abrogate contracts. The EFM is authorized to take any of the following actions:

- (a) Analyze factors and circumstances contributing to the financial condition of the unit of local government and recommend steps to be taken to correct the condition.
- (b) Amend, revise, approve, or disapprove the budget of the local government, and limit the total amount appropriated or expended during the balance of the financial emergency.
- (c) Require and approve or disapprove, or amend or revise a plan for paying all outstanding obligations of the unit of local government.
- (d) Require and prescribe the form of special reports to be made by the finance officer of the local government to its governing body, the creditors of the unit of local government, the emergency financial manager, or the public.
- (e) Examine all records and books of account, and require the attendance of witnesses and the production of books, papers, contracts, and other documents relevant to an analysis of the financial condition of the local government.
- (f) Make, approve, or disapprove any appropriation, contract, expenditure, or loan, the creation of any new position, or the filling of any vacancy in a permanent position by any appointing authority.
- (g) Review payrolls or other claims against the unit of local government before payment.
- (h) Exercise all of the authority of the local government to renegotiate existing labor contracts and act as an agent of the unit of local government in collective bargaining with employees or representatives and approve any contract or agreement.

FINANCIAL EMERGENCIES IN MICHIGAN LOCAL GOVERNMENTS

(i) Notwithstanding the provisions of any charter to the contrary, consolidate departments of the local government or transfer functions from one department to another and to appoint, supervise, and, at his or her discretion, remove heads of departments other than elected officials, the clerk of the unit of local government, and any ombudsman position in the unit of local government.

(j) Employ or contract for, at the expense of the local government and with the approval of the local emergency financial assistance loan board, auditors and other technical personnel considered necessary to implement this article.

(k) Require compliance with the orders of the emergency financial manager by court action if necessary.

(l) Except as restricted by charter or otherwise, sell or otherwise use the assets of the unit of local government to meet past or current obligations, provided the use of assets for this purpose does not endanger the public health, safety, or welfare of residents of the unit of local government.

(m) Apply for a loan from the state on behalf of the unit of local government, subject to the conditions of the Emergency Municipal Loan Act, in a sufficient amount to pay the expenses of the emergency financial manager and for other lawful purposes.

(n) Approve or disapprove of the issuance of obligations of the unit of local government on behalf of the municipality, subject to the conditions of the Revised Municipal Finance Act, and the Revenue Bond Act of 1933,.

(o) Enter into agreements with other units of local government for the provision of services.

(p) Exercise the authority and responsibilities of the chief administrative officer and governing body concerning the adoption, amendment, and enforcement of ordinances or resolutions affecting the financial condition of the unit of local government as provided in the applicable acts.

(q) Reduce, suspend, or eliminate the salary, or other compensation of the chief administrative officer and members of the governing body of the unit of local government during the financial emergency. However, the EFM may not impair vested retirement benefits.

The EFM has 180 days after his or her appointment to determine whether possible criminal conduct contributed to the financial emergency. If the EFM determines that there is reason to believe that criminal conduct has occurred, he or she must refer the matter to the attorney general and the local prosecuting attorney for investigation.

Not later than 90 days after the completion of the emergency financial manager's term, the governing body of the unit of local government shall review any ordinance implemented by the emergency financial manager during his or her term, except any ordinance enacted to assure the payment of principal and interest on bonds.

Every six months, the EFM is required to file with the governor, the senate majority leader, and the speaker of the house of representatives, and to post on the local government's website, a report that contains all of the following:

(a) A description of each expenditure made, approved, or disapproved during the reporting period that has a cumulative value of \$10,000.00 or more and the source of the funds.

(b) A list of each contract that the emergency financial manager awarded or approved with a cumulative value of \$10,000.00 or more, the purpose of the contract, and the identity of the contractor.

(c) A description of each loan sought, approved, or disapproved during the reporting period that has a cumulative value of \$10,000.00 or more and the proposed use of the funds.

(d) A description of any new position created or any vacancy in a permanent position filled by the appointing authority.

(e) A description of any position that has been eliminated or from which an employee has been laid off.

Liability

The law provides that the state, the members of the local emergency financial assistance loan board, and the emergency financial manager are not liable for any obligation of or claim against a local government resulting from actions taken in accordance with the statute.

Role of Local Officials under PA 72

As noted, an emergency financial manager may assume the power and duties of the chief administrative officer and legislative body. Elected officials of a local government are required to provide the assistance and information requested by a review team, the local emergency financial assistance loan board, or the emergency financial manager. Failure of an elected official of a local government to do so is considered gross neglect of duty, which the EFM must report to the local emergency financial assistance loan board. Following review and a hearing with the local government elected official, the local emergency financial assistance loan board may recommend to the governor that the governor remove the elected official from office. If the governor removes the elected official from office, the resulting vacancy in office is to be filled as prescribed by law.

Taxes

Neither the EFM nor the local financial assistance loan board has the power to impose taxes, over and above those already authorized, without the approval at an election of a majority of the qualified electors voting on the question.

Resolution

The emergency financial manager may or may not be able to resolve the financial emergency. If the EFM does resolve the problem, he or she would inform the local financial assistance loan board that the financial emergency has been solved. A recommendation by the EFM to revoke the determination of a financial emergency must be accompanied by the completed following form:

FINANCIAL EMERGENCIES IN MICHIGAN LOCAL GOVERNMENTS

Local Government Emergency Financial Manager Exit Strategy Checklist

Issued under P.A. 72 of 1990 As Amended Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other	Local Unit Name	County
Date <input type="checkbox"/> Consent Agreement <input type="checkbox"/> Appointment of Emergency Financial Manager	Date of Completion of Exit Strategy Checklist	

In an effort to clearly set forth when the financial emergency has ended, the following checklist is to be used by the parties to document the end of the financial emergency and the end of the term of the Emergency Financial Manager. If all of the boxes are marked yes, the term of the Emergency Financial Manager shall be ended within the next 30 days.

Y
E N
S O

Check each applicable box below.

1. Has a written financial plan been developed in consultation with the local government?
2. Does the written financial plan provide for the conducting of operations of the local government within the resources available according to the Emergency financial Manager's estimate?
3. Does the written financial plan provide for the payment in full of the scheduled debt service requirements on all bonds, notes, and all other uncontested legal obligations of the local government?
4. During the past 180 continuous days has the Emergency Financial Manager in consultation with the local government reexamined the Written financial plan?
5. During the past 180 continuous days has the written financial plan been modified to conform to revised revenue estimates?
6. During the past 180 continuous days have the operations of the local government been conducted within the available resources?
7. During the past 180 continuous days have all scheduled debt service requirements on all bonds, notes, and other uncontested legal obligations been paid?
8. Have all taxes withheld on the income of employees been transferred to the appropriate agency for the past 180 continuous days?
9. Have all of the taxes collected by the local government as agent for another government unit, school district, or other taxing authority been transferred to the appropriate agency for the past 180 continuous days?
10. Have all required pension, retirement, or other benefit plan contributions been made for the past 180 continuous days?
11. Have all wages, salaries, or other compensation due to employees or retirees been paid for the past 180 continuous days?
12. Have the total amount of accounts payable for the current fiscal year, as determined by the state treasurer's uniform chart of accounts, been less than 10% of the total expenditures of the local government for the past 180 continuous days?
13. Have all deficits been eliminated in all funds for the past 180 continuous days?

In respect to any question to which the answer was “no,” please provide an explanation as to why and indicate when the matter in question will be addressed or resolved.

Signature of Emergency Financial Manager:

The governor may revoke the declaration of a financial emergency based a recommendation by the local financial assistance loan board.

If however, the EFM is unable to resolve the financial emergency, he or she may request approval from the local emergency financial assistance loan board to authorize the local government to proceed under Chapter 9 of Title 11 of the United States Code, 11 U.S.C. 101 to 1330. That notice to the local emergency financial assistance loan board must include a determination by the EFM that no feasible financial plan can be adopted that can satisfactorily resolve the financial emergency in a timely manner, or a determination by the emergency financial manager that an adopted financial plan, in effect for at least 180 days, cannot be implemented, as written or as it might be amended, in a manner that can satisfactorily resolve the financial emergency in a timely manner. The local emergency financial assistance loan board has 60 days to approve or disapprove the request. This is the only way a local government in Michigan can be authorized to file under Chapter 9 of the federal bankruptcy code.

Appendix B Municipal Bankruptcy: Chapter 9, Title 11, of the United States Code

Commencing the Case

Municipal bankruptcy is initiated by the filing of a voluntary petition, a schedule of creditors, and a pleading. At the court's discretion, the list of creditors may be filed later if the debtor is initially unable to prepare it in the detail and form required by the court. The chief judge of the court of appeals for the circuit for the district where the case is filed assigns the bankruptcy judge for the case (in other kinds of bankruptcy cases, the clerk of the court makes the assignment).

Notice of the bankruptcy filing must be published at least once a week for three successive weeks in at least one general circulation newspaper in the district and in other newspapers having a general circulation among bond holders and bond dealers. Objections to the petition may be filed, and the court must hold a hearing on any objection. A petition may be dismissed if the court determines it was not filed in good faith or that it does not meet the requirements contained in the law. The court may also reject a petition for lack of prosecution, unreasonable delay, failure to propose a plan within the allotted time, material default, or other cause.

An automatic stay is implemented at the moment of filing, and if the petition is not dismissed and the case proceeds, that automatic stay prevents collection actions against the municipality, except for payment on revenue bonds. No creditor can demand payment, and no creditor can start or continue a legal action to recover debt. This gives the municipality time to negotiate a debt readjustment plan.

Federal constitutional law preserves the sovereignty, independence, and powers of local government bodies, and this protection remains under bankruptcy. In a municipal bankruptcy, local officials remain in power and, as noted, no federal receiver or trustee is appointed. Day-to-day activities of the municipality are not subject to court approval; the debtor may borrow money without court approval; and the debtor may employ professionals without court approval. Although no Michigan municipality has ever filed for bankruptcy, presumably the emergency financial manager would organize the filing and would remain in control of the municipality's finances and operations. The Michigan law is silent on this point.

Plan of Debt Adjustment

The municipality must file a plan of adjustment for its debts. This plan must be based on an analysis of cash flow and a determination of the validity and amount of claims. The plan classifies debts in accordance with priorities established in state and federal law, and provides a way that each class of claims can be adjusted (payment in full, payment over time, exchange, or rejection). Each class of claims votes for the plan of adjustment. Even without approval by the claimants, if a plan is proven to be feasible and in the best interest of creditors, it may be confirmed by the court. That confirmation releases the municipality from all claims not provided for in the plan, and the municipality emerges as a new entity.

In Chapter 9 cases, a creditors committee is appointed. That committee may employ attorneys, accountants, and other agents to represent creditors, consult with the debtor about the administration of the case, investigate the actions and financial condition of the debtor, participate in the formation of the plan of adjustment, and perform other services as required by the committee. Unlike corporate bankruptcy, there is no first meeting of creditors and creditors may not propose competing debt adjustment plans. However, all new projects of the municipality must be approved by a majority of creditors.

The municipality is permitted to adjust non-debt contractual arrangements under the power to reject executory contracts and unexpired leases, subject to court approval. The municipality may reject collective bargaining agreements and retiree benefit plans.

There are several general conditions that the plan of adjustment must meet:

- The plan must comply with applicable provisions of the bankruptcy law.
- All amounts to be paid must be fully disclosed and reasonable.
- The municipality is not prohibited by law from taking any action necessary to implement the plan.
- Except where a claimant has agreed to a different treatment, the plan provides that on the effective date of the plan, each holder of a particular class of claim will receive the amount allowed claimants in that class of claim.
- Any regulatory or electoral approval required for implementation must be obtained, or the provision is conditioned on obtaining that approval.
- The plan is in the best interests of creditors and is feasible.

The law requires that the plan of adjustment has been accepted by each class of claims that is impaired by the plan. Acceptance is not required if the class is not impaired. However, the court may approve the plan if at least one impaired class has accepted the plan. If only one impaired class accepts the plan, approval is still possible under the “cram down” provision, if all other requirements are met and the plan does not discriminate and is fair and equitable.

Chapter 9 allows parties in interest to appear, be heard, and object to the proposed plan. These may include representatives of the state, the Secretary of the U.S. Treasury, the Securities and Exchange Commission, municipal employees, employee organizations, local residents, non-resident owners of real property, affected creditors, securities firms, and local banks.

The court is limited to confirming or rejecting the plan of adjustment. The court cannot order the local government to increase its tax rates, even if revenues are not sufficient to pay creditors in full. Once the plan has been confirmed, the municipality deposits any consideration to be distributed according to the plan, and when that consideration has been certified by the court, the municipal debtor receives a discharge. The municipality emerges from the process as a new legal entity.⁵

⁵ U.S. Courts at www.uscourts.gov/bankruptcycourts/bankruptcybasics/chapter9.html.