

**City of Royal Oak
Michigan**

**Adopted
Budget**

FY2021-22

Royal Oak Police Station



Royal Oak Adopted Budget for Fiscal Year 2021-22

Mayor
Michael Fournier

Mayor Pro Tem
Patricia Paruch



City Commissioners
Sharlan Douglas
Kyle DuBuc
Monica Hunt
Brandon Kolo
Melanie Macey

City Manager
Paul J. Brake

Director of Finance
Julie J. Rudd

Assistant Finance Director
Anthony C. DeCamp

The City of Royal Oak's 50th Commission and City Manager



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City of Royal Oak

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Executive Directors

Director of Finance – Julie Jenuwine Rudd
City Clerk – Melanie Halas
Director of Human Resources – Dennis Van de Laar
Director of Recreation & Public Service – Aaron Filipski
Fire Chief – David Cummins
Assistant City Manager / Chief of Police – Corrigan O'Donohue
Treasurer – Jaynmarie Hubanks
Assessor - James Geiermann
Assistant Finance Director - Anthony C. DeCamp
Director of Community Development - Tim Thwing
City Attorney – Aaron Leal

Department Heads

City Engineer – Holly Donoghue
Assistant Director of Community Development / Building Official - Jason Craig
Information and Communication Technology Manager – Mike Kirby
Interim Library Director – Adrienne Breznau
Recreation Supervisor – John Fedele
Director of Planning – Joseph Murphy
Deputy Chief of Police – Michael Frazier
Deputy Chief of Police – Michael Moore
Deputy Chief of Fire – James Cook
Deputy City Manager – Todd Fenton
Deputy City Clerk – Deanna Braswell

44th District Court

District Court Judge – Derek Meinecke
District Court Judge – James Wittenberg
Court Administrator – Tami Bone



GOVERNMENT FINANCE OFFICERS ASSOCIATION

***Distinguished
Budget Presentation
Award***

PRESENTED TO

City of Royal Oak

Michigan

For the Fiscal Year Beginning

July 1, 2020

Christopher P. Morrill

Executive Director

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July 1, 2021

The Honorable Mayor Fournier and
Members of the City Commission:

The budgeting process is an important plan to determine allocation of current and future resources to carry out municipal functions and services of the Royal Oak municipal organization in an efficient, sustainable, and dependable manner. This blueprint demonstrates our practice of good fiscal stewardship thus spending public funds wisely in carrying out our mission and accomplishing the goals of the city commission. At the beginning of the COVID-19 pandemic, no one was ever fully aware of the severity and duration of the impact to the city's finances. To this day, we are faced with many unknowns but assistance from the federal government through the recently announced stimulus program will lessen the severity of shortfalls that we would have otherwise experienced.

The budget document is more than numbers on pages, rather it is a culmination of the expectations of the community and our values. Further, it represents our core mission to provide a safe, healthy, and sustainable community. Based on this guiding philosophy, the city administration submits this fiscal year 2021/2022 budget.

The highest priorities addressed through this spending plan are major infrastructure projects consisting of the construction of water and sewer lines, expenditures to continually improve our roads and sidewalks, update to the master plan document, sustainability solutions to handle stormwater and consumption of electric usage at city facilities, and, finally, manpower to address facilities and park maintenance. The budget includes the addition of five new positions; however, the total city work force has 72 less positions than it had back in 2004.

A little over a year ago, the city declared a local emergency in response to the global pandemic and swiftly prepared a response plan to minimize the exposure to our employees and the public. During this time, we have shifted our focus on developing and implementing emergency response assistance programs and alternative delivery methods so that we maintain quality services our residents and businesses have come to expect. Innovating ideas came to mind when it came to enabling individuals to continue access services remotely. Thus, the slogan was quite fitting for our Romi mascot, “Oh, the things you can DO ONLINE!” From the individual’s home office or kitchen table, here are just a few things that can be done from whenever you choose: registering to vote, engineering permit information, water billing information, tax, and water bill payment, requesting a birth certificate and more.



Major Expenditure Priorities and Drivers

The FY 2021-2022 budget takes steps that preserve high-quality city services and add to or enhance services the city is already providing. This all is accomplished while considering long-term sustainability and efficiencies. There is also a strong alignment with the city’s 2021-2022 Goals, Objectives and Action Steps as shown by the goal icons seen throughout this message.

City Strategic Goals Key:



Infrastructure – To maintain, replace and enhance Royal Oak’s infrastructure to promote efficient, environmentally responsible delivery of municipal services.



Operations – To perform all city operations efficiently and effectively. This includes, but is not limited to internal communications, technology, customer service, innovation, and financial management.



Communications – To proactively promote meaningful, open, and respectful dialogue using factual information to ensure effective decision making.



Community – Encourage an engaged, neighborly, supportive, inclusive, healthy, and active community



Economic/Tax Base – Encourage and support diverse investment to maximize overall property values and promote equitable access to job opportunities and housing.



Fiscal Management – To preserve Royal Oak's finances through sound fiscal policy, strategic planning, deliberative actions, and effective management of public assets.



Public Safety – To protect all persons and property in Royal Oak by providing the highest quality public services possible in the most efficient manner



Sustainability – To operate the City of Royal Oak in a sustainable way supporting the community, economy, and environment.



Infrastructure – To maintain, replace and enhance Royal Oak's infrastructure to promote efficient, environmentally responsible and sustainable delivery of municipal services.

Address critical infrastructure needs.



The budget includes funding to accomplish the action steps outlined in the city commission's annual goal setting session. The most common or first issue to come to mind is the ongoing efforts to address the occurrence of basement backups that can occur in the spring and summer. To that end, stormwater management remains an ongoing commitment. In the past, the city has implemented several methods to control the amount of stormwater entering the city's sewer system to prevent basement backups caused by overloading of the sewers. Currently, the city has several green infrastructure facilities that include best practices such as rain gardens, bioswales, permeable pavement, green roofs and rainwater harvesting.

The city's Engineering Division will be presenting an annual report to the city commission outlining efforts

taken to mitigate the potential and actual sewer overflows and/or basement backups. Many recommendations for finding long-term sustainable solutions are expected to be the byproduct of an ad-hoc committee formed in partnership with the Oakland County Water Resources Commission. The city is still pursuing the possibility of a stormwater utility, but this concept is on hold until the state passes legislation for stormwater utilities and until there are rulings on pertinent lawsuits against other communities.

As we seek out best practices for green infrastructure, staff will be producing and implementing a Green Infrastructure checklist form to be applied during the design phase of future city projects. This will include, but not be limited to, roads, water, sewer, parking lots and sidewalk projects. Additionally, the city has applied for grant funding to install large-scale rain gardens in the north end of the city and plans to design sewer and green infrastructure improvements for 2022 construction.

One of the most important public health and infrastructure improvement tasks we undertake is the identification and replacement of lead and/or galvanized steel water service lines within the water system. In 2019, following more stringent lead and copper monitoring procedures, the city experienced two consecutive 'lead action level' exceedances at several sampling locations. Although the elevated lead levels were not indicative of system-wide water quality, nor was it a violation of the Safe Drinking Water Act, the information was a catalyst for increased public awareness messaging and an aggressive lead service line identification and removal program. After two additional rounds of monitoring, the city is no longer in an 'action level exceedance,' however replacement work will continue with urgency.

Since replacement work began in mid-2020, nearly 200 lead water service lines have been or are scheduled to be replaced. At the current rate, replacement work is exceeding double the goal set for replacements per year. Preliminary estimates indicated as many as 1,400 lead/galvanized steel services exist; inventory work is ongoing to identify and count the water system materials inventory more accurately.

Both the replacement and inventory work are included in the capital improvement plan and budget; \$500,000 annually for replacements and \$300,000 for inventory-related work. As of this drafting, Royal Oak is being considered for a Michigan Drinking Water Asset Management (DWAM) grant to defray the cost of these activities.

Infrastructure is not complete without considering the city's transportation system. The City of Royal Oak has adopted the road rating system identified through the Michigan Transportation Asset Management Council (TAMC) for evaluating pavement conditions. Specifically, the city uses a system known as the Pavement Surface Evaluation and Rating (PASER) system to rate all roads. The PASER rating methodology is a visual inspection method, based on engineering principles for evaluating the condition of pavement surfaces in a time efficient and consistent manner.

The city will continue annual local road improvement projects through 2024, as funded by the current road millage. The city also regularly applies for grant opportunities to assist in major road projects each year. During the upcoming fiscal year, the Engineering Division will be developing a multi-year road improvement plan for 2025 and beyond, which includes the costs and funding strategy to improve major roads. This will be coupled with current efforts to invest in the maintenance and continuous improvement of local roads.

The city previously received two Congestion Mitigation and Air Quality (CMAQ) grants to improve traffic signal infrastructure and to optimize traffic movement on major road corridors. The city is nearing completion of the first grant for improvements along 11 Mile Road and 13 Mile Road and will begin traffic signal upgrades on Main Street and Crooks Road later in 2021. The city also plans to upgrade traffic signals in the downtown area and on Campbell Road in 2022.

The city is starting a six-year sidewalk improvement program in 2021. This program is used to maintain existing sidewalks in good condition and to install new sidewalks to link neighborhoods, schools, and community facilities in accordance with the city's master plan.

Develop and maintain public amenities.

An important part of the infrastructure inventory is the numerous parks found in the city. Much like the transportation and underground utilities, proper planning of the recreation facilities will define the success of the parks systems for many years to come. The current Parks and

Recreation Master Plan is set to expire in 2022. The master plan has enabled the city to secure funding focusing on specific projects.

One of the most significant projects underway within the city's parks system is the construction of the new Centennial Commons in Downtown Royal Oak. The world-class urban park, slated to be completed in November 2021, will be a social and cultural destination for the community. The park will also serve as resilient ecological infrastructure by absorbing the sun's heat, providing green storage for increasing rainfall events, and reducing carbon emissions.



Operations – To perform all city operations efficiently and effectively. This includes, but is not limited to internal communications, technology, customer, innovation, and financial management.

Attract, retain, and develop city employees.



The City of Royal Oak is a human enterprise consisting of dedicated public servants who deliver local government services to the residents, property owners and visitors. The city's Human Resources (HR) Department is tasked with providing coordination and administration of personnel services to management and employees of the organization. The goals, objectives and action steps process has brought a focused discussion on many employment management issues.

Human Resources takes an active role in all phases of employment of the workforce. To that end, the department will develop a list of hard to fill positions and determine what factors negatively impact the number of qualified applicants; complete targeted compensation surveys for those positions; and implement a plan to increase the number and quality.

During each employee's tenure, administration strives to make available continuous training on occupation or job-related professional development sessions. In the upcoming fiscal year, HR will begin revising the process of how to best track how we accomplish training and development as well as determining baseline targets. Training and employee development are one aspect of keeping employees engaged and productive at work. Information will be best gathered through a survey or a focus group discussion. HR will be looking at ways of determining a baseline of all the data collected by September 2021.

The pathway to higher-level positions within the city organization is an important factor in improving the success of retention and succession planning. Succession, coupled with workforce planning, presents an opportunity to proactively identify and plan for staffing, training, and knowledge needs. Going through this process will enable us to predict where critical needs are in the organization, adjust programs as necessary, and provide training and recruitment to meet these needs. To that end, this will enable our organization to be nimble, flexible, and sustainable.

Improve coordination and communication among city departments.

The objective of enhancing coordination and communication through improved facilities management has been identified as an important strategic priority. Currently, building maintenance and oversight responsibilities are decentralized and shared among several employees. With two new buildings in the facility inventory and the others aging, staff has assessed that these responsibilities should be consolidated. The budget includes the creation of a new Building Maintenance Manager who will report to the Director of Public Services and Recreation. This new position will be tasked to organize, direct and review building skilled trades as well as building operations. The incumbent will supervise workers performing building maintenance work such as carpentry, painting, plumbing, and plastering, and mechanical equipment operation. This new position will be tasked with the development of a comprehensive maintenance plan to increase facility longevity, value, and sustainability.

Monitor and increase citizen/user satisfaction with city services.

Switching from internal operations to delivered quality services for city residents, the goal session identified methods to objectively measure public opinion on the delivery of major city services from a user's perspective. The city manager's office will be developing measurement standards through online customer satisfaction surveys. Information gathered through these surveys will be aggregated and staff will develop actions steps to improve customer service.

In those areas within city service operations identified with the lowest scores, the city manager's office will develop strategies to address concerns and improve performance. Through this commitment of continuous improvement, the desired outcome is to instill customer service in the Royal Oak city organization's culture. Through the budget process, this will bring together the focus on customer service, innovation, and employment engagement. Again, the emphasis should be on the most important component – our employees.

Use committees, boards, commissions, and task forces to achieve the objective of specific city departments and programs.

Use of advisory and/or industry specific citizen experts are designed to achieve the objectives of specific city departments and programs. Over the next year, the office of the city manager and the city attorney will begin the process of evaluating all city committees, the ordinances that created them, their operating rules, programs of work, qualification of membership, relationship to city departments, budget needs and to evaluate the department's needs for citizen oversight, advice, decision-making, and actual service. The projected pace of this review be at the half-way point at or around February 2022 through a checklist that will evaluate the legal structure, conflicts of interest, financial oversight, values, safeguards, etc. of the organization. On or about February 2023, the joint offices will provide a full report to the city commission.

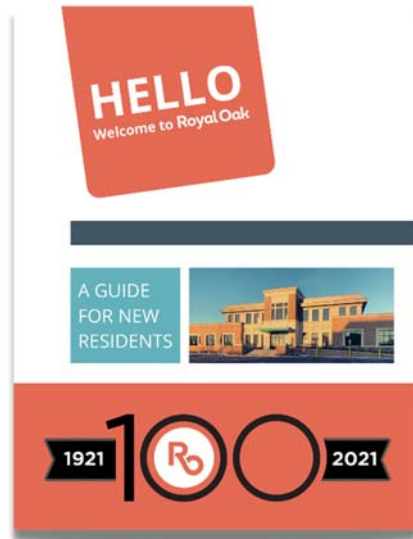


Communication – To proactively promote meaningful, open, and respectful dialogue using factual information to ensure effective decision making.

Providing proactive, factual communication on all city projects.

Good communication for Royal Oak projects hinges on a well-defined strategy that centers on understanding the community and its key stakeholders.

One of the first action steps taken by the community engagement specialist was the development of a 'low-tech' communication plan that focuses on the city's senior population. While many baby boomers are tech-savvy, the Senior Engagement plan focuses on how to reach residents who may not own computers or who have limited experience with technology. To date, the plan has been reviewed by the Parks, Recreation and Senior Services Advisory Board and many of the action steps are already in place, including sending an informational flyer via quarterly water bills specifically targeted to seniors.



As we seek new ways to reach our residents, the city has also developed a 'Community Engagement Cookbook' and presented it to various boards and committees. The cookbook has examples of 'recipes for success' for communicating complex issues and attaining citizen feedback. The cookbook includes, among other things, examples of effective virtual town halls, informational videos, and community surveys.

To reach new residents, a welcome guide has been created and is now available at City Hall. The 20-page guide is conveniently located outside the assessing department, which helps dozens of new residents each week with paperwork related to the purchase of a new home. The guide includes information on elections, emergency alerts, city taxes, the city budget, senior resources and more. You can view the guide online at romi.gov/welcome.

Increase the opportunity for people to engage through official city communications.

Recently, the structure of the city's official website, romi.gov, was redesigned to increase navigation and site flow by highlighting on the home page the most searched website elements – Department of Public Service (DPS), economic development, library, court, farmers market and downtown. Additionally, DPS (romi.gov/dps) and the farmers market ([romi.gov/farmers market](http://romi.gov/farmers%20market)) now have a structural layout that includes unique banner images, widgets, graphic links, and calendars. In the very near future, a similar layout will be unveiled that shows off all that is happening Downtown Royal Oak. It is also worth noting, our 'Notify Me' module continues to grow and get new sign-ups for notifications from the city – by email or text – on a variety of topics from senior news to weekly construction updates.

The city is also exploring communication products that can boost civic productivity. It has long been a desire of the city commission to develop a mobile communication tool to increase its ability to inform and provide data to residents—anywhere, anytime. The community engagement specialist is sifting through the various communication tools, such as TextMyGov and Soofa and plans to make a presentation to the city commission soon.

Communication is not complete without considering workplace relationships. A workplace culture that is well informed is more motivated to perform its best. The city manager will work with the community engagement specialist to keep elected officials, staff, and boards/committees well informed by developing an internal e-newsletter. Notifications will include top projects/issues affecting the public, policy direction, health and safety reminders, new procedures and more. Additionally, this information will be posted to the intranet web pages of the city's official website.

Engage residents more effectively in city decision-making.

The city is looking forward to introducing the Royal Oak Citizens Institute in the spring of 2022. Following the lead of the highly successful Royal Oak Police Department's Citizen Police Academy, the multi-week program will answer the questions of how city government works, how staff decides what sidewalks/streets to repair and who decides what streets get plowed first after a snowstorm. This type of valuable insight on city operations, and much more, will be offered to citizens through tours, presentations, and hands-on interaction with staff. The hope is graduates of the Royal Oak Citizens Institute will become ambassadors for the city and share the information they learn with family and friends.



Community – Encourage an engaged, neighborly, supportive, inclusive, healthy, and active community.

Develop and maintaining high quality parks to enhance the quality of life of the city.

Public amenities provide a sense of place and are important on the overall quality of life of the city. The current Parks and Recreation Master Plan, which expires in 2022, has enabled the city to secure funding focusing on specific projects. Recent examples of successful improvements to city facilities include improved lighting at Worden Park, the redesign of Tim's Kitchen, including new kitchen equipment, and the resurfacing of the parking lot at the Leo Mahany/Harold Meininger Senior Community Center. Other facility improvements include cart paths at the Royal Oak Golf Course and roof improvements at the John Lindell Ice Arena. The city currently has more than 50 parks, including

Normandy Oaks Park and Centennial Commons, which will be completed this year. Through multiple funding sources, improvements to our parks are showcased at Eagle Plaza, Sullivan Park, Bassett Park, and Normandy Oaks Park, to name a few.

The new master plan will focus on enhancing services and improving the amenities available to our community. Areas of improvement will focus on drainage issues seen in our parks and crafting a solution to minimize the effects of ponding water. Plans are also in the works to analyze our playgrounds and develop a system for upgrading playscapes where the life expectancy has expired.

Improved amenities will focus on a top-tier indoor recreation facility that will provide:

- Office and conference room space
- Multipurpose rooms for the department's programming
- Basketball gyms
- Indoor track
- A multipurpose training area to help enhance the services to the community
- All to include universal access

Other improvements focus on supporting amenities to serve our older teen population and offering additional programming to our senior population. Once the new document for the PY 2022-2027 is completed, it will be forwarded to the State of Michigan.

Actively engage with neighborhood associations.

Royal Oak has a strong neighborhood association network. In the upcoming year, the city manager's office will be developing a systematic strategy to promote greater and more meaningful participation in all aspects of governing. Support can take many forms; information sharing and access to policy makers; administrative and in-kind support to neighborhood associations; training or possible grants and other material assistance.

Provide community services public infrastructure that reflect the needs of all the city's population.

The Southeast Michigan Council of Governments (SEMCOG) estimates the senior population of Royal Oak to grow by at least 34.8 % by the year 2045. To prepare for the forecasted growth in the senior population, the Royal Oak Senior Services / Aging in Place Task Force has endorsed the American Association of Retired Persons (AARP) "Age-Friendly Communities" program.

This program utilizes extensive community engagement of the senior population to identify ways to improve city services to better accommodate aging residents. In the coming months, work groups, composed of residents and subject matter experts, will hold multiple meetings to plan programs and services in six different subject areas.

The city also continues to use auto-phone calls to communicate important issues. Most recently the mayor alerted seniors via telephone to look to the Insight newsletter to find resources and programs that will enhance their quality of life. The auto-phone calls were delivered to 4,800+ landlines of adults 65 and older. Nearly 70 % of the calls resulted in a resident answering the phone or a voicemail being left on an answering device of some kind. There are more plans to record and deliver important messages using this method.

Develop actionable plan to implement human rights ordinance goals.

In the upcoming budget year, a new city-wide human rights commission is proposed to ensure Royal Oak is building an equitable, just and thriving community. The commission would be tasked with providing leadership for addressing community interaction and fairness concerns, which would include city's policies, plans and operations on a variety of subjects with the goal of expanding equal justice and equal treatment.



Economic/Tax Base – Encourage and support diverse investment to maximize overall property values and promote equitable access to job opportunities and housing.



This past year has brought about unprecedented economic challenges to Southeast Michigan, and this reinforces why Royal Oak is one of the region's most desirable cities for businesses and families to call home. While we enjoy this prestigious status, it is even more important for Royal Oak to position the community for the post-pandemic economy and build a more resilient city. In doing so, the goals, objectives and tasks call for those elements to rebuild in ways that navigate and adapt to an uncertain future.

Facilitate housing developments that meet identified gaps.

The first action step is to facilitate housing developments that meet identified gaps. This is addressed through developing an advisory report, to be presented to the planning commission,

which identifies housing deficits and provides recommendations for possible city code amendments to address this, reviews best practices from other communities and considers new city investments to fill market shortfalls. The planning commission has received previously suggested zoning ordinance revisions and those changes are being considered. Additionally, they are currently reviewing the methods, soliciting input, and exploring best practices for community engagement.

Facilitate private sector developments.

Part of the upcoming budget will include initiatives to improve the efficiency of private sector developments. By December 31, 2021, staff will be compiling a Request for Proposal/Request for Qualifications document to aid in facilitating the selection of a consultant to conduct a comprehensive evaluation of the city's development approval and permits process such as, but not limited to, rezoning, special use approvals, building permits, plan check, development approval, inspections and enforcement processes established by city department.

The pandemic has been particularly challenging for the city's business retention efforts. Royal Oak has over 2,500 businesses, and COVID-19 has not only impacted every single one of them, but it has impacted individual sectors in completely different ways. The support needed to keep a restaurant open is different than the challenges facing an office or industrial user. The need for constant communication with the business community has increased tenfold due to the need to provide specific tailored assistance in lieu of a generic, 'one-size fits all' approach.

Because retention of Royal Oak's existing businesses is of the highest importance, the economic development staff will benchmark Royal Oak's pandemic retention rate against similarly situated cities in Michigan. If this rate is demonstrably lower, we will assess the success of our current retention programs and identify funding sources that can supplement our retention efforts. Similarly, constant communication with recipients of pandemic-related assistance programs will allow staff to determine these programs' efficiency and efficacy, while providing data for the city to consider should it need to create its own relief packages to address where there are gaps in the types of assistance programs being offered.



Fiscal Management – To preserve Royal Oak’s finances through sound fiscal policy, strategic planning, deliberative actions, and effective management of public assets.

Ensure City Financial Sustainability

The amount of debt, through general obligation bonds, revenue bonds, loans, and contractual obligations are listed in the city’s comprehensive annual financial report. This list aggregates the amount in relation to income and relation to population. Looking at the two previous years, the break-down is as follows:

| Type | FY 2019 | FY 2020 | % Increase (Decrease) |
|-----------------------------------------------------|-----------------|-----------------|--------------------------|
| Government Activities | | | |
| General Obligation Bonds | \$150,496,176 | \$142,919,667 | (5%) |
| Special Revenue Funds and Enterprise Funds | | | (7%) |
| General Obligation Bonds | 26,262,269 | 24,433,635 | |
| Revenue bonds, loans and contractual obligations | 41,273,933 | 36,716,686 | (11%) |
| Total | 67,536,202 | 61,150,321 | (9.5%) |
| Total Debt to the City | \$218,032,378 | \$204,069,988 | (6.4%) |
| Total Personal Income | \$2,434,392,801 | \$2,867,643,429 | 17.8% |
| Ratio of debt to Income | 8.96% | 7.12% | |
| Total population | 59,461 | 59,277 | |
| Total debt per capita | \$3,667 | \$3,443 | (6.1%) |

The city manager’s office will conduct a thorough analysis of fees with the intention of recouping delivery costs that have been either underpriced or provided gratis. The time frame of this recompletion will be done in time for the preparation for the FY 2022-2023 recommended budget (specifically by the end of first quarter of 2022). Should this be necessary, city staff may consider contracting with a third-party vendor to collect past-due fees and charges.

We can certainly agree that the city cannot continue to keep doing business as usual and the impact of COVID-19 has made it evident that the organization needs to be adaptive. As part of the implementation of this budget, the city manager’s office will be focused on leading change that will enable the city to come out of the pandemic better, stronger, more resilient, effective, and efficient. The layout of the new City Hall, for instance, has improved flow and convenience for the customer or residents. However, there is opportunity to rethink service delivery as we reopen facilities and programs throughout the entire organization.

The Michigan Municipal League (MML) has presented a policy platform entitled the Michigan Community Stabilization Plan. This was first introduced during this past lame duck session of the

Michigan Legislature in late 2020. This is an illustration of policy solution to address the systemic failure of this state-wide experience here locally. The MML is addressing the unintended consequences of Headlee and Proposal A contributing to Michigan's broken municipal finance system. The city manager's office will look for an opportunity to engage with the lobbying staff at the league with the objective of advancing such a sustainable solution as the Community Stabilization Plan.

Communicate Budget Priorities

The city manager's office will be seeking assistance through a third-party vendor to provide multiple reports, graphs, key performance indicators showing exactly how taxpayer dollars are being spent by the city. Such a system will demonstrate financial performance metrics through a fiscal indicator score to give a quick look at how a community is faring fiscally considering challenging economic climates. This will be a dashboard to be integrated with our city website. We anticipate having this completed by December 2021.

A statement is provided under the finance department tab (on the city's website) that was last updated in January 2021. This provides the current funding level of each plan. When post-pandemic funding levels to the city operations normalize, this will be the opportunity to provide an accurate strategy to bring each program to a full-funded level and project the estimated number of years it will take.



Public Safety – To protect all persons and property in Royal Oak by providing the highest quality public services possible in the most efficient manner.

The key metrics for public safety continues to be reaffirmed by strong resident support and satisfaction of both the Royal Oak Police Department and Fire Department. The recently conducted Cobalt Community Research surveys were mailed out between November 2020 to January 2021. The survey results from the City of Royal Oak Public Opinion Survey found that:

- The Royal Oak Police Department scored 81 on the American Customer Satisfaction Index (ACSI) for the overall quality of the department. (An ACSI score of 30 is normally a good score, a score between 30 and 70 is considered a great score, and anything over 70 means very high customer loyalty levels exist.)
- When compared to benchmarked cities of similar size, Royal Oak residents' score for the police department and its ability to deliver 'fair/respectful enforcement' were above both national and state benchmarks.
- The Royal Oak Fire Department scored 89 (ACSI) for the overall quality of the fire department.
- As with the police department, survey respondents scored the fire department's 'fire coverage' and 'response time to medical emergencies' above the benchmark for similar-sized cities in Michigan and throughout the country.

Provide Resources to maintain and enhance public safety.



The police department is charged with continuing to develop training and implement best practices to assure all people in the community are treated with dignity and respect. Police administrators report that this is an ongoing process, and they will continue to ensure that the department is Michigan's premier police agency. With the additional space afforded by the new police station, the police department intends to expand our MILO virtual training system. This system has proven to be an effective training aid to develop de-escalation skills and test officer's judgment in a variety of scenarios. By expanding the system to 180 degrees, the officer will be fully immersed in the scenario, making the training more realistic and effective. The police department will also be investing in a new policy management system (Power DMS). This new system will allow the

department to store, organize, distribute, and track policies more effectively. It will also help keep policies up to date, track all department training, and ensure all officers receive the necessary training.

Training in fire suppression and medical emergency responses are paramount in the fire department. The fire department will continue to provide appropriate training to achieve its goals and standards. In the past two years, the fire department has focused on training instructors to facilitate the availability of mandatory training and reduce training costs into the future. Training on technical teams, such as HazMat and Technical Rescue, is conducted regularly with our mutual aid partners, as well as annual joint training with the police department for active shooters and mass casualty incidents.

One way of maintaining excellence is to review and update the city's public safety study. Past studies of the fire department were conducted through ICMA, Roemer, and a city committee exploring ALS transport. In 2019, an internal department review was produced for the city commission using the previous studies and the conclusions contrasted with current data and staffing changes. The department has demonstrated a commitment to continuous improvement and will monitor the need for updates to the data when necessary.

The Public Safety Millage (currently at 3.7120) is set to expire this year and will need to be presented for voter consideration in November 2021. A recommendation will be presented no later than July on the millage amount, as well as an information campaign to inform the voters of the continued need and justification. A recommendation will be forthcoming in a separate report/memorandum.

Another action step calls for continual review and to maintain the quality of public safety equipment. Specifically in the fire department, the city is in year two (of a three-year plan) for the replacement of fire engines. Depending on the Public Safety Millage amount or the scope and size of services, this year's budget could contain a request to include an ambulance replacement as part of expanded service out of Station 3. As always, fire department administrators will continue to look for opportunities to secure grant funding for equipment such as the recent CPR compression devices obtained this year.



Identify preventative measures/inspections to increase community safety.

Continuous review of performance data is important to both the police department and fire department. The fire department is focusing on inspection data of existing business to ensure property safety within the fire prevention division. The fire department measures “turn-out time” (the time it takes to exit the station and get en route), customer satisfaction scores and CPR save rates vs. the national average. The police department tracks several performance metrics in its annual report.

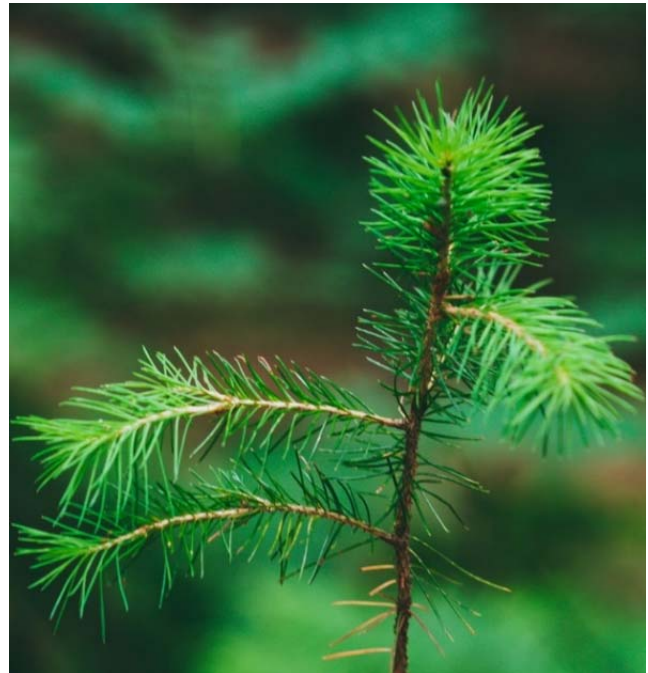
One of the pressing problems in the community is domestic violence and youth misbehavior. Both public safety departments are in the early phases of developing a regular (quarterly/monthly) video production where residents could send in questions that would be answered by department personnel and could be expanded beyond public safety to include other departments.



Sustainability – To operate the City of Royal Oak in a sustainable way supporting the community, economy, and environment.

Complete sustainability plan.

The first objective is to complete a city-wide sustainability plan. This plan will act as the guiding document for future sustainability initiatives throughout municipal operations as well as within the community. The plan will effectively provide a playbook for staff to incorporate and engage in sustainability actions focusing on energy, waste, water, transportation, green space, and quality of life. Sustainability is a concept embracing the interrelated and overlapping connections between the environment, the economy, and the community. As such, many sustainability topics are found elsewhere in the city commission's goals and objectives document.



The city's energy and sustainability staff will present a draft sustainability plan in early 2022 to the city commission outlining specific actions to reduce resource waste and mitigate greenhouse gas emissions through reduced fossil-fuel energy consumption, reduced municipal solid waste, increased alternative transportation, increased alternative-fuel fleet vehicles, community engagement, and green policy advocacy at county, state, and federal levels. The sustainability action recommendations will be a product of planning and community engagement work by an outside consultant, diverse community stakeholders, and the Sustainability and Climate Action Plan (S-CAP) Task Force. The task force is an ad-hoc committee formed in partnership with staff, the Royal Oak Environmental Advisory Board, local businesses, the school district, non-governmental organizations, and residents seeking realistic, impactful, affordable best practices for these sustainability actions. The cost associated with the sustainability plan completion is included in the FY 2021-2022 budget.

Implement sustainability priorities.

The remaining objectives in this goal revolve around implementing basic general and city asset sustainability priorities including, enhancing and increasing the tree canopy, planning for the refuse/recycling millage, providing energy education programming, implementing energy efficiency upgrades to municipal buildings, incorporating electric vehicles (EVs) to the city fleet and EV charging infrastructure at city facilities, developing a green procurement policy, training employees, and embedding the sustainability plan's goals into future city planning documents (master plan, parks and recreation plan, energy plan, etc.).

The budget line item for the annual right-of-way tree planting has increased 25%, which would permit an additional 50-100 plantings. On average, the Department of Public Services plants 125-

175 residential street trees per year, excluding plantings that are part of development or construction projects.

As a Tree City USA for 44 years, it is apparent that trees, and the multiple benefits they provide to an urban community, are valued by the City of Royal Oak. The city's tree canopy is currently estimated at 30.5 %, as per SEMCOG's 2010 data. The State of Michigan's 2020 Forest Action Plan has a goal that all communities achieve and maintain a tree canopy of at least 40%. Augmenting the regular residential planting program, staff is planning a large scale, multi-year planting project to begin in April 2022 with a goal of planting 1,000 trees over three years. It is expected that federal grant dollars will cover most if not all the estimated three-year cost of \$350,000. This program would provide ROW trees at no direct cost to the homeowner.

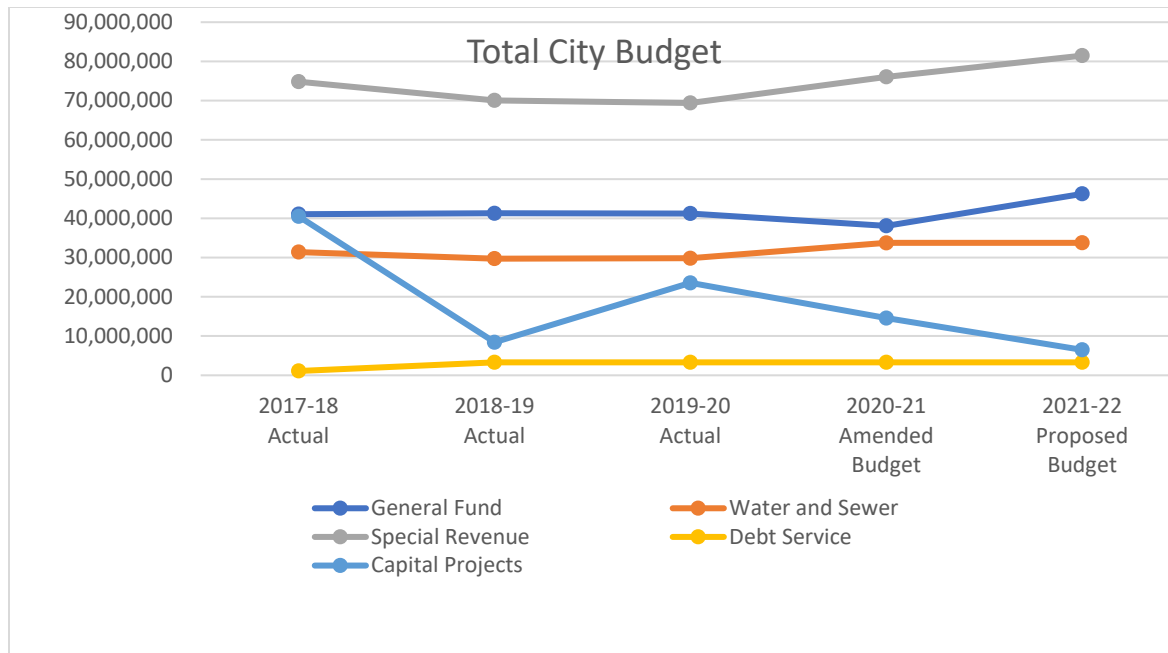
In 2016, voters approved a five-year millage levy of up to 1.00 mills to defray the costs associated with refuse collection, disposal, and curbside recycling, which is set to expire on December 31, 2021. To maintain the current level of service and a responsible solid waste fund balance, a millage renewal will be necessary. In addition to funding basic refuse services, this millage supports waste and environmental efforts including the purchase and maintenance of recycling carts, as well as a portion of labor costs for associated tasks. The FY 21/22 budget includes \$1.8M for the purchase and distribution of 95-gallon refuse carts.

Implement sustainability priorities for city's assets.

Reducing energy costs at city-owned properties is an ongoing process prompted by the city's 2017 Energy Plan. In FY 2019-20, free utility energy assessments were completed for four facilities including the 44th District Court, the ice arena, the Fire Station #3, and the public library. So far, the assessments' recommendations were used to determine energy efficiency upgrades for the 44th District Court and the public library. The courthouse earned a state energy grant and upgraded their second-floor lighting to LEDs in the fall of 2020. The grant covered the entire cost of the upgrade and the energy savings from this project is calculated at 28,000 kWh/yr. In this current budget there is a request for \$18,500 to proceed with the LED lighting upgrade on the courthouse's first floor. This project is estimated to save an additional 19,500 kWh/yr. The energy reduction from these combined upgrades will also reduce greenhouse gas emissions by approximately 34.6 metric tons, which is equivalent to removing 7.9 passenger vehicles from the road for one year. There will be additional buildings for which efficiency upgrade funding is requested in the future.

The introduction of electric vehicles (EVs) into the fleet is a critical component of the city's sustainability practices. The budget includes \$90k for installation of the requisite EV charging infrastructure and identifies three current inspection vehicles, which will be replaced with EVs. The investment in charging infrastructure is an important first step that will permit more aggressive EV implementation in subsequent fiscal years.

Incorporating the sustainability plan recommendations into future iterations of city planning documents, including the development of a new master plan, will have a significant effect on the adoption of and achievability of the city's sustainability and carbon reduction goals across city departments and the community. Embedding sustainability goals throughout an organization's master plan is identified as a commonplace best practice and key driver for sustainability success. The cost associated with developing a new master plan is included in the FY 2021-2022 budget.



The trend in the budget indicates that the current fiscal year (FY 2020-2021) is expected to meet budgeted amounts which will continue to provide a solid framework for the FY 2022 budget year.

General Fund

Expenditures increased by \$8.1 million (over the amended budget), and this primarily due to the higher transfer to the Public Safety Fund. The contractual wage adjustments, increases the pension contributions and a health insurance increase contributed to \$594,320. This includes four (4) new positions including a promotion in the city manager's office and additional personnel in the buildings and forestry division of the Department of Public Services and Recreation.

This also includes a budgeted transfer of \$994,000 to the Royal Oak Civic Center (ROCC) capital projects for the Centennial Commons bathroom facilities and water feature.

Major Street Fund

Expenditures in the Major Street Fund maintain a constant funding level with only a modest 1.3% increase over the past year. This includes construction roads projects in the amount of \$2.3M.

Local Street Fund

Expenditures have increased by approximate \$266,000 or 2.5% over the prior year. The full street millage levy of 2.3344 mills is budgeted to generate approximately \$6.843 million. The construction projects total \$7.092 million for street repairs and improvements, sidewalks, road improvements due to water main construction, etc.

Public Safety Fund

Expenditures in this fund have increased by \$2.2M or represent a 6.5% increase over the prior year. This contains the entire funding for police, fire, and ambulance functions through dedicated Public Safety Millage. What is not covered by the dedicated millage, a transfer from the General Fund (62%) provides a majority of the funding. The personnel costs are increasing due to newer employees (who are not at the top of their pay range) receiving step increases, higher annual pension contributions and cost increases associated with retiree healthcare. As stated in the General Fund, the contractual, pension and health care costs increases account for \$520,710.

This cost increase also includes capital costs of new communication equipment for the police department and replacement of a roof at one of the fire stations.

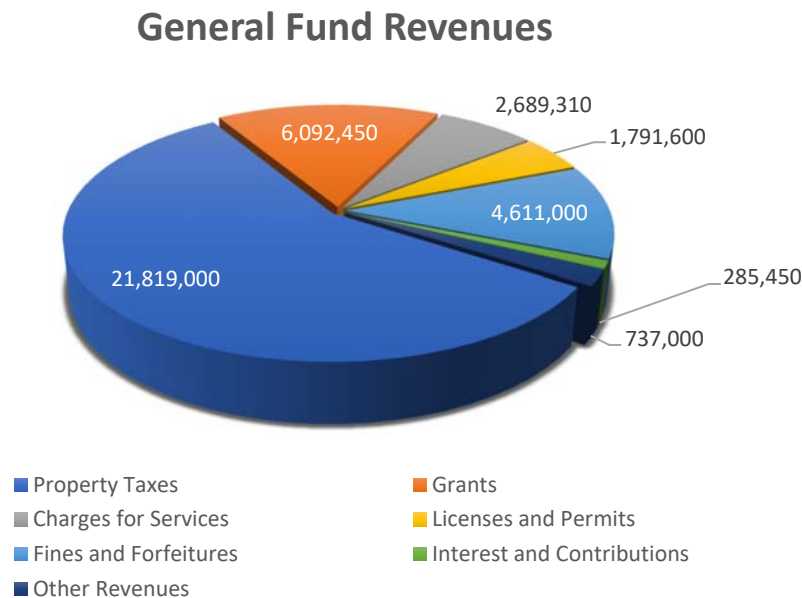
Solid Waste Fund

Expenditures are increasing by \$1.77M or 21.6% increase. The operation of waste hauler accounts for 3.5% increase projected into the new fiscal year. The capital expenditures include a \$1.8M for city-wide residential property garbage bins.

Water and Sewer Fund

The cost of operating the Water and Sewer Fund is remaining at relatively flat with a minimal increase. A little over half of the budget is water distribution and sewage disposal services purchased from the Southern Oakland County Water Authority (SOCWA) and payment to the Oakland County Water Resources Commission for the treatment of the sewage. Capital improvements include various water main projects. Personnel costs include an additional supervisory position to divide out existing duties handled by one employee over both divisions.

General Fund - Revenues



The General Fund revenues are budgeted at \$38.1 million which is a decrease of \$2.4 million or 6% in comparison to the approved budget from the previous year. The General Fund derives its revenues from a variety of sources as the graph on the previous page illustrates.

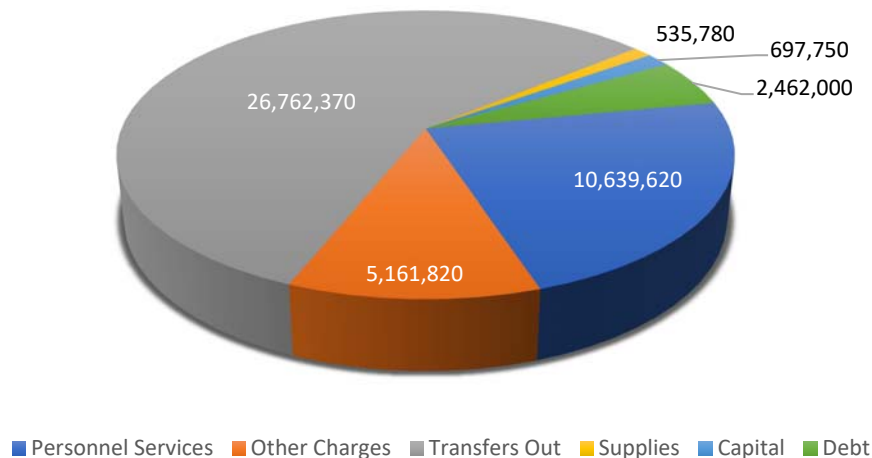
The largest source is from property taxes. The city's tax rate is 6.9058 (as part of the total levy of all millage is 17.7479) and this provides \$20.2 million or 57% of the total of the General Fund revenues.

Significant changes from the prior year budget in other revenue sources include:

- Although State Shared Revenue expected to increase \$102,000 from the amount included in the amended prior budget, the previous year assumed a substantial decrease due to the effects of the pandemic.
- Court Fines are expected to increase \$1.1 million over last year due to the expected reopening of the 44 District Court in the coming months, however fines are significantly below pre-COVID levels. For fiscal year 2018-2019, fines and forfeitures total over \$4.6 million over \$660,640 higher than the expected revenue in the budget.
- Interest in Investments is expected to continue to decline due to continued low interest rates. The budget includes an expected \$470,000 below the prior year. Interest revenue in the General Fund is now down more than \$785,000 from the 2019/2020 fiscal year.

General Fund – Expenditures

General Fund Expenditures



The \$46.2 million General Fund budget represents a \$8.1 million increase compared to the prior budget year. The significant items included in the budget over and above the prior budget include the following items:

- One-time capital outlay of \$697,750 for parking lot improvement at Memorial Park, Golf Center and Starr Road Project parking lot, and District Court Lighting Project.
- One-time capital outlay of \$994,000 for the water feature and restroom facilities to be constructed at the Centennial Commons.
- \$5M transfer to the Public Safety Fund. The previous budget included a total transfer amount of \$17.5 million in contrast to the \$22.5 million in the budget.
- Update to the land use master study budgeted at \$300,000.

Subtracting those costs bring the budget down to \$39.2 million; a difference of \$1.1 million or a 3.1% increase.

The pie chart shows the breakdown of the General Fund expenditures by category. Looking at the chart, the largest category is transfer to Other Funds and this takes up 57.9% of the budget. Those transfer include the Public Safety Fund, Senior Citizens Fund, and the Royal Oak Civic Center project. Personnel Service, which is made up of wages and fringe benefit costs and comprises 23% of the total budget. Supplies consist of operating supplies making up 1.2% of the budget. Other charges total 11.2% of the budget and is primary for refuse, custodial contract costs, utility bills and other contractual services.

Personnel Services - This category overall increased by \$852,330 or 8.7%. Wages for full-time employees increased by \$537,940 or 9.8% for four new full-time positions, step increases, merit increases. The anticipated contractual wage increases of 2.5% annually and wage-step increases contributed to the overall increase.

Total active employee health insurance costs increased by \$21,000 due to the increase of 2.25% in the 2021 rates of Blue Cross/Blue Shield Community Blue – 3. The increase is slightly offset by an employee cost share of 10% as per union contract and personnel manual for executive department heads. The health insurance costs increase also includes the cost of the insurance for the new positions.

The budgeted (across all funds) includes funding for 344 full-time positions. The position additions are summarized in the chart below:

| Position | Department | FTE |
|------------------------------|----------------------|-----|
| Deputy City Manager* | City Manager | 1 |
| Building Maintenance Manager | Building Maintenance | 1 |
| Parks Maintenance Worker | Parks and Forestry | 1 |
| Parks /Forestry Supervisor | Parks and Forestry | 1 |
| Subtotal – General Fund | | 4 |
| Water/Sewer Supervisor | Water and Sewer | 1 |
| Total Full-Time Increase | | 5 |

Note: The deputy city manager is a promotional recommendation for the current economic development manager incumbent. The current economic development manager position is reclassified as an economic development specialist. Thus, the compensation level is less than the higher position. The deputy city manager is considered a net change over the personnel cost of the economic development manager.

Millage Rates

The amount of revenues generated through property taxes in all funds is \$58.6 million and this is a \$2 million or 3.7% increase over the prior fiscal year. Two of the eight millage rates will be expiring later this year (Public Safety and Solid Waste) and renewals will be necessary to levy revenues into future years. In reference to the Public Safety millage, a placeholder rate of 3.9750 is listed below assuming the voters would approve a Headlee Roll Back amount. However, this will not be sufficient to close the ongoing operating deficit occurring in the Public Safety Fund. As stated earlier in the letter, the city is operating with 72 less staff (2004) without a corresponding reduction in the level of public services delivered. In fact, the city has undertaken many significant initiatives that have greatly benefited the community and there is a strong desire to undertake more.

| City Millage Rate | FY 2020-21 | FY 2021-22 | Inc. / Dec. |
|----------------------|----------------|----------------|----------------|
| General Operations | 6.9890 | 6.9058 | -0.0832 |
| Publicity | 0.0160 | 0.0154 | -0.0006 |
| Solid Waste | 2.5995 | 2.5768 | -0.0227 |
| Library | 0.9067 | 0.8959 | -0.0108 |
| Fire Debt Retirement | 0.2175 | 0.2056 | -0.0119 |
| Public Safety | 3.7568 | 3.9750 | 0.2182 |
| Local Road | 2.3626 | 2.3344 | -0.0282 |
| Drain Debt | 1.0015 | 0.8220 | -0.1795 |
| Total | 17.8496 | 17.7309 | -0.1187 |

For the purposes of preparing the budget document, the Public Safety and Solid Waste millage estimates the levy based on the rate listed above.

Conclusion

The last year has been test of resiliency and determination of the mayor and city commission, department directors and city staff of the Royal Oak city organization. We have found ways of being advanced, flexible, and providing even safer facilities as we moved in the new City Hall and Police Station. I want to express my gratitude and appreciation to the city staff for what they do for the residents, neighbors, and businesses in Royal Oak. Despite the difficulties of COVID-19, our first responders and front-line workers have risen to the challenge of improving and innovating the services we provide to the community.

In closing, I would like to acknowledge the efforts of the Finance Department staff – Julie Rudd, Lisa Genord and Amy Phipps – for their hard work and effort during the budget process. The city's solid financial position is due in large part to their hard work and dedication. The city's department directors and managers are also commended for their professionalism and continued commitment to service excellence during these difficult times.

I look forward to our dialogue on this important budget process.

Sincerely,

A handwritten signature in dark ink, appearing to read "P. J. Brake".

Paul J. Brake, ICMA-CM, CEcD
City Manager

Budget Highlights

Budget Summary

Basis of Accounting Chart

Introduction

Budget Policies

Vision and Mission Statements

Organizational Chart

Budget Resolutions

All Funds Summary

Budget Procedures

Tax Allocation

Budget Calendar

In January 2021, the city commission conducted strategic/budget planning session in advance of the budget preparation season and in advance of the completion of the annual capital improvement plan (CIP).

The city commission and administrative staff worked on re-evaluating the city goals and establishing new objectives for the upcoming budget year(s). After the adoption of the city commissions goals/objectives the administration prepared the fiscal year 2021-22 recommended budgets. The city commission scheduled three budget work sessions (May 17, 19 and 26) in addition to a public hearing (June 14) prior to city commission adopting the fiscal year 2021-22 budget. The fiscal year 2021-22 budget attempts to provide for the resources that are needed to help accomplish the city commissions goals/objectives relayed in this budget document. **The projected 2020-21, 2021-22 adopted budget, and future years' forecasts/estimates do not take into consideration the use of any of the potential American Rescue Plan Act (ARPA) grant. It is anticipated that once the guidance for use of the funds is published, the budget can be amended.**

The adopted budget calls for a total city millage rate of 17.4679 (excluding the DDA levy on the central business district area), a decrease of 0.3817 mill mostly due to reductions in the chapter 20 drain millage rate, publicity, and fire debt millage reductions. In addition to slight reductions on the balance of the other millages due to Headlee Act reductions. This total reduced millage rate includes not levying the solid waste millage at the Headlee Act maximum allowable rate for a third year. The proposed solid waste rate is 0.2364 mill below the maximum allowable rate. The Headlee reduction factor for fiscal year 2021-22 millages is 0.9881. The Headlee reduction factor to the DDA millage is 0.9989. See *pages 69-71 for millage rate details*. The proposed millage rate of 17.4679 would put the city below the average and exactly in the

middle of the median millage rate of Oakland County cities. This rate places the city below eight bordering cities with higher millage rates and above three bordering cities with lower millage rates. *See page 72 for the chart of the 31 Oakland County city/village 2020-21 millage rates.*

Total city taxable value increased by 4.9 percent. Residential values increased 4.3 percent, industrial increased 2.7 percent, personal property increased 7.3 percent and commercial increased 7.3 percent. See *pages 66-67 for taxable value detail*. The loss spread between 2021 state equalized value and taxable value increased by \$749 million, a \$77 million loss increase from the prior year. See *page 68 for taxable value detail*.

Across all funds, the city is budgeted to receive \$58.66 million in tax related revenue for fiscal year 2021-22, an increase of 2.4 percent relative to fiscal year 2020-21 projected revenue. The increase is due to the net effect of slight millage rate reductions (due to Headlee Act reduction) to all of city tax levies except the refuse ordinance millage (which is proposed to remain constant) and a larger reduction for the Chapter 20 drain millage and increased taxable values. The allowable inflationary factory on existing property used in the Headlee Act reduction calculation is 1.4 percent for fiscal year 2021-22.

Total grants are budgeted at \$16.4 million across all funds, a 26.2 percent decrease over the prior years estimated grant revenue. The reduction is due to (mostly) the one-time Normandy Oaks Park development and CARES Act grants in 2020-21. Smaller grant decreases are attributed to a decrease for the CDBG program and a small decrease for State shared revenue based upon the State of Michigan projections.

Lower interest revenue generated from (recent) significantly low interest rates and lower fund balances due to using fund

balances for operating / capital purposes (including use of bond proceeds), is causing the interest revenue city-wide (excluding trust funds) to decline to \$175,000, which is a decrease from a recent high of \$3.4 million in fiscal year 2018-19 (excluding trust funds) and down from \$245,000 for fiscal year 2020-21 projected year-end. This valuable source of revenue will continue to fall as fund balances decline and should not be relied upon as a significant resource to help off-set city operating costs should the city maintain smaller fund balances. *See page 75 for funds interest revenue history graph.*

Personnel costs are increasing 10.6 percent / \$4.88 million relative to the fiscal year 2020-21 projected year-end, mostly due to increasing wage costs, that includes filing of numerous vacancies as well as increasing the number of positions by (net) five. Additionally, medical cost increases and both defined benefit and defined contribution retirement contribution increases contribute to the rise. Total full-time employees are budgeted to increase from 339 to 344 positions, due to eliminating one request in the Assessing Department and requesting six new positions in the following departments: city managers, library, parks & forestry, building maintenance, and sewer. This total is down 22 positions relative to recent peak in fiscal year 2005-06. *See page 57 for position summary recent history.*

Wage cost budgets are increasing \$2.835 million mostly due to (assumed) city-wide labor contract wage increases percent as well as step increases for newer employees who are not at the top of their pay scale, filling numerous vacant positions and the request for five (net) new positions. Medical budget is increasing by approximately \$441,000 due to illustrative rate increasing slightly, filling of vacant positions and new requested positions. Defined contribution retirement costs are increasing by approximately \$236,000 and the defined benefit retirement budget in proposed to increase approximately \$886,000.

The budget provides for the contributions of the normal and the amortized unfunded actuarial accrued liability (UAAL) for the general, police/fire pension and OPEB systems. The additional liabilities to amortize increased by \$10.4 million. The annual required contribution (ARC) for pension is required by law to be met. A graph in the “Financial Trends” section (see page 79) illustrates the magnitude of the combined pension /other post-employment benefits (OPEB) contributions and pension/OPEB bonds debt service that the city is funding in fiscal year 2021-22. The required contributions made toward paying the current year obligations no longer exceed the general fund’s millage revenue due to bonding the unfunded retiree healthcare liability and the general employees unfunded pension liability, however the contributions have been increasing since bonding due to unfavorable investment returns and more conservative assumptions. The forecast in the budget is considered to be optimistic, providing the continuation of the normal costs and the amortized UAAL contribution for general, police and fire member’s pension. However, an additional increase in contribution could occur in the event of equity market correction or significant downturn.

Based upon city survey information from a few years ago, related to improving the impact on overall engagement, a \$232,420 employee training budget is proposed in an effort to improve city services.

The budget includes \$28.7 million in capital improvements. Typically, the first year of the recently adopted capital improvement plan (CIP) is incorporated into the recommended budget when funding is available. Any deviations in the budget from the CIP are noted in the significant notes area within each fund/cost center with the exception of certain park projects. The city’s capital improvement budget provides \$4.0 million for major road improvements, \$7.1 million for local road improvements, \$5 million for water/sewage system improvements, \$2.25

million for replacement motor pool fleet (includes an ambulance and a pumper tanker), \$5.5 million downtown park/connectivity, \$960,000 for continued Normandy Oak Park development, plus \$679,000 for other park improvements, \$479,000 for various IT equipment, \$1.8 million for uniform garbage bins, \$555,000 for fire station improvements, \$49,500 for farmers market improvements. The community development block grant fund has budgeted \$350,000 for Delemere Boulevard traffic improvements.

Detailed listings of capital improvements are included in each fund/cost center significant notes section (orange box) in this document. The capital projects are also reported in the FY2021-22 to FY2026-27 Capital Improvement Plan and can be found behind the “Capital Improvement” tab in this budget document.

This budget does not call for any new debt issuances for the city as capital projects are accomplished with cash accumulated in fund balances or bond proceeds received in prior years.

The city’s combined water/sewer commodity rate (see *budget resolution page 41*) is budgeted to increase 1.8 percent.

SOCWA’s water charge is reported to increase 1.5 percent and the Oakland County Water Resources Commission is increasing the combined sewer (sanitary/storm) disposal rates by 0.5 percent. The city’s quarterly billing flat fee, to recoup billing costs, is budgeted to increase from \$13 to \$14, a \$4 per year increase.

The unassigned fund balance for the general and public safety funds (combined) is budgeted to decline in fiscal year 2021-22 from the current year’s projected 28.7 percent of expenditures to 10.5 percent. These two funds’ fund balances are viewed as combined since the public safety function continues to be a significant expenditure of the general fund due to the sizeable annual transfer (\$22.5 million) made to the public safety fund. By the last year of the forecast fiscal year 2025-26, the combined fund balance is projected to be *negative* 39.7 percent and continue to decline each year thereafter due to the estimated annual operating deficit. Each city fund has an estimated/forecasted fund balance through fiscal year 2025-26 in the budget summary tables throughout the document. See *page 84 for future estimated fund balances*.

Please reference the significant notes section (orange boxes) within each fund/cost center for details and noteworthy program information for fiscal year 2021-22.



The City of Royal Oak has operated under the "council manager" form of government since its incorporation on November 8, 1921. This form of government provides that the city commission act as the legislative or policy making body. The city commission is composed of six commissioners

The city commission enacts ordinances, resolutions and regulations governing the city. City commission also appoints members of various statutory and advisory boards and commissions, and the city manager.

The city manager is the city's chief administrative officer and, as such, is held accountable for planning, coordinating, directing, and executing all the city's operations in a manner prescribed by law and conforming to the general policies and specific directives of the commission. The city manager also appoints and supervises most of the heads of departments of the city. See *statistical section for additional city information*.





Vision Statement

To be a dynamic balance of progressive vision and traditional values offering an inviting, premier, and diverse community for all.

Mission Statement

Our mission is to provide a safe, healthy, and sustainable community.

General Appropriations Act

Be it resolved, this and the following nine resolutions constitute the City of Royal Oak's General Appropriations Act for the fiscal year beginning on July 1, 2021 and ending on June 30, 2022.

Resolution One: Budget Resolution

Be it resolved, the 2021-22 City of Royal Oak budget for each fund is hereby appropriated as follows:

General Fund

| | |
|---------------------------------------------------|------------|
| general government | 14,145,360 |
| community and economic development | 779,160 |
| health and welfare | 0 |
| public safety | 480,160 |
| public works | 1,777,040 |
| recreation and culture | 2,315,250 |
| transfers out | 26,762,370 |
| expenditures total | 46,259,340 |
| taxes | 21,819,000 |
| licenses and permits | 1,791,600 |
| grants | 6,092,450 |
| charges for services | 2,689,310 |
| finances and forfeitures | 4,611,000 |
| interest and rentals | 355,950 |
| contributions and donations | 38,000 |
| reimbursements | 2,000 |
| other revenues | 45,000 |
| transfers in | 737,000 |
| use of fund balance | 8,078,030 |
| revenues, transfers and use of fund balance total | 46,259,340 |

Major Streets Fund

| | |
|---------------------------------------------------|-----------|
| street maintenance | 528,530 |
| parkway maintenance | 264,930 |
| winter maintenance | 511,790 |
| traffic control | 381,640 |
| signal services | 199,920 |
| administration | 340,410 |
| construction | 3,995,010 |
| expenditures total | 6,222,230 |
| taxes and permits | 225,000 |
| grants | 5,352,000 |
| interest | 25,130 |
| other revenues | 10,000 |
| transfers in | -0- |
| use of fund balance | 610,100 |
| revenues, transfers and use of fund balance total | 6,222,230 |

| | |
|---------------------------------------------------|------------|
| Local Streets Fund | |
| street maintenance | 795,130 |
| parkway maintenance | 693,200 |
| winter maintenance | 171,960 |
| traffic control | 186,460 |
| administration | 1,821,780 |
| construction | 7,091,740 |
| expenditures total | 10,760,270 |
| taxes | 6,843,000 |
| grants | 1,855,000 |
| interest | 6,000 |
| transfers in | -0- |
| use of fund balance | 2,056,270 |
| revenues, transfers and use of fund balance total | 10,760,270 |
| Public Safety Fund | |
| expenditures total | 36,400,340 |
| revenues, transfers and use of fund balance | 36,400,340 |
| Publicity Tax Fund | |
| expenditures and contribution to fund balance | 69,200 |
| revenues and transfers total | 69,200 |
| Solid Waste Fund | |
| expenditures total | 9,960,280 |
| revenues, transfers and use of fund balance | 9,960,280 |
| Brownfield Redevelopment Authority Fund | |
| expenditures total | 819,800 |
| revenues total | 819,800 |
| DDA – Tax Incremental Fund | |
| expenditures total | 7,561,690 |
| revenues, transfers and use of fund balance | 7,561,690 |
| DDA - Operating Fund | |
| expenditures total | 69,210 |
| revenues, transfers and use of fund balance | 69,210 |
| Indigent Defense Fund | |
| expenditures total | 661,040 |
| revenues and transfers total | 661,040 |
| Library Millage Fund | |
| expenditures total | 3,180,500 |
| revenues, transfers and use of fund balance | 3,180,500 |

| | |
|-----------------------------------------------|-----------|
| CDBG Fund | |
| expenditures total | 2,370,200 |
| revenues and transfers total | 2,370,200 |
| State Construction Code Fund | |
| expenditures total | 1,958,950 |
| revenues, transfers and use of fund balance | 1,958,950 |
| ROOTS Fund | |
| expenditures and contribution to fund balance | 23,100 |
| revenues and transfers total | 23,100 |
| Senior Citizen Services Fund | |
| expenditures and contribution to fund balance | 936,210 |
| revenues and transfers total | 936,210 |
| Animal Shelter Fund | |
| expenditures total | 107,560 |
| revenues, transfers and use of fund balance | 107,560 |
| Police Grants Fund | |
| expenditures total | 398,690 |
| revenues, transfers and use of fund balance | 398,690 |
| Miscellaneous Grants Fund | |
| expenditures total | -0- |
| revenues, transfers and use of fund balance | -0- |

Resolution Two: Set Tax Rates

Resolved, the general operating levy for the 2021-22 fiscal year for operations is established at 6.9058 mills, and

Be it further resolved, the property tax rate for the 2021-22 fiscal year for the publicity tax is established at 0.0154 mill, and

Be it further resolved, the property tax rate for the 2021-22 fiscal year for the library operations is established at 0.8959 mill, and

Be it further resolved, the property tax rate for the 2021-22 fiscal year for the solid waste disposal operation is established at 2.5768 mills, which consists of 1.8828 mills authorized by state law and 0.6940 mill authorized by the voters of the City of Royal Oak, and

Be it further resolved, the property tax rate for the 2021-22 fiscal year for the fire bonded debt is established at 0.2056 mill, and

Be it further resolved, the property tax rate for the 2021-22 fiscal year for the chapter 20 drain debt is established at 0.8220 mills, and

Be it further resolved, the property tax rate for the 2021-22 budget by the Downtown Development Authority for the area designated by ordinance as the downtown district is established at 1.6003 mills, and

Be it further resolved, the 1.6003 mills levy for the downtown district is in addition to the millage applicable to properties outside of the downtown district and

Be it further resolved, the property tax rate for the 2021-22 fiscal year for the road millage is established at 2.3344 mills and

Be it further resolved, the property tax rate for the 2021-22 fiscal year for the public safety operations is established at 3.7120 mills and

Be it finally resolved, the public safety millage and road millage are to be levied on the winter tax bill.

Resolution Three: Authorize Tax Administration Fee

Be it resolved, the City of Royal Oak approves the imposition of a one percent administration fee on property tax levied in 2021, and

Be it further resolved, the City of Royal Oak approves the imposition of late interest penalty charges as follows: On summer taxes at the rate of one-half of one percent per month, or fraction thereof, after July 31 until Feb. 28; on December taxes at the rate of three percent after Feb. 14 until Feb. 28, 2022.

Resolution Four: Water and Sewage Disposal Rates

Be it resolved that the water and sewage disposal rates for the City of Royal Oak as of July 1, 2021, are established as follows:

| | |
|------------------------------------------|--------------------------------------------------------|
| Billing administrative flat fee | \$14.00 per billing period |
| Water & sewer commodity charge | \$112.90 per mcf for first 2 mcf per billing period |
| | \$129.83 for additional mcf per billing period |
| Outside city water only commodity charge | \$58.80 per mcf for the first 2 mcf per billing period |
| | \$67.62 for additional mcf per billing period |
| Sewer only charge | \$221.10 per quarter |

Be it further resolved, industrial surcharge and industrial waste control charges will be passed along to customers as a pass-through.

Resolution Five: Purchases

Whereas the City of Royal Oak finds it necessary to incur utility, postage, and other expenses provided by natural or regulated monopolies, and other sole source providers in order to operate the city, and

Whereas it is impossible to estimate the charges to be incurred for each succeeding month, and

Whereas these charges can and do exceed \$1,000 for each billing period;

Now, therefore, be it resolved, the city administration is authorized to place orders for and make payment of these expenses, and such authorization forgoes the requirement of presenting these bills to the commission prior to authorization for purchase and/or payment;

Further resolved, this resolution shall apply to electric, telephone, water, natural gas utility, postage charges, and other goods/services provided by natural or regulated monopolies or sole source providers.

Resolution Six: Purchasing

Whereas, pursuant to chapter three, section 34 of the Royal Oak city charter, the city commission shall set a purchasing limitation by resolution, adopted at the same time the annual city budget is approved.

Now, therefore, be it resolved; the city establishes that no purchase in excess of \$15,000 be made without the approval of the city commission and pursuant to chapter 14, section two. Public work or improvement costing more than \$35,000 and executed by contract, shall be awarded to a responsible bidder in competition for fiscal year 2021-22.

Resolution Seven: Transfers

Now, therefore, be it resolved; the finance director is hereby authorized to transfer up to 25 percent of the major street fund monies to the local street fund during the 2021-22 fiscal year. The finance director is also authorized to make administrative transfers within appropriation centers. All other transfers between funds may be made only by further action by the city commission.

Resolution Eight: PEG Fees

Now, therefore, be it resolved; the city commission hereby grants Community Media Network one half of the one percent P.E.G. fee received during the 2021-22 fiscal year.

Resolution Nine: Financial Policies

Whereas, the City of Royal Oak has established a set of financial policies

And whereas, it is prudent to regularly review and update those policies and to add new policies as needed.

Now, therefore, be it resolved, the city reaffirms its existing financial policies on attrition, investments, retirement contributions, debt management, capital assets and capital improvements projects, and fund self-supporting and affirms amendments to the fund balance policies.

City of Royal Oak FY 2021–22 Budget Procedures

The City of Royal Oak's budget process is governed by the city charter and state statutes of Michigan. Chapter eight, "general finances section one" of the city charter establishes July 1 through June 30 as the city's fiscal year.

Budget Document

The city charter, as approved by the voters on Nov. 8, 1921 and as amended throughout the years, and the State of Michigan Uniform Budgeting Act (Public Act 621 of 1978), which amended the Uniform Accounting Act (Public Act Two of 1968), mandate that the budget document present a complete financial plan for the ensuing fiscal year and shall present the following:

- (a) An itemized statement of the appropriation recommended by the city manager for current expenses and for permanent improvements for each department and each division thereof, for the ensuing fiscal year, with comparative statement, in parallel columns, of the appropriation and expenditures for the current and next preceding fiscal year and the increases and decreases in the appropriation recommended;
- (b) An itemized statement of the taxes required and of the estimated revenue of the city, from all other sources, for the ensuing fiscal year, with comparative statements of the taxes and revenues for the current and next preceding fiscal year;
- (c) A statement of the financial condition of the city and an inventory of all property owned by the city; and
- (d) Such other information as may be required by the commission.

Budget

As required by the city manager, each department head must submit to the city manager an itemized estimate of expenditures for the next fiscal year for the department or activities under their direction.

The city manager then prepares a complete itemized budget proposal for the next fiscal year and must present a balanced budget to the city commission not later than 30 days before the end of each fiscal year. Prior to the adoption of the budget, a public hearing on the budget must be held to inform the public and solicit input and comments from residents. A public notice, published in a newspaper of general circulation in the community, announces the time and place of the meeting and the availability of the budget document for review.

Budget Appropriation and Amendments

The city's balanced budget is adopted by the city commission on a functional basis. The general fund and special revenue funds are officially adopted. Estimated revenues, transfers in, and use of fund balance are equal to or greater than estimated expenditures and transfers out. The finance director is authorized by budget resolution to transfer up to 25 percent of major street fund monies to the local street fund during the fiscal year and to make transfers within appropriation centers. All other transfers between funds may be made only by further action by the city commission.

The commission may make additional appropriations during the fiscal year for unanticipated expenditures required of the city. The city commission may also re-appropriate funds among appropriation centers. By way of an annual budget resolution, the city commission authorizes the finance director to administratively adjust line-item budgets within a fund and appropriation centers.

Basis for Budgeting

The modified accrual basis of budgeting is utilized in the preparation of the *governmental* fund types. Expenditures, with the exception of debt service expenditures, compensated absences, claims and judgments, are recorded at the time the liability is incurred. Revenues are recorded when received as cash, with the exception for material or available revenues that are accrued to properly show revenues earned and/or levied taxes.

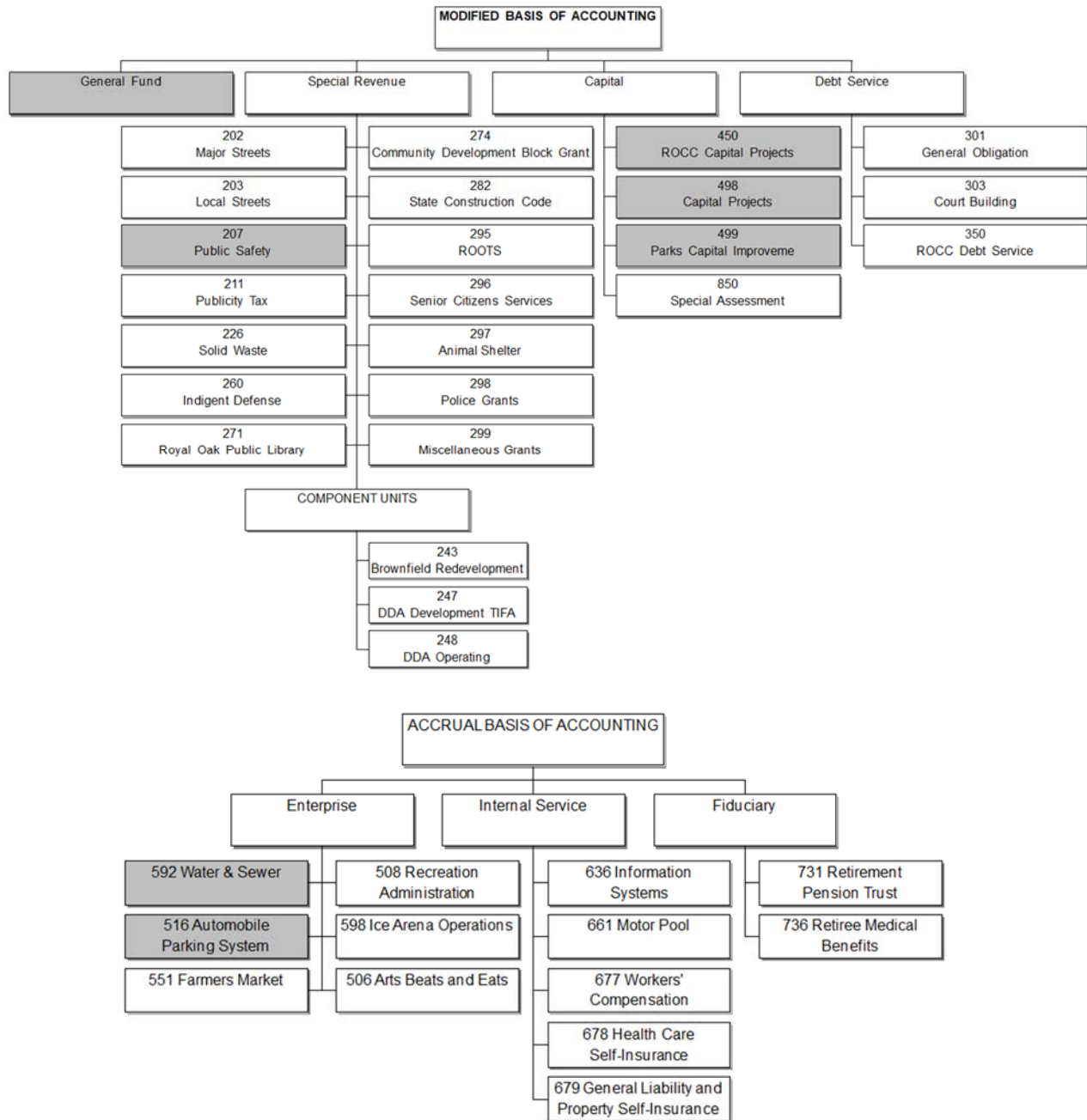
The accrual basis of accounting is utilized for the internal service and enterprise funds budgets which are not officially adopted but included in this document.

The budget is prepared in accordance with Generally Accepted Accounting Principles (GAAP).

FY 2021-2022 Budget Calendar

| | |
|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| December | Finance department requests capital improvement plan submittals |
| January | Finance department develops initial personnel costing and finalizes the draft capital improvement plan |
| January (late) | Special city commissions strategic planning (goals & objectives) session |
| January (late) | Finance sends personnel costing detail to departments for review |
| February (mid) | Motor pool and IT departments requested budgets are due to finance department and finance department distributes charges to various funds |
| February (late) | Deadline to submit department requested budgets to finance department |
| Feb. to March | Finance department assembles departments' requested budgets, including budget narratives |
| March (early) | Finance department begins to perform 5-year projections based on department requested budgets |
| March (mid) | Capital improvement plan adopted by planning commission |
| March late | Departments and finance meet with city manager to present budgets |
| April (mid) | City manager relays to the finance department any changes to the department requested budget |
| April (late) | Finance department compiles proposed budget document/city managers recommended budget |
| May (early) | Proposed budget documents are distributed to city commission and made available to the public (library and city's website) |
| May (mid-late) | Special city commission budget workshop meetings |
| May (late) | Finance department makes any city commission changes (developing out of city commission workshops) and if necessary, prepares changes for the final budget resolutions |
| June (early) | City commission conducts public hearing and adopts general appropriations act and establishes tax/millage rates |
| June (late) | Finance department prepares adopted budget document and document is printed/distributed and posted to city's website. |
| July – June | Finance department monitors budget and performs budget adjustments / amendments when appropriate |

Financial Organization Chart



Shaded funds are major funds as of the last audited fiscal year. Major funds are those whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least ten percent of corresponding totals for all governmental or

enterprise funds and at least five percent of the aggregate amount for all governmental and enterprise funds. Any other fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

Attrition Policy

Policy on Attrition

Purpose:

The City of Royal Oak is facing revenues that are not sufficient to necessarily meet operating and capital needs and needs to further reduce its staffing levels in order to maintain a balanced budget.

All City of Royal Oak full-time positions except sworn police and fire positions that become vacant, for any reason, may only be filled with specific approval from the city commission. Such approval shall only be granted when it can be clearly established that it will cost more to not fill a position than it will cost to fill a position or when the position is unique, and no other employee can perform a critical function.

Policy:

[Adopted 06/02/2008]
[Reaffirmed 06/14/2021]

Capital Asset Policy

Capital Asset Policy

Capital assets are assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Major outlays for capital assets and improvements are capitalized once projects are placed in service. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment is depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|---------------------------|---------------|
| Buildings and renovations | 25 to 50 |
| Improvements | 10 to 20 |
| Infrastructure | 15 to 50 |
| Vehicles | five to eight |
| Equipment | five to 15 |
| Intangibles | ten |

[Adopted 04/06/2009]
[Reaffirmed 06/14/2021]

Capital Improvement Project Policy

Capital Improvement Project Definition

Capital improvement projects are any project or physical improvement that results in a permanent addition to the city's capital assets or revitalization/improvement that extends a capital asset's useful life or increases its usefulness or capacity. Qualifying projects must have an estimated cost of \$10,000 or more and an estimated useful life in excess of three years. Examples include:

1. New and expanded physical facilities for the community
2. Renovation, reconstruction, repair, or major maintenance to existing facilities
3. Equipment for any public facility or improvement when first erected or acquired
4. Major landscape improvement
5. Utility modification
6. New construction project
7. Public improvement projects (road and park improvements, curbs and gutters, drainage improvements, sidewalks/ bikeway / path projects, etc.)

A capital improvement is not a recurring capital outlay item (such as a motor vehicle) or a maintenance expense (such as fixing a leaking roof or painting park benches). Acquisition of equipment is not a capital project unless it is an integral part of the capital project.

Explanations of the option *type of project* are as follows:

Replacement: Existing improvements that are deteriorated and need to be replaced and/or upgraded to continue to provide service and to meet current codes and regulations.

Expansion: New improvements that are growth-related and/or based on projected development.

Economic vitality and diversity: This includes construction of improvements for promotion of economic vitality and diversity and to eliminate and prevent the spread of blight and deterioration to the city.

Explanation of the options for *project priority* are as follows:

Emergency: The project is urgent and must be completed as soon as possible. This could be a temporary or permanent repair to major equipment, facilities, or infrastructure. The project must be complete to protect the health, safety, or welfare of the community.

Regulatory requirement: The project is required by new legislation, federal guidelines, codes, or regulations. The city may be fined if the project is not implemented.

Correct existing deficiencies: The project corrects an existing deficiency to keep the facilities or infrastructure from becoming an emergency situation. If the project is not implemented, the health, safety and welfare of the community may be endangered in the near future.

Near-term capacity need: The project expands the capacity of equipment, facilities, or infrastructure to accommodate increasing demand. Failure to address the project may create public inconvenience or an emergency situation.

Long-term capacity need/master plan: The project is identified in the city's master plan(s).

Availability of funds: The project is addressed if there is enough outside funding.

[Adopted 04/06/2009]
[Reaffirmed 06/14/2021]

Debt Management

Background: Debt management policies are written guidelines and restrictions that affect the amount and type of debt issued, the issuance process, and the management of the city's debt portfolio. A debt management policy improves the quality of decisions, provides justification for the structure of debt issuance, identifies policy goals, and demonstrates a commitment to long-term financial planning, including a multi-year capital plan. Adherence to a debt management policy signals to rating agencies and the capital markets that a government is well managed and should meet its obligations in a timely manner.

Debt levels and their related annual costs are important long-term obligations that must be managed within available resources. An effective debt management policy provides guidelines to manage its debt program in line with those resources.

Objective: To manage the debt portfolio to finance all necessary capital improvements while being fiscally responsible with the taxpayer's money in a conservative and prudent manner.

Debt manager and disclosure agent: The director of finance is the debt manager for all items involving debt management. The debt manager is the disclosure agent responsible to develop and conduct an investor relations program and is the person authorized to speak externally on behalf of the city concerning debt. His/her duties include the filing of all public records to meet federal and state legislation. He or she may appoint a member(s) of staff or consultant to assist in carrying out this mission.

The debt manager shall review this policy at least annually and recommend revisions as necessary.

Policy:

1. The city shall exhibit purposeful restraint in incurring debt.
2. The city shall refrain from issuing short-term debt which requires repeated annual appropriation.
3. Long-term debt will not be used for operations with the exception of legacy costs.
4. Long-term debt will be confined to capital improvements and legacy costs that cannot be financed from current revenue.
5. The payback period of the debt will not exceed the expected useful life of the project.
6. Total city debt, including loans and contractual obligations (e.g., George W. Kuhn Drain debt), will not exceed ten percent (10 percent) of the total taxable valuation of taxable property.
7. The city will maintain good communications with bond rating agencies about its financial condition and will follow a policy of full disclosure on every financial report and bond prospectus.
8. The city will strive to have a minimum bond rating of AA-, or the equivalent, with at least two (2) qualified bond rating agencies.

[Adopted 6/2/2008]
[Reaffirmed 06/14/2021]

Fund Balance Policies

Fund balance policy – general fund

Purpose:

To ensure proper stewardship of the City of Royal Oak's financial resources, by maintaining the city's ability to:

1. Meet liquidity requirements for current and long-term obligations by considering economic cycles of municipal revenues/expenditures and the estimated budget forecasts.
2. Manage unexpected revenue shortfalls
3. Accept reasonable uninsured risks, where advantageous
4. Provide for unanticipated contingencies and emergencies
5. Provide for long-term budget and tax stabilization

6. Borrow funds at reasonable interest rates when needed.

Policy:

Be it resolved, that it shall be the policy of the City of Royal Oak to maintain an unassigned fund balance in the general fund at least equal to 10 percent of budgeted expenditures but not more than 25 percent of budgeted expenditures.

[Adopted 2/06/2006; Amended 06/14/2021]

Be it resolved, that it shall be the policy of the City of Royal Oak that any amendment to the city's current fund balance policy for the general fund shall require the affirmative vote of two-thirds of the members of the city commission.

[Adopted 03/06/2006]
[Reaffirmed 06/14/2021]

Fund balance policy – non-major enterprise funds

Any transfers from any of the city's non-major enterprise funds (farmer's market, ice arena, and recreation administration) to the city's general fund be limited so as not to reduce the net non-capital assets of the non-major enterprise funds by more than 20 percent in any given fiscal year.

Be it resolved, that it shall be the policy of the City of Royal Oak that any amendment to the city's current fund balance policy for the non-major enterprise funds shall require the affirmative vote of two-thirds of the members of the city commission.

[Adopted 03/06/2006]
[Reaffirmed 06/14/2021]

Fund balance policy – auto parking enterprise fund

Whereas, on February 6, 2006, in order to ensure proper stewardship of the city's financial resources, the city commission unanimously established a policy regarding the maintenance of a minimum unassigned fund balance in the general fund;

Whereas, after additional consideration, the city commission has determined that in order to further ensure proper stewardship of the city's financial resources, a policy should also be established to restrict the level of transfers from the city's parking fund to the city's general fund in

any given fiscal year. Such a policy will ensure that the city will be able to properly maintain the assets associated with the parking fund without having to draw upon the city's general fund.

Therefore, be it resolved, that it shall be the policy of the City of Royal Oak that any transfers from the city's parking fund to the city's general fund be limited so as not to reduce the net non-capital assets of the parking fund by more than 20 percent in any given fiscal year.

[Adopted 12/04/2006]
[Reaffirmed 06/14/2021]

Fund balance policy – state construction code fund

Purpose:

To help ensure the proper stewardship of the City of Royal Oak's financial resources and in an effort to stabilize the volatility of state construction code fund (as it is a public safety function) through economic downturns *and to ensure that the services paid for are completed*, a fund balance policy has been established.

Policy:

That it shall be the policy of the City of Royal Oak to maintain an unassigned fund balance in the state construction code fund not less than 50 percent of budgeted expenditures.

That it shall be the policy of the City of Royal Oak that any amendment to the city's current fund balance policy for the state construction fund shall require the affirmative vote of two-thirds of the members of the city commission.

[Adopted 06/02/2013]
[Amended 06/10/2019]
[Reaffirmed 06/14/2021]

Investment Policy

Policy:

It is the policy of the City of Royal Oak to invest its funds in a manner that will provide the highest investment return with the maximum security while meeting the daily cash flow needs of the city and complying with all state statutes governing the investment of public funds.

Scope:

This investment policy applies to all financial assets of the City of Royal Oak, except the financial assets of the retirement funds. The city's financial assets are accounted in the city's annual report and include:

- general fund
- special revenue funds
- debt service funds
- capital project funds
- enterprise funds
- internal service funds
- agency funds
- any new fund type established by the city, unless specifically exempted by the legislative body.

This investment policy applies to all transactions involving the financial assets and related activity of all the foregoing funds.

Objectives:

The primary objectives of the city's investment activities, in priority order, are:

Safety—Ensuring the safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio and will employ mechanisms to control risks and diversify investments regarding specific types of individual financial institutions.

Liquidity—The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Investment maturities shall be scheduled to coincide with projected cash flow needs, taking into account large routine expenditures (payroll, accounts payable, etc.).

Return on investment—The investment portfolio shall be designed with the objective of attaining a market rate of return commensurate with the portfolio's level of investment risk and cash flow characteristics.

Diversification—The investment portfolio will be diversified by security type and institution so that potential losses on individual securities do not exceed the gains generated from the remainder of the portfolio.

Delegation of authority to make investments:

Authority to manage the city's investment program is granted to the city finance director, hereinafter referred to as investment officer. This authority is derived from city charter chap. three, sec. 24. No person may engage in an investment transaction except as provided under the terms of this policy and any procedures established by the investment officer. The investment officer may designate an employee to be responsible for the day-to-day management of the portfolio, under the leadership of the investment officer, and to act on the investment officer's behalf in the absence of the investment officer. The investment officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of any subordinate official.

Authorized investments:

The City of Royal Oak, as a public corporation operating under the laws of the State of Michigan, is limited to investments authorized by Act 20 of the Public Acts of 1943, as amended (MCL 129.91 to 129.96). The city has approved investment in the following authorized investment instruments:

Bonds, securities and other obligations of the United States or an agency or instrumentality of the United States.

Certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution is eligible to be a depository of funds belonging to the state under a rule or law of this state or the United States.

Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.

Repurchase agreements consisting of bonds, securities and other obligations of the United States or an agency or instrumentality of the United States.

Bankers' acceptances of United States banks.

Obligations of this state or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one standard rating service.

Mutual funds registered under the Investment Company Act of 1940, Title I of Chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investment vehicles that are legal for direct investment by a public corporation. This mutual fund authorization is limited to securities whose intention is to maintain a net asset value of \$1.00 per share. A mutual fund is not disqualified as a permissible investment solely by reason of any of the following:

The purchase of securities on a when-issued or delayed-delivery basis.

The ability to lend portfolio securities as long as the mutual fund receives collateral at all times equal to at least 100 percent of the value of the securities loaned.

The limited ability to borrow and pledge a like portion of the portfolio's assets for temporary and emergency purposes.

Obligations described in subsections 5.1 through 5.7 if purchased through an inter-local agreement under the Urban Cooperation Act, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

Investment pools organized under the Surplus Funds Investment Pool Act, 1982 PA 367, MCL 129.111 to 129.118.

The investment pools organized under the Local Government Investment Pool Act, 1985 PA 121, MCL 129.141 to 129.150.

It is further understood that investments of certain bond proceeds may be restricted by covenants in the bond ordinances.

Authorized financial institutions and brokers/dealers:

Investments shall be made only through approved financial institutions and approved security broker/dealers and shall be selected to attain a market rate of return commensurate with the portfolio's level of investment risk and cash flow characteristics. The investment officer, or his/her delegate, shall be responsible for reviewing financial institutions and broker/dealers' qualifications and deciding who is approved to conduct investment business with the city. The investment officer, or his/her delegate, shall maintain a list of the approved financial institutions and broker/dealers. All financial institutions and broker/dealers who desire to obtain approval for conducting investment business with the city must provide the investment officer or his/her delegate, with evidence of their creditworthiness and qualifications for doing business in this state. This evidence includes audited financial statements, proof of National Association of Securities Dealers (NASD) certification (if applicable), proof of qualifications for doing business in Michigan, a signed agreement to comply with this investment policy (see Attachment A), and any other documents required by the investment officer or his/her delegate.

The investment officer or his/her delegate shall conduct an annual review of the financial condition and qualifications of approved financial institutions and broker/dealers to determine if they should remain on the aforementioned list of approved institutions. Financial institutions and broker/dealers shall provide the investment officer or his/her delegate, with documents necessary for the review.

Safekeeping & custody:

All trades, where applicable, will be executed on a cash basis or a delivery vs. payment (DVP) basis, as determined by the investment officer or his/her delegate. It shall be the responsibility of the investment officer, or his/her delegate, to determine which securities a third-party custodian

shall hold. A safekeeping receipt must evidence any securities held in safekeeping by a third-party custodian.

All securities shall be properly designated as assets of the City of Royal Oak. Securities shall be in the name of the City of Royal Oak and shall name the specific fund from which the instrument was purchased.

Prudence:

In keeping with the investment officer's and his/her delegate's fiduciary responsibilities, investments shall be made with judgment and care, under circumstances then prevailing, in a manner consistent with that which persons of prudence, discretion, and intelligence exercise in the management of their own affairs. Investments shall be made for investment purposes, not for speculative purposes, considering the probable safety of the capital as well as the probable income to be derived.

The investment officer, or his/her delegate, acting in accordance with this policy and written procedures and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

Ethics & conflicts of interest:

Officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or that could impair their abilities to make impartial investment decisions.

Officials and employees involved in the investment process shall disclose to the city manager, or confirm the absence thereof, any material financial interests in financial institutions or broker/dealers that conduct business within this jurisdiction. They shall further disclose, or confirm the absence thereof, any large personal financial/investment positions that could be related to the performance of this jurisdiction's portfolio. Officials and employees shall subordinate their personal investment interests to those of this city.

Internal controls

The investment officer shall establish and maintain written procedures and internal controls for the operation of the investment program that are consistent with this investment policy. The internal control structure shall be designed to provide reasonable assurance that public funds are protected from loss, theft, or misuse and that the city complies with laws governing investment of public funds. These internal controls shall be reviewed annually by the independent auditor.

Reporting

The investment officer, or his/her delegate, shall prepare a monthly report of investment activity. The report shall be designed to provide a clear picture of the status of the current investment portfolio and to allow the city to ascertain if the investment activities during the reporting period conform to this investment policy. The monthly reports shall be maintained in the finance department and shall be available for review by the general public or by city officials. On an annual basis, the investment officer shall provide an annual report of investment activity to the city commission.

Adoption by city commission

The city commission has adopted this investment policy by resolution on 11/16/98.
[Reaffirmed 06/14/2021]

Retirement (Pension) Contributions Policy

Be it resolved, the City of Royal Oak shall make pension contributions to the City of Royal Oak retirement system or its successor in accordance with the recommendation of an independent actuarial valuation which shall be conducted on an annual basis.

Be it further resolved, should the weighted average percentage contribution for unfunded actuarial accrued liability recommended by the actuary fall below two percent, the amortization period shall be reduced, and the contribution recalculated until a further reduction would result

in a percentage in excess of two percent or until the amortization period is reduced to 20 years. This reduction in the amortization period shall be permanent.

Be it further resolved, should the unfunded actuarial accrued liability fall below zero, the overfunding credit shall be calculated using an amortization period of not less than 30 years

[Adopted 04/07/2008]
[Reaffirmed 06/14/2021]

Fund Self-Supporting Policy

Policy on funds being self-supportive

Purpose:

To acknowledge and document the expectation of which funds are sole supportive and which funds will accept and / or give fiscal transfers (gifts).

Policy:

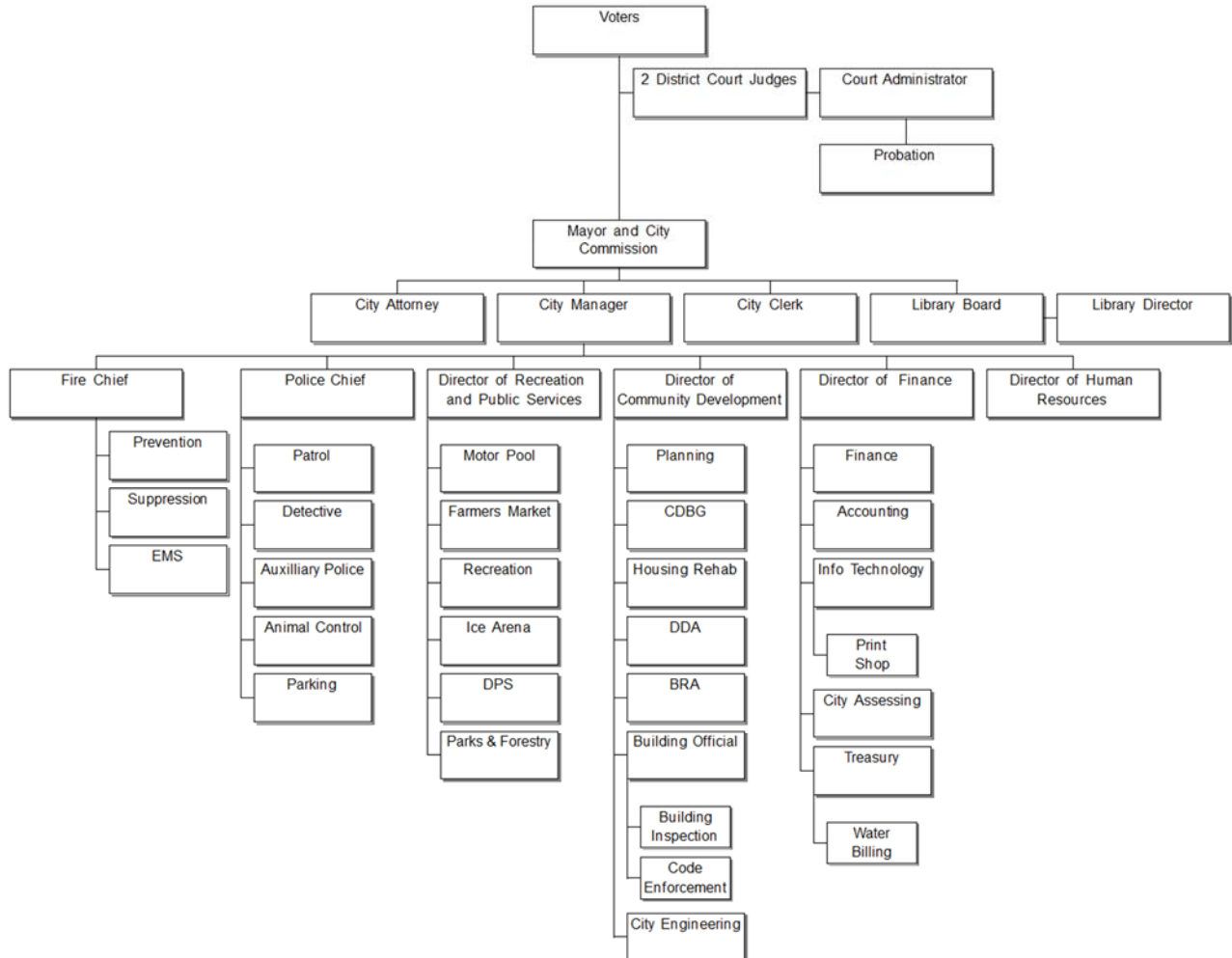
Based on the type of fund and expectations the following list provides whether a city fund can accept or provide a fiscal transfer (gifts) between funds.

[Adopted 06/2014]
[Reaffirmed 06/14/2021]

general fund
major road fund
local road fund
public safety fund
publicity fund
solid waste fund
indigent defense fund
library fund
community development block grant fund
state construction fund
ROOTS fund
animal shelter fund
police grants fund
miscellaneous grants fund
Brownfield fund
DDA funds

receive / provide
receive / provide (local street fund only)
receive
receive
receive
self-supporting
receive
receive
self-supporting
self-supporting
receive / provide
receive
self-supporting
self-supporting
self-supporting
provide

Organizational Chart City of Royal Oak



| Function/Program | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|-----------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 44th District | | | | | | | | |
| Court/Probation | 22 | 29 | 29 | *29 | 30 | 30 | 30 | 30 |
| Administrative Services | | | | | | | | |
| Manager | 5.5 | 5.2 | 5.2 | 6 | 6 | 6 | 6 | 7 |
| Attorney | 3.5 | 3.8 | 3.8 | 4 | 4 | 4 | 4 | 4 |
| City Clerk | 5 | 5 | 5 | 5 | 5 | 5 | 6 | 6 |
| Human Resources | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 |
| State Const. Code | 11 | 10.5 | 10.5 | 13.5 | 13 | 13 | 13 | 13 |
| Ordinance Enforcement | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Engineering | 8 | 13 | 13 | 13 | 13 | 13 | 13 | 13 |
| Community Development | 3 | 3.5 | 3.5 | 3.5 | 4 | 4 | 4 | 4 |
| Planning-Block Grant | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Planning-Housing | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Finance | **6 | ***7 | 7 | 7 | 7 | 7 | 8 | 8 |
| Assessing | 4 | 4 | 4 | 4 | 4 | 4 | 5 | 4 |
| Treasurer / Water Billing | 4 | 5 | 5 | 5 | *6 | 6 | 6 | 6 |
| Information Technology | 4 | 4 | 5 | 5 | 7 | 6 | 6 | 6 |
| Subtotal | 85 | 99 | 100 | 105 | 109 | 108 | 111 | 111 |
| Library | 9 | 8 | 8 | 8 | 9 | 9 | 9 | 10 |
| Public Safety | | | | | | | | |
| Police | 97 | 98 | 98 | 98 | 98 | 98 | 98 | 98 |
| Fire | 56 | 56 | 56 | 56 | 56 | 56 | 56 | 56 |
| Subtotal | 153 | 154 | 154 | 154 | 154 | 154 | 154 | 154 |
| Recreation & Public Services | | | | | | | | |
| Public Service | | | | | | | | |
| Parks & Forestry | 7 | 7 | 7 | 7 | 7 | 7 | 8 | 10 |
| Building Maintenance | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 3 |
| Highway | 0 | 1.5 | 1.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| Motor Pool | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Electrical | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Solid Waste | 14 | 14 | 14 | 15 | 15 | 15 | 15 | 15 |
| Water Maintenance | 7 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 |
| Water Services | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Sewer Maintenance | 7 | 7 | 7 | 9 | 9 | 9 | 9 | 10 |
| Auto Parking | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Recreation | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Ice Arena | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Services | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 2 |
| Subtotal | 56 | 59 | 59 | 63 | 63 | 63 | 65 | 69 |
| Total | 303 | 320 | 321 | 330 | 335 | 334 | 339 | 344 |

Report based on home-base allocations not FTE

*Deviates from the FY17-18 original budget

**Centralized purchasing function into the finance department

***Moved pension payroll in-house and moved risk management to the finance department

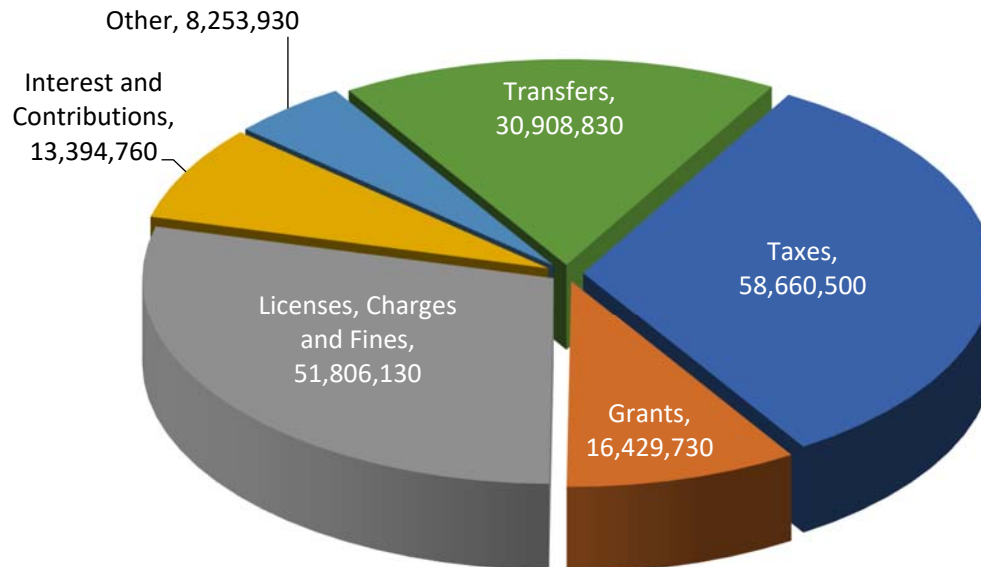
**Statement of Revenues / Expenditures
All Funds**

| | 2019-20 Actuals | 2020-21 Projected Year End | 2021-22 Adopted Budget | Percent Change |
|------------------------------------------|----------------------------|-------------------------------------------|---------------------------------------|---------------------------|
| Revenues | | | | |
| Taxes | 54,634,270 | 57,301,400 | 58,660,500 | 2.37% |
| Grants | 15,278,650 | 22,260,470 | 16,429,730 | -26.19% |
| Licenses, Charges and Fines | 46,655,760 | 43,702,380 | 51,806,130 | 18.54% |
| Interest and Contributions | 15,024,320 | 14,023,640 | 13,394,760 | -4.48% |
| Other | 8,733,820 | 8,423,700 | 8,253,930 | -2.02% |
| Transfers | 29,176,270 | 23,692,830 | 30,908,830 | 30.46% |
| Total Revenues | 169,503,090 | 169,404,420 | 179,453,880 | 5.93% |
| Expenditures / Expenses | | | | |
| Personnel Services | 46,922,630 | 46,028,529 | 50,931,890 | 10.65% |
| Supplies | 3,224,720 | 3,643,200 | 4,492,820 | 23.32% |
| Capital | 29,092,270 | 27,440,540 | 28,717,130 | 4.65% |
| Other | 69,380,540 | 76,195,550 | 71,275,950 | -6.46% |
| Transfers | 27,468,090 | 23,988,150 | 30,908,830 | 28.85% |
| Debt | 13,625,530 | 15,910,720 | 15,790,170 | -0.76% |
| Total Expenditures / Expenses | 189,713,780 | 193,206,689 | 202,116,790 | 4.61% |

All Funds Revenue Summary

| Revenues | General | Special Revenue | Debt Service | Capital Projects | Enterprise | Internal Service | Component Unit | Grand Total |
|-----------------------------|-------------------|-------------------|------------------|------------------|-------------------|-------------------|------------------|--------------------|
| Taxes | 21,819,000 | 27,951,700 | 602,500 | 0 | 2,429,000 | 0 | 5,858,300 | 58,660,500 |
| Grants | 6,092,450 | 10,330,580 | 6,700 | 0 | 0 | 0 | 0 | 16,429,730 |
| Licenses, Charges and Fines | 9,091,910 | 4,131,600 | 0 | 0 | 38,195,550 | 387,070 | 0 | 51,806,130 |
| Interest and Contributions | 155,500 | 144,830 | 100 | 8,000 | 40,650 | 13,031,880 | 13,800 | 13,394,760 |
| Other | 285,450 | 295,290 | 0 | 0 | 783,660 | 6,889,530 | 0 | 8,253,930 |
| Transfers | 737,000 | 23,646,670 | 2,671,700 | 3,122,460 | 581,000 | 100,000 | 50,000 | 30,908,830 |
| Total | 38,181,310 | 66,500,670 | 3,281,000 | 3,130,460 | 42,029,860 | 20,408,480 | 5,922,100 | 179,453,880 |

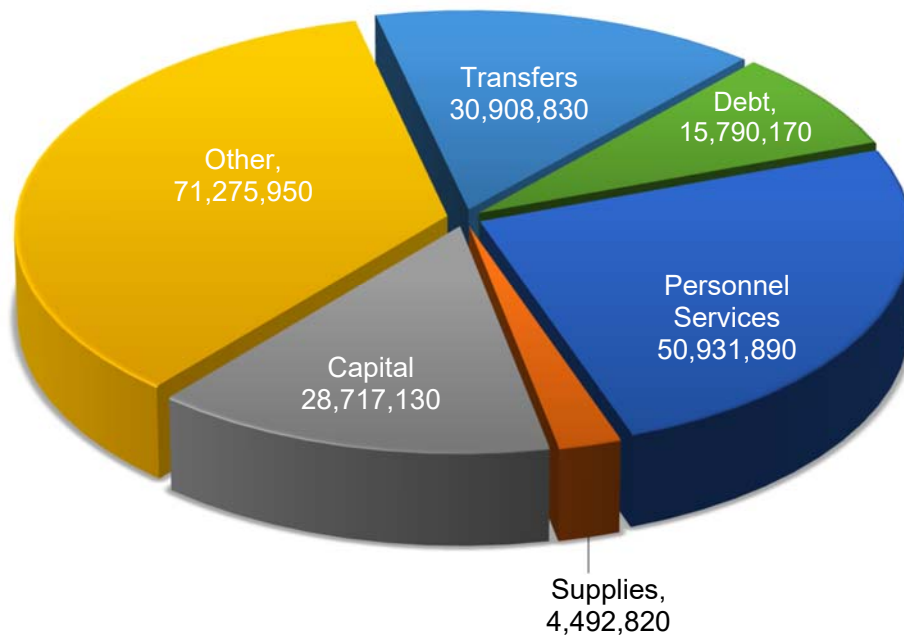
City Wide Revenue



All Funds Expenditure Summary

| Expenditures / Expenses | General | Special Revenue | Debt Service | Capital Projects | Enterprise | Internal Service | Component Unit | Grand Total |
|-------------------------|-------------------|-------------------|------------------|------------------|-------------------|-------------------|------------------|--------------------|
| Personnel Services | 10,639,620 | 34,590,240 | 0 | 0 | 3,450,670 | 2,004,800 | 246,560 | 50,931,890 |
| Supplies | 535,780 | 1,645,500 | 0 | 0 | 1,131,070 | 1,177,970 | 2,500 | 4,492,820 |
| Capital | 697,750 | 14,223,450 | 0 | 5,942,720 | 5,124,110 | 2,729,100 | 0 | 28,717,130 |
| Other | 5,161,820 | 16,011,870 | 0 | 6,500 | 29,487,230 | 16,393,350 | 4,215,180 | 71,275,950 |
| Transfers | 26,762,370 | 62,000 | 0 | 0 | 98,000 | 0 | 3,986,460 | 30,908,830 |
| Debt | 2,462,000 | 6,513,800 | 3,301,000 | 0 | 2,916,620 | 596,750 | 0 | 15,790,170 |
| Total | 46,259,340 | 73,046,860 | 3,301,000 | 5,949,220 | 42,207,700 | 22,901,970 | 8,450,700 | 202,116,790 |

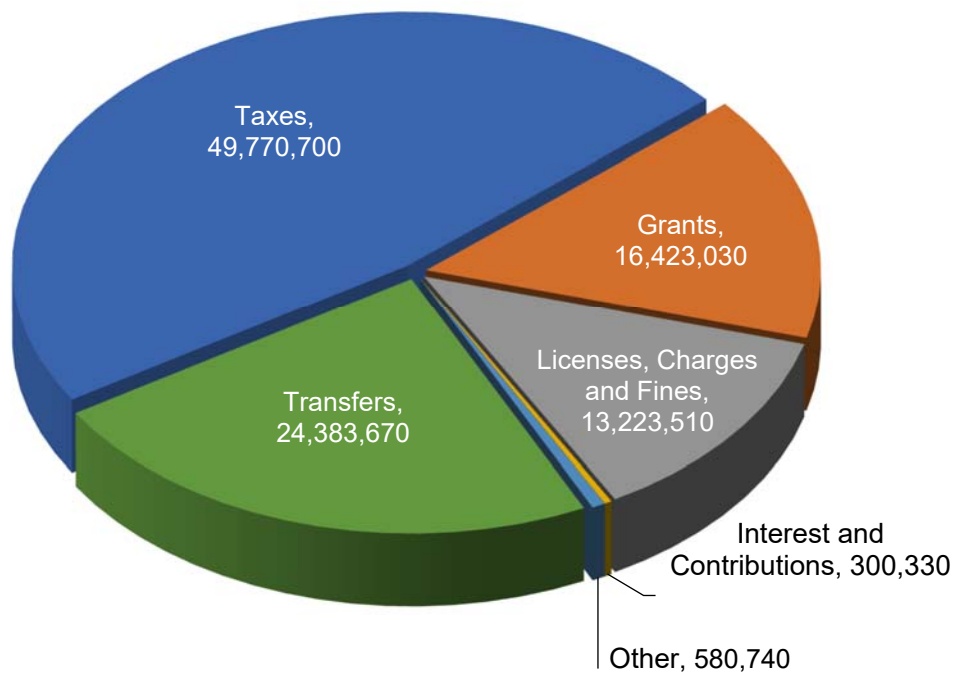
City Wide Expenditures



General and Special Revenue Funds Revenues Summary

| Revenues | General | Special Revenue | Grand Total |
|-----------------------------|-------------------|-------------------|--------------------|
| Taxes | 21,819,000 | 27,951,700 | 49,770,700 |
| Grants | 6,092,450 | 10,330,580 | 16,423,030 |
| Licenses, Charges and Fines | 9,091,910 | 4,131,600 | 13,223,510 |
| Interest and Contributions | 155,500 | 144,830 | 300,330 |
| Other | 285,450 | 295,290 | 580,740 |
| Transfers | 737,000 | 23,646,670 | 24,383,670 |
| Total | 38,181,310 | 66,500,670 | 104,681,980 |

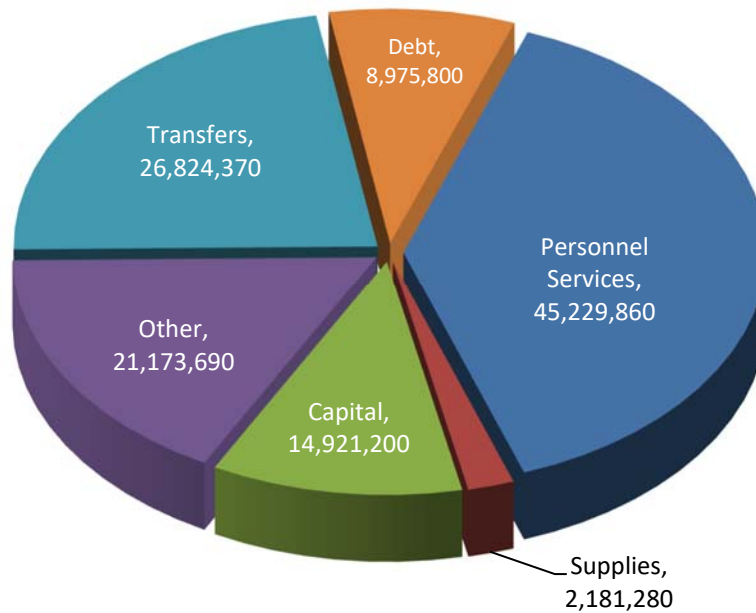
General and Special Revenue Funds - Revenue



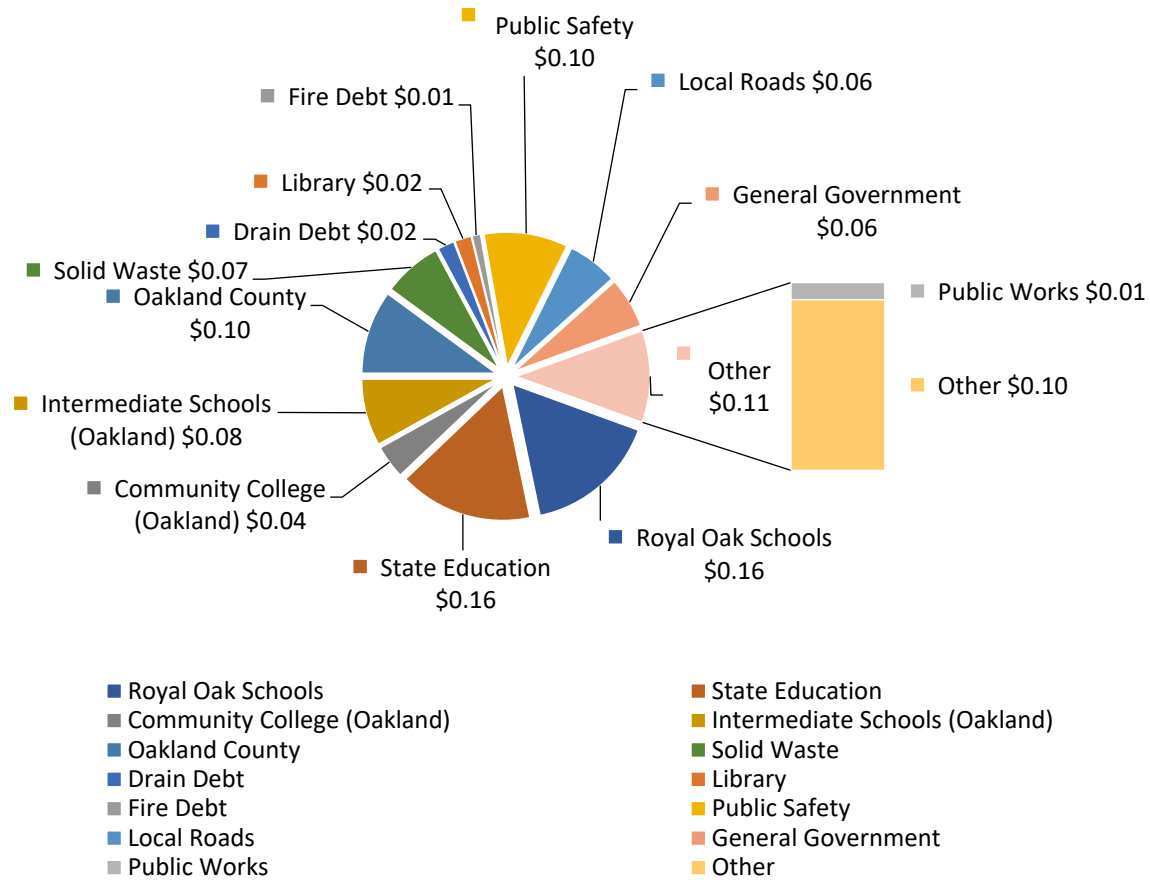
General and Special Revenue Funds Expenditures Summary

| Expenditures | General | Special Revenue | Grand Total |
|--------------------|-------------------|-------------------|--------------------|
| Personnel Services | 10,639,620 | 34,590,240 | 45,229,860 |
| Supplies | 535,780 | 1,645,500 | 2,181,280 |
| Capital | 697,750 | 14,223,450 | 14,921,200 |
| Other | 5,161,820 | 16,011,870 | 21,173,690 |
| Transfers | 26,762,370 | 62,000 | 26,824,370 |
| Debt | 2,462,000 | 6,513,800 | 8,975,800 |
| Total | 46,259,340 | 73,046,860 | 119,306,200 |

General and Special Revenue Funds - Expenditures



Where Your Tax Dollar Goes



45 percent of local taxes support city services in Royal Oak; 55 percent of real tax revenue supports the county and schools.



Financial Trends

The financial trends in this section of the budget report show year-to-year comparisons and projections in the following categories.

Taxable Value

State Shared Revenue

City Millage Rates

Interest Income

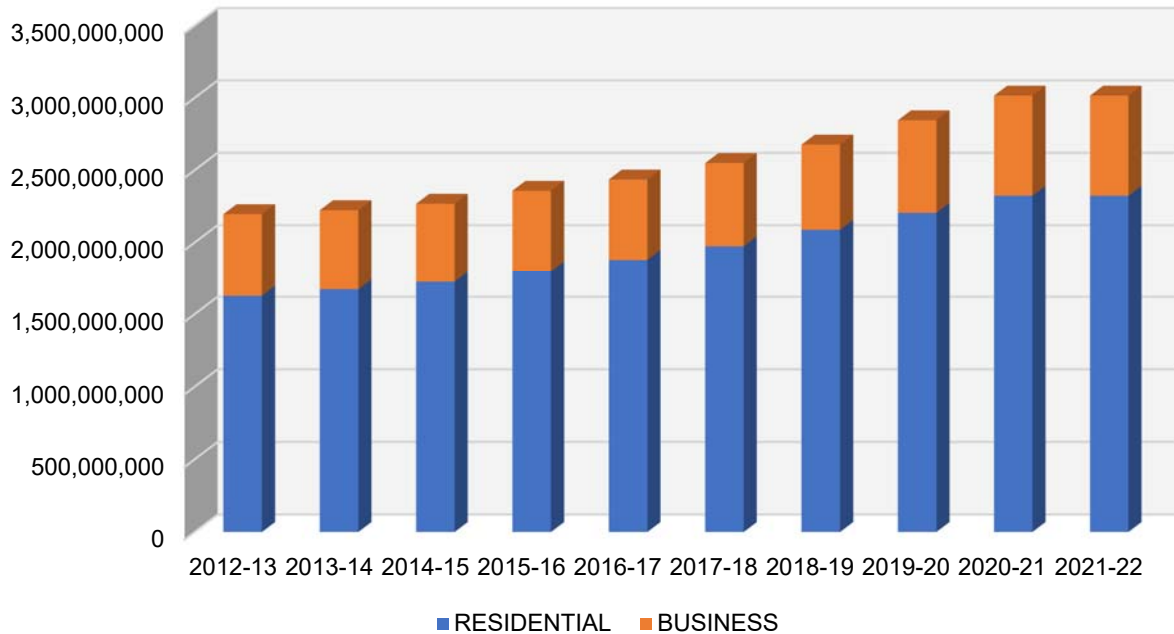
Millage Summary

Debt Projections

Millage Rate Comparison

Retirement Trust Contributions

Taxable Value: Residential + Business Ten Years Actual & Two Years Projected

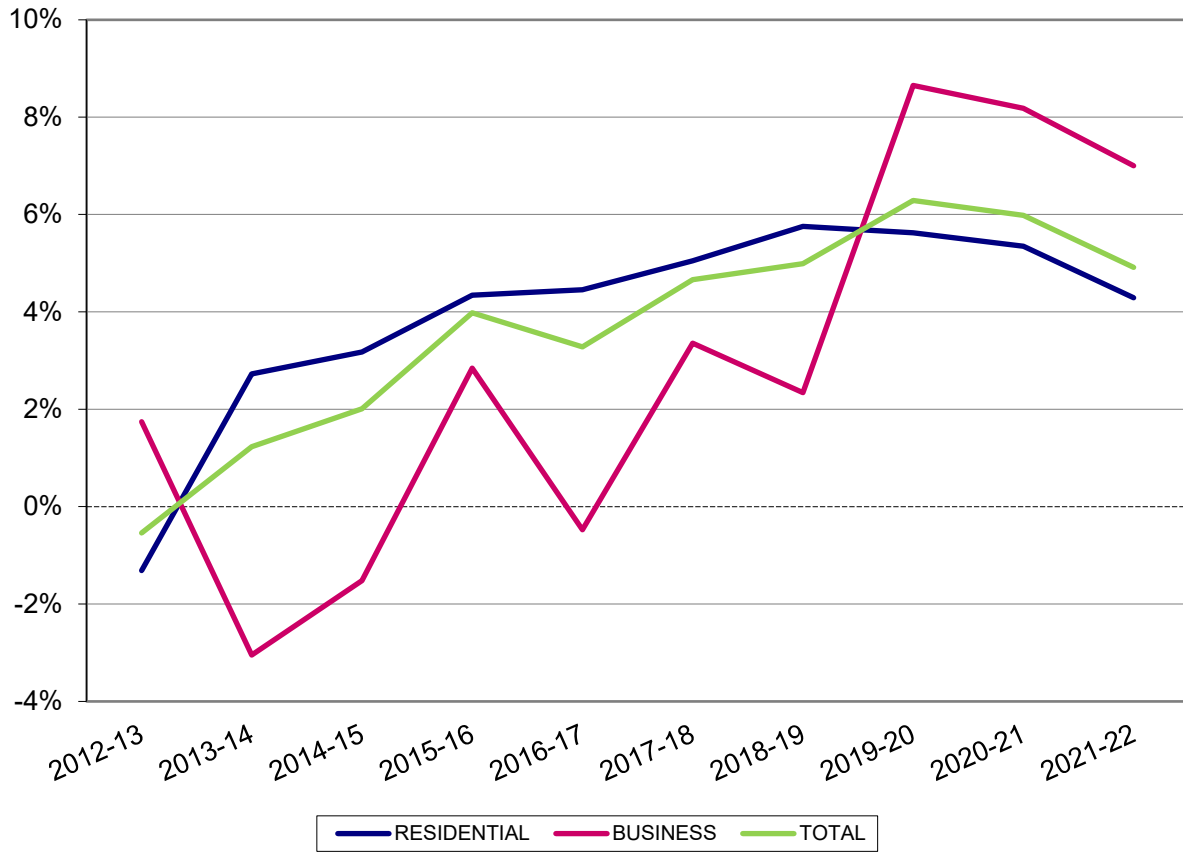


Taxable value, the basis for tax revenue, increased 4.91 percent based on valuations after the March board of review process. All property tax classes increased. For the estimated forecast years in the budget, Royal Oak's revenues are assumed to

increase an average of 2.5 percent each year. This revenue assumption is the net effect of taxable value increases and Headlee reductions to maximum authorized millage rates.

| Fiscal Year | By Class | | | | TOTAL | CHANGE |
|-----------------|---------------|-------------|------------|-------------|---------------|--------|
| | RESIDENTIAL | COMMERCIAL | INDUSTRIAL | PERSONAL | | |
| 2012-13 | 1,626,988,850 | 391,226,770 | 41,045,340 | 137,095,330 | 2,196,356,290 | -0.54% |
| 2013-14 | 1,671,311,400 | 379,835,840 | 36,914,920 | 135,277,840 | 2,223,340,000 | 1.23% |
| 2014-15 | 1,724,404,970 | 375,365,660 | 36,935,510 | 131,328,570 | 2,268,034,710 | 2.01% |
| 2015-16 | 1,799,260,920 | 378,983,060 | 37,730,500 | 142,368,610 | 2,358,343,090 | 3.98% |
| 2016-17 | 1,879,373,700 | 393,810,370 | 39,070,030 | 123,548,190 | 2,435,802,290 | 3.28% |
| 2017-18 | 1,974,284,140 | 405,165,090 | 38,888,620 | 131,044,220 | 2,549,382,070 | 4.66% |
| 2018-19 | 2,087,920,010 | 423,697,010 | 39,757,990 | 125,109,600 | 2,676,484,610 | 4.99% |
| 2019-20 | 2,205,346,400 | 472,434,490 | 40,962,070 | 126,095,950 | 2,844,838,910 | 6.29% |
| 2020-21 | 2,323,253,670 | 515,657,620 | 41,963,590 | 134,178,010 | 3,015,052,890 | 5.98% |
| 2021-22 | 2,422,933,940 | 553,148,620 | 43,098,150 | 143,987,440 | 3,163,168,150 | 4.91% |
| 10-year average | | | | | | 3.68% |

Taxable Value Percent Change By Year



| Fiscal Year | RESIDENTIAL | | COMMERCIAL | |
|-------------|------------------------|-------------|------------------------|-------------|
| | \$ | % | \$ | % |
| 2012-13 | 1,626,988,850 | -1.3% | 569,367,440 | 1.7% |
| 2013-14 | 1,671,311,400 | 2.7% | 552,028,600 | -3.0% |
| 2014-15 | 1,724,404,970 | 3.2% | 543,629,740 | -1.5% |
| 2015-16 | 1,799,260,920 | 4.3% | 559,082,170 | 2.8% |
| 2016-17 | 1,879,373,700 | 4.5% | 556,428,590 | -0.5% |
| 2017-18 | 1,974,284,140 | 5.1% | 575,097,930 | 3.4% |
| 2018-19 | 2,087,920,010 | 5.8% | 588,564,600 | 2.3% |
| 2019-20 | 2,205,346,400 | 5.6% | 639,492,510 | 8.7% |
| 2020-21 | 2,323,253,670 | 5.3% | 691,799,220 | 8.2% |
| 2021-22 | 2,422,933,940 | 4.3% | 740,234,210 | 7.0% |
| | 10-year average | 3.9% | 10-year average | 2.9% |

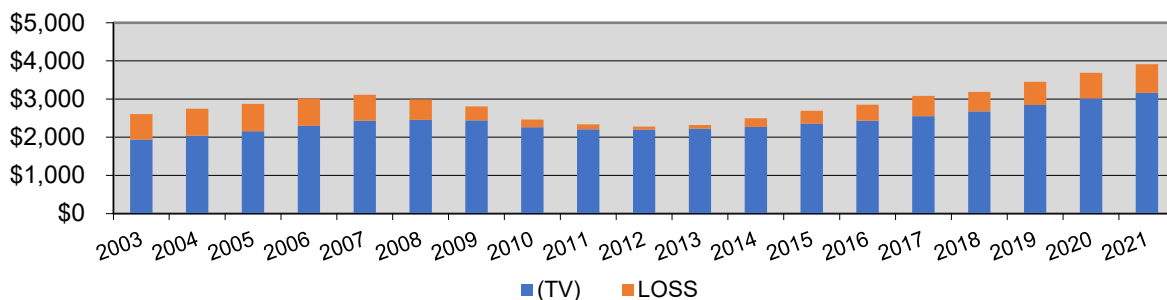
Proposal A Effect in Royal Oak
Taxable Value v. Assessed Valuation
 (Values are in Millions)

| July 1 | ASSESSED VALUE (SEV) | TAXABLE VALUE (TV) | LOSS | LOSS INCREASE (DECREASE) |
|---------------|-------------------------------------|-----------------------------------|-------------|-----------------------------------------|
| 2003 | 2,603 | 1,938 | 665 | 67 |
| 2004 | 2,746 | 2,038 | 708 | 43 |
| 2005 | 2,872 | 2,157 | 715 | 7 |
| 2006 | 3,013 | 2,300 | 713 | -2 |
| 2007 | 3,114 | 2,435 | 679 | -34 |
| 2008 | 2,986 | 2,455 | 531 | -148 |
| 2009 | 2,808 | 2,442 | 366 | -165 |
| 2010 | 2,462 | 2,263 | 199 | -167 |
| 2011 | 2,335 | 2,208 | 127 | -72 |
| 2012 | 2,279 | 2,196 | 83 | -44 |
| 2013 | 2,320 | 2,223 | 97 | 14 |
| 2014 | 2,497 | 2,268 | 229 | 132 |
| 2015 | 2,694 | 2,358 | 336 | 107 |
| 2016 | 2,853 | 2,435 | 418 | 82 |
| 2017 | 3,082 | 2,549 | 533 | 115 |
| 2018 | 3,190 | 2,676 | 514 | -19 |
| 2019 | 3,453 | 2,844 | 609 | 95 |
| 2020 | 3,687 | 3,015 | 672 | 63 |
| 2021 | 3,912 | 3,163 | 749 | 77 |

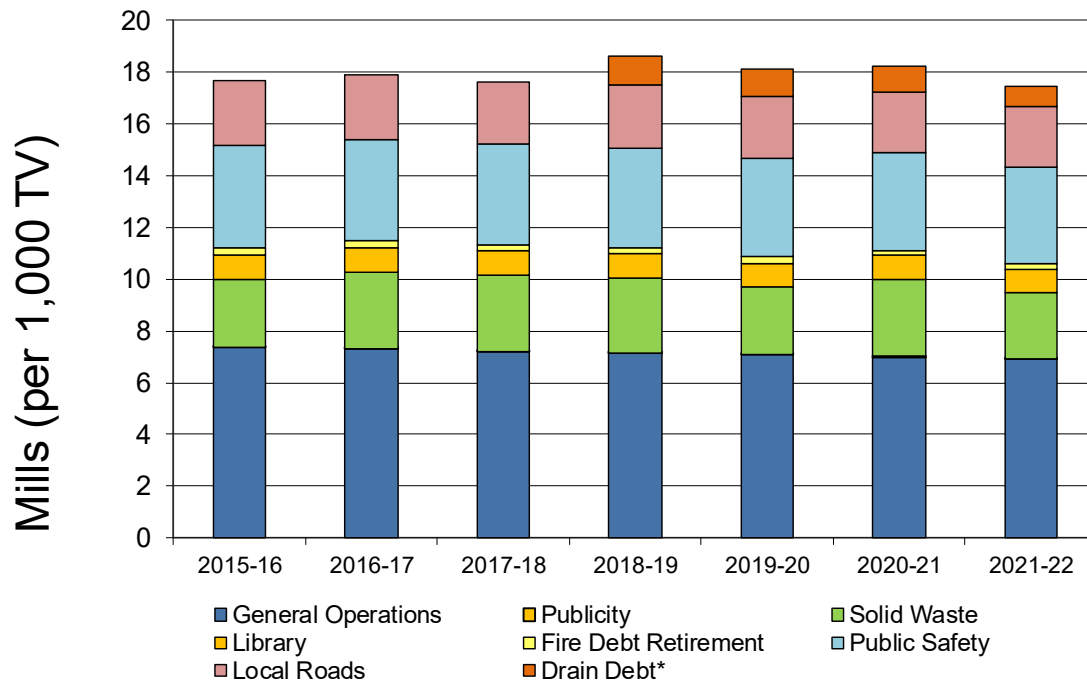
Proposal A of 1994 amended the state constitution changing the property taxation base from state equalized value (SEV) to taxable value (TV). The annual increase in taxable value to each parcel is limited by the parcel's SEV or to the rate of inflation (CPI) or 5 percent whichever is less. The city's allowable inflation rate multiplier for fiscal year 2021-22 is 1.4 percent.

The chart and graph show the general widening result of this through 2005 when the gap reached a high of \$715 million. After 2005, the trend reversed, and the gap began to close until 2013. In 2013, the loss gap had begun to widen again until 2018. However, one year later in 2019, the loss gap returned and continues to expand significantly, reaching a new high of \$749 million in 2021.

Taxable Value + Loss = Assessed Value



City Tax Rate



| Millage Rate | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|----------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| General Operations | 7.3695 | 7.2899 | 7.2031 | 7.1389 | 7.0625 | 6.9890 | 6.9058 |
| Publicity | 0.0212 | 0.0206 | 0.0195 | 0.0180 | 0.0169 | 0.0160 | 0.0154 |
| Solid Waste | 2.6026 | 2.9700 | 2.9346 | 2.9084 | 2.6272 | 2.5995 | 2.5768 |
| Library | 0.9564 | 0.9460 | 0.9347 | 0.9263 | 0.9163 | 0.9067 | 0.8959 |
| Fire Debt Retirement | 0.2770 | 0.2665 | 0.2400 | 0.2450 | 0.2270 | 0.2175 | 0.2056 |
| Public Safety | 3.9614 | 3.9186 | 3.8719 | 3.8374 | 3.7963 | 3.7568 | 3.7120 |
| Local Road | 2.4915 | 2.4645 | 2.4351 | 2.4134 | 2.3875 | 2.3626 | 2.3344 |
| Drain Debt* | 0.0000 | 0.0000 | 0.0000 | 1.1360 | 1.0850 | 1.0015 | 0.8220 |
| TOTAL | 17.6796 | 17.8761 | 17.6389 | 18.6234 | 18.1187 | 17.8496 | 17.4679 |

*formerly charged in sewage disposal rate

Downtown Development Authority – Specific Tax Rate - Operations

| | | | | | | | |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|
| DDA Operating Levy | 1.6477 | 1.6146 | 1.6146 | 1.6021 | 1.6021 | 1.6021 | 1.6003 |
| City & DDA Operations | 19.3273 | 19.4907 | 19.2535 | 20.2255 | 19.7208 | 19.4517 | 19.0682 |

General operating levy

City charter amendment 04/01/1957

Up to 11.0000 mills is authorized by the charter however, now limited to 6.9058 mills for fiscal year 2021-22 due to Headlee reductions, for any governmental purpose. A levy of 6.9058 mills is budgeted for fiscal year 2021-22.

Publicity levy

Public Act 359 of 1925 - MCL 123.881
Publicity tax; limit. Sec. 1. [Excerpt]

The common council of any city ... in this state, shall have the power to levy a special tax not to exceed in any 1 year 4 mills on the dollar of the assessed valuation of all taxable property within the said city or village, to be used for advertising, exploiting and making known the industrial, commercial, educational or recreational advantages of the said city ..., and to establish recreational and educational projects for the purpose of encouraging immigration to, and increasing the trade, business and industries of the said city or village: Provided, however, that such tax levy shall not exceed 50,000 dollars in any 1 year. A levy of 0.0154 mill is budgeted.

Refuse levy

Public Act 298 of 1917 as amended-MCL 123.261 Garbage disposal plants or systems in cities [Excerpt, underlining added] Sec. 1. (1) The city council of a city, whether organized under the general law or special charter, ... may establish and maintain garbage systems or plants for the collection and disposal of garbage in the city or village, and may levy a tax not to exceed 3 mills on the taxable value of all taxable property in the city or village according to the valuation of the property, as made for the purpose of state and county taxation by the last assessment in the city or village for these purposes (2) As used in this act, "garbage" means any putrescible and non-putrescible solid wastes, except body wastes, and includes ashes, incinerator ash, incinerator residue, street cleanings, solid market wastes, solid industrial wastes, and

also rubbish including such items as paper, cardboard, tin cans, yard clippings, wood, glass, bedding, crockery, and litter of any kind. The Headlee millage limitation and the levy for fiscal year 2021-22 is 1.8828 mills.

Refuse levy

City charter amendment 08/02/2016

As authorized in a city charter amendment this millage was first levied in the summer of 2007. Therefore, it expired after the 2011 levy. It was renewed in November 2011 and again in August 2016 for five years. The renewal allows the city to levy up to 1.000 mill, to defray the costs of refuse collection, disposal, and curbside recycling. Currently, the Headlee millage limitation is 0.9304 mill. This millage is budgeted for 0.6940 in fiscal year 2021-22, well below the maximum allowable levy.

Library operations levy

Public Act 164 of 1877 as amended-MCL 297.210a Free public library in the city.

Voter approved millage 11/04/2003.

Up to 1.0000 mill is authorized for reconstructing, furnishing, equipping and operating the city's existing library for 20 years. The millage expires after 2023. The current Headlee limitation and levy is 0.8959 mill for fiscal year 2021-22.

Fire bond debt service levy

Public Act 31 of 1948 (1st Ex. Session) as amended. Voter approved bond issue occurred on 05/15/2001. Establishing a full faith and credit tax millage authorized to pay debt service of building authority series 2001A bonds. This issuance was advance refunded in 2012 and is now called series 2012. This millage expires after 2021. A millage rate is budgeted at 0.2056 mill for fiscal year 2021-22.

Public safety levy

City charter amendment 11/08/2016

Authorized in chapter 8, section 11 (as amended) in the city charter, this language allows the city to levy a millage for a period not to exceed five (5) years of up to 3.975 mills, to defray the costs for police, fire, and emergency medical services. On Nov. 8, 2016, a year prior to expiration, the voters of Royal Oak approved the renewal of this millage, and it is charged on the winter tax bill. The fiscal year 2021-22 budget provides for a levy of 3.7120 mills. Fiscal year 2021-22 is the last year of the five (5) year renewal.

City of Royal Oak Downtown Development Authority

DDA general operations levy Public Act 57 of 2018 DDA Act-MCL 125.1662 Ad valorem tax--Commission adopted 11/02/1976

Sec. 12. (1) An authority with the approval of the municipal governing body may levy an ad valorem tax in the downtown district. The tax shall be not more than two mills if the downtown district is in a municipality having a population of less than 1,000,000. This is only for the purposes provided by Act 57 beginning with the duty to correct and prevent deterioration in business districts. The levy is budgeted at 1.6003 mills for fiscal year 2021-22 and is also the maximum due to the Headlee limitation. This millage has a Headlee reduction factor of 0.9989 in fiscal year 2021-22.

Road levy

City charter amendment 11/04/2014

As authorized in a city charter amendment this millage was first levied in the winter of 2014, this language allows the city to levy up to 2.5 mills for a period not to exceed ten (10) years beginning on Dec. 1, 2014, to defray costs for maintaining, repairing, and reconstructing roads and right of ways in the City of Royal Oak. Voters approved this millage on Nov. 4, 2014, and it was immediately placed on the winter tax bill in the amount of 2.5 mills. The fiscal year 2021-22 budget provides for a levy of 2.3344 mills, and this is also the Headlee maximum, allowed to be levied.

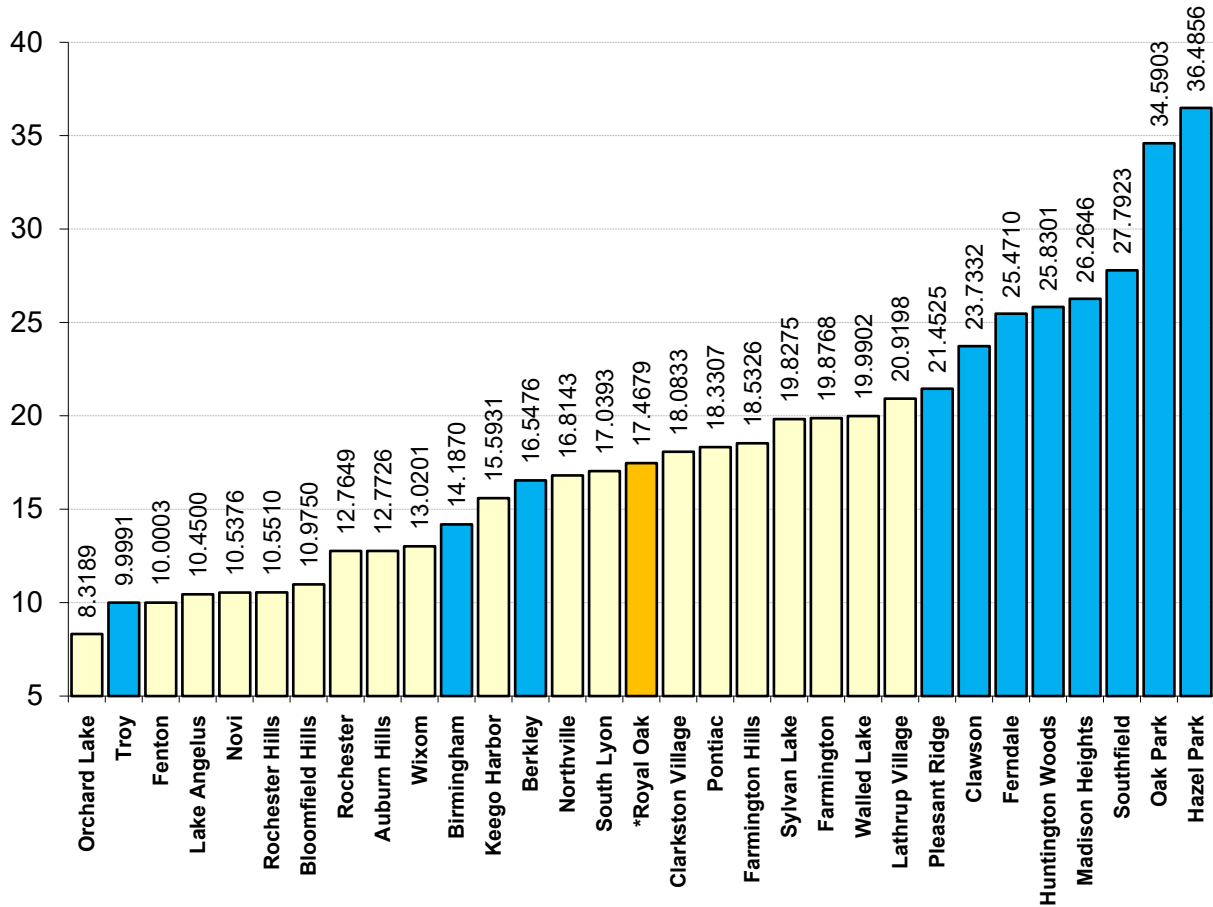
Drain levy

Public Act 40 of 1956 MCL 280.475 Statutory or charter tax limitations inapplicable; rate or amount of taxes. Taxes levied by a public corporation for the payment of assessments hereunder shall not be deemed to be within any statutory or charter tax limitation. A public corporation may impose taxes without limitation as to a rate or amount for the payment of assessments in anticipation of which bonds are issued.....The fiscal year 2021-22 budget provides for a levy of 0.8220 mill. Fiscal year 2021-22 will be the fourth year of this millage as this revenue was collected to pay drain debt services by way of sewage disposal fees in prior year.

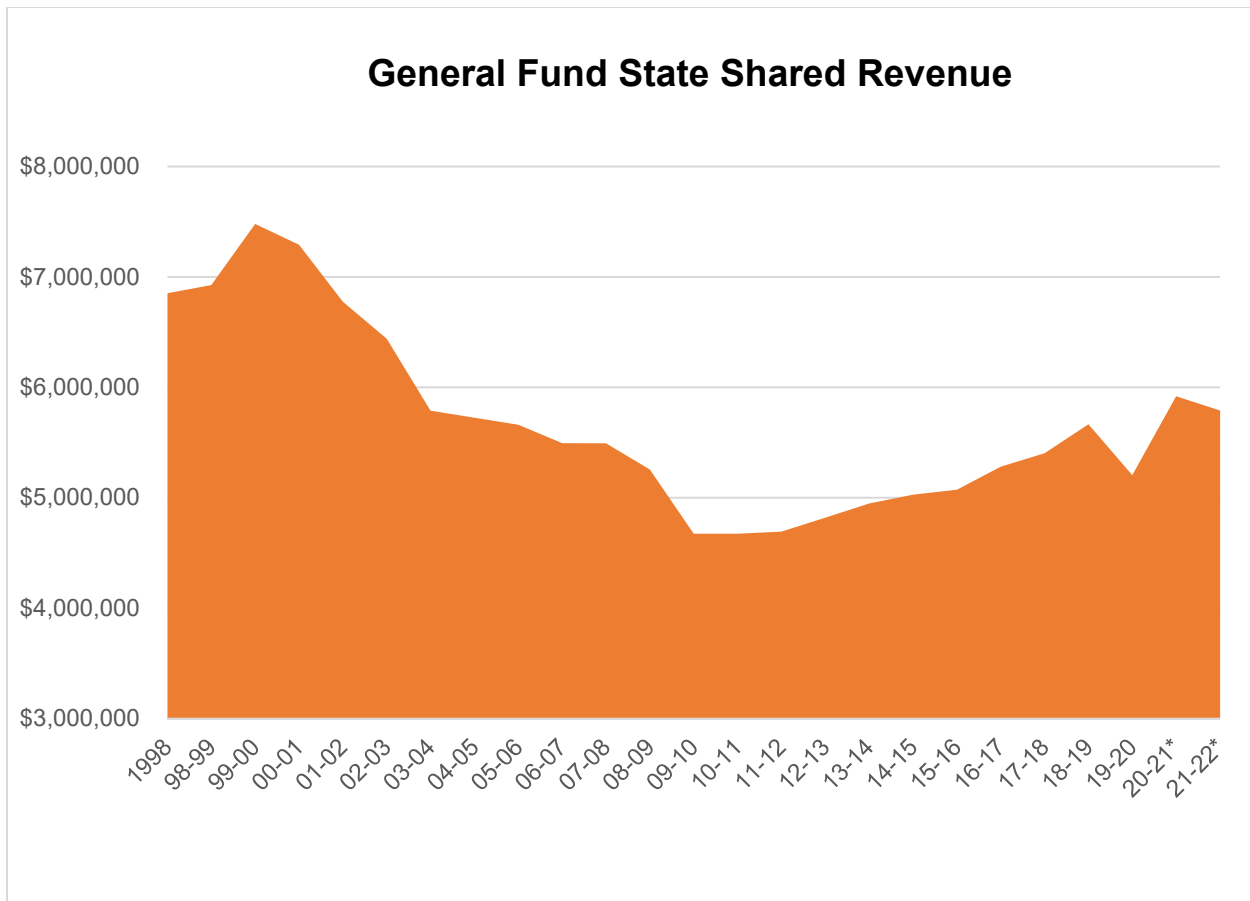
FY 2020-2021 Millage Rate Comparison

(Average Millage Rate = 18.53)

Blue bar represents a bordering neighbor



Note: The city of Royal Oak's millage rate is for fiscal year 2021-22, however the rest of the community's' rates are from 2020-21 as they were not available for the upcoming fiscal year as of the date of this publication.



**based on projected estimates provided by the State of Michigan*

The Michigan legislature has dramatically reduced distributions of state shared revenue of sales tax receipts since fiscal year 1999-2000. The formula was fully funded in 2001 but population dropped in the 2010 census. The constitutional formula is set by the voters and cannot be affected by the legislature. Statuary/CVTRS payments to the city have been lower each year than its peak since 2000. First there were challenges to the Headlee tax rate limits, and then by Proposal A to taxable value. The past 20 years, local governments have had to

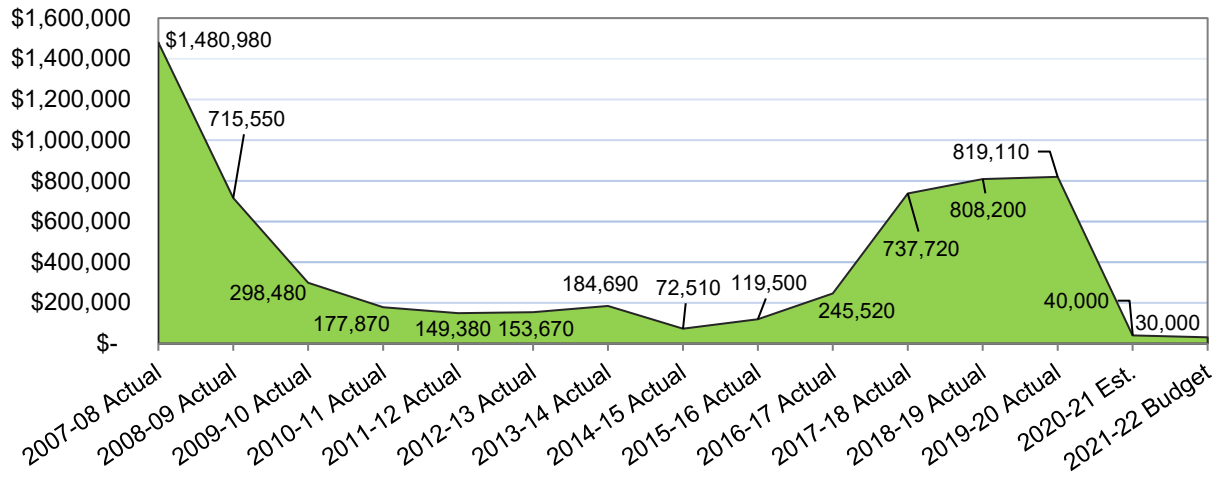
contend with the dilemma that state shared revenue is drastically reduced. As the graph illustrates, funding is down \$1.56 million since the high in 1999-2000 (not adjusted for inflation). This leaves the local unit of government with the position of having to reduce services or find some way to raise new revenue (which has its restrictions), such as new voter approved millages. \$5,790,000 is budgeted for fiscal year 2021-22 based upon the State of Michigan's projection.

State Shared Revenue

| | <u>Fiscal</u> <u>Year</u> | <u>Constitutional</u> | <u>Statutory</u> | <u>Actual</u> | |
|-----------|------------------------------|-----------------------|------------------|---------------|--------------------------------|
| | 1998 | 3,978,040 | 2,874,568 | 6,852,608 | |
| | 98-99 | 4,094,535 | 2,831,659 | 6,926,194 | |
| | 99-00 | 4,433,959 | 3,046,331 | 7,480,290 | Formula revised |
| | 00-01 | 3,897,555 | 3,393,244 | 7,290,799 | |
| | 01-02 | 3,937,256 | 2,838,283 | 6,775,539 | Uses 2000 census; fully funded |
| | 02-03 | 4,003,913 | 2,436,424 | 6,440,337 | Reductions begin anew |
| | 03-04 | 3,960,423 | 1,827,848 | 5,788,271 | |
| | 04-05 | 4,054,936 | 1,670,243 | 5,725,179 | |
| | 05-06 | 4,123,971 | 1,537,506 | 5,661,477 | |
| | 06-07 | 4,038,279 | 1,456,481 | 5,494,760 | |
| | 07-08 | 4,173,107 | 1,319,767 | 5,492,874 | |
| | 08-09 | 3,935,742 | 1,319,775 | 5,255,517 | |
| | 09-10 | 3,815,174 | 859,079 | 4,674,253 | |
| | 10-11 | 3,861,430 | 812,823 | 4,674,253 | |
| | 11-12 | 4,110,082 | 582,777 | 4,692,859 | EVIP Implemented |
| | 12-13 | 4,195,175 | 624,402 | 4,819,577 | |
| | 13-14 | 4,293,557 | 654,486 | 4,948,043 | |
| | 14-15 | 4,416,029 | 612,393 | 5,028,420 | CVTRS Implemented |
| | 15-16 | 4,369,203 | 674,467 | 5,073,238 | |
| | 16-17 | 4,607,911 | 674,467 | 5,282,378 | |
| | 17-18 | 4,729,610 | 674,467 | 5,404,077 | |
| | 18-19 | 4,990,540 | 674,460 | 5,665,007 | |
| | 19-20 | 4,836,000 | 369,000 | 5,205,000 | Revised |
| Projected | 20-21* | 5,182,000 | 737,000 | 5,919,000 | Revised |
| Projected | 21-22* | 5,038,000 | 752,000 | 5,790,000 | |

*Does not include projected personal property tax reimbursement.

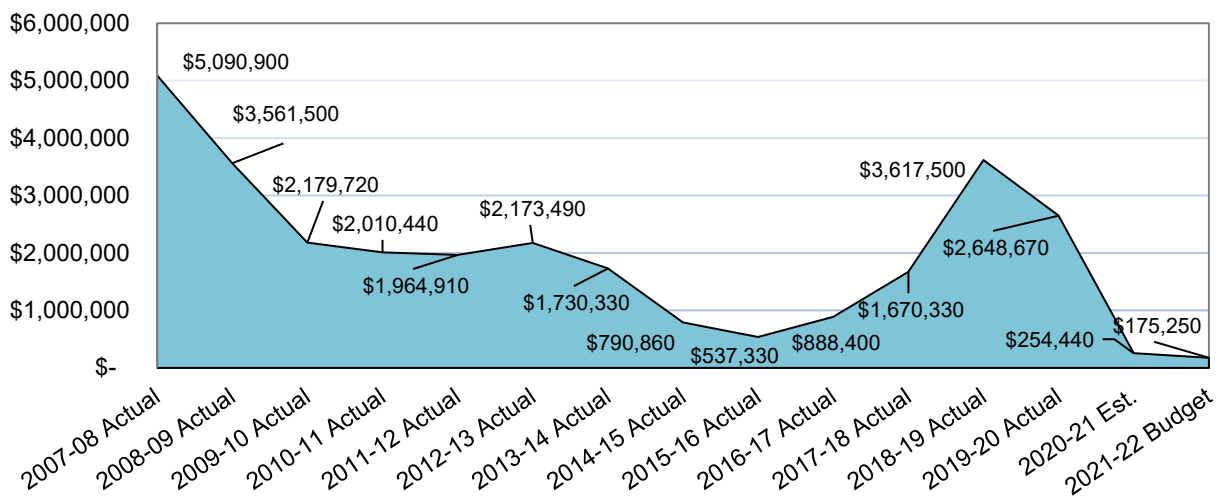
General Fund Interest Revenue

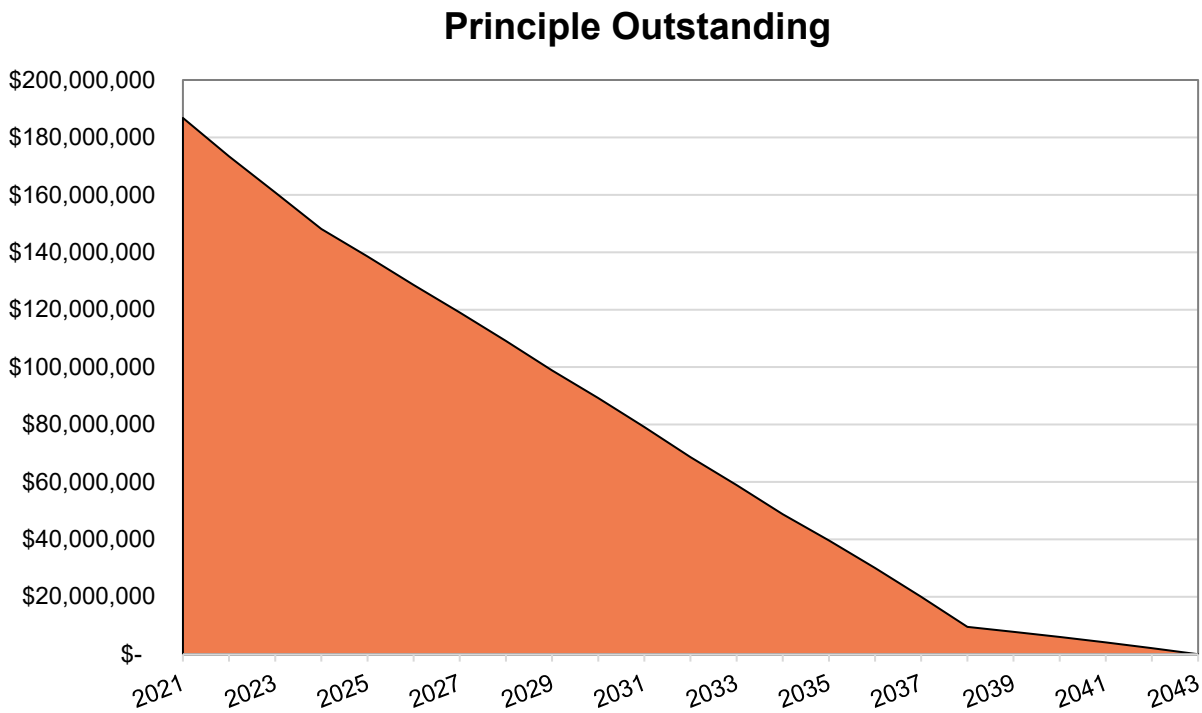
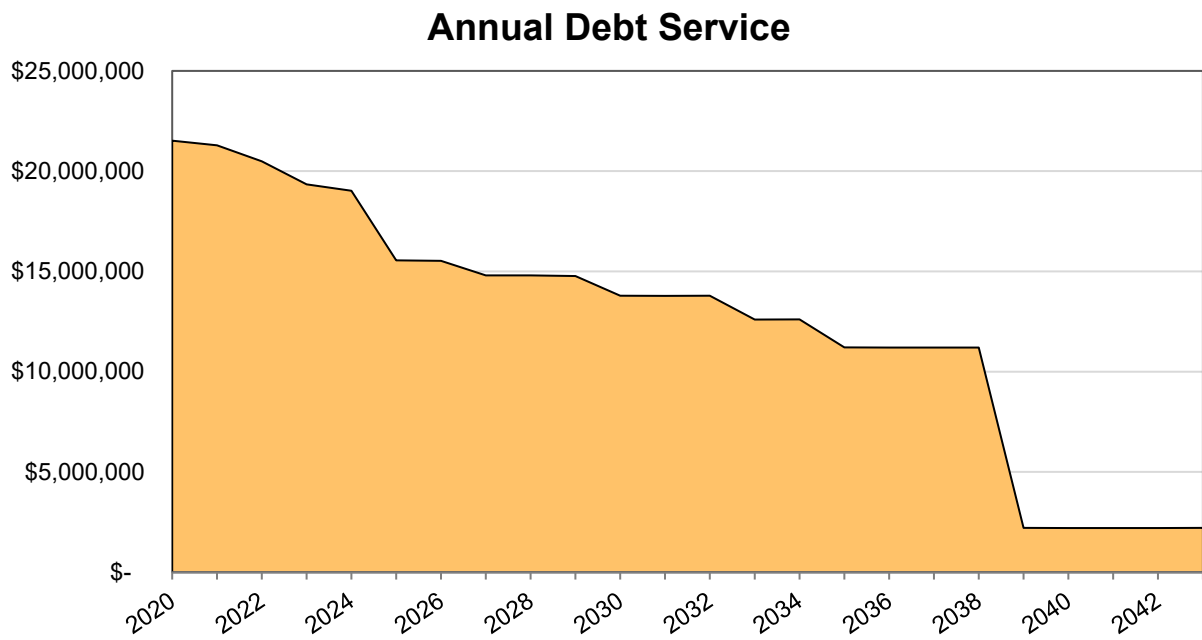


Beyond ten years ago, funds were able to significantly supplement operations with interest income earned on cash balances. Unfortunately, this changed over the last ten years. Interest rates earned on the city's cash fell drastically as well as certain cash levels from which interest rates are calculated. In fiscal year 2007-08, the general fund earned nearly \$1.5 million to help offset its operating expenditures. Fiscal year 2017-18 interest income began to

significant rise again until the third quarter of fiscal year 2019-20, when interest rates plummeted during the beginning of the COVID-19 pandemic. The general fund fiscal year 2021-22 interest income is budgeted at \$30,000 due to lower fund balance and significantly lower interest rates. This is approximately \$1,450,000 less income than the peak in fiscal year 2007-08. The all funds interest revenue (below) includes trust and agency funds.

All Funds Combined Interest Revenue





Financial Trends - Debt Projections

| Fiscal Year Ending | Annual Interest | Annual Principal | Annual Debt Service | Principle Outstanding |
|--------------------|-----------------|------------------|---------------------|-----------------------|
| 6/30/2021 | 7,465,213 | 13,822,919 | 21,288,132 | 186,824,766 |
| 6/30/2022 | 7,104,563 | 13,389,183 | 20,493,745 | 173,435,583 |
| 6/30/2023 | 6,721,552 | 12,616,864 | 19,338,415 | 160,818,720 |
| 6/30/2024 | 6,335,892 | 12,685,740 | 19,021,632 | 148,132,980 |
| 6/30/2025 | 5,940,358 | 9,612,340 | 15,552,698 | 138,520,640 |
| 6/30/2026 | 5,597,567 | 9,927,143 | 15,524,710 | 128,593,497 |
| 6/30/2027 | 5,245,906 | 9,554,694 | 14,800,600 | 119,038,802 |
| 6/30/2028 | 4,887,111 | 9,912,635 | 14,799,746 | 109,126,167 |
| 6/30/2029 | 4,506,284 | 10,261,167 | 14,767,451 | 98,865,000 |
| 6/30/2030 | 4,115,063 | 9,675,000 | 13,790,063 | 89,190,000 |
| 6/30/2031 | 3,718,116 | 10,065,000 | 13,783,116 | 79,125,000 |
| 6/30/2032 | 3,297,970 | 10,490,000 | 13,787,970 | 68,635,000 |
| 6/30/2033 | 2,877,241 | 9,725,000 | 12,602,241 | 58,910,000 |
| 6/30/2034 | 2,460,639 | 10,145,000 | 12,605,639 | 48,765,000 |
| 6/30/2035 | 2,039,247 | 9,170,000 | 11,209,247 | 39,595,000 |
| 6/30/2036 | 1,629,830 | 9,575,000 | 11,204,830 | 30,020,000 |
| 6/30/2037 | 1,196,357 | 10,005,000 | 11,201,357 | 20,015,000 |
| 6/30/2038 | 743,293 | 10,460,000 | 11,203,293 | 9,555,000 |
| 6/30/2039 | 477,750 | 1,730,000 | 2,207,750 | 7,825,000 |
| 6/30/2040 | 391,250 | 1,815,000 | 2,206,250 | 6,010,000 |
| 6/30/2041 | 300,500 | 1,905,000 | 2,205,500 | 4,105,000 |
| 6/30/2042 | 205,250 | 2,000,000 | 2,205,250 | 2,105,000 |
| 6/30/2043 | 105,250 | 2,105,000 | 2,210,250 | - |

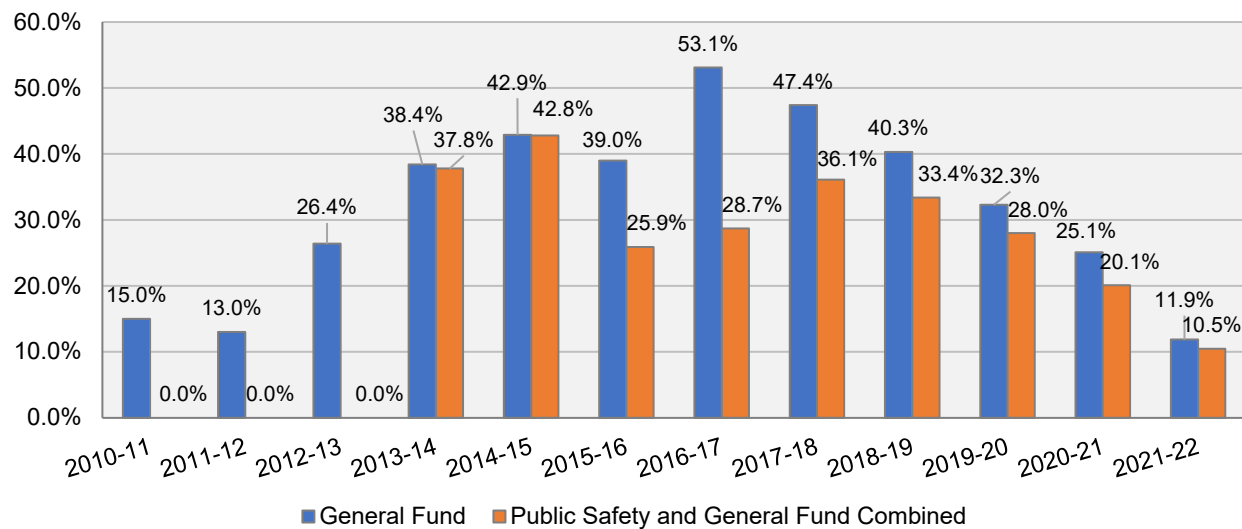
**General Fund Unassigned Fund Balance
as a Percentage of Expenditures
Fiscal Year 2010-11 to 2021-22**

| Fiscal Year | | Expenditures | Unassigned Fund Balance | Percent |
|--------------------|-----------|---------------------|------------------------------------|----------------|
| 2010-11 | | 34,800,450 | 5,221,748 | 15.0% |
| 2011-12 | | 33,696,290 | 4,374,352 | 13.0% |
| 2012-13 | | 27,949,060 | 7,391,788 | 26.4% |
| 2013-14 | | 29,019,450 | 11,149,200 | 38.4% |
| 2014-15 | | 30,512,890 | 13,085,091 | 42.9% |
| 2015-16 | | 33,808,180 | 14,481,359 | 39.0% |
| 2016-17 | | 37,462,010 | 21,321,516 | 53.1% |
| 2017-18 | | 41,062,550 | 19,445,520 | 47.4% |
| 2018-19 | | 41,281,760 | 16,974,638 | 40.3% |
| 2019-20 | | 41,229,390 | 13,389,272 | 32.3% |
| 2020-21 | Estimated | 37,035,990 | 13,562,952 | 36.6% |
| 2021-22 | Estimated | 46,259,910 | 5,484,352 | 11.9% |

The Royal Oak City Commission has set the goal for the general fund to maintain undesignated fund balance of not less than ten percent and not more than 25 percent of expenditures. The public safety fund is combined with the general fund unassigned fund balance in the red bar graph below,

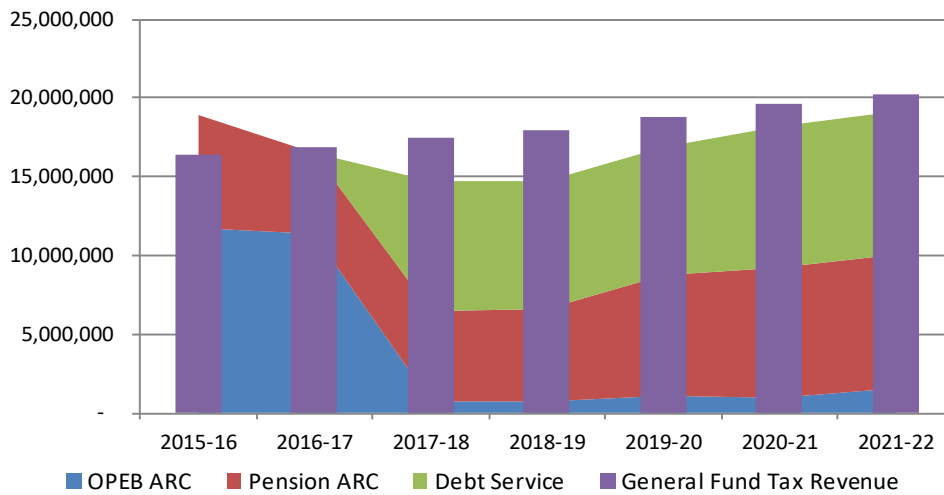
since general fund significantly funds police, fire, and EMS operations. The budgeted unassigned *combined* fund balance for fiscal year 2021-22 is estimated to decline to \$6.3 million or 10.5 percent. The general fund balance is estimated to be at \$5.5 million or 11.9 percent.

**Unassigned Combined Fund Balance
as a Percentage of Expenditures**

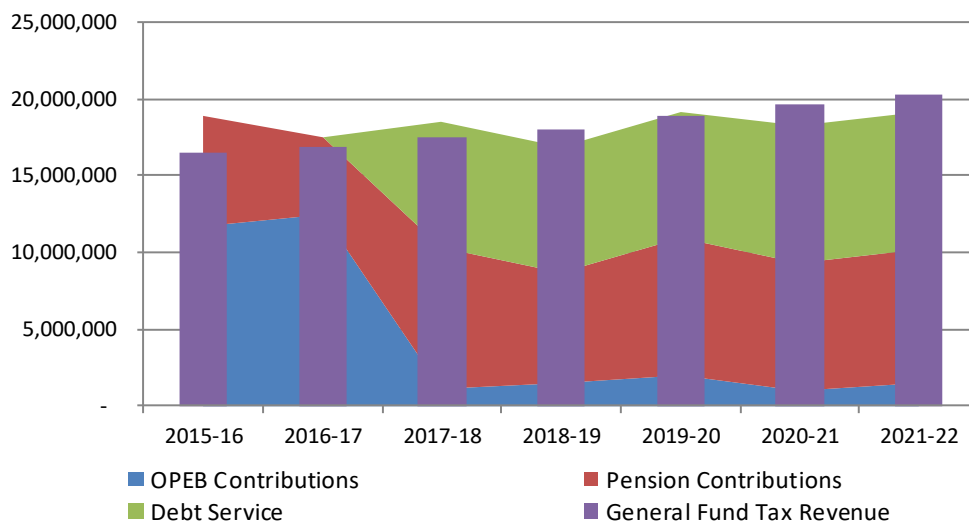


Financial Trends – Tax Revenues vs. DB Pension and OPEB Contributions

General Fund Tax Revenue vs. Defined Benefit City Pension/OPEB Actuarially Derived Annual Required/Recommended Contribution and Debt Service



General Fund Tax Revenue vs Actual/Budgeted City Defined Benefit Pension/OPEB and Debt Service Payments



The graph illustrates that the city's combined pension and OPEB actuarially derived ARC and related debt service payments are now less than the general fund millage revenue. In accordance with state requirements the city has contributed the full pension ARC however, the city has not contributed the full OPEB ARC in some of these years. OPEB ARC is not a required annual contribution as is pension.

The top graph illustrates that for fiscal year 2021-22 the city is budgeting to contribute the full pension and OPEB ARCs and pension/OPEB debt service. The contributions are below the general fund tax revenue for fiscal year 2021-22, as well as 2020-21, and 2017-18, as opposed to prior years' mostly due to bonding for OPEBs unfunded liability and general unfunded pension liability.



General Fund

The general fund is the city's major operating fund accounting for all financial resources of the city except those required to be accounted for in another fund. Property taxes from the city's general tax millage/levy and state shared revenue are recorded in this fund. General administration and some public works functions are services provided from this fund. The modified accrual basis of budgeting is utilized in the preparation of the *governmental* fund types. Expenditures, with the exception of debt service expenditures, compensated absences, claims and judgments, are recorded at the time the liability is incurred. Revenues are recorded when received as cash, with the exception for material or available revenues that are accrued to properly show revenues earned and/or levied taxes.

| | |
|--------------------------------|--------------------------------------|
| Mayor/Commission – 101.101 | Ordinance Enforcement – 101.372 |
| Court – 101.136 | Community Development – 101.400 |
| Manager – 101.172 | Animal Protection Services – 101.430 |
| Elections – 101.191 | Electrical – 101.433 |
| Finance – 101.201 | Engineering – 101.447 |
| Assessor – 101.209 | Street Lighting – 101.448 |
| Attorney – 101.210 | Economic Development – 101.728 |
| Clerk – 101.215 | Community Engagement – 101.747 |
| Human Resources – 101.226 | Cable Communications – 101.834 |
| Administration – 101.248 | Community Promotion – 101.835 |
| Treasurer – 101.253 | Dream Cruise – 101.836 |
| City Office Building – 101.265 | Arts, Beats and Eats – 101.837 |
| Parks & Forestry – 101.266 | Transfers-Out – 101.965 |
| Building Maintenance – 101.267 | |

The mission of the general fund is to record all revenue not required by state statute or local law to be reported separately, and to show the legal expenditure of those monies.

The general fund is typically the largest operating fund of any municipality. The City of Royal Oak is no exception; its revenue exceeds \$38.1 million (including transfers-in from other funds).

Over 95% percent of general fund revenue is from property taxes, state/federal grants, fines and forfeitures, licenses and permits,

and charges for services. Property tax revenue alone makes up over half of revenue. The base operating millage is authorized by the city charter in chapter eight section 4.11(a).

A secondary source of general fund revenue includes interest and rentals, contributions and donations, other revenue.

GOALS

1. Provide for the proper collection of revenue to defray the cost-of-service delivery for the general-purpose operations of the City of Royal Oak.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Revenues - Total general fund revenue (excluding transfers-in) is budgeted to increase \$1,810,340 / 5.1 percent relative to fiscal year 2020-21 estimated year-end revenues. Tax revenue is budgeted to increase 3.1 percent / \$617,000. State shared revenue (another significant revenue source) is budgeted to decrease 2.8 percent / \$129,000 based upon the State of Michigan's lower projection as the State revenue consensus committee believe sales tax revenues spiked during the beginning of the COVID pandemic. Indirect costs revenue (fee charged to other city funds for general fund central/admin service) is budgeted to increase 1.4 percent / \$28,850 due to increased personnel costs. The cable franchise fee is budgeted to decrease 7.1 percent / \$68,000 as this has been the trend in the past four years. Landlord license budget is increasing 35.7 percent / \$100,000 due to additional license renewals scheduled every two years. "Other" grants budget is decreasing by \$444,640 to zero as there are not any grants awarded at this time. Contributions are budgeted to decrease 55.3 percent / \$46,950 due to the one-time election contribution in 2020-21. Interest income is budgeted to decrease 25 percent / \$25,000 due to decrease in fund/cash balance and a significant plummet in interest rates since last Spring. The following revenue budgets are increasing due to the negative impact of the COVID 19 pandemic during fiscal year 2020-21: right-of-way permits increasing 11.1 percent / \$30,000, probation court fees increasing 21.2 percent / \$70,000, criminal/traffic court increasing 50 percent / \$1,100,000, civilian court increasing 23.1 percent / \$60,000, birth certificate increasing 23.1 percent / \$30,000, death certificate increasing 36.4 percent / \$20,000, site plan fees increasing 54.8 percent / \$23,000, Dream Cruise sponsorship budgeted to increase \$104,980, and parking violation budget increasing by 76.9 percent / \$250,000.

Transfers-in - The transfer-in total is \$737,000, which is a decrease of \$602,110 from fiscal year 2020-21 estimated year-end transfers, mostly due to the elimination of a one-time \$600,000 transfer from the parks capital fund returning the monies loaned in 2019-20 for Normandy Oaks Park development. Transfers-in for the amount of \$737,000 is the annual transfer from the DDA TIF for the Centennial Park debt payment.

Expenditures – Total general fund expenditures (excluding transfers-out) are budgeted to decrease 4.5 percent / \$917,420 relative to fiscal year 2020-21 estimated year-end expenditures. Personnel budget is increasing 15.8 percent / \$1,451,320. Supply budgets are increasing 8.5 percent / \$42,240. Capital budgets are increasing by \$675,200. "Other" budgets that include expenditures such as contracted services are decreasing 37.4 percent / \$3,086,680.

The expenditure budget details are described in the following pages within each cost center.

Transfers-out – Total transfers-out of the general fund amount to \$26,762,370 an increase of 30 percent / \$6,168,930. The details can be found in the significant note section (an orange box) within the transfers-out cost center narrative.

Continued next page...

**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:
(Continued)**

General Fund and Public Safety fund balance combined – The fiscal year 2021-22 budget provides for the combined use of \$8,973,030 from fund balance as a revenue source to fund expenditures and transfers-out. The 2021-22 combined ending fund balance level is projected to be 10.5 percent / \$6,325,441, which is within the fund balance policy as the fund balance policy is 10 percent to 25 percent of expenditures. However, the projected forecast shows a continued structural deficit with use of fund balance between \$7 million to \$9 million annually. The forecast assumes the public safety millage is renewed and levied beginning fiscal year 2022-23.

The budget and forecast does not take into consideration the use of American Rescue Plan Act grant revenue which impact to this fund is unknown at the time of budget document publication. The city will be evaluating various resolutions to the structural deficit which includes consideration of a new millage request.

The balance of noteworthy program information can be found in the significant note section (an orange box) within each of the funds/cost centers.

Budget Summary

| General Fund Summary | 2020-2021 Estimated Year End | 2021-2022 Adopted Budget | 2022-2023 Projected Budget | 2023-2024 Projected Budget | 2024-2025 Projected Budget | 2025-2026 Projected Budget |
|--------------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------|-------------------------------------------|-------------------------------------------|-------------------------------------------|-------------------------------------------|
| Unassigned Beginning Fund Balance | 13,625,862 | 13,591,112 | 5,513,082 | (1,450,748) | (9,010,388) | (17,068,118) |
| Revenues | 35,633,970 | 37,444,310 | 38,246,820 | 38,981,310 | 39,545,780 | 40,324,230 |
| Expenditures | 37,007,830 | 46,259,340 | 45,947,650 | 47,277,950 | 48,340,510 | 49,862,090 |
| Net | (1,373,860) | (8,815,030) | (7,700,830) | (8,296,640) | (8,794,730) | (9,537,860) |
| Transfers from other funds | 1,339,110 | 737,000 | 737,000 | 737,000 | 737,000 | 737,000 |
| Net Change in Fund Balance | (34,750) | (8,078,030) | (6,963,830) | (7,559,640) | (8,057,730) | (8,800,860) |
| Ending Fund Balance | 13,591,112 | 5,513,082 | (1,450,748) | (9,010,388) | (17,068,118) | (25,868,978) |
| Fund Balance as a percentage of Expenditures | 36.72% | 11.92% | -3.16% | -19.06% | -35.31% | -51.88% |
| Public Safety Beginning Fund Balance | 1,611,509 | 1,707,709 | 812,359 | 741,569 | 293,389 | 417,189 |
| Public Safety Revenues | 15,798,850 | 12,464,990 | 12,736,820 | 13,015,490 | 13,301,160 | 13,594,000 |
| Public Safety Expenditures | 33,742,650 | 36,400,340 | 36,847,610 | 38,003,670 | 39,217,360 | 40,483,720 |
| Net | (17,943,800) | (23,935,350) | (24,110,790) | (24,988,180) | (25,916,200) | (26,889,720) |
| Transfers from other funds | 18,040,000 | 23,040,000 | 24,040,000 | 24,540,000 | 26,040,000 | 27,040,000 |
| Net Change in fund balance | 96,200 | (895,350) | (70,790) | (448,180) | 123,800 | 150,280 |
| Public Safety Ending Fund Balance | 1,707,709 | 812,359 | 741,569 | 293,389 | 417,189 | 567,469 |
| General Fund and Public Safety combined Fund Balance as a percentage of Expenditures | 28.73% | 10.51% | -1.20% | -14.22% | -26.83% | -39.63% |

Revenues

| 101-000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|------------|-----------|-----------------------------------|-------------------------------|---------|-----------|------------|
| 2017-2018 Actual | 18,822,260 | 5,567,900 | 10,376,650 | 813,200 | 241,460 | 3,504,640 | 39,326,110 |
| 2018-2019 Actual | 19,424,780 | 6,132,420 | 10,312,980 | 930,780 | 595,960 | 1,014,040 | 38,410,960 |
| 2019-2020 Actual | 20,387,630 | 6,039,640 | 8,856,130 | 950,100 | 585,060 | 1,513,180 | 38,331,740 |
| 2020-2021 Original Budget | 21,116,000 | 5,292,450 | 8,878,320 | 619,000 | 236,450 | 1,587,000 | 37,729,220 |
| 2020-2021 Adjusted Budget (Dec) | 21,116,000 | 5,649,920 | 8,798,320 | 662,950 | 236,450 | 1,589,110 | 38,052,750 |
| 2020-2021 Six Month Actual | 20,511,880 | 2,711,970 | 3,245,470 | (218,770) | 108,830 | 0 | 26,359,380 |
| 2020-2021 Estimated Year End | 21,184,000 | 6,666,030 | 7,268,710 | 220,340 | 294,890 | 1,339,110 | 36,973,080 |
| 2021-2022 Dept Request | 21,819,000 | 6,092,450 | 9,091,910 | 155,500 | 285,450 | 737,000 | 38,181,310 |
| 2021-2022 Manager's Budget | 21,819,000 | 6,092,450 | 9,091,910 | 155,500 | 285,450 | 737,000 | 38,181,310 |
| 2021-2022 Adopted Budget | 21,819,000 | 6,092,450 | 9,091,910 | 155,500 | 285,450 | 737,000 | 38,181,310 |
| 2022-2023 Projected Budget | 22,353,100 | 6,212,470 | 9,270,300 | 125,500 | 285,450 | 737,000 | 38,983,820 |
| 2023-2024 Projected Budget | 22,900,410 | 6,334,890 | 9,335,060 | 125,500 | 285,450 | 737,000 | 39,718,310 |
| 2024-2025 Projected Budget | 23,461,260 | 6,459,760 | 9,225,810 | 125,500 | 273,450 | 737,000 | 40,282,780 |
| 2025-2026 Projected Budget | 24,035,980 | 6,587,130 | 9,302,170 | 125,500 | 273,450 | 737,000 | 41,061,230 |

Expenditures

| General Fund | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-----------------------|----------|---------|------------|-----------|------------|
| 2017-2018 Actual | 7,692,080 | 303,700 | 246,800 | 30,360,400 | 2,459,570 | 41,062,550 |
| 2018-2019 Actual | 8,175,100 | 363,760 | 396,770 | 29,885,560 | 2,460,520 | 41,281,710 |
| 2019-2020 Actual | 8,985,040 | 423,410 | 467,830 | 28,894,050 | 2,459,060 | 41,229,390 |
| 2020-2021 Original Budget | 9,841,400 | 532,260 | 90,000 | 27,682,850 | 2,461,500 | 40,608,010 |
| 2020-2021 Adjusted Budget (Dec) | 9,810,840 | 554,320 | 90,000 | 26,231,560 | 2,461,500 | 39,148,220 |
| 2020-2021 Six Month Actual | 4,505,850 | 168,920 | 22,550 | 12,860,100 | 1,867,480 | 19,424,900 |
| 2020-2021 Estimated Year End | 9,188,300 | 493,540 | 22,550 | 24,841,940 | 2,461,500 | 37,007,830 |
| 2021-2022 Dept Request | 10,639,620 | 535,780 | 697,750 | 31,924,760 | 2,462,000 | 46,259,910 |
| 2021-2022 Manager's Budget | 10,639,620 | 535,780 | 697,750 | 31,924,760 | 2,462,000 | 46,259,910 |
| 2021-2022 Adopted Budget | 10,639,620 | 535,780 | 697,750 | 31,924,190 | 2,462,000 | 46,259,340 |
| 2022-2023 Projected Budget | 11,008,440 | 535,780 | 146,750 | 31,853,660 | 2,403,500 | 45,948,130 |
| 2023-2024 Projected Budget | 11,391,900 | 535,780 | 496,750 | 32,423,990 | 2,430,500 | 47,278,920 |
| 2024-2025 Projected Budget | 11,790,710 | 535,780 | 21,750 | 33,531,240 | 2,462,500 | 48,341,980 |
| 2025-2026 Projected Budget | 12,205,600 | 535,780 | 21,750 | 34,605,450 | 2,495,500 | 49,864,080 |

The mission of the mayor and commission is to govern the City of Royal Oak in such a manner as to provide a safe, healthy, and sustainable community.

As provided for in the city charter, Royal Oak has a commission-manager form of government. A commission consisting of a mayor and six commissioners has full power and authority, except as herein otherwise provided, to exercise all the powers conferred upon the city.

The commission appoints the manager as the chief administrative officer of the city. The commission selects the city manager based on his executive and administrative qualifications.

The commission constitutes the legislative and governing body of the city, possessing all the powers herein provided for, with power and authority to pass ordinances and adopt resolutions as they shall deem proper to exercise any or all these powers possessed by the city.

The members of the commission are elected on a non-partisan ballot by the city at large. To be eligible for the office of mayor or

commissioner, a person shall have been a resident of the territory included in the City of Royal Oak at least one year immediately preceding election and be a registered voter.

Three commissioners are elected to four-year terms every two years to ensure experienced legislators at all times. The mayor is elected for a two-year term.

The mayor is the presiding officer of the commission. In the absence of the mayor, the mayor pro tempore is the presiding officer.

Each elected official has one vote that can be cast on each motion. Appointed officials do not have a vote. Four members of the commission constitute a quorum and may conduct city business. Ordinance and resolutions require four affirmative votes to be approved.

City commission meetings are held every second and fourth Monday of the month (with some exceptions) at 7:30 p.m. in the commission chambers of city hall at 203 S. Troy St. Meetings are open to the public and are broadcast on WROK channels 55/10.

GOALS

1. Infrastructure - To maintain, replace and enhance Royal Oak's infrastructure to promote efficient, environmentally responsible, and sustainable delivery of municipal services.
2. Operations – To perform all city operations efficiently and effectively. This includes, but is not limited to, internal communications, technology, customer service, innovation, and financial management.

OBJECTIVES

- Continue partnership with Oakland County Water Resources Commission on finding long-term sustainable solutions.^{GOAL1}
- Use committee, boards, commissions, and task force to achieve the objectives of specific city departments and programs.^{GOAL2}
- Establish a citizen's academy program along the lines of a citizen's police academy to help individuals understand how the city does its business.^{GOAL 3}

GOALS

3. Communication – Engage residents more effectively in city-decision making.
4. Community – Encourage an engaged, neighborly, supportive, inclusive, healthy, and active community.
5. Economic / Tax Base - Encourage and support diverse investment to maximize overall property values and promote equitable access to job opportunities and housing.
6. Sustainability – To operate the City of Royal Oak in a sustainable way supporting the community, economy, and environment.

OBJECTIVES

- Provide needed financial support and staff support for the development of the AARP-Communities for a Lifetime project.^{GOAL4}
- Facilitate housing developments that meet identified gaps.^{GOAL5}
- Complete sustainability plan.^{GOAL6}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Dues & memberships and training are increasing relative to the fiscal year 2020-21 projected budget due to a new membership to the Woodward Avenue Action Association.

Budget Summary Expenditures

| 101-101 MAYOR/COMMISSION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 5,290 | 360 | 8,280 | 32,480 | 0 | 46,410 |
| 2018-2019 Actual | 5,040 | 110 | 0 | 30,220 | 0 | 35,370 |
| 2019-2020 Actual | 5,730 | 240 | 0 | 28,770 | 0 | 34,740 |
| 2020-2021 Original Budget | 5,680 | 600 | 0 | 44,820 | 0 | 51,100 |
| 2020-2021 Adjusted Budget (Dec) | 5,680 | 600 | 0 | 44,820 | 0 | 51,100 |
| 2020-2021 Six Month Actual | 1,940 | 0 | 0 | 27,120 | 0 | 29,060 |
| 2020-2021 Estimated Year End | 5,680 | 600 | 0 | 45,150 | 0 | 51,430 |
| 2021-2022 Dept Request | 6,030 | 600 | 0 | 50,200 | 0 | 56,830 |
| 2021-2022 Manager's Budget | 6,030 | 600 | 0 | 50,200 | 0 | 56,830 |
| 2021-2022 Adopted Budget | 6,030 | 600 | 0 | 50,200 | 0 | 56,830 |
| 2022-2023 Projected Budget | 6,030 | 600 | 0 | 50,200 | 0 | 56,830 |
| 2023-2024 Projected Budget | 6,030 | 600 | 0 | 50,200 | 0 | 56,830 |
| 2024-2025 Projected Budget | 6,030 | 600 | 0 | 50,200 | 0 | 56,830 |
| 2025-2026 Projected Budget | 6,030 | 600 | 0 | 50,200 | 0 | 56,830 |

Cost Center Position Detail – Home Base Part-Time Employees

| Mayor/Commission | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Part-time total | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |

The mission of the 44th District Court is to interpret and apply the law with fairness, equality, and integrity and to promote public accountability for improved quality of life in Royal Oak and Berkley.

In January 2015, pursuant to law, the 45A District Court (Berkley) merged with and into the 44th District Court, creating one court to serve both the Royal Oak and Berkley communities.

The court is responsible for all civil, traffic and criminal cases that transpire within the boundaries of the cities of Royal Oak and Berkley.

The 44th District Court has two judges elected by the citizens of Royal Oak and Berkley. A portion of the judge's salaries are paid by the State of Michigan. The judges are responsible to handle all civil and criminal trials, preliminary hearings, formal hearings, appeals, arraignments, bench warrants, etc. The court also has one part-time magistrate who hears over 9,000 informal hearings and small claims cases.

Both judges conduct programs that promote youth-awareness. The Justice 101 program educates younger children on the role of the court and includes visiting the court to observe and tour the facility. Teen court is for young adults and involves teens involved in minor infractions being heard and judged by a court of their peers.

Under general supervision of the chief judge, the court administrator serves as the executive officer for the 44th District Court. The court administrator is responsible for the administrative management of all non-judicial functions of the court. This includes personnel management, financial administration, facility management, scheduling and case management, records management, jury utilization and other administrative duties.

The criminal division maintains records on all misdemeanor and felony offenses and is responsible for the processing, scheduling, and noticing of all criminal cases in the court.

The traffic division is responsible for maintaining records and processing all traffic civil infractions, parking violations, and code enforcement proceedings.

The civil division maintains records on general civil, landlord/tenant and small claims cases and is responsible for the scheduling, processing, and noticing of these cases.

The court services division is responsible to administer several programs: jury administration, comprehensive collections efforts and the supervision, counseling, and referral of defendants placed on probation.

Probation officers assist persons sentenced to probation with supervision and rehabilitation with a goal to eliminate re-offending. The probation component of the division performs alcohol screening assessments and pre-sentence investigations. Other services provided include assisting with securing training, schooling, and employment.

The 44th District Courts two judges each preside over a sobriety court caseload. Sobriety court is a two-year intensive supervision and rehabilitation program for individuals who have been convicted of drug offenses or two or more offenses of drunk driving. Participants are monitored closely to insure there is no alcohol or drug use. They participate in therapy and support group meetings and meet with a specially trained probation officer twice per month. The program consists of four phases and presently averages about 95 participants. Since 2013, the 44th District Court's Sobriety Court has shown significant success in rehabilitating participants graduating over 100 people from the program.

Jury administration encompasses all aspects of the process of summoning eligible citizens from the Royal Oak and Berkley communities when they are needed for jury trials. This includes notices, payments, responding to inquiries, and seeing to their needs while serving as a juror. The court is mindful that jury service, while essential to our system of law, does sometimes present an inconvenience to those summoned.

The court is responsible for collection of monies owed for all traffic tickets, parking tickets, misdemeanors, and code violations. Due to the court's continued aggressive collections program, the 44th District Court has one of the highest collections and case closure rates in the State of Michigan. There is a maxim that a fine is not a punishment until it is collected. This court believes that. Failure to aggressively pursue those who owe fines and costs can result in diminished

respect for the rule of law and possible re-offending. The court utilizes several proven strategies to compel compliance.

The 44th District Court has implemented numerous technological initiatives to serve the community. In 2020, we began utilizing virtual technology (Zoom & YouTube) to conduct courtroom proceedings. The court's webpage provides in-depth information about court services: filing civil cases, paying fines and costs, daily docket search, case look up, virtual courtroom links, court statistics and online request for a marriage ceremony. The court's Facebook page shares an array of judicial/legal information relevant to the citizens of Michigan. The court has implemented reminders application to remind parties via text message of hearing and payment dates. The court plans to implement E-filing in the near future.

GOALS

1. To provide a fair venue for resolving traffic and ordinance, civil, criminal, small claims, and landlord/tenant legal disputes.
2. To provide a courteous, safe and customer friendly environment for all persons entering the facility.
3. To provide efficient, courteous service to citizens summoned to jury duty, remaining mindful that we are taking people from their daily routines.
4. To utilize innovative strategies to compel compliance from persons who owe fines and costs.
5. To assist judges with sentencing by providing thorough reports and professional analysis which will provide persons sentenced probation with a range of rehabilitation services designed to minimize re-offending.

OBJECTIVES

- For detailed information and performance measures, visit the court's website available at:
<https://www.romi.gov/307/44th-District-Court>

GOALS**OBJECTIVES**

6. To continue to look for opportunities to employ technology to better serve our customers.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing relative to the fiscal year 2020-21 original budget due to newer employees (who are not at the top of their pay range) potentially receiving merit raises and due to the city having higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22. A drug court probation officer will continue to be budgeted for in fiscal year 2021-22 as grant funding is anticipated, however, the grant revenue is not budgeted until awarded after the start of the fiscal year. Part-time wages are increasing relative to the fiscal year 2020-21 estimated year-end due to the expectation that all open part-time positions will be filled during fiscal year 2021-22. Overtime wages are decreasing relative to the fiscal year 2020-21 original budget due to lower usage.

Contracted judges' services are decreasing \$47,500 relative to the fiscal year 2020-21 original budget due to the elimination of the need for visiting judge services in fiscal year 2021-22. Contracted worker services are budgeted at \$70,000 for fiscal year 2021-22 to cover Sober Link alcohol testing for persons in phase I of the program. These expenditures are reimbursed by the drug court grant. Juror fees are increasing \$9,000 relative to the fiscal year 2020-21 estimated year-end due to the adjournment of jury trials during fiscal year 2020-21 due to the COVID-19 pandemic. Postage & mailing services are increasing \$60,000 relative to the fiscal year 2020-21 original budget due to the court's postage being costed here beginning fiscal year 2021-22, and which was previously accounted for in the city office building cost center.

Building repair and maintenance supplies are decreasing \$12,500 relative to the fiscal year 2020-21 original budget due to the partial completion of energy efficient lighting upgrade project in fiscal year 2020-21. The court experienced significant repair costs with the HVAC system during prior years due to age and discovery of components that have not worked properly for years, therefore \$25,000 is budgeted for heating and cooling repair and maintenance services for HVAC repairs in fiscal year 2021-22. Water utilities are decreasing \$11,500 relative to the fiscal year 2020-21 original budget due to lower historical usage. Travel costs are increasing \$13,000 relative to the fiscal year 2020-21 estimated year-end due to anticipated resumption of travel in fiscal year 2021-22, and which was eliminated in fiscal year 2020-21 due to the COVID-19 pandemic.

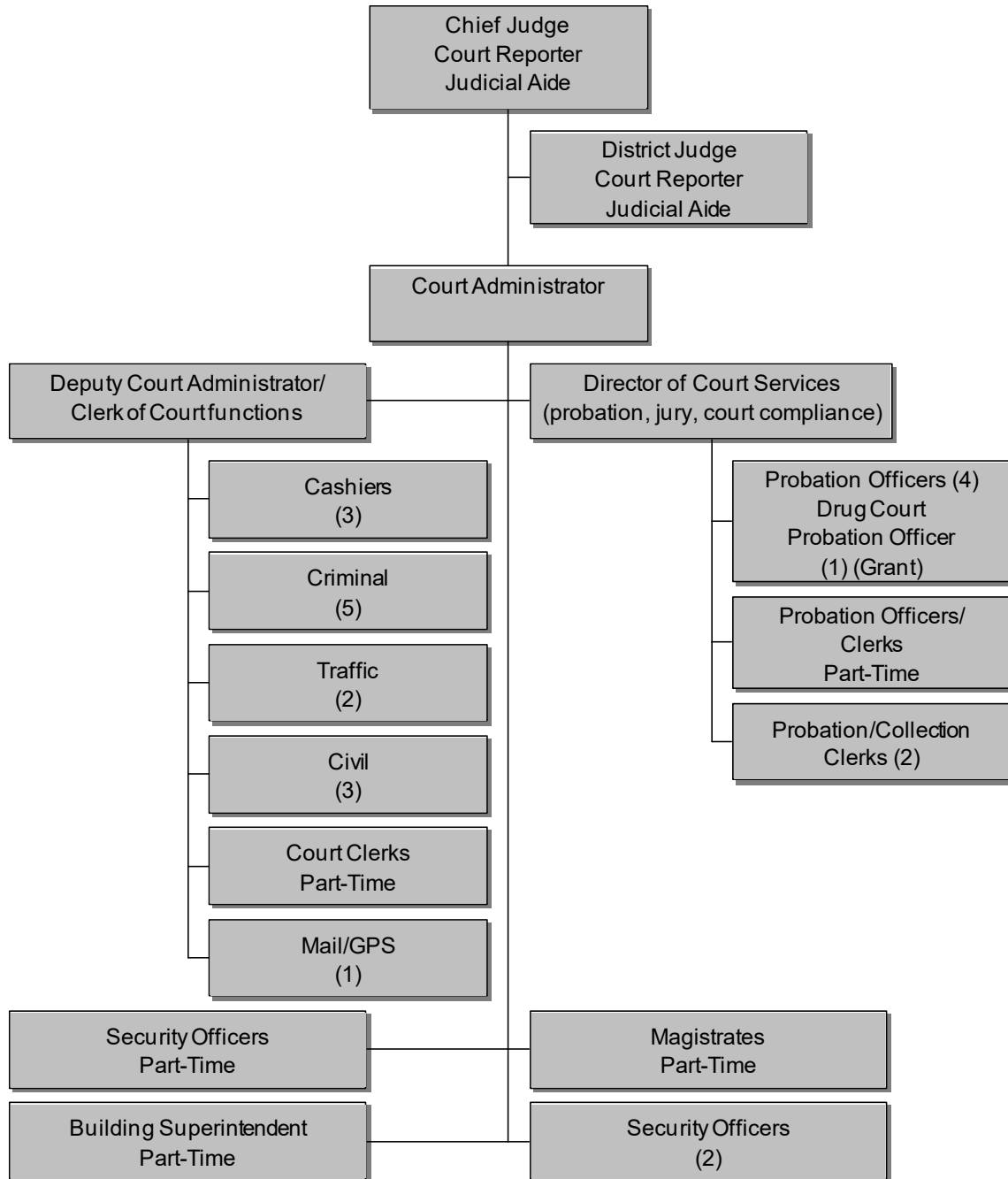
The following capital improvement project budgeted for FY 2021-22 is as follows:

- LED Lighting Retro-Fit Project \$18,550
(1st floor, basement, and stairwells)

Budget Summary Expenditures

| 101.136 DISTRICT COURT | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 2,792,260 | 61,840 | 410 | 425,770 | 0 | 3,280,280 |
| 2018-2019 Actual | 2,902,940 | 58,310 | 11,320 | 347,690 | 0 | 3,320,260 |
| 2019-2020 Actual | 3,144,890 | 92,020 | 0 | 391,960 | 0 | 3,628,870 |
| 2020-2021 Original Budget | 3,432,000 | 133,000 | 0 | 473,700 | 0 | 4,038,700 |
| 2020-2021 Adjusted Budget (Dec) | 3,432,000 | 133,000 | 0 | 548,170 | 0 | 4,113,170 |
| 2020-2021 Six Month Actual | 1,468,210 | 41,080 | 0 | 138,910 | 0 | 1,648,200 |
| 2020-2021 Estimated Year End | 3,153,620 | 115,500 | 0 | 436,230 | 0 | 3,705,350 |
| 2021-2022 Dept Request | 3,532,390 | 120,500 | 18,550 | 472,500 | 0 | 4,143,940 |
| 2021-2022 Manager's Budget | 3,532,390 | 120,500 | 18,550 | 472,500 | 0 | 4,143,940 |
| 2021-2022 Adopted Budget | 3,532,390 | 120,500 | 18,550 | 472,500 | 0 | 4,143,940 |
| 2022-2023 Projected Budget | 3,636,500 | 120,500 | 18,550 | 472,500 | 0 | 4,248,050 |
| 2023-2024 Projected Budget | 3,744,290 | 120,500 | 18,550 | 472,500 | 0 | 4,355,840 |
| 2024-2025 Projected Budget | 3,855,870 | 120,500 | 18,550 | 472,500 | 0 | 4,467,420 |
| 2025-2026 Projected Budget | 3,971,400 | 120,500 | 18,550 | 472,500 | 0 | 4,582,950 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| District Court | | Fiscal Year | | | | | | | |
|------------------------------------------|-------|-------------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | |
| District Court Judge | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Court Administrator | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Deputy Court Administrator | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Judicial Secretary/Recorder | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Administrative Assistant | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 |
| Court Officer | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| District Court Clerk | 8.0 | 9.0 | 13.0 | 13.0 | 15.0 | 15.0 | 14.0 | 14.0 | 14.0 |
| Collections Clerk | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Court Bailiff Law Clerk | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Director of Court Services | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 |
| Chief Probation Officer | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Probation Officer | 1.0 | 2.0 | 4.0 | 4.0 | 4.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Pre-Sentence Director | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Building Superintendent | 0.0 | 0.0 | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Full-time total | 20.0 | 20.0 | 29.0 | 29.0 | 29.0 | 30.0 | 30.0 | 30.0 | 30.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | 20.0 | 20.0 | 29.0 | 29.0 | 29.0 | 30.0 | 30.0 | 30.0 | 30.0 |

The mission of the city manager is to efficiently and effectively manage the delivery of the city's services as established by the mayor and the city commission's goals, objectives and policies and as prescribed by the city charter.

The city manager is the chief administrative officer of the city. The manager is chosen by the commission based on his/her executive and administrative qualifications, in addition to other criteria described in the city charter.

The city manager is responsible to the commission for the proper administration of the affairs of the city and makes most appointments, including the heads of departments.

Another important duty involves maintaining effective communication with, and being available for, the city commission. The city manager is required to be present at all meetings of the commission and be present at meetings of its committees and to take part in discussions but has no vote.

The city manager's office oversees, administers, and supervises all departments within the city with the exception of those that are separated by charter. These include the city attorney, city clerk, library director and the 44th District Court. The city manager's office acts as the chief operating office for the local government.

The office sets the commission agendas, negotiates with the city's nine (9) bargaining units, coordinates all special projects, works with all neighborhood associations and nonprofit and business groups, and has general control of all operational, financial, and support and maintenance functions of the city government.

According to city charter, not later than 30 days before the end of each fiscal year, the city manager must prepare and submit to the commission an annual budget for the ensuing fiscal year, based upon detailed estimates furnished by the finance department and numerous other divisions of the city government.

GOALS

1. Infrastructure – To maintain, replace and enhance Royal Oak's infrastructure to promote efficient, environmentally responsible, and sustainable delivery of municipal services.
2. Operations – To perform all city operations as efficiently and effectively as possible. This includes, but is not limited to internal communications, technology, customer service, innovation, and financial management.
3. Communication – To proactively promote meaningful, open, and respectful dialogue that ensures effective decision making.

OBJECTIVES

- Address critical infrastructure needs. GOAL1
- Develop and maintain public amenities. GOAL1
- Attract, retain, and develop city employees. GOAL2
- Improve coordination and communications among city departments. GOAL2
- Monitor and increase citizen/user satisfaction with city services. GOAL2
- Provide proactive, factual communication on all city projects. GOAL3

GOALS

4. Community – Encourage an engaged, neighborly, supportive, inclusive, healthy, and active community.
5. Economic / tax base – Encourage and support diverse investment to maximize overall property values and promote equitable access to job opportunities and housing.
6. Fiscal management – To preserve Royal Oak’s finances through sound fiscal policy, strategic planning, deliberative actions, and effective management of public assets.
7. Sustainability – To operate the City of Royal Oak in a sustainable way supporting the community, economy, and environment.

OBJECTIVES

- Actively engage with neighborhood associations. ^{GOAL4}
- Provide community services public infrastructure that reflect the needs to all of the city’s population. ^{GOAL4}
- Facilitate private sector development. ^{GOAL5}
- Ensure city financial sustainability. ^{GOAL6}
- Communicate budget priorities. ^{GOAL6}
- Complete sustainability plan. ^{GOAL7}
- Implement sustainability priorities. ^{GOAL7}
- Implement sustainability priorities for city assets. ^{GOAL7}

| | <u>Actual 2016</u> | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Actual 2019</u> | <u>Actual 2020</u> |
|---------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| The City of Royal Oak’s overall “American Customer Satisfaction Index” Rating (scale 1-100) | N/A | 69 | N/A | N/A | 67 |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Full-time personnel costs are increasing relative to the fiscal year 2020-21 original budget as a result of a reorganization of the city manager's office. Included is a promotional opportunity of the job classification of deputy city manager (to be partially offset by a decrease in the economic development division), adding a new position.

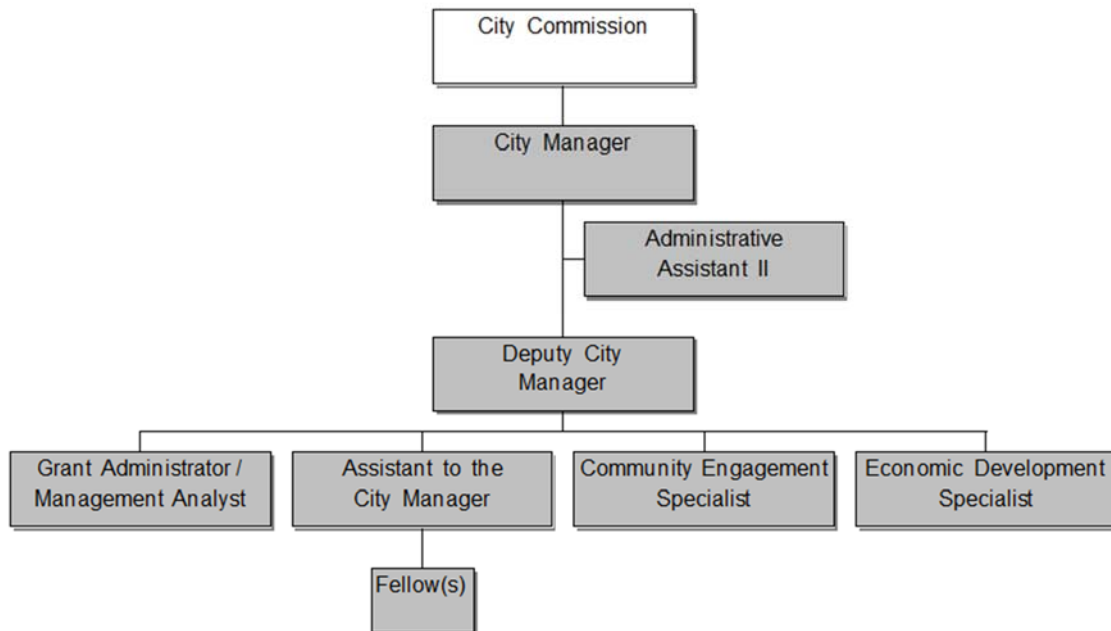
Contracted workers services and travel costs are increasing, \$6,000 and \$4,250 respectively, relative to the fiscal year 2020-21 original budget. Training & education is increasing \$14,000 relative to the fiscal year 2020-21 estimated year-end. Books, subscriptions, & electronic works and miscellaneous operating supplies are increasing, \$5,000 and \$7,500 respectively, relative to the fiscal year 2020-21 estimated year-end.

Dues & memberships are increasing \$14,800 relative to the fiscal year 2020-21 original budget to include \$10,000 for financial transparency compliance web-based portal for robust forecasting, planning, and performance management, and \$3,200 for sustainability-related dues & memberships.

Budget Summary Expenditures

| 101.172 MANAGER | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-----------------------|----------|---------|--------|------|---------|
| 2017-2018 Actual | 420,890 | 1,160 | 0 | 6,580 | 0 | 428,630 |
| 2018-2019 Actual | 522,050 | 900 | 0 | 7,500 | 0 | 530,450 |
| 2019-2020 Actual | 331,270 | 3,490 | 0 | 6,440 | 0 | 341,200 |
| 2020-2021 Original Budget | 512,300 | 18,400 | 0 | 21,650 | 0 | 552,350 |
| 2020-2021 Adjusted Budget (Dec) | 512,300 | 18,400 | 0 | 21,650 | 0 | 552,350 |
| 2020-2021 Six Month Actual | 198,870 | 2,570 | 0 | 2,140 | 0 | 203,580 |
| 2020-2021 Estimated Year End | 423,320 | 8,000 | 0 | 10,300 | 0 | 441,620 |
| 2021-2022 Dept Request | 704,770 | 19,750 | 0 | 54,200 | 0 | 778,720 |
| 2021-2022 Manager's Budget | 704,770 | 19,750 | 0 | 54,200 | 0 | 778,720 |
| 2021-2022 Adopted Budget | 704,770 | 19,750 | 0 | 54,200 | 0 | 778,720 |
| 2022-2023 Projected Budget | 733,570 | 19,750 | 0 | 54,200 | 0 | 807,520 |
| 2023-2024 Projected Budget | 763,640 | 19,750 | 0 | 54,200 | 0 | 837,590 |
| 2024-2025 Projected Budget | 795,050 | 19,750 | 0 | 54,200 | 0 | 869,000 |
| 2025-2026 Projected Budget | 827,830 | 19,750 | 0 | 54,200 | 0 | 901,780 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Manager | Fiscal Year | | | | | | | | |
|----------------------------------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | |
| City Manager | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Deputy City Manager | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Assistant to City Manager | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Community Engagement Specialist* | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Grant Coordinator / Energy and Sustainability Manager | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Economic Development Manager* | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Economic Development Specialist* | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Administrative Assistant II | 0.5 | 0.5 | 0.2 | 0.2 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Full-time total | 3.5 | 5.5 | 5.2 | 5.2 | 6.0 | 6.0 | 6.0 | 6.0 | 7.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | 3.5 | 5.5 | 5.2 | 5.2 | 6.0 | 6.0 | 6.0 | 6.0 | 7.0 |

*Personnel costs for these positions are charged to other cost centers within the general fund.

The mission of the election's division is to conduct elections in an effective and ethical manner meeting the requirements of the federal and state election law and the city charter.

The elections division of the city clerk's office maintains the city's qualified voter file (QVF) for the State of Michigan and is responsible for the conduct of elections in the city.

This division provides service to the community by maintaining a permanent absentee voter list and automatically mailing absentee applications to those voters, as requested. Promoting no-reason absentees since the passage of 18-3 November 2018.

For an election cycle, the division sends ID cards to new voters, mails out absentee applications to those who have requested to be on the permanent absentee voter list and mails ballots and orders election supplies. Prior to every election we participate with the county for a mock election to verify the accuracy of results. We prepare tabulators, ADA equipment, ballot boxes and supply boxes for each precinct.

The city clerk's office uploads election information onto laptops used at the precincts. Staff verifies candidate and ordinance petitions to be placed on the ballots. Voter lists are prepared as requested by candidates including specific election data and daily lists that are sent to them electronically. Training is conducted for all election workers prior to every election to assure compliance with all applicable election laws.

The clerk oversees all election day activities to make sure elections run smoothly. Election results are processed and sent via modem to the county. Once election results have been tabulated, voter history is uploaded into the QVF software system.

Voter registration drives are conducted with cooperation of Royal Oak High School (ROHS). The same is done with the nursing homes located within the city.

This office also helps ROHS with their mock elections by providing voting booths for students. Students are also hired for higher turnout elections, such as even year elections. This gives them a better understanding of the election process.

GOALS

1. To effectively administer the election program by keeping informed of relevant legislation and improvements in technology and efficient process.
2. Streamline election process at the polls.
3. Provide timely and accurate election results.

OBJECTIVES

- Keeping up to date with new election laws. ^{GOAL1}
- Continue to utilize new ideas, make sure there are plenty of voting stations and election workers hired for each election. ^{GOAL1,2,3}
- Continue partnership with Oakland County to tabulate absentee ballots. ^{GOAL3}

Performance Indicators / Outcome Measures

| | Actual <u>2017</u> | Actual <u>2018</u> | Actual <u>2019</u> | Actual <u>2020</u> | Projected <u>2021</u> | Projected <u>2022</u> |
|----------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------|--------------------------|
| GOAL ¹ Elections | 1 | 2 | 1 | 3 | 1 | 2 |
| GOAL ¹ Number of Registered Voters | 48,064 | 48,783 | 49,331 | 52,017 | 53,000 | 53,500 |
| GOAL ² Registration Applications Submitted | 6,599 | 7,855 | 6,673 | 12,135 | 6,000 | 8,000 |
| GOAL ¹ New Valid Registrations | 4,558 | 5,269 | 4,277 | 3,951 | 4,000 | 4,000 |
| GOAL ¹ Active Voters Cancelled | 2,683 | 4,657 | 3,632 | 4,167 | 3,000 | 3,000 |

Note: Elections' performance Indicators are reported on a calendar year basis as opposed to a fiscal year basis.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are decreasing relative to the fiscal year 2020-21 original budget due to having only one election in fiscal year 2021-22 as less staffing will be needed.

Miscellaneous contracted services are increasing \$132,000 relative to the fiscal year 2020-21 original budget due to the need for maintenance agreements for 30 election tabulators and 24 ADA scanners for service years 6 – 10 that begin in fiscal year 2021-22. Postage & mailing services are increasing \$10,000 relative to the fiscal year 2020-21 estimated year-end due to elections postage being costed here beginning fiscal year 2021-22, and which was previously accounted for in the city office building cost center. Miscellaneous operating supplies are decreasing \$20,000 relative to the fiscal year 2020-21 estimated year-end due to fewer elections in 2021 in comparison to 2020.

Budget Summary Expenditures

| 101.191 ELECTIONS | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 173,260 | 53,750 | 163,790 | 14,020 | 0 | 404,820 |
| 2018-2019 Actual | 233,210 | 60,700 | 88,680 | 17,010 | 0 | 399,600 |
| 2019-2020 Actual | 243,920 | 57,770 | 88,080 | 6,770 | 0 | 396,540 |
| 2020-2021 Original Budget | 362,570 | 70,000 | 90,000 | 18,400 | 0 | 540,970 |
| 2020-2021 Adjusted Budget (Dec) | 365,570 | 113,950 | 90,000 | 18,400 | 0 | 587,920 |
| 2020-2021 Six Month Actual | 258,980 | 46,210 | 22,550 | 5,220 | 0 | 332,960 |
| 2020-2021 Estimated Year End | 396,650 | 90,000 | 22,550 | 11,210 | 0 | 520,410 |
| 2021-2022 Dept Request | 320,730 | 70,000 | 0 | 152,900 | 0 | 543,630 |
| 2021-2022 Manager's Budget | 320,730 | 70,000 | 0 | 152,900 | 0 | 543,630 |
| 2021-2022 Adopted Budget | 320,730 | 70,000 | 0 | 152,900 | 0 | 543,630 |
| 2022-2023 Projected Budget | 331,160 | 70,000 | 0 | 27,900 | 0 | 429,060 |
| 2023-2024 Projected Budget | 341,980 | 70,000 | 0 | 27,900 | 0 | 439,880 |
| 2024-2025 Projected Budget | 353,200 | 70,000 | 0 | 27,900 | 0 | 451,100 |
| 2025-2026 Projected Budget | 364,860 | 70,000 | 0 | 27,900 | 0 | 462,760 |

ROYAL OAK ELECTION HISTORY

| <u>Type of Election</u> | <u>Date</u> | <u>Total Voting</u> | <u>Voters Registered</u> | <u>Percent Voting</u> | <u>AV's Counted</u> |
|-------------------------|-------------|-------------------------|------------------------------|---------------------------|-------------------------|
| Presidential | 11/03/2020 | 39,658 | 52,017 | 76.25% | 25,757 |
| Primary | 08/04/2020 | 18,353 | 50,470 | 36.30% | 10,835 |
| Primary | 03/10/2020 | 21,022 | 49,855 | 42.17% | 8,179 |
| City Election | 11/05/2019 | 13,290 | 49,155 | 27.04% | 6,603 |
| Gubernatorial Election | 11/06/2018 | 32,898 | 48,316 | 68.09% | 8,153 |
| Primary Election | 08/07/2018 | 17,393 | 48,028 | 36.21% | 4,245 |
| City Election | 11/07/2018 | 12,419 | 48,002 | 25.87% | 3,819 |
| Presidential Election | 11/08/2016 | 35,344 | 48,898 | 72.28% | 8,787 |
| August Primary Election | 08/02/2016 | 9,591 | 48,618 | 19.73% | 3,299 |
| Presidential Primary | 03/08/2016 | 20,230 | 48,230 | 41.94% | 3,550 |
| City Election | 11/03/2015 | 6,779 | 48,159 | 14.08% | 3,054 |
| Special Election | 05/05/2015 | 12,305 | 48,202 | 25.53% | 3,621 |
| Gubernatorial Election | 11/04/2014 | 23,734 | 49,164 | 48.28% | 5,711 |
| Primary Election | 08/15/2014 | 8,030 | 49,094 | 16.36% | 3,121 |
| City General Election | 11/05/2013 | 12,555 | 49,105 | 25.57% | 3,605 |
| Presidential Election | 11/06/2012 | 34,607 | 49,034 | 70.58% | 9,071 |
| Primary Election | 08/07/2012 | 12,356 | 48,641 | 25.40% | 3,450 |
| Presidential Primary | 02/28/2012 | 8,119 | 48,309 | 16.81% | 2,849 |
| City General/School | 11/08/2011 | 7,456 | 48,167 | 15.48% | 3,142 |
| Gubernatorial | 11/02/2010 | 23,685 | 47,539 | 49.82% | 5,587 |
| August Primary | 08/03/2010 | 12,406 | 47,539 | 26.10% | 3,530 |
| Berkley School Bond | 02/23/2010 | 70 | 287 | 24.39% | 18 |
| City General & School | 11/03/2009 | 8,375 | 47,374 | 17.68% | 3,457 |
| Presidential General | 11/04/2008 | 36,669 | 48,187 | 76.10% | 9,935 |
| August Primary | 08/05/2008 | 11,426 | 46,724 | 24.45% | 3,356 |
| Presidential Primary | 01/15/2008 | 11,677 | 46,279 | 25.22% | 3,254 |
| City General & School | 11/06/2007 | 8,222 | 46,111 | 17.83% | 3,455 |
| Gubernatorial Election | 11/07/2006 | 27,746 | 46,047 | 60.26% | 6,340 |
| Primary | 08/08/2006 | 8,847 | 46,022 | 19.22% | 3,827 |
| RO School Bond | 05/02/2006 | 6,671 | 46,538 | 22.29% | 3,675 |
| City General/School | 11/08/2005 | 16,645 | 47,098 | 35.34% | 4,611 |
| School Board | 05/03/2005 | 9,627 | 50,125 | 19.24% | 3,559 |
| School Bond Millage | 02/22/2005 | 11,026 | 49,217 | 22.40% | 3,980 |
| Presidential | 11/02/2004 | 35,203 | 49,605 | 70.97% | 8,642 |
| Primary | 08/03/2004 | 7,134 | 48,576 | 14.69% | 3,343 |
| School | 06/14/2004 | 2,388 | 48,448 | 4.93% | 1,946 |
| City | 11/04/2003 | 10,808 | 48,700 | 22.19% | 3,737 |
| School | 06/09/2003 | 5,200 | 48,377 | 10.75% | 3,130 |

The mission of the finance department is to provide accurate and timely financial services for the City of Royal Oak in the most efficient manner possible.

The director of finance has the responsibility of the administration of the financial affairs of the city insofar as they relate to the keeping of accounts and financial records and the disbursement of city funds.

The short-term and long-term financial planning, cost allocation, labor contract costing, budget preparation and capital improvement plan coordination (of finances) are performed by the finance department. The budget is prepared in accordance with the city charter and the state's Uniform Budgeting Act. The budget function includes all the personnel costing, cost allocation, monitoring, amendments, forecasts, and various financial reports.

The department accounts for approximately 50 funds and 125 cost centers, utilizing 15 different banking institutions. All account records are kept by the finance department showing all the financial transactions of the city including cash receipts, cash disbursements, revenues accrued, and liabilities incurred, and all transactions affecting the acquisition, custody, and disposition of city property and make such reports of the financial transactions and conditions of the city as required by law, ordinance, or resolution. The CAFR (Comprehensive Annual Financial Report) and compliance (financial) reports for state and federal purposes are prepared by the department as well.

Centralized accounts payable and (most of) payroll processing functions are performed within the department.

The department supports other city departments with their purchases by providing assistance with bid and quotation solicitation and review of responses for the procurement of goods and services and purchase order processing. The procurement process recently has become more centralized to assist the various departments city-wide, with the re-establishment of one purchasing agent position within the finance department.

In accordance with the city ordinance, the director of finance serves as the secretary, treasurer and chief administrative officer for the retirement system and the custodian of its assets. The department is responsible for the preparation of estimated and final pension benefit calculations, monthly pension benefit payments, day-to-day administration of the system and provides all of the data for the actuarial valuations. The director of finance also serves as the administrator to other retiree benefit plans.

The sale of municipal bonds and the maintenance of bond service payments are administered within the department along with the development of utility (water and sewage disposal) rates, various financial reports, certain aspects of risk management and assistance with grant reporting.

The director of finance is responsible for the other fiscal related functions such as the treasury, assessing, and information technology departments.

GOALS

1. To accurately and timely record all financial transactions as to provide the best financial information to the city commission, city manager, residents, and other users; continue to earn the GFOA Certificate of Achievement for Excellence in Financial Reporting.
2. To properly administer the purchasing, payroll, payables, pension, risk management, debt management functions and accomplish the numerous financial reporting requirements accurately and timely.
3. To facilitate the city's (fiscal) strategic planning and adoption of sound financial policies in an effort to effectively and efficiently manage the city's assets.
4. To develop reports including a budget plan document that excels as an operational guide, financial plan, policy document and communication devise.
5. Infrastructure – to sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.

OBJECTIVES

- Perform comprehensive review of the of the general administrative cost allocation methodology and the general liability cost allocation methodology to look for opportunities for improvement. ^{GOAL1}
- Develop a defined contribution board of trustees for fiduciary oversight, by potentially proposing a city ordinance, as most of the city's employees are in DC plans. Improve upon the DC investment options and reduce fees for the employees/retirees.
- Develop a comprehensive purchasing manual / policy document. ^{GOAL2}
- Implement new government accounting standards number 87 (Leases) and 89 (Construction Interest) . ^{GOAL1}
- Assist with the development of a loss prevention committee in an effort to preserve the city's assets and reducing costs/risk. ^{GOAL2,3}
- Suggest various retirement system policies to the board of trustees to help improve upon the administration of the retirement system/trust. ^{GOAL3}
- Work closely with departments to prepare more comprehensive goals, objectives, and performance measures to improve upon communication, transparency, and benchmarking. ^{GOAL4}

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|-----------------------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL2 Bank Statements Reconciled | 252 | 237 | 118 | 252 | 240 | 240 |
| GOAL2 Accounts Payable Invoices Processed | 15,626 | 16,381 | 8,145 | 16,000 | 16,000 | 16,000 |
| GOAL2 General Payroll Checks/NODs Generated | 19,861 | 19,701 | 10,746 | 20,000 | 20,000 | 20,000 |
| GOAL1 Auditors Correcting Entries to Financial Statements | 0 | 0 | 2 | 2 | 0 | 0 |
| GOAL2 Estimate/Final Pension Calculations | 18 / 15 | 18 / 25 | 4 / 4 | 15 / 10 | 15 / 11 | 15 / 11 |
| GOAL4 GFOA Distinguished Budget Awarded | yes | yes | yes | yes | yes | yes |
| GOAL4 GFOA CAFR Awarded | yes | yes | yes | yes | yes | yes |
| GOAL2 Bids Prepared | 32 | 29 | 9 | 25 | 30 | 40 |
| GOAL2 General Liability Incidents/ Claims Processed | 198 / 60 | 151 / 63 | 271 / 98 | 350 / 110 | 200 / 70 | 150 / 50 |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

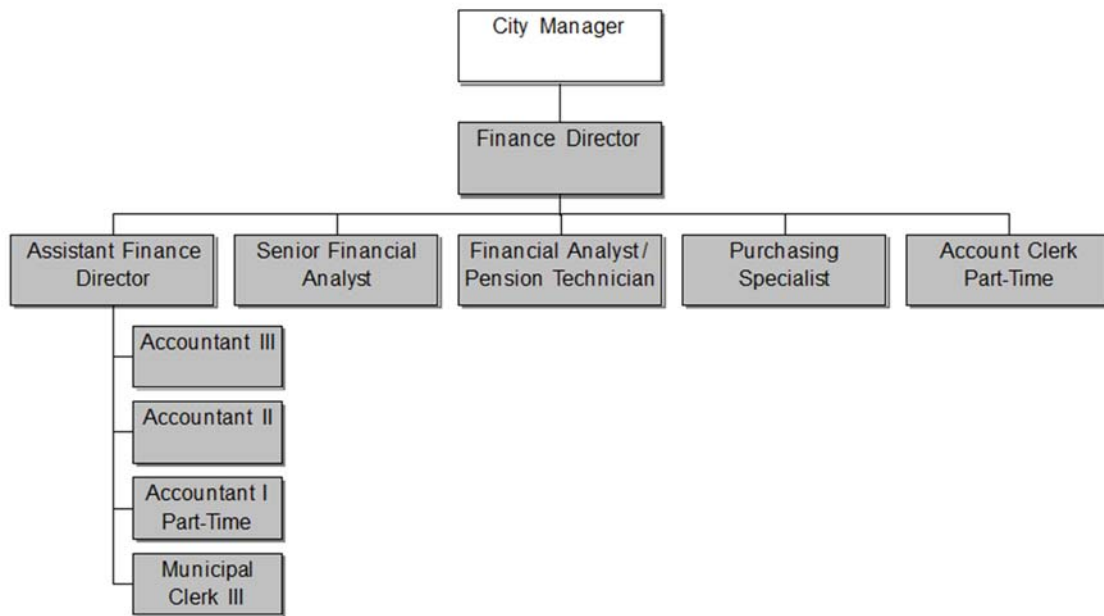
The personnel budget is increasing due to the potential for the newer employees (who are not at the top of their pay range) to receive merit wage increases as well as the payroll function utilizing a full-time position, upgraded from a part-time position beginning in mid-fiscal-year 2020-2021.

Telephone service is decreasing \$400 relative to fiscal year 2020-21 original budget due to the elimination of a city-issued cell phone. Training & education is increasing \$4,000 relative to fiscal year 2020-21 estimated year-end due to an anticipated resumption of training opportunities in fiscal year 2021-22, assuming COVID-19 pandemic restrictions end.

Budget Summary Expenditures

| 101.201 FINANCE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 660,490 | 4,330 | 0 | 28,240 | 0 | 693,060 |
| 2018-2019 Actual | 684,260 | 2,860 | 0 | 29,370 | 0 | 716,490 |
| 2019-2020 Actual | 768,430 | 3,020 | 0 | 32,800 | 0 | 804,250 |
| 2020-2021 Original Budget | 884,710 | 3,500 | 0 | 31,450 | 0 | 919,660 |
| 2020-2021 Adjusted Budget (Dec) | 884,710 | 3,500 | 0 | 31,450 | 0 | 919,660 |
| 2020-2021 Six Month Actual | 403,150 | 1,210 | 0 | 14,370 | 0 | 418,730 |
| 2020-2021 Estimated Year End | 882,720 | 3,500 | 0 | 30,300 | 0 | 916,520 |
| 2021-2022 Dept Request | 966,630 | 3,500 | 0 | 34,750 | 0 | 1,004,880 |
| 2021-2022 Manager's Budget | 966,630 | 3,500 | 0 | 34,750 | 0 | 1,004,880 |
| 2021-2022 Adopted Budget | 966,630 | 3,500 | 0 | 34,750 | 0 | 1,004,880 |
| 2022-2023 Projected Budget | 1,008,230 | 3,500 | 0 | 35,270 | 0 | 1,047,000 |
| 2023-2024 Projected Budget | 1,051,700 | 3,500 | 0 | 35,800 | 0 | 1,091,000 |
| 2024-2025 Projected Budget | 1,097,120 | 3,500 | 0 | 36,340 | 0 | 1,136,960 |
| 2025-2026 Projected Budget | 1,144,560 | 3,500 | 0 | 36,890 | 0 | 1,184,950 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Finance | | Fiscal Year | | | | | | | | |
|-----------------------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Director of Finance | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Asst. Finance Director | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Accountant III | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Financial Analyst – Senior | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Accountant II | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Purchasing Specialist* | | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Payroll Clerk III | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Finance - MC III | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Administrative Assistant / Pension Specialist | | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Financial Analyst / Pension Technician | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Full-time total | | 5.0 | 6.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 8.0 | 8.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | | 5.0 | 6.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 8.0 | 8.0 |

*Purchasing formerly decentralized to all departments

The mission of the assessor's office is to annually provide the residents and property owners of Royal Oak with fair and equitable assessments; provide information to the general public that is accurate and reliable and mindful; provide information to other city departments efficiently and allowing them to better perform their duties; provide all of these services in a professional and courteous manner which complies with the Charter of the City of Royal Oak and the constitution and laws of the State of Michigan.

The assessor's office uniformly and accurately values all taxable property in the City of Royal Oak. The office is responsible for preparing the assessment rolls and tax rolls of the city for all classes of property subject to taxation. The state constitution and statutes require that, notwithstanding any other provision of law, the assessed values placed upon the assessment roll shall be at 50 percent of true cash value.

Passed by the voters in March of 1994, Proposal A placed additional limits on values used to compute property taxes. Starting in 1995, property taxes were calculated using "taxable value". This value is capped by the inflation rate multiplier until a property transfers ownership. Prior to Proposal A, taxes were calculated on the "State Equalized Value" (SEV). This value represents market or true cash value and changed annually regardless of changes in ownership.

The office is a valuable source of information for the public, maintaining data on each parcel of property in the city. This includes plat maps and record cards for over 25,000 real property parcels. Additionally, an outside vendor, by contract, maintains approximately 2,000 personal property parcels. The total parcels include these ad valorem parcels, Industrial Facilities Tax (IFT), Tax Increment Financing Authority (TIFA), Downtown Development Authority (DDA) and Brownfield Redevelopment Authority properties.

Another function of the assessor's office is to record, maintain and edit the status of each parcel of property in the city to determine whether it qualifies for a "principal residence exemption" for a portion of school tax. The office also analyzes deeds and affidavits on every transferred property within the city that would trigger an "uncapping" of taxable value in accordance with Proposal A.

The administration of land divisions and combinations is the responsibility of the city assessor while coordinating review efforts with planning, building, engineering, and treasury through completion with the Oakland County Land Division and the Land and Address Management System. The assessor assists and guides the property owner through the process. This procedure includes plat and condominium developments.

Change of assessment notices are mailed in February of each year and taxpayers are given the opportunity to protest their assessment before the city's board of review in March. The board of review is composed of six city residents, forming two boards working as one, appointed by the commission for two-year terms. The board has the discretion and authority to make adjustments to an individual's assessment if warranted.

General property tax law also provides for a special meeting of the board of review to be held on specific days in July and December for the purpose of correcting clerical errors or mutual mistakes of fact.

With the legal assistance of quality, professional outside counsel, the assessor's office is able to settle, dismiss, and defend the tax tribunal appeals that are brought against the city.

On or before the first day of July of each year, the city assessor delivers a certified copy of the assessment roll on which the city tax has been apportioned and spread, with the warrant annexed to the city treasurer.

The assessments are utilized with the millage rates adopted by the various taxing authorities (Oakland County Operating, Oakland County Parks & Recreation, Zoological Authority, Art Institute Authority, Public Transportation Authority, Huron-

Clinton Metropolitan Authority, Berkley, Clawson and Royal Oak Schools, Oakland Community College, Oakland Schools ISD) to generate tax revenues for the authorities within the city's boundaries.

GOALS

1. To maintain fair assessments for all classes of property.
2. To improve the quality of service and information available to the public.
3. To keep accurate sale valuation, name, address, and principal residence exemption files.
4. Complete a quality board of review for March, July, and December.
5. To review cost measures associated with the assessment function.
6. Defend assessments at the Michigan Tax Tribunal.
7. Meet STC guidelines regarding the annual review of properties.
8. Prepare all mandatory reports to insure proper collection of taxes.
9. Create and administer the process for all lot splits/combinations.
10. Prepare special assessment rolls.
11. Review and update land value maps.
12. Review sales, annually for correct record card information, accurate uncappings and values.

OBJECTIVES

- Review functional and economic obsolescence on residential properties. GOAL1
- Review garage depreciations for discrepancies. GOAL1,3
- Create electronic computer sketches of all properties. GOAL 2, 7
- Standardize site address entry to conform with USPS standards. GOAL 2, 7
- Review all annual residential sales and update record cards. GOAL12

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|----------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL1 Assessment Notices Processed | 27,767 | 28,058 | 27,763 | 28,000 | 28,000 | 28,000 |
| GOAL7 Residential Property Appraisals | 1,723 | 1,762 | 966 | 2,000 | 2,000 | 2,000 |
| GOAL7 Commercial/Industrial Appraisals | 397 | 484 | 444 | 450 | 450 | 450 |
| GOAL6 Small Claims Tribunal Appeals | 14 | 6 | 6 | 12 | 12 | 12 |
| GOAL6 Full Tax Tribunal Appeals | 12 | 20 | 20 | 30 | 30 | 30 |
| GOAL3 Homestead Affidavits Processed | 8,991 | 8,673 | 6,764 | 8,800 | 8,800 | 8,800 |
| GOAL3 Transfer Affidavits Processed | 1,942 | 2,469 | 2,715 | 2,600 | 2,600 | 2,600 |
| GOAL1 Board of Review Appeals | 366 | 286 | 137 | 325 | 325 | 325 |
| GOAL1 Board of Review Adjustments | -8,757,780 | -4,293,090 | -876,360 | -4,000,000 | -4,000,000 | -4,000,000 |
| GOAL6 Tax Tribunal Decisions | 4 | 7 | 2 | 10 | 10 | 10 |
| GOAL6 Tax Tribunal Adjustments | -4,416,380 | -9,177,860 | -127,010 | -1,000,000 | -1,000,000 | -1,000,000 |
| GOAL1, GOAL3 Property Sales Reviewed | 1,929 | 1,803 | 1,138 | 2,000 | 2,000 | 2,000 |
| GOAL1 Property Transfers Uncapped | 1,926 | 1,652 | 1,147 | 2,000 | 2,000 | 2,000 |
| GOAL1 Equalization Factor | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 |
| GOAL9 Lot Splits/Combinations | 10 | 15 | 13 | 20 | 20 | 20 |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing relative to the fiscal year 2020-21 due to the potential for newer employees (who are not at the top of their pay range) to receive merit wage increases and due to the city having higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22. This increase is partially offset by the request for the addition of a full-time appraiser I position in fiscal year 2020-21 changing to a part-time appraiser position in fiscal year 2021-22. Sale values trend higher than assessments due to home updates performed without a permit, and complete review is the only means of correct assessments that keeps the city in compliance with State Tax Commission (STC) standards. The city has 25,970 residential parcels and only one residential appraiser. The part-time appraiser will share responsibility for new construction, renovations, demolitions and annual sales review for accurate assessments and proper taxable values. Total reviews cannot currently be completed due to the limited staffing and quantity of sales. The next STC AMAR (Audit of Minimum Assessing Requirements) review is scheduled for 2022 and the STC recommends that 20% of all parcels be reviewed annually. The part-time appraiser will assist with updating records, such as photographs that have not been updated for twenty plus years. In addition, the department would like to fill one or two part-time positions with interns to help with photographs and sketches.

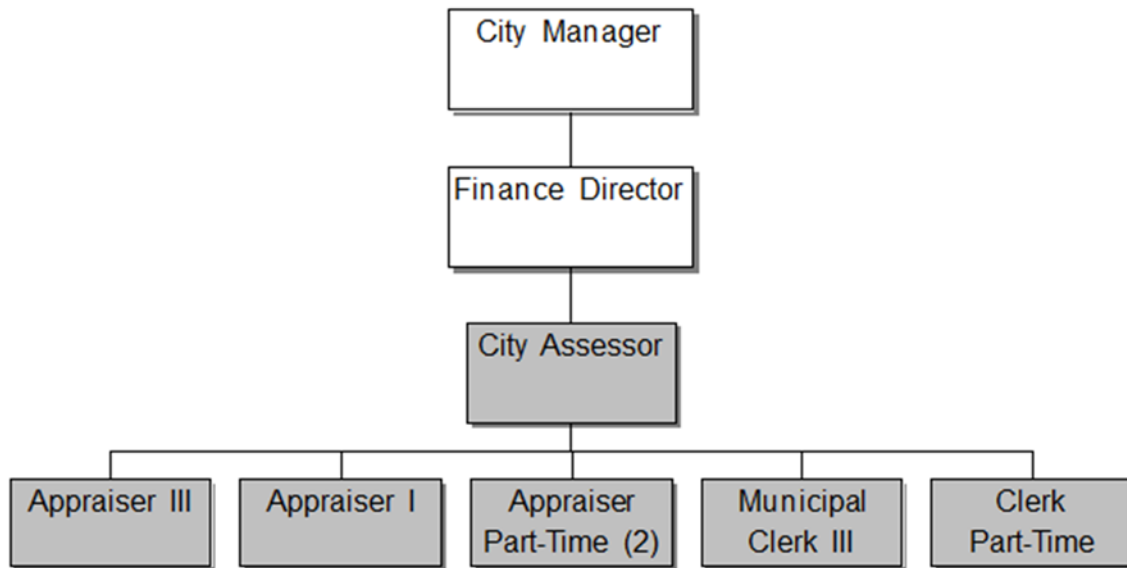
Contracted worker services are increasing \$10,000 relative to the fiscal year 2020-21 original budget, due to potential additional appraisals needed to meet a potential increase in the number Michigan Tax Tribunal (MTT) appeals cases. Telephone service is increasing \$550 relative to the fiscal year 2020-21 budget to better reflect historical usage. Advertising and legal notices are increasing \$220 relative to the fiscal year 2020-21 original budget due to COVID-19 virtual language required as an additional legal notice city standard. Training & education is increasing \$1,070 relative to the fiscal year 2020-21 estimated year-end due to the anticipated attendance at the 2021 MAA state conference that was cancelled in fiscal year 2020-21 due to the COVID-19 pandemic.

Motor pool rental charges are increasing \$10,570 relative to the fiscal year 2020-21 original budget due to increased depreciation due to vehicle replacement and the resumption of the city's depreciation catch-up plan during fiscal year 2021-22.

Budget Summary Expenditures

| 101.209 ASSESSOR | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 459,060 | 14,740 | 0 | 145,430 | 0 | 619,230 |
| 2018-2019 Actual | 464,170 | 13,410 | 0 | 160,510 | 0 | 638,090 |
| 2019-2020 Actual | 507,680 | 12,380 | 0 | 98,620 | 0 | 618,680 |
| 2020-2021 Original Budget | 584,100 | 13,800 | 0 | 146,450 | 0 | 744,350 |
| 2020-2021 Adjusted Budget (Dec) | 584,100 | 13,800 | 0 | 146,450 | 0 | 744,350 |
| 2020-2021 Six Month Actual | 262,170 | 1,110 | 0 | 63,710 | 0 | 326,990 |
| 2020-2021 Estimated Year End | 523,070 | 13,990 | 0 | 146,050 | 0 | 683,110 |
| 2021-2022 Dept Request | 636,060 | 14,000 | 0 | 167,710 | 0 | 817,770 |
| 2021-2022 Manager's Budget | 636,060 | 14,000 | 0 | 167,710 | 0 | 817,770 |
| 2021-2022 Adopted Budget | 636,060 | 14,000 | 0 | 167,710 | 0 | 817,770 |
| 2022-2023 Projected Budget | 658,430 | 14,000 | 0 | 168,310 | 0 | 840,740 |
| 2023-2024 Projected Budget | 681,640 | 14,000 | 0 | 168,930 | 0 | 864,570 |
| 2024-2025 Projected Budget | 705,730 | 14,000 | 0 | 169,560 | 0 | 889,290 |
| 2025-2026 Projected Budget | 730,730 | 14,000 | 0 | 170,200 | 0 | 914,930 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Assessing | Fiscal Year | | | | | | | | |
|-----------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | |
| City Assessor | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Deputy City Assessor | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Appraiser III | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Appraiser I | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 1.0 |
| Assessing - MC III | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Assessing - MC II | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Assessing - MC I | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Full-time total | 3.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 5.0 | 4.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | 3.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 5.0 | 4.0 |

The mission of the City of Royal Oak attorney's office is to promote responsible government by providing highly professional legal counsel to the city commission, city departments, boards and committees, and city employees in all matters relating to any official duties.

The city attorney's office is established by the Royal Oak Charter (chapter III, section 22). The city attorney is appointed by and is directly responsible to the city commission. The attorney serves as the legal adviser and counsel for the city and for all officers and departments in all matters relating to their official duties and performs such other duties as may be imposed by the commission, either by ordinance or resolution.

The city attorney prepares and reviews contracts and development agreements, reviews bonds and insurance policies, prepares ordinances, and manages all civil litigation for the city.

The city attorney's office is also an integral part of the criminal justice system, working with the police and code enforcement departments in the prosecution of misdemeanors and civil infractions in the district court.

GOALS

1. General counsel - to provide sound legal advice in a timely manner.
2. Civil litigation – to provide the city with effective representation in all cases in which the city is a party.
3. Ordinance prosecution – to effectively prosecute city ordinance violations.
4. To advocate on behalf of the people of the City of Royal Oak in the best interests of justice.
5. To courteously handle inquiries from the general public regarding the city code and/or established city policies and procedures.
6. To provide on-going review of the city code to comply with the current state of the law and further the city commission's goals and objectives.

OBJECTIVES

- Assist the City Manager in assuming his role as the Chief Administrative Officer of the city. ^{GOAL1}
- Assist the city commission with development of a policy for adult-use recreational marihuana in the city. ^{GOAL6}
- Assist the staff in developing and implementing a procedure for the replacement of lead service lines. ^{GOAL6}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

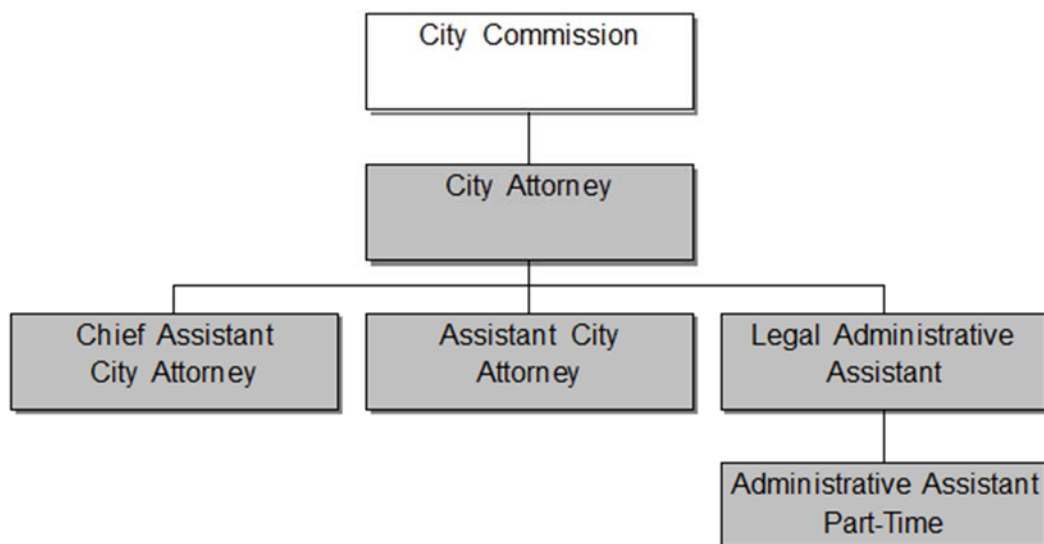
Personnel costs are increasing relative to the fiscal year 2020-21 estimated year-end due to newer employees (who are not at the top of their pay range) potentially receiving merit wage increases, the city having higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22 and filling the city attorney position.

Contracted legal / advisory counsel is decreasing \$20,000 relative to the fiscal year 2020-21 estimated year-end due to no longer needing to budget for interim city attorney as contracted services in fiscal year 2021-22. Travel costs are increasing \$400 relative to the fiscal year 2020-21 estimated year-end due to the anticipated resumption of travel in fiscal year 2021-22 and which was reduced in fiscal year 2020-21 due to the COVID-19 pandemic.

Budget Summary Expenditures

| 101.210 ATTORNEY | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 474,960 | 13,430 | 0 | 153,660 | 0 | 642,050 |
| 2018-2019 Actual | 475,810 | 15,650 | 0 | 43,060 | 0 | 534,520 |
| 2019-2020 Actual | 525,960 | 16,520 | 0 | 64,230 | 0 | 606,710 |
| 2020-2021 Original Budget | 569,300 | 17,250 | 0 | 57,850 | 0 | 644,400 |
| 2020-2021 Adjusted Budget (Dec) | 569,300 | 17,250 | 0 | 57,850 | 0 | 644,400 |
| 2020-2021 Six Month Actual | 252,650 | 3,060 | 0 | 14,300 | 0 | 270,010 |
| 2020-2021 Estimated Year End | 467,610 | 17,250 | 0 | 87,700 | 0 | 572,560 |
| 2021-2022 Dept Request | 611,000 | 17,250 | 0 | 68,500 | 0 | 696,750 |
| 2021-2022 Manager's Budget | 611,000 | 17,250 | 0 | 68,500 | 0 | 696,750 |
| 2021-2022 Adopted Budget | 611,000 | 17,250 | 0 | 68,500 | 0 | 696,750 |
| 2022-2023 Projected Budget | 630,760 | 17,250 | 0 | 68,500 | 0 | 716,510 |
| 2023-2024 Projected Budget | 651,220 | 17,250 | 0 | 68,500 | 0 | 736,970 |
| 2024-2025 Projected Budget | 672,440 | 17,250 | 0 | 68,500 | 0 | 758,190 |
| 2025-2026 Projected Budget | 694,420 | 17,250 | 0 | 68,500 | 0 | 780,170 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full-Time Employees

| Attorney | Fiscal Year | | | | | | | | |
|-----------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 14-15 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | |
| City Attorney | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Chief Assistant City Attorney | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 |
| Assistant City Attorney | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.0 | 1.0 | 1.0 |
| Legal Administrative Assistant | 0.5 | 0.5 | 0.8 | 0.8 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Full-time total | 3.5 | 3.5 | 3.8 | 3.8 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |

The mission of the city's clerk's office is to successfully serve the public and city commission as prescribed by federal and state law and the city charter, in addition to providing high quality customer service to city departments.

Pursuant to the city charter, the city clerk is the clerk of the city commission and with the mayor, signs and attests all ordinances; and keeps a journal of record of the city commission's proceedings. In addition, the city clerk performs such other duties as are prescribed by the charter, the general laws of the state, or by the city commission.

Such duties include the posting of meeting notices, records and transcribe minutes for official city commission meetings and workshops in accordance with the Open Meetings Act. The office prepares minutes for the following meetings: city commission, charter review, civil service, fire civil service commission and rules committee. The clerk's office is the keeper of official city records, processes freedom of information requests and serves as a notary public for city business

The clerk's office provides birth and death certificates, dog licenses, dog park passes, bike licenses, valet licenses, special event permits, parking station permits,

solicitation/peddler permits, dream cruise permits, residential parking permits; processes SDD/SDM and class C liquor license renewals, liquor transfers and bistro licenses; publishes legal notices, sends updates of all ordinances to general code for codification; processes applications from residents who want to serve on city boards and committees maintaining a list of qualified candidates.

A do not knock list was established in December of 2012 in which the city clerk's office continues to keep track of.

Since 2014, the office has been utilizing the electronic death registry system through the State of Michigan in which death certificates are e-filed.

In 2016, all city commission minutes were scanned and are now word searchable on the city's website for anyone to be able to view.

In 2019, online forms were created for birth and death certificates, dog licenses, dog park passes and residential parking permits. Anyone may now apply and pay for these items online and no longer need to come into the clerk's office.

GOALS

1. To be in compliance with all acts / laws related to the duties of the clerk's office.
2. To effectively administer the clerk office's license and permit process while providing excellent customer service.
3. To provide excellent and efficient official record keeping by use of technology, while keeping records safe and accessible.

OBJECTIVES

- Continue education to be up to date with all of the new laws. ^{GOAL1}
- All forms are online to make it easier for residents and customers to apply for things instead of having to come into the office. We started scheduling in-person appointments February 9, 2021. ^{GOAL2,3}

GOALS**OBJECTIVES**

- Keep the website up to date with all approved minutes/notices that the clerk's office is responsible for.^{GOAL3}

Performance Indicators / Outcome Measures

| | <u>Actual 2017</u> | <u>Actual 2018</u> | <u>Actual 2019</u> | <u>Actual 2020</u> | <u>Projected 2021</u> | <u>Projected 2022</u> |
|---------------------------------------|------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Documents Processed/Issued: | | | | | | |
| GOAL2 Birth Certificates* | 6,903 | 6,850 | 7,154 | 6,881 | 7,000 | 7,500 |
| GOAL2 Business Licenses (Annual) | 11 | 11 | 10 | 9 | 10 | 10 |
| GOAL2 Death Certificates* | 1,735 | 1,730 | 1,644 | 1,839 | 1,900 | 2,000 |
| GOAL2 Dog Licenses | 2,226 | 2,920 | 2,138 | 1,521 | 2,000 | 2,200 |
| GOAL2 Dog Park Passes | 264 | 295 | 356 | 243 | 300 | 300 |
| GOAL1 Freedom of Information Act | 121 | 121 | 170 | 65 | 120 | 125 |
| GOAL2 Liquor License Renewals | 55 | 54 | 52 | 52 | 52 | 52 |
| GOAL2 Miscellaneous Business Licenses | 52 | 61 | 71 | 30 | 70 | 75 |
| GOAL2 Peddler Permits | 58 | 68 | 66 | 1 | 10 | 30 |
| GOAL2 SDD/SDM Renewals | 37 | 39 | 38 | 38 | 40 | 40 |
| GOAL2 Solicitation Permits | 16 | 15 | 15 | 3 | 5 | 10 |
| GOAL2 Special Event Permits | 55 | 51 | 60 | 9 | 30 | 50 |
| GOAL2 Woodward Dream Cruise Permits | 69 | 63 | 64 | 0 | 60 | 65 |

Note: City clerk's department performance measures are reported on a calendar year basis as opposed to a fiscal year basis. *Birth / Death certificate revenues do not necessarily correlate to birth/death certificates processed.

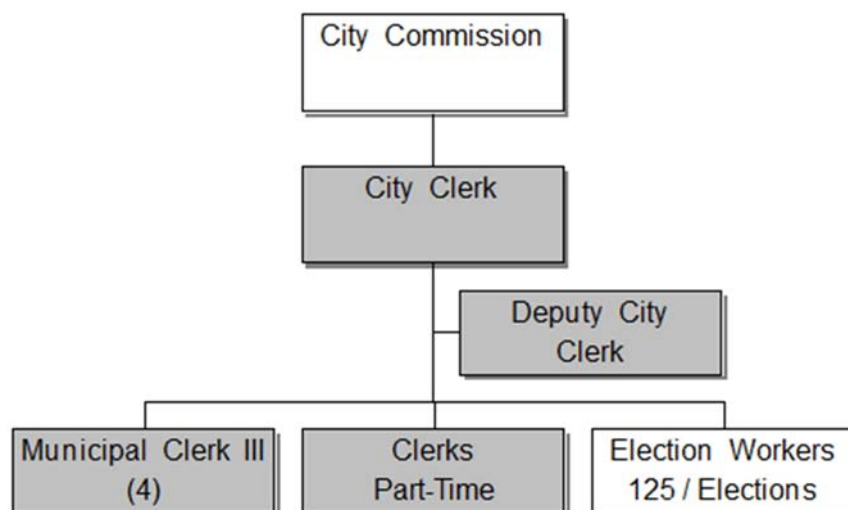
Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing relative to the fiscal year 2020-21 original budget, due to newer employees (who are not at the top of their pay range) potentially receiving wage increases and due to the city having higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22. Telephone service is increasing \$850 relative to the fiscal year 2020-21 original budget to better reflect historical usage. Advertising and legal notices are increasing \$2,100 relative to the fiscal year 2020-21 original budget due to the need to change to an advertiser that publishes more frequently.

Budget Summary Expenditures

| 101.215 CLERK | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 278,690 | 10,170 | 0 | 16,030 | 0 | 304,890 |
| 2018-2019 Actual | 322,580 | 6,570 | 0 | 11,040 | 0 | 340,190 |
| 2019-2020 Actual | 338,920 | 13,280 | 0 | 13,290 | 0 | 365,490 |
| 2020-2021 Original Budget | 402,780 | 16,000 | 0 | 32,050 | 0 | 450,830 |
| 2020-2021 Adjusted Budget (Dec) | 402,780 | 16,000 | 0 | 32,050 | 0 | 450,830 |
| 2020-2021 Six Month Actual | 187,530 | 3,010 | 0 | 5,580 | 0 | 196,120 |
| 2020-2021 Estimated Year End | 386,110 | 16,000 | 0 | 35,000 | 0 | 437,110 |
| 2021-2022 Dept Request | 412,060 | 16,000 | 0 | 35,000 | 0 | 463,060 |
| 2021-2022 Manager's Budget | 412,060 | 16,000 | 0 | 35,000 | 0 | 463,060 |
| 2021-2022 Adopted Budget | 412,060 | 16,000 | 0 | 35,000 | 0 | 463,060 |
| 2022-2023 Projected Budget | 429,840 | 16,000 | 0 | 35,000 | 0 | 480,840 |
| 2023-2024 Projected Budget | 448,430 | 16,000 | 0 | 35,000 | 0 | 499,430 |
| 2024-2025 Projected Budget | 467,880 | 16,000 | 0 | 35,000 | 0 | 518,880 |
| 2025-2026 Projected Budget | 488,190 | 16,000 | 0 | 35,000 | 0 | 539,190 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| City Clerk | | Fiscal Year | | | | | | | | |
|-----------------------------------|-------|-------------|-------|-------|-------|-------|-------|-------|-------|--|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| City Clerk | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | |
| Deputy City Clerk | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | |
| CS III - Purchasing | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| City Clerk - MC III | 3.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 3.0 | 4.0 | 4.0 | |
| City Clerk – MCII | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 0.0 | 0.0 | 0.0 | |
| City Clerk - MC I | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Full-time total | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 6.0 | 6.0 | |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | |
| Cost center total | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 6.0 | 6.0 | |

The mission of the human resources department (HR) is to provide our customers – management, employees, retirees, applicants, and the general public – with efficient, effective and courteous human resources services within legal, professional and ethical parameters.

The department coordinates and administers the recruitment, screening, selection, and on-boarding of new employees, consistent with federal and state laws and local civil service ordinance. It manages the classification, promotion, transfer, and evaluation of employees consistent with union contract provisions, civil service rules and city goals and objectives.

HR administers compensation and benefit plans for employees consistent with contract provisions and applicable laws, including leave benefits, tuition reimbursement, deferred compensation, and special pays. This includes 53 different health plans that provide health, dental, vision, life and supplemental insurance for all employees and retirees including monthly billings, liaison duties with providers, and processing of employee/retiree status changes, including Medicare A, B & D (dependents and beneficiaries, etc.). The office maintains applicant, employee, and retiree records.

HR assists in negotiating, interpreting, and administering nine (9) union contracts, resolving grievances, and participating in Act 312 and grievance arbitration.

HR provides counseling and assistance to department heads and employees relevant to personnel issues and coordinates/facilitates training to meet department and city needs.

The department reports and/or monitors workers' compensation and unemployment compensation claims with third party administrators; ensures compliance with the Affordable Care Act, Family and Medical Leave Act, MIOSHA, accident/injury policies and procedures, and collective bargaining agreements; performs liaison duties with workers' compensation clinics for employee injuries, new hire physicals and DOT drug testing program and requirements.

HR develops, distributes, and monitors city policies such as sexual harassment, EEO, ADA, Family and Medical Leave Act, workplace violence, employee assistance, drug free workplace, nepotism, etc. The human resources department staffs the civil service board and fire civil service commission. It also provides representation to safety committees and the city-sponsored health and wellness center.

GOALS

1. Operations – to perform all city operations as efficiently and effectively as possible. This includes, but is not limited to internal communications, technology, customer service, innovation, and financial management.
2. Communication - to proactively promote meaningful, open, and respectful dialogue using factual information to ensure effective decision making.

OBJECTIVES

- Develop succession plans for key positions, identified by HR and departments, to anticipate near term retirements, and over time, develop a base succession plan for all levels of staff, providing opportunities for employee development. ^{GOAL1}
- Complete targeted compensation surveys for those departments or positions where difficulties in filling vacancies have been apparent. ^{GOAL1}

GOALS

3. To promote lawful, nondiscriminatory, and ethical personnel actions and policy decisions.
4. To facilitate the culture of a qualified, productive, and diverse workforce.
5. To provide equitable and cost-effective benefit packages for the city's workforce.

OBJECTIVES

- Establish a methodology for gauging employee satisfaction and engagement. GOAL1
- Develop a method for actively soliciting and quantifying user satisfaction on a regular basis for departments with high user interactions. GOAL1
- Identify areas in city service operations with the lowest satisfaction scores, either based off the Cobalt Community Survey or the ongoing satisfaction surveys and develop strategies to address concerns and improve performance. GOAL1
- Implement replacement of the existing application tracking and onboarding HR software.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are decreasing relative to the fiscal year 2020-21 original budget due to the elimination of the part-time position, and the downgrading of the second human resources specialist position to a lower paid administrative assistant position. This reduction still allows for newer employees (who are not at the top of their pay range), to potentially receive merit raises.

Tuition reimbursement is increasing \$3,000 relative to the fiscal year 2020-21 estimated year-end, due to an anticipated increase in departmental requests for additional educational opportunities, which were reduced in fiscal year 2020-21 due to the COVID-19 pandemic. Civil service examinations is increasing \$15,000 relative to the fiscal year 2020-21 estimated year-end as alternate civil service testing arrangements were utilized due to the COVID-19 pandemic.

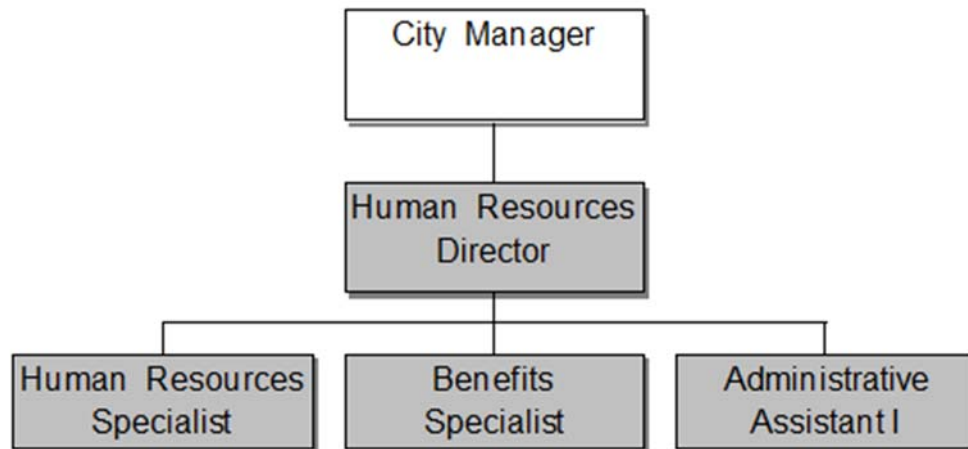
Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|------------------------------------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL2 Labor Contracts Negotiated | 8 | 9 | 9 | 9 | 9 | 9 |
| GOAL2 % of Labor Contracts Settled | 88.8 | 100 | 100 | 100 | 100 | 100 |
| GOAL1 Employees Hired (FT/PT) | 185 | 96 | 141 | 180 | 140 | 140 |
| GOAL2 Applications Processed (FT/PT) | 2,049 | 1,230 | 576 | 1,200 | 2,000 | 2,000 |
| GOAL2 Promotions/Transfers/Terminations Processed | 96 | 99 | 48 | 95 | 95 | 95 |
| GOAL3 Worker's Comp Claims Processed | 41 | 53 | 29 | 60 | 60 | 60 |
| GOAL3 Administration/Processing of Benefits for Insurance Enrollees | 793 | 806 | 791 | 810 | 810 | 810 |
| GOAL3 FT HR Staff to FT Workforce Ratio | 1:106 | 1:108 | 1:110 | 1:110 | 1:110 | 1:110 |
| Residents Rated Friendly | n/a | n/a | n/a | n/a | n/a | n/a |
| Residents Rated | n/a | n/a | n/a | n/a | n/a | n/a |
| Residents Rated Efficient | n/a | n/a | n/a | n/a | n/a | n/a |

Budget Summary Expenditures

| 101.226 HUMAN RESOURCES | Personnel Services | Supplies | Capital | Other | Debt | Total |
|------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 297,110 | 1,030 | 0 | 206,420 | 0 | 504,560 |
| 2018-2019 Actual | 298,860 | 1,560 | 0 | 216,460 | 0 | 516,880 |
| 2019-2020 Actual | 395,010 | 700 | 0 | 216,590 | 0 | 612,300 |
| 2020-2021 Original Budget | 441,350 | 2,600 | 0 | 253,550 | 0 | 697,500 |
| 2020-2021 Adjusted Budget (Dec) | 441,350 | 2,600 | 0 | 253,550 | 0 | 697,500 |
| 2020-2021 Six Month Actual | 158,140 | 770 | 0 | 85,780 | 0 | 244,690 |
| 2020-2021 Estimated Year End | 320,010 | 2,600 | 0 | 233,550 | 0 | 556,160 |
| 2021-2022 Dept Request | 403,710 | 2,600 | 0 | 250,250 | 0 | 656,560 |
| 2021-2022 Manager's Budget | 403,710 | 2,600 | 0 | 250,250 | 0 | 656,560 |
| 2021-2022 Adopted Budget | 403,710 | 2,600 | 0 | 250,250 | 0 | 656,560 |
| 2022-2023 Projected Budget | 421,270 | 2,600 | 0 | 250,250 | 0 | 674,120 |
| 2023-2024 Projected Budget | 439,630 | 2,600 | 0 | 250,250 | 0 | 692,480 |
| 2024-2025 Projected Budget | 458,830 | 2,600 | 0 | 250,250 | 0 | 711,680 |
| 2025-2026 Projected Budget | 478,900 | 2,600 | 0 | 250,250 | 0 | 731,750 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Human Resources | | Fiscal Year | | | | | | | | |
|-----------------------------------|-------|-------------|-------|-------|-------|-------|-------|-------|-------|--|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Human Resource Director | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | |
| Human Resource Specialist | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | 1.0 | 1.0 | |
| Benefits Specialist | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | |
| Recruitment Coordinator | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Administrative Assistant I | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | |
| Secretary I - HR | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| H/R - MC III | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| H/R - MC II | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Full-time total | 2.0 | 3.0 | 3.0 | 3.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | |
| Cost center total | 2.0 | 3.0 | 3.0 | 3.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | |

The general administration cost center records charges that are general fund responsibilities but are not specifically assigned to any user due to their subjective nature.

Administrative charges for non-specific items are recorded here to monitor total cost. There are numerous general costs expensed in this cost center such as property and general liability insurance costs, information technology service charges, audit services, a portion of bank services charges, tax

correction/adjustments. In fiscal year 2016-17 the Royal Oak City Center consulting costs were expended in this cost center. Beginning in fiscal year 2017-18, the principal and interest payments for the general fund's portion of the OPEB and pension bonds are expended in this cost center.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The pension and OPEB bonds principal and interest allocated to the general fund continues to be budgeted in this cost center. Information systems service charges allocated to the general fund are increasing \$146,570 due to an increase in planned expenditures during fiscal year 2021-22 from the Information Technology fund. Miscellaneous contracted services is budgeted for \$100,000 for consulting services for a general fund administration user-charge allocation review.

Budget Summary Expenditures

| 101.248 ADMINISTRATION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-----------------------|----------|---------|-----------|-----------|-----------|
| 2017-2018 Actual | 1,560 | 0 | 0 | 6,561,760 | 2,459,570 | 9,022,890 |
| 2018-2019 Actual | 690 | 0 | 0 | 1,162,010 | 2,460,520 | 3,623,220 |
| 2019-2020 Actual | 770 | 0 | 0 | 1,106,280 | 2,459,060 | 3,566,110 |
| 2020-2021 Original Budget | 800 | 0 | 0 | 995,100 | 2,461,500 | 3,457,400 |
| 2020-2021 Adjusted Budget (Dec) | 800 | 0 | 0 | 1,186,100 | 2,461,500 | 3,648,400 |
| 2020-2021 Six Month Actual | 370 | 0 | 0 | 637,880 | 1,867,480 | 2,505,730 |
| 2020-2021 Estimated Year End | 900 | 0 | 0 | 1,028,000 | 2,461,500 | 3,490,400 |
| 2021-2022 Dept Request | 800 | 0 | 0 | 1,314,010 | 2,462,000 | 3,776,810 |
| 2021-2022 Manager's Budget | 800 | 0 | 0 | 1,314,010 | 2,462,000 | 3,776,810 |
| 2021-2022 Adopted Budget | 800 | 0 | 0 | 1,314,010 | 2,462,000 | 3,776,810 |
| 2022-2023 Projected Budget | 800 | 0 | 0 | 1,271,160 | 2,403,500 | 3,675,460 |
| 2023-2024 Projected Budget | 800 | 0 | 0 | 1,304,410 | 2,430,500 | 3,735,710 |
| 2024-2025 Projected Budget | 800 | 0 | 0 | 1,338,800 | 2,462,500 | 3,802,100 |
| 2025-2026 Projected Budget | 800 | 0 | 0 | 1,374,380 | 2,495,500 | 3,870,680 |

The mission of the treasurer's office is to effectively and efficiently collect, secure, invest, and disburse all city monies, which includes tax billing, water billing, accounts receivables, special assessments, parking funds, and numerous miscellaneous receivables and disbursements.

All taxes, special assessments, and license fees, accruing to the city, are collected by the city treasurer. All money received by any officer or employees of the city for or in connection with the business of the city is paid to the city treasurer and deposited to one of the approved banking institutions. The treasury office collects and redistributes property taxes for all of the various taxing authorities within the city including Oakland County, Oakland County Parks & Recreation, the Zoological Authority, the Public Transportation Authority, the Huron-Clinton Metropolitan Authority, Berkley, Clawson and Royal Oak Schools, Oakland Community College, Oakland Schools ISD.

In addition, the office handles all accounts receivable billing, water/sewer utility receipts, rehab loan accounting, parking permits, collection, balancing and accounting for city revenues collected by the cashier and the reconciliation and posting of all revenues collected at off-site locations.

The treasurer is responsible for cash management: investing and tracking investments of city funds, the strategic planning of investments to cover regular

monthly planned expenditures, such as accounts payable, payroll and retirement, as well as cash flow planning for less-regular expenditures, such as large construction contract or semi-annual bond payments.

The office has continued to add value to the city's investment portfolio through diversification and has worked diligently to improve the yield of the investments while maintaining the safety of principal. This department consistently looks for ways to offer better services and a more effective use of funds through a greater use of bank products and services and improved technology.

Beginning December 2015, Royal Oak property owners have the option of paying tax bills and water bills online with a credit card, debit card or e-check from the city website. The city's current online vendor is "Invoice Cloud". In addition, the city is offering direct debit payments for water bills. These electronic payment programs have been tremendously popular, with over 6,600 residents, or 27 percent of our total customer base.

For improved customer service, treasury has worked to expand the acceptance of credit cards to other departments. For convenience, customers can now pay for various city services, permits and certificates at the building department, clerk's office, treasurer's office, DPS, the library, parks, and recreation, and CDBG loans.

GOALS

1. To develop and implement treasury related processes to improve efficiencies and reduce costs.

OBJECTIVES

- To expand and improve upon 24/7 online access to information needed by residents, and to ensure that accurate and up-to-date information is available to title/mortgage servicing companies at a reasonable price. ^{GOAL1}

GOALS

2. To manage the tax administration and receivables programs in compliance with all applicable laws and internal controls.
3. To administer the cash management program with the effect of increasing returns and decreasing cost.
4. To train and educate employees to keep them up to date on all relevant laws.

OBJECTIVES

- To decrease "surprise" water bills by better educating customers and investigate options for an information portal for customers to periodically review their usage between billing periods. ^{GOAL1}
- To assist other departments in increasing use of online payments and forms through SeamlessDocs and Stripe. ^{GOAL1}
- To provide an option for residents to pay special assessments online through SeamlessDocs. ^{GOAL1}
- To change online payment processing vendors in order to increase back-office efficiency and improve the customers' experience. ^{GOAL3}
- To see that each treasury employee is given the opportunity to attend BS&A and MMTA training as related to their specific duties. ^{GOAL4}

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|--------------------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| ^{GOAL2} Tax bills generated | 61,525 | 61,705 | 61,544 | 61,544 | 61,700 | 61,700 |
| ^{GOAL2} Water bills generated | 102,308 | 100,324 | 50,162 | 100,500 | 100,500 | 100,500 |
| ^{GOAL2} Phone calls received | 38,073 | 16,804 | 8,838 | 16,800 | 16,800 | 16,800 |
| ^{GOAL1} Direct Debit Customers (W & S) | 2,660 | 2,533 | 2,405 | 2,405 | 2,405 | 2,405 |
| ^{GOAL1} % Participation in Automatic Bill Pay | 10.8% | 10.51% | 9.98% | 9.98% | 9.98% | 9.98% |
| ^{GOAL2} Invoices Billed | 704 | 539 | 238 | 450 | 500 | 500 |
| ^{GOAL2} Special Assessments Billed | 6,704 | 430 | 354 | 2,063 | 1,655 | 1,855 |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are decreasing slightly relative to the fiscal year 2020-21 original budget due to a partial cost reallocation of the municipal clerk position to the water & sewer fund.

Postage and mailing services are decreasing \$3,300 relative to the fiscal year 2020-21 original budget to better reflect historical usage. Office equipment and furniture (non-capitalized) is increasing \$2,700 relative to the fiscal year 2020-21 department requested budget due to the purchase of a currency counter, which was deferred from fiscal year 2020-21. Telephone service is increasing \$2,550 relative to the fiscal year 2020-21 original budget to better reflect the upward historical trend.

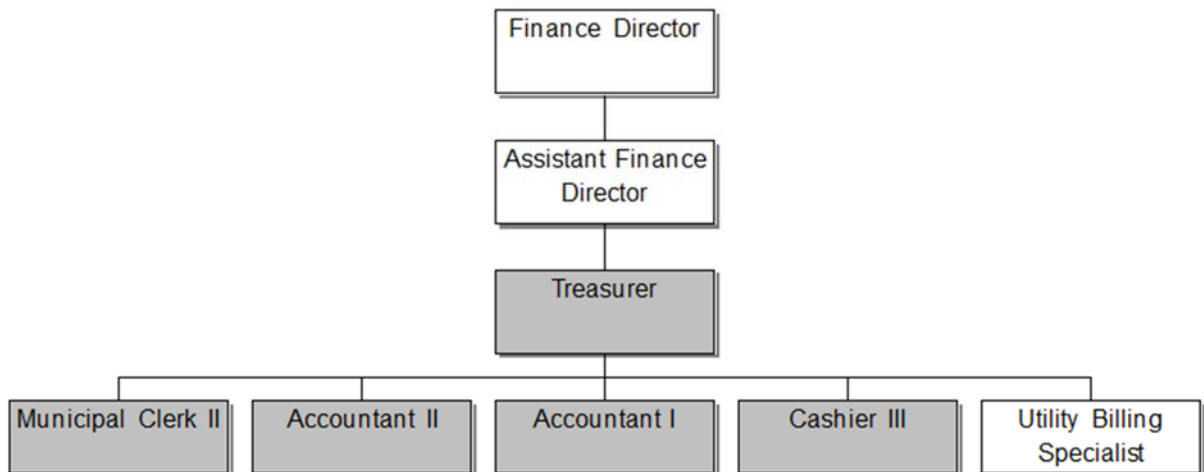
Staff continues to work on improving the information available to water customers to help them better understand their water usage and monitor their own consumption. Staff also continues to work on improving the information provided to sellers, buyers, realtors, and title companies prior to the transfer of property ownership.

Budget Summary

Expenditures

| 101.253 TREASURER | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 286,150 | 3,410 | 0 | 31,660 | 0 | 321,220 |
| 2018-2019 Actual | 207,760 | 2,540 | 0 | 38,290 | 0 | 248,590 |
| 2019-2020 Actual | 407,110 | 2,740 | 0 | 38,000 | 0 | 447,850 |
| 2020-2021 Original Budget | 465,500 | 2,500 | 0 | 44,770 | 0 | 512,770 |
| 2020-2021 Adjusted Budget (Dec) | 465,500 | 2,500 | 0 | 44,770 | 0 | 512,770 |
| 2020-2021 Six Month Actual | 222,100 | 1,180 | 0 | 19,870 | 0 | 243,150 |
| 2020-2021 Estimated Year End | 462,390 | 2,700 | 0 | 43,990 | 0 | 509,080 |
| 2021-2022 Dept Request | 462,520 | 5,300 | 0 | 43,980 | 0 | 511,800 |
| 2021-2022 Manager's Budget | 462,520 | 5,300 | 0 | 43,980 | 0 | 511,800 |
| 2021-2022 Adopted Budget | 462,520 | 5,300 | 0 | 43,980 | 0 | 511,800 |
| 2022-2023 Projected Budget | 483,200 | 5,300 | 0 | 43,980 | 0 | 532,480 |
| 2023-2024 Projected Budget | 504,800 | 5,300 | 0 | 43,980 | 0 | 554,080 |
| 2024-2025 Projected Budget | 527,380 | 5,300 | 0 | 43,980 | 0 | 576,660 |
| 2025-2026 Projected Budget | 550,980 | 5,300 | 0 | 43,980 | 0 | 600,260 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-time Employees

| Treasurer | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| City Treasurer | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Deputy City Treasurer | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Accountant II | | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Accountant I | | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | 1.0 | 1.0 |
| Cashier III | | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Cashier II | | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Treasurer - MC II | | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 |
| Full-time total | | 3.0 | 3.0 | 4.0 | 4.0 | 4.0 | 4.0 | 5.0 | 5.0 | 5.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | | 3.0 | 3.0 | 4.0 | 4.0 | 4.0 | 4.0 | 5.0 | 5.0 | 5.0 |

The city office building cost center records the operating, repair, and maintenance charges for the city hall.

The city office building budget includes city hall building costs, under the city engineer for all departments.

Building costs primarily involve external vendors. The largest operating costs are utilities (electric, gas, water, and telephone), postage, janitorial service, and supplies. Repairs and maintenance costs include building trades (HVAC, plumbing, electrical, elevator).

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Part-time wages are increasing \$500 relative to fiscal year 2020-21 projected year-end to allow for door attendants during city commission and other board and committee meetings which are anticipated to increase when city hall is open full-time to the public and in-person meetings resume as the COVID-19 pandemic ends.

Electric costs are projected to decrease \$40,000 and gas by \$3,000, relative to the fiscal year 2020-21 original budget, due to the smaller square footage and efficiencies of a new building and no longer being combined with the police station. Utilities for the new police station are budgeted in fiscal year 2021-22 in the public safety fund. Postage and mailing services have decreased \$60,000 relative to fiscal year 2020-21 projected year-end as the courts and election's postage will be budgeted directly in the court and election's cost center beginning in fiscal year 2021-22. Motor pool rental charges are increasing \$1,030 in fiscal year 2021-22 due to the temporary suspension of the city's catch-up depreciation plan during fiscal year 2020-21.

Budget Summary Expenditures

| 101.265 CITY OFFICE BUILDING | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 49,860 | 10,170 | 0 | 243,000 | 0 | 303,030 |
| 2018-2019 Actual | 62,060 | 10,790 | 0 | 235,560 | 0 | 308,410 |
| 2019-2020 Actual | 68,200 | 9,550 | 0 | 278,360 | 0 | 356,110 |
| 2020-2021 Original Budget | 71,940 | 9,750 | 0 | 226,540 | 0 | 308,230 |
| 2020-2021 Adjusted Budget (Dec) | 71,940 | 9,750 | 0 | 226,540 | 0 | 308,230 |
| 2020-2021 Six Month Actual | 34,350 | 1,740 | 0 | 154,280 | 0 | 190,370 |
| 2020-2021 Estimated Year End | 70,450 | 10,610 | 0 | 235,820 | 0 | 316,880 |
| 2021-2022 Dept Request | 73,300 | 9,760 | 0 | 137,170 | 0 | 220,230 |
| 2021-2022 Manager's Budget | 73,300 | 9,760 | 0 | 137,170 | 0 | 220,230 |
| 2021-2022 Adopted Budget | 73,300 | 9,760 | 0 | 137,170 | 0 | 220,230 |
| 2022-2023 Projected Budget | 75,600 | 9,760 | 0 | 138,360 | 0 | 223,720 |
| 2023-2024 Projected Budget | 77,980 | 9,760 | 0 | 139,580 | 0 | 227,320 |
| 2024-2025 Projected Budget | 80,470 | 9,760 | 0 | 140,850 | 0 | 231,080 |
| 2025-2026 Projected Budget | 83,030 | 9,760 | 0 | 142,150 | 0 | 234,940 |

Cost Center Position Detail - Home Base

Full & Part-Time Employees

| City Office Building | | Fiscal Year | | | | | | | | |
|----------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Day Porter | | n/a | n/a | n/a | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Full-time total | | n/a | n/a | n/a | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |

The mission of the parks and forestry division is to build and maintain all city owned parks, playgrounds, athletic fields and open spaces and the public trees; maintaining the urban forest, so that they are a source of pride and enjoyment for residents and visitors alike.

The parks and forestry division of the department of public service are responsible for the 50 parks and playgrounds throughout the City of Royal Oak with a combined acreage exceeding 350 acres. This includes a dog park on the east side. The city's recreation division puts on all programs in the parks.

The division maintains baseball, volleyball, football, and soccer venues; basketball and tennis courts; picnic areas; and walking trails, signs, lighting, and parking.

Although the city's namesake, the original Royal Oak, no longer lives, the forestry section is responsible for over 23,000 trees.

These include trees in the parks, central business district, parkways and easement areas of roads, golf courses, cemetery and city owned open spaces (e.g., around the library).

Every fall, this crew and the highway division make two or more passes to remove fallen leaves from the city's streets; this service is paid for by the solid waste fund.

During the winter, they perform snow and ice maintenance. Winter maintenance on city roads is charged to the major or local road fund as is appropriate; to the DDA development fund for the central business district; and to the auto parking fund for parking lots and decks.

During the growing season, duties include removing dangerous or fallen branches and debris, cutting grass, controlling park weeds, and tending streetscapes and banners. Charges for these services are distributed to the proper funds as well.

GOALS

1. Infrastructure - To maintain, replace and enhance Royal Oak's infrastructure to promote efficient and sustainable delivery of beneficial services.
2. To maintain the city's park grounds in accordance with maintenance schedules.
3. To provide quality facilities for recreation programs and support the use by all citizens of Royal Oak.
4. Support the community youth athletic organizations.
5. Improve the urban forest.
6. To minimize the city liability in city parks.

OBJECTIVES

- Finalize design and solicit bids for the Centennial Park project. ^{GOAL1}
- Complete Normandy Oaks Park development. ^{GOAL8}
- Complete construction and begin ecological development for the Oak Savannah habitat restoration at Normandy Oaks Park. ^{GOAL8}
- Continue to implement improvements at neighborhood parks as guided by the five-year park master plan. ^{GOAL8}
- Collaborate with parks and recreation for additional programming in neighborhood parks. ^{GOAL8}

GOALS

7. Communication - To proactively promote meaningful, open, and respectful dialogue that ensures effective decision making.
8. Community – to preserve neighborhoods by encouraging community involvement and family activities.

OBJECTIVES**Performance Indicators / Outcome Measures**

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|---------------------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL1Hours Ball Diamonds Maintained | 2,848 | 1,653 | 896 | 1,750 | 2,250 | 2,250 |
| GOAL1Hours Soccer / Football Fields Maintained/Lined | 123 | 348 | 397 | 450 | 400 | 400 |
| Trees Planted | 401 | 449 | 105 | 300 | 500 | 500 |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Full-time personnel costs are increasing, relative to the fiscal year 2020-21 original budget, mostly due to the request to hire a full-time DPS supervisor for the parks and forestry division and one additional full-time parks maintenance worker in consideration of the additional maintenance activities related to Normandy Oaks Park and upcoming planned projects. Additionally, there has been a slightly higher allocation of DPS workers to this cost center and room provided for newer employees (who are not at the top of their pay range) to potentially receive merit wage increases.

Miscellaneous contracted services are decreasing \$30,000, relative to fiscal year 2021-22 estimated year-end budget, to better reflect the historical usage of this account. Contracted worker services are increasing \$12,000 for the parks and recreation master plan update. Trees, shrubs, and plants are increasing \$10,000 to provide additional shrubbery for screening at Mark Twain Dog Park. Parks and grounds repair and maintenance supplies are increasing \$5,000 due to the additional demand from Normandy Oaks Park opening. Playground equipment supplies are decreasing \$2,110, relative to fiscal year 2020-21 estimated year-end, due to a one-time purchase of a bench for the dog park that was funded by donations received through the Royal Oak Civic Foundation fund. Water costs are projected to increase \$15,000 relative to fiscal year 2020-21 estimated year-end activity due to anticipation of the Normandy Oaks Park splash pad opening during the year. Motor pool rental charges are increasing \$52,760, relative to the fiscal year 2020-21 original budget, due the temporary suspension of the city's depreciation catch-up plan during fiscal year 2020-21.

The following capital improvement projects budgeted in FY2021-22 are as follows:

| | |
|---------------------------------------------------------|-----------|
| • Golf Center parking area improvements (under cap2115) | \$401,000 |
| • Royal Oak Golf Course clubhouse roof replacement | 150,000 |
| • Memorial Park parking lot improvements | 125,000 |
| • Park bench replacement | 3,200 |
| FY 2021-22 total: | \$679,200 |

Future operating costs and savings have not been quantified by the requesting department.

Budget Summary Expenditures

| 101.266 PARKS & FORESTRY | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 332,470 | 79,670 | 45,760 | 310,220 | 0 | 768,120 |
| 2018-2019 Actual | 424,640 | 110,480 | 296,770 | 320,320 | 0 | 1,152,210 |
| 2019-2020 Actual | 371,270 | 119,660 | 379,750 | 395,570 | 0 | 1,266,250 |
| 2020-2021 Original Budget | 439,730 | 140,200 | 0 | 430,230 | 0 | 1,010,160 |
| 2020-2021 Adjusted Budget (Dec) | 439,730 | 142,310 | 0 | 430,230 | 0 | 1,012,270 |
| 2020-2021 Six Month Actual | 220,760 | 46,480 | 0 | 163,920 | 0 | 431,160 |
| 2020-2021 Estimated Year End | 443,990 | 149,250 | 0 | 407,810 | 0 | 1,001,050 |
| 2021-2022 Dept Request | 643,680 | 157,200 | 679,200 | 454,440 | 0 | 1,934,520 |
| 2021-2022 Manager's Budget | 643,680 | 157,200 | 679,200 | 454,440 | 0 | 1,934,520 |
| 2021-2022 Adopted Budget | 643,680 | 157,200 | 679,200 | 454,440 | 0 | 1,934,520 |
| 2022-2023 Projected Budget | 662,860 | 157,200 | 128,200 | 466,750 | 0 | 1,415,010 |
| 2023-2024 Projected Budget | 682,760 | 157,200 | 478,200 | 474,020 | 0 | 1,792,180 |
| 2024-2025 Projected Budget | 703,380 | 157,200 | 3,200 | 481,440 | 0 | 1,345,220 |
| 2025-2026 Projected Budget | 724,770 | 157,200 | 3,200 | 489,020 | 0 | 1,374,190 |

Cost Center Position Detail - Home Base Full & Part-Time Employees

| Parks & Forestry | | Fiscal Year | | | | | | | |
|------------------------------------------|--------------|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | |
| Supervisor of Parks & Forestry | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Equipment Repair Worker | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Parks Maintenance Worker II | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Parks Maintenance Worker | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 3.0 |
| Parks/Forestry MC III | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Full-time total | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 8.0 | 10.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 8.0 | 10.0 |

The building maintenance cost center records the DPS personnel and vehicle charges for city hall repair and maintenance.

See also the general fund's city hall building (265) cost center for other charges for city hall operations, repairs, and maintenance.

The building maintenance budget is under the director of public services. Personnel costs are for full-time DPS workers.

GOALS

1. Operations – to perform all city operations as efficiently and effectively as possible.
2. Provide quality building repairs in timely manner.
3. Support other divisions as necessary during weather emergencies

OBJECTIVES

- Pursue the creation of a facilities manager position to reduce facility management demands on multiple departments and improve the efficiency and effectiveness of services.^{GOAL1}
- Develop a scheduled HVAC / mechanical inspection program for city facilities.^{GOAL2}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing relative to fiscal year 2020-21 original budget, due to the request to add a full-time building facilities manager.

Relative to fiscal year 2020-21 estimated year-end, tools and hardware are increasing \$4,000 to purchase a replacement table saw and safety clothing and gear is increasing \$200 based on historical usage. Motor pool rental charges are increasing \$1,380 due to the temporary suspension of the city's depreciation catch-up plan during fiscal year 2020-21.

Budget Summary Expenditures

| 101.267 BUILDING MAINTENANCE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 153,960 | 11,220 | 0 | 17,770 | 0 | 182,950 |
| 2018-2019 Actual | 166,690 | 8,940 | 0 | 21,330 | 0 | 196,960 |
| 2019-2020 Actual | 221,880 | 7,940 | 0 | 18,620 | 0 | 248,440 |
| 2020-2021 Original Budget | 177,820 | 13,100 | 0 | 17,670 | 0 | 208,590 |
| 2020-2021 Adjusted Budget (Dec) | 177,820 | 13,100 | 0 | 17,670 | 0 | 208,590 |
| 2020-2021 Six Month Actual | 94,330 | 5,830 | 0 | 8,490 | 0 | 108,650 |
| 2020-2021 Estimated Year End | 175,280 | 15,300 | 0 | 16,970 | 0 | 207,550 |
| 2021-2022 Dept Request | 291,200 | 17,300 | 0 | 18,350 | 0 | 326,850 |
| 2021-2022 Manager's Budget | 291,200 | 17,300 | 0 | 18,350 | 0 | 326,850 |
| 2021-2022 Adopted Budget | 291,200 | 17,300 | 0 | 18,350 | 0 | 326,850 |
| 2022-2023 Projected Budget | 301,620 | 17,300 | 0 | 18,720 | 0 | 337,640 |
| 2023-2024 Projected Budget | 312,500 | 17,300 | 0 | 19,090 | 0 | 348,890 |
| 2024-2025 Projected Budget | 323,830 | 17,300 | 0 | 19,470 | 0 | 360,600 |
| 2025-2026 Projected Budget | 335,620 | 17,300 | 0 | 19,860 | 0 | 372,780 |

Cost Center Position Detail - Home Base Full & Part-Time Employees

| DPS | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Facilities Manager | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Bldg Maintenance Repair Worker II | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Bldg Maintenance Repair Worker I | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Full-time total | | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 3.0 |

The mission of the ordinance enforcement division of the building department is to enforce City of Royal Oak ordinances that address commercial and residential property maintenance, merchant licensing, and public health and safety issues; and to perform regular checks of all apartments, hotels, motels, and houses offered for rent within the city.

The ordinance enforcement division inspects commercial and residential buildings for property maintenance violations. Inspectors

enforce local ordinances addressing problems such as blight, weeds, unlicensed/inoperable vehicles, and other issues that may have a negative effect on property values. The ordinance enforcement division learns of these issues by responding to complaints in addition to proactively seeking violations.

The building department consists of two divisions: building inspection and ordinance enforcement.

GOALS

1. To protect the public safety, welfare and property values by enforcing regulations, nuisance abatements and other codes.
2. Apply a common-sense approach to enforcement while maintaining the intent of city ordinances.
3. Respond to complaints within one business day.
4. Treat each resident and business owner with respect and understanding.
5. Enforce city ordinances in a fair and consistent manner.

OBJECTIVES

- Review and modify ordinances to better address issues with compliance.^{GOAL1}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing relative to the fiscal year 2020-21 original budget due to the potential for newer employees (who are not at the top of their pay range) to receive wage increases. Part-time wages are decreasing as it is anticipated that the vacant full-time position will be filled. Training & education and dues & memberships are increasing, \$1,500 and \$200 respectively, relative to the fiscal year 2020-21 estimated year-end, as the city will resume paying for these costs in fiscal year 2021-22, rather than employees. Telephone service is increasing \$200 relative to the fiscal year 2020-21 original budget to better reflect historical usage. Motor pool rental charges are decreasing \$7,140 relative to the fiscal year 2020-21 original budget due to a decrease in depreciation, maintenance & operation, and fuel costs in fiscal year 2021-22.

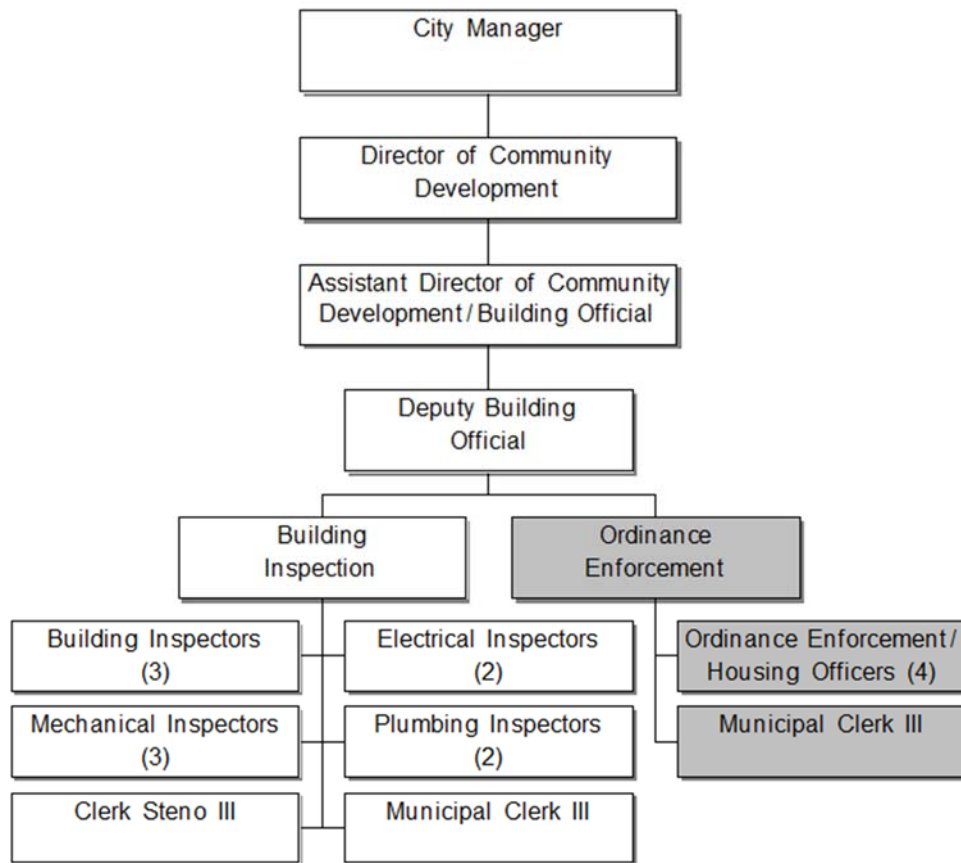
Performance Measures / Outcome Measures

| | <u>Actual FY 18-19</u> | <u>Actual FY 19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY 20-21</u> | <u>Projected FY 21-22</u> | <u>Projected FY 22-23</u> |
|-----------------------------------------------------------------------------------|----------------------------|----------------------------|------------------------|-------------------------------|-------------------------------|-------------------------------|
| GOAL1 Percent of Non-Homestead Properties Reviewed for Unlicensed Rental Activity | 15% | 15% | 15% | 15% | 15% | 15% |
| GOAL1 Percent of Complaints Responded to Within One Business Day | 95% | 95% | 95% | 95% | 95% | 95% |
| GOAL1 Percent of Questions Responded to Within Two Business Days | 95% | 95% | 95% | 95% | 95% | 95% |
| GOAL2 Rental Licenses Issued | 1,688 | 2,056 | 355 | 2,000 | 1,500 | 2,000 |
| GOAL1 Responses to Complaints | 6,884 | 7,002 | 3,248 | 6,500 | 6,500 | 6,500 |
| GOAL2 Scheduled Inspections Conducted | 16,714 | 16,985 | 7,354 | 16,500 | 16,500 | 16,500 |

Budget Summary Expenditures

| 101.372 ORDINANCE ENFORCEMENT | Personnel Services | Supplies | Capital | Other | Debt | Total |
|------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 337,810 | 2,340 | 0 | 32,870 | 0 | 373,020 |
| 2018-2019 Actual | 351,660 | 350 | 0 | 41,210 | 0 | 393,220 |
| 2019-2020 Actual | 363,390 | 330 | 0 | 45,320 | 0 | 409,040 |
| 2020-2021 Original Budget | 373,230 | 1,000 | 0 | 54,340 | 0 | 428,570 |
| 2020-2021 Adjusted Budget (Dec) | 373,230 | 1,000 | 0 | 54,340 | 0 | 428,570 |
| 2020-2021 Six Month Actual | 178,850 | 0 | 0 | 26,470 | 0 | 205,320 |
| 2020-2021 Estimated Year End | 348,200 | 1,000 | 0 | 53,040 | 0 | 402,240 |
| 2021-2022 Dept Request | 378,690 | 1,000 | 0 | 49,100 | 0 | 428,790 |
| 2021-2022 Manager's Budget | 378,690 | 1,000 | 0 | 49,100 | 0 | 428,790 |
| 2021-2022 Adopted Budget | 378,690 | 1,000 | 0 | 49,100 | 0 | 428,790 |
| 2022-2023 Projected Budget | 392,230 | 1,000 | 0 | 49,890 | 0 | 443,120 |
| 2023-2024 Projected Budget | 406,250 | 1,000 | 0 | 50,700 | 0 | 457,950 |
| 2024-2025 Projected Budget | 420,780 | 1,000 | 0 | 51,530 | 0 | 473,310 |
| 2025-2026 Projected Budget | 435,860 | 1,000 | 0 | 52,370 | 0 | 489,230 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full-Time Employees

| Code Enforcement | Fiscal Year | | | | | | | | |
|----------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| Full-Time Positions | | | | | | | | | |
| Code Enforcement/Housing Officer | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| CS III – Inspection | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Housing Rehabilitation Officer | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Code Enforcement - MC III | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Code Enforcement - MC I | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Full-time total | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |

The mission of the planning division of the community development department is to pro-actively oversee the physical and economic development of the city, in particular those areas under private ownership.

In fulfilling this mission, the planning division provides administrative support to the city commission and various advisory boards, most notably, the planning commission, zoning board of appeals, downtown development authority, brownfield redevelopment authority, and the community development block grant program. The planning division also works closely with the business community and city residents, answering questions and addressing concerns in an effort to meet the needs of each within the context of the city's plans and ordinances.

The traditional role of the planning division, in the context of municipal government, involves foreseeing the various physical and economic development needs of a community and then providing for those needs through the preparation of various plans and ordinances, which may be considered for approval by elected and appointed officials.

In Royal Oak, this traditional role has been supplemented by the planning division's pro-active role and participation in the actual implementation of many physical and economic development plans or projects. This pro-active role has changed the nature of the division from a more passive one, concerned primarily with the preparation of plans, to one actively involved in every aspect of the city's physical and economic development.

A planning commission for the City of Royal Oak has been created and organized under the provisions of the Michigan Planning Enabling Act (PA No. 33 of 2008, as amended), and has the powers and duties therein specified. The planning commission

meets monthly and is responsible for adopting and updating the city's master plan, reviewing, and recommending changes to the zoning ordinance (including the rezoning of property), granting special land use permits, reviewing appeals to the city's sign ordinance, and reviewing site plans for all development except one-family and two-family dwellings. Interested parties are advised that the planning commission requires submission of applications a minimum of six weeks prior to the meeting at which they are to be considered. This is to allow for the publication of public hearing notices required by state law and to provide ample time for staff to review applications and prepare written reports and recommendations for the planning commission.

All site plan applications are reviewed by a planner, as well as representatives from the building inspection, fire, engineering, and police departments. The petitioner is invited to make changes to the site plan based upon staff comments. Following any such changes, the site plan, along with written recommendations, are provided to the planning commission for formal review.

Special land use applications are reviewed by a planner and a written report is submitted to the planning commission describing the proposed use and how it may meet the requirements for granting a special land use permit in the city's zoning ordinance and state law. Applications for a special land use permit require a public hearing with notification published in a local newspaper and mailed to property owners within 300 feet of the site.

Applications for rezoning property are reviewed by a planner and a report is submitted to the planning commission describing the requested zoning district, how it may meet the requirements for a rezoning in the city's zoning ordinance and state law, and whether it is consistent with the future land use map of the city's master plan.

Proposed text amendments to the city's zoning ordinance are typically prepared by staff in response to changes in state law, generally accepted planning, and zoning principles, or by the specific direction of the planning commission, city commission, or city attorney. For each proposed amendment, staff prepares draft language for review by the planning commission, whose recommendation is then forwarded to the city commission. Rezoning and text amendments require a public hearing and public notification as previously noted.

A zoning board of appeals has been created and organized under the Michigan Zoning Enabling Act (PA 110 of 2006, as amended) and is charged with hearing requests for variances and interpretations to specific zoning ordinance provisions. It meets monthly and all appeals require a public hearing and public notification as previously noted. Staff prepares a written report of findings on all appeals detailing the city's zoning ordinance standards for which variances are being sought and how the request may meet required standards for granting a variance in the zoning ordinance and state law. Considerable staff time is spent to ensure that all information is accurate, and the appellant's intent is clear.

In addition to serving the above referenced duties, the planning division spends a great deal of time assisting both residents and businesses on questions regarding land use, zoning, and economic development. Many if not most of these inquiries and contacts do not result in items which appear on an agenda but permit citizens and business

owners to better understand city ordinances and policies.

The planning division also reviews plans submitted to the building inspection department for construction permits to ensure they comply with approved site plans. For major projects, this review can take as much time to complete as the original site plan review. If such building plans are found to comply with an approved site plan, then the division marks them as "approved" and returns them to the applicant or the building inspection department. If they are not, the petitioner is advised what is needed to bring the plans into compliance. No additional application or fee is required by the planning division to complete this type of review.

Other tasks or issues involve a great deal of planning division staff time, such as new and renewed sidewalk café applications, license agreements for occupying a right-of-way and a variety of other purposes, right-of-way vacations, land divisions, liquor license requests, downtown bicycle racks, staff traffic committee meetings, zoning compliance inquiries, processing and reviewing brownfield redevelopment plans, etc.

Other Related Areas

See the budgets for the downtown development authority (DDA) operating fund, DDA (TIF) development fund, the community block grant fund, the housing assistance program, the Brownfield redevelopment authority (BRA) fund, engineering, and ordinance/state construction code.

GOALS

1. Provide professional / technical reviews and assistance on all phases of planning and zoning responsibilities for businesses and residents.

OBJECTIVES

- Research and propose changes to city code to help address housing gaps. ^{GOAL11}

GOALS

OBJECTIVES

2. Provide technical support and expertise to the planning commission and zoning board of appeals, as well as the city commission.
3. Develop and propose policies which facilitate consistency with the city's master plan, as well as compatibility and harmony between land uses in the city, mitigating any potential adverse effects.
4. Assist businesses and homeowners to the greatest extent possible with new business proposals or expansions, building or home additions, etc., by directing them to the proper review body or application procedure.
5. When necessary, provide recommendations on whether the proposed activity is consistent with the zoning ordinance, master plan, other city ordinances and policies, and state law, and what, if any, contingencies of approval should be adopted.
6. Work with the city attorney and others to prepare such needed amendments to the zoning ordinance, zoning map, and master plan, and report on them to the planning commission and other necessary advisory boards and commissions.
7. Assist petitioners with their applications to the greatest extent possible without actually preparing the information and documents they need to provide.
8. Infrastructure – to sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.
9. Operations – to perform all city operations as efficiently and effectively as possible.

GOALS

OBJECTIVES

- 10. Communication – to proactively promote meaningful, open, and respectful dialogue that ensures effective decision making.
- 11. Economic / Tax Base – encourage and support diverse investment to maximize property values and facilitate employment opportunities and desirable housing.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing relative to the fiscal year 2020-21 original budget due to the potential for employees (who are not at the top of their pay range) to receive merit wage increases, and the city having higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22.

Advertising & legal notices are decreasing \$10,000 relative to the fiscal year 2020-21 estimated year-end due to the anticipation that the number and cost of advertising and legal notices will decrease assuming remote meetings are discontinued within fiscal year 2021-22.

Contracted workers services are budgeted to increase by \$300,000 to perform a master plan update.

Budget Summary Expenditures

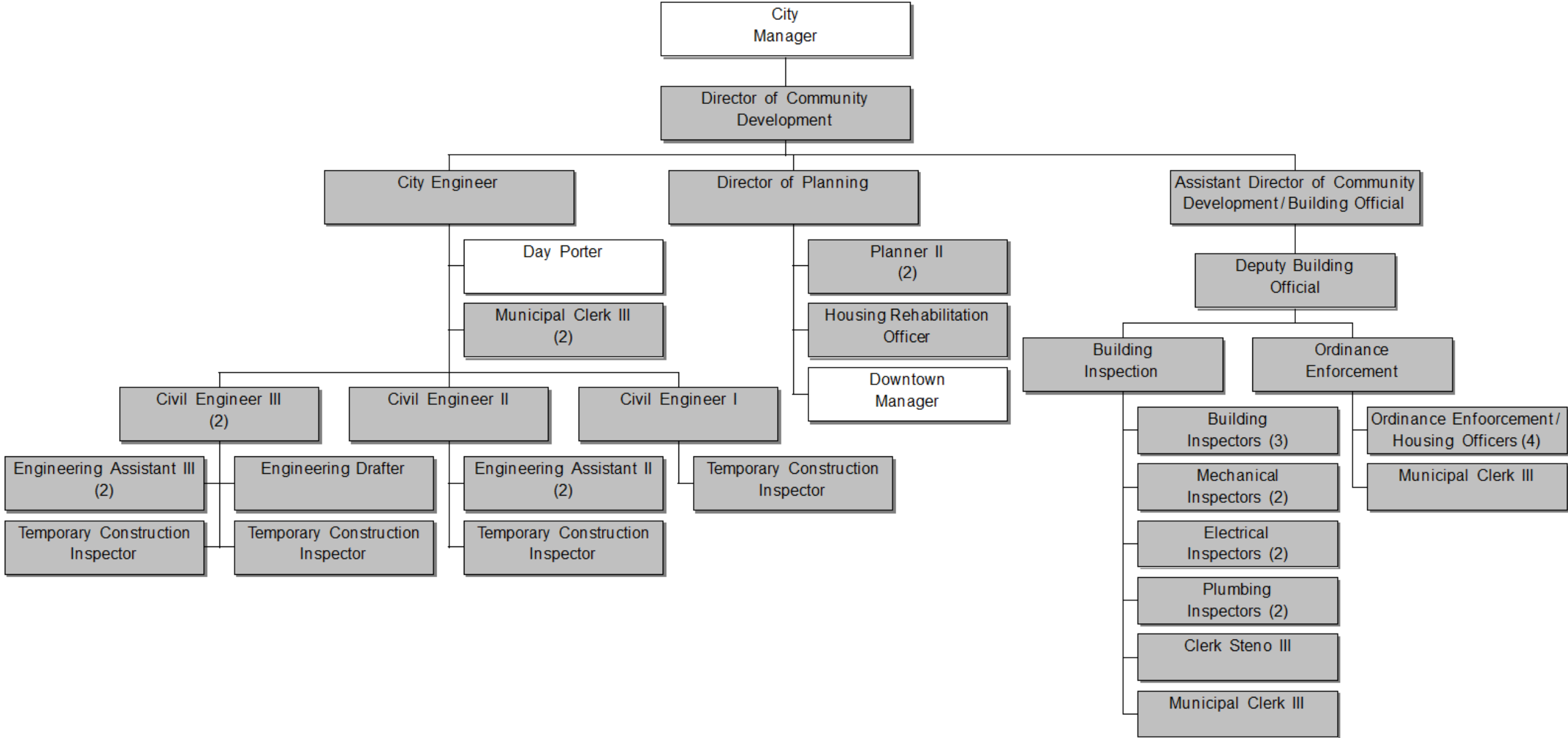
| 101.400 PLANNING & ZONING | Personnel Services | Supplies | Capital | Other | Debt | Total |
|------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 200,380 | 850 | 0 | 14,210 | 0 | 215,440 |
| 2018-2019 Actual | 224,720 | 1,680 | 0 | 14,100 | 0 | 240,500 |
| 2019-2020 Actual | 301,820 | 1,090 | 0 | 10,020 | 0 | 312,930 |
| 2020-2021 Original Budget | 257,610 | 1,500 | 0 | 13,880 | 0 | 272,990 |
| 2020-2021 Adjusted Budget (Dec) | 257,610 | 1,500 | 0 | 13,880 | 0 | 272,990 |
| 2020-2021 Six Month Actual | 164,810 | 550 | 0 | 18,920 | 0 | 184,280 |
| 2020-2021 Estimated Year End | 294,630 | 1,000 | 0 | 30,500 | 0 | 326,130 |
| 2021-2022 Dept Request | 339,690 | 1,500 | 0 | 317,100 | 0 | 658,290 |
| 2021-2022 Manager's Budget | 339,690 | 1,500 | 0 | 317,100 | 0 | 658,290 |
| 2021-2022 Adopted Budget | 339,690 | 1,500 | 0 | 317,100 | 0 | 658,290 |
| 2022-2023 Projected Budget | 352,570 | 1,500 | 0 | 317,100 | 0 | 671,170 |
| 2023-2024 Projected Budget | 365,940 | 1,500 | 0 | 317,100 | 0 | 684,540 |
| 2024-2025 Projected Budget | 379,840 | 1,500 | 0 | 317,100 | 0 | 698,440 |
| 2025-2026 Projected Budget | 394,290 | 1,500 | 0 | 317,100 | 0 | 712,890 |

Cost Center Position Detail - Home Base Full & Part-Time Employees

| Community Development | | Fiscal Year | | | | | | | | |
|--------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| Full-Time Positions | | | | | | | | | | |
| Community Development Director | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Director of Planning | | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Planner III | | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 2.0 | 2.0 | 0.0 | 0.0 |
| Planner II | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 2.0 | 2.0 |
| Community Development Liaison | | 0.0 | 0.0 | 0.5 | 0.5 | 0.5 | 0.0 | 0.0 | 0.0 | 0.0 |
| CS III - Planning | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Full-time total | | 3.0 | 3.0 | 3.5 | 3.5 | 3.5 | 4.0 | 4.0 | 4.0 | 4.0 |

Note: Planning division staff costs are allocated to numerous other funds outside the general fund.

Department Organization Chart



The mission of animal protection services is to capture dangerous, rabid, and stray animals humanely and safely transport them to the animal shelter for safe keeping.

Animal protection services are supervised by the police department in the general fund. The city contracts with our neighbor for the shared services of the City of Berkley animal control officer and truck.

That officer captures dangerous or rabid animals for observation and/or treatment. They also pick up stray dogs and cats and transport them to the Royal Oak Animal Shelter for feeding and care (see fund 297).

The officer also picks dead animals from major streets with speeds over 35 mph. Residents and businesses are asked to pick up all other dead animals.

GOALS

1. To provide prompt animal control services as to keep the community safe from incidents.
-

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Animal control services are budgeted to increase \$1,420 due to a potential contract increase with the city of Berkley.

Budget Summary Expenditures

| 101.430 ANIMAL PROTECTION SERVICES | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-------------------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 42,920 | 0 | 42,920 |
| 2018-2019 Actual | 0 | 0 | 0 | 46,330 | 0 | 46,330 |
| 2019-2020 Actual | 0 | 0 | 0 | 47,490 | 0 | 47,490 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 49,950 | 0 | 49,950 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 49,950 | 0 | 49,950 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 20,370 | 0 | 20,370 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 49,950 | 0 | 49,950 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 51,370 | 0 | 51,370 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 51,370 | 0 | 51,370 |
| 2021-2022 Adopted Budget | 0 | 0 | 0 | 51,370 | 0 | 51,370 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 52,910 | 0 | 52,910 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 54,500 | 0 | 54,500 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 56,140 | 0 | 56,140 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 57,820 | 0 | 57,820 |

Cost Center Position Detail - Home Base Part-Time Employees

| Animal Protection Services | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Part-time total | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |

The mission of the electrical division of the department of public service is to provide effective electrical service to the city hall.

The electrical cost center is under the director of public services and records the electrician's personnel costs when servicing

the city hall, his certification, and tool costs. His other personnel time, cost, and electric materials and supplies are charged directly to the requesting department when used elsewhere.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Overtime wages are increasing \$4,500, relative to the fiscal year 2020-21 original budget to better reflect actual activity charged to this cost center. Tools and hardware are increasing \$4,500, relative to the fiscal year 2020-21 original budget, to purchase a portable generator to have on reserve. Motor pool rental charges are increasing \$5,200, relative to fiscal year 2020-21 estimated year-end budget, due to the temporary suspension of the city's catch-up depreciation plan during fiscal year 2020-21.

Budget Summary Expenditures

| 101.443 ELECTRICAL | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-----------------------|----------|---------|--------|------|---------|
| 2017-2018 Actual | 34,410 | 7,350 | 0 | 20,600 | 0 | 62,360 |
| 2018-2019 Actual | 38,170 | 9,690 | 0 | 18,920 | 0 | 66,780 |
| 2019-2020 Actual | 41,730 | 27,980 | 0 | 50,210 | 0 | 119,920 |
| 2020-2021 Original Budget | 39,090 | 14,460 | 0 | 43,370 | 0 | 96,920 |
| 2020-2021 Adjusted Budget (Dec) | 39,090 | 14,460 | 0 | 43,370 | 0 | 96,920 |
| 2020-2021 Six Month Actual | 21,350 | 7,500 | 0 | 21,690 | 0 | 50,540 |
| 2020-2021 Estimated Year End | 45,600 | 16,240 | 0 | 43,370 | 0 | 105,210 |
| 2021-2022 Dept Request | 45,860 | 18,960 | 0 | 49,570 | 0 | 114,390 |
| 2021-2022 Manager's Budget | 45,860 | 18,960 | 0 | 49,570 | 0 | 114,390 |
| 2021-2022 Adopted Budget | 45,860 | 18,960 | 0 | 49,570 | 0 | 114,390 |
| 2022-2023 Projected Budget | 47,120 | 18,960 | 0 | 50,540 | 0 | 116,620 |
| 2023-2024 Projected Budget | 48,420 | 18,960 | 0 | 51,530 | 0 | 118,910 |
| 2024-2025 Projected Budget | 49,760 | 18,960 | 0 | 52,540 | 0 | 121,260 |
| 2025-2026 Projected Budget | 51,160 | 18,960 | 0 | 53,570 | 0 | 123,690 |

Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Electrical | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Electrician I | | 0.0 | 0.0 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Full-time total | | 0.0 | 0.0 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | | 0.0 | 0.0 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |

The mission of the engineering division is to develop and implement master plans and programs and to service and inspect public improvement in the city.

The Royal Oak engineering division is committed to providing sound, efficient and proactive engineering practices, and techniques to install and improve the city's transportation, pedestrian, water, sewer, and green infrastructure assets. Working closely with Royal Oak's other departments; the engineering staff strives to partner the needs of the various departments with those of our residents and property owners for overall commitment to a high quality of life that can be attributed to our community's infrastructure.

The division's fiscal year 2021-22 budget targets the management of available resources to meet departmental goals and responsibilities. Current budget resources are comprised primarily of dedicated non-general funding sources and fees. The engineers, engineering assistants, drafting and clerical staff recognize their responsibility to the community they serve. The division employees are dedicated to efficiently managing its infrastructure projects as well as community development requirements by assisting developers, contractors, residents, and other city personnel, which results in timely and accurate resolutions of construction and development requirements. The Royal Oak

engineering division reaffirms its commitment and looks forward to serving the Royal Oak community.

The engineering cost center in the general fund covers the costs of communicating with the public and city staff, training, and administration, and performing community development duties for plan review and permits. It also covers oversight of city hall and new city buildings. The engineering division contributes fees from permits and plan reviews to the general fund to cover this cost center. The engineering staff charges the majority of their time to numerous budgets. Those charges can be direct or through capital projects, mostly affecting other funds such as the major street, local street, and the water and sewer funds.

For city infrastructure projects, engineering provides or contracts for the evaluation, planning and design skills to handle our many systems. Those systems include alleys, streets, on- and off-street parking including lots and decks, streetscapes, sidewalks, bike facilities, traffic evaluations, signs and signals, city buildings and parks, and water and sewer mains.

The engineering division also oversees the traffic committee which actively reviews traffic and pedestrian safety, as well as parking issues and recommends and implements approved actions.

GOALS

1. Effectively and efficiently review plans for consideration of public and private improvements and oversee construction.

OBJECTIVES

- Obtain federal and/or funding opportunities to help fund local road, major road, pedestrian, and stormwater improvements. ^{GOAL1}
- Improve PASER ratings on city-owned roads. ^{GOAL6}

GOALS

2. Provide useful information to developers, builders, consulting engineers, utility companies and residents regarding city utilities by maintaining and updating the city website for engineering involvement in community development.
3. Perform all city operations as efficiently and effectively as possible.
4. Infrastructure – to sustain, replace and enhance Royal Oak’s infrastructure to promote efficient delivery of beneficial services.
5. Community – to preserve and enhance neighborhoods by improving city infrastructure and effectively communicating with residents.
6. Public safety – to protect all persons and property in Royal Oak by providing the highest quality public infrastructure possible in the most efficient manner.

OBJECTIVES

- Install new traffic signals and optimize signal timing to reduce congestion and mitigate air quality issues. ^{GOAL4,5,6}
- Continuously work to improve the city’s walkable network with a sidewalk improvement program. ^{GOAL4,5,6}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing relative to the fiscal year 2020-21 original budget to allow for newer employees (who are not at the top of their pay range) potentially receiving merit wage increases, and due to having a higher allocation of engineering staff time to better reflect actual activity charged to this cost center over the past two years. Additionally, higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22 have increased the personnel cost budget relative to fiscal year 2020-21.

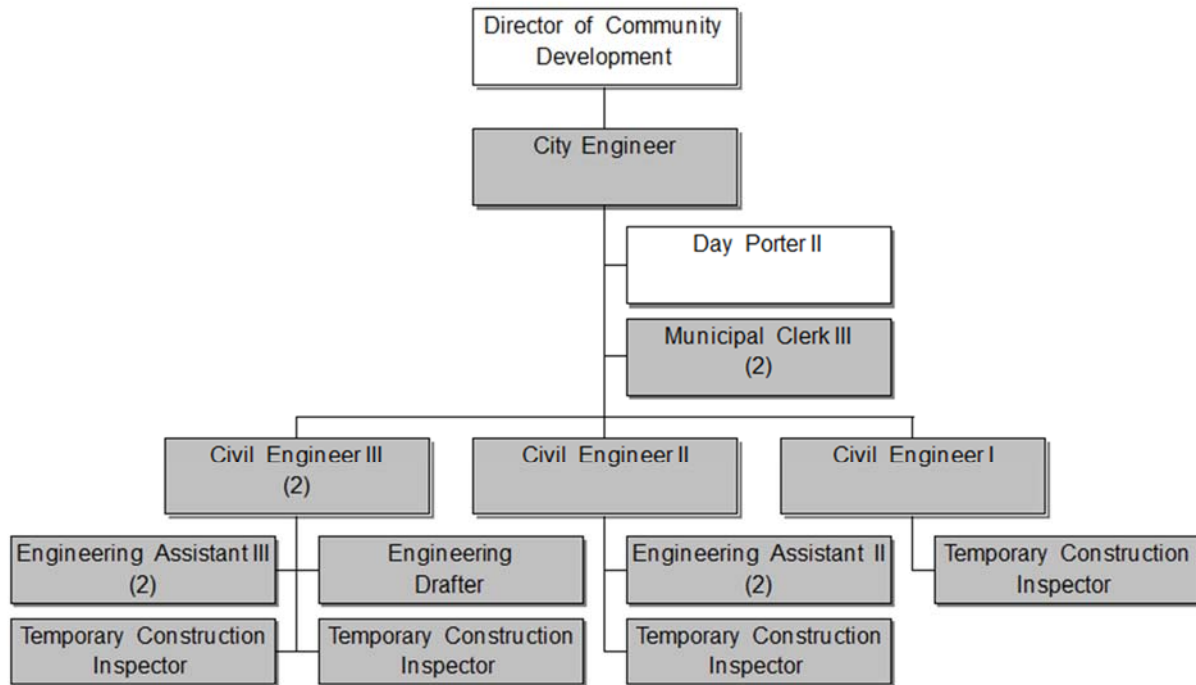
For fiscal year 2021-22, the budget for non-capital office equipment and furniture is decreasing \$2,000 relative to the fiscal year 2020-21 original budget due to moving to the new city hall in fiscal year 2020-21. \$1,900 has been budgeted in safety clothing and gear to purchase shoes and hard hats, \$660 in uniforms for coats, and \$500 has been budgeted in tools and hardware to purchase specialty tools for field inspectors as needed.

Training and education costs are budgeted at \$900 to allow for continuing education credits for three staff engineers, which is a \$300 increase over fiscal year 2020-21 projected year-end due to training that was cancelled or postponed as a result of the pandemic.

Budget Summary Expenditures

| 101.447 ENGINEERING | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 431,700 | 1,300 | 0 | 7,200 | 0 | 440,200 |
| 2018-2019 Actual | 479,160 | 1,640 | 0 | 7,700 | 0 | 488,500 |
| 2019-2020 Actual | 636,590 | 1,400 | 0 | 11,660 | 0 | 649,650 |
| 2020-2021 Original Budget | 499,630 | 7,800 | 0 | 8,150 | 0 | 515,580 |
| 2020-2021 Adjusted Budget (Dec) | 499,630 | 7,800 | 0 | 8,150 | 0 | 515,580 |
| 2020-2021 Six Month Actual | 250,730 | 3,540 | 0 | 2,670 | 0 | 256,940 |
| 2020-2021 Estimated Year End | 525,890 | 6,900 | 0 | 7,780 | 0 | 540,570 |
| 2021-2022 Dept Request | 536,050 | 4,760 | 0 | 7,780 | 0 | 548,590 |
| 2021-2022 Manager's Budget | 536,050 | 4,760 | 0 | 7,780 | 0 | 548,590 |
| 2021-2022 Adopted Budget | 536,050 | 4,760 | 0 | 7,780 | 0 | 548,590 |
| 2022-2023 Projected Budget | 554,870 | 4,760 | 0 | 7,880 | 0 | 567,510 |
| 2023-2024 Projected Budget | 574,400 | 4,760 | 0 | 7,980 | 0 | 587,140 |
| 2024-2025 Projected Budget | 594,660 | 4,760 | 0 | 8,080 | 0 | 607,500 |
| 2025-2026 Projected Budget | 615,700 | 4,760 | 0 | 8,190 | 0 | 628,650 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Engineering | Fiscal Year | | | | | | | | |
|-----------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| Full-Time Positions | | | | | | | | | |
| City Engineer | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Civil Engineer IV | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 |
| Civil Engineer III | 1.0 | 2.0 | 2.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 |
| Civil Engineer II | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 2.0 | 1.0 | 1.0 | 1.0 |
| Civil Engineer I | 1.0 | 0.0 | 2.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Engineering Assistant IV | 1.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 | 0.0 | 0.0 |
| Engineering Assistant III | 1.0 | 0.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Engineering Assistant II | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2.0 | 2.0 | 2.0 |
| Engineering Drafter | 2.0 | 2.0 | 2.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| CS III - Engineering | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Engineering - MC III | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | 2.0 |
| Full-time total | 9.0 | 8.0 | 13.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 |
| Part-Time Positions (FTEs) | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | 9.0 | 8.0 | 13.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 |

The mission of the street lighting cost center of the department of public service is to provide street lighting that is safe, effective, and economical and that attracts residents, business, and visitors to the City of Royal Oak.

The city pays Detroit Edison electrical charges for our street lighting. The DDA pays for street lighting electricity in the downtown, this budget pays for the balance. Electricity normally makes up over 95% of operating costs in this budget.

Detroit Edison owns certain streetlight poles and fixtures throughout Royal Oak; the city owns the majority. At this time, nothing is scheduled to replace the city's portion of the system.

When individual light poles and fixtures are damaged and destroyed, repair or replacement costs are charged to this cost center.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing, relative to fiscal year 2020-21 original budget, due to a slightly higher allocation of the city's electrician to this cost center due to continued LED retrofitting on city streetlights and due to an increase in accident-related repairs which led to a higher estimated year-end in fiscal year 2020-21. The budget for electricity costs was amended during 2020-21 due to the addition of city-owned light posts and to reflect an increase in rates that occurred in 2019-20 (after development of the fiscal year 2020-21 original budget).

Budget Summary Expenditures

| 101.448 STREET LIGHTING | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-----------------------|----------|---------|-----------|------|-----------|
| 2017-2018 Actual | 11,070 | 310 | 0 | 873,050 | 0 | 884,430 |
| 2018-2019 Actual | 15,690 | 16,520 | 0 | 823,710 | 0 | 855,920 |
| 2019-2020 Actual | 18,240 | 16,260 | 0 | 1,029,280 | 0 | 1,063,780 |
| 2020-2021 Original Budget | 16,900 | 20,000 | 0 | 853,000 | 0 | 889,900 |
| 2020-2021 Adjusted Budget (Dec) | 16,900 | 20,000 | 0 | 853,000 | 0 | 889,900 |
| 2020-2021 Six Month Actual | 10,690 | 2,170 | 0 | 502,900 | 0 | 515,760 |
| 2020-2021 Estimated Year End | 24,670 | 20,000 | 0 | 1,073,000 | 0 | 1,117,670 |
| 2021-2022 Dept Request | 21,060 | 20,000 | 0 | 1,073,000 | 0 | 1,114,060 |
| 2021-2022 Manager's Budget | 21,060 | 20,000 | 0 | 1,073,000 | 0 | 1,114,060 |
| 2021-2022 Adopted Budget | 21,060 | 20,000 | 0 | 1,073,000 | 0 | 1,114,060 |
| 2022-2023 Projected Budget | 21,430 | 20,000 | 0 | 1,094,280 | 0 | 1,135,710 |
| 2023-2024 Projected Budget | 21,820 | 20,000 | 0 | 1,115,990 | 0 | 1,157,810 |
| 2024-2025 Projected Budget | 22,230 | 20,000 | 0 | 1,138,130 | 0 | 1,180,360 |
| 2025-2026 Projected Budget | 22,640 | 20,000 | 0 | 1,160,710 | 0 | 1,203,350 |

Cost Center Position Detail - Home Base

Part-Time Employees

| Street Lighting | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Part-time total | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |

The chief role of the office of economic development is to position Royal Oak as a destination for new business opportunities, while providing strategic guidance and resources to existing businesses to facilitate growth and expansion.

This department seeks to remain independent of regulatory processes and is focused on business growth, retention, and recruitment. It works in concert with community development to shepherd new business proposals and expansions while coordinating with the city attorney to draft and review all contracts and development agreements related to the same. This office cultivates and maintains proactive relationships with private and non-profit business development partners, academic institutions, and regional economic development entities.

As Royal Oak undergoes a transformation of its downtown, fueled, in part, by a substantial

increase in its office base, this department remains involved in supporting the current proposed developments underway while marketing new business opportunities on both public and privately held sites with the national business and development communities. Continuing the city's relationships with organizations focused upon business and real estate development is critical to providing access to these networks.

The city's investment in economic development has reinforced to the business, real estate, and retail communities Royal Oak's commitment to attracting new business opportunities and fostering programs and initiatives designed to encourage growth for those who already call this city their home.

This office serves as the lead point of contact on special Royal Oak development projects, including the Royal Oak Civic Center project.

GOALS

1. Encourage and support diverse investment to maximize property values and facilitate employment opportunities.
2. Represent Royal Oak as a vibrant business destination locally and nationally.
3. Assist businesses with new proposals or expansions by guiding them through the entitlement process.
4. When necessary, provide recommendations to the city commission and other bodies on matters of economic development policy designed to facilitate new or maintain current investments within Royal Oak.

OBJECTIVES

- Facilitate and provide financial assistance and resources to companies impacted by the economic crisis resulting from the Covid-19 pandemic. ^{GOAL1, 4, 6, 10}
- Pursue the development of new commercial establishments throughout the city. ^{GOAL1, 3, 11,}
- Complete and close out the Royal Oak Civic Center project. ^{GOAL9}
- Utilize all available methods of communication to inform the public about the status of high-impact projects. ^{GOAL10}
- Pursue housing developments that meet gaps identified in the target market analysis. ^{GOAL11}

GOALS

5. Serve as Royal Oak's primary representative to the economic development departments of the State of Michigan, Oakland County, local municipalities, etc.
6. Maintain a list of resources available at all levels for businesses to grow and expand.
7. Promote Royal Oak by hosting multiple economic development events throughout the year and/or sponsoring such events.
8. Maintain contact with business community through retention visits.
9. Infrastructure – to sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.
10. Communication – to proactively promote meaningful, open dialogue that ensures effective decision making.
11. Economic / tax base – encourage and support diverse investment to maximize property values and facilitate employment opportunities and desirable housing.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are decreasing relative to the fiscal year 2020-21 original budget due to changing the Economic Development Manager position to an Economic Development Specialist.

Training & education and travel costs are increasing, \$1,000 and \$7,000 respectively, relative to the fiscal year 2020-21 estimated year-end as both were reduced in fiscal year 2020-21 due to the COVID-19 pandemic.

Budget Summary Expenditures

| 101.728 ECONOMIC DEVELOPMENT | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 121,860 | 0 | 0 | 20,780 | 0 | 142,640 |
| 2018-2019 Actual | 129,850 | 0 | 0 | 15,180 | 0 | 145,030 |
| 2019-2020 Actual | 133,500 | 0 | 0 | 21,760 | 0 | 155,260 |
| 2020-2021 Original Budget | 134,510 | 0 | 0 | 38,460 | 0 | 172,970 |
| 2020-2021 Adjusted Budget (Dec) | 134,510 | 0 | 0 | 38,460 | 0 | 172,970 |
| 2020-2021 Six Month Actual | 64,500 | 0 | 0 | 12,370 | 0 | 76,870 |
| 2020-2021 Estimated Year End | 134,400 | 0 | 0 | 30,430 | 0 | 164,830 |
| 2021-2022 Dept Request | 82,410 | 0 | 0 | 38,460 | 0 | 120,870 |
| 2021-2022 Manager's Budget | 82,410 | 0 | 0 | 38,460 | 0 | 120,870 |
| 2021-2022 Adopted Budget | 82,410 | 0 | 0 | 38,460 | 0 | 120,870 |
| 2022-2023 Projected Budget | 86,240 | 0 | 0 | 38,460 | 0 | 124,700 |
| 2023-2024 Projected Budget | 90,340 | 0 | 0 | 38,460 | 0 | 128,800 |
| 2024-2025 Projected Budget | 94,790 | 0 | 0 | 38,460 | 0 | 133,250 |
| 2025-2026 Projected Budget | 99,780 | 0 | 0 | 38,460 | 0 | 138,240 |

Cost Center Position Detail - Home Base Full-Time Employees

| Economic Development | Fiscal Year | | | | | | | | |
|-----------------------------------|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | |
| Economic Development Specialist | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Economic Development Manager | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 |
| Full-time total | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |

The role of the community engagement division is to proactively promote meaningful, open, and respectful dialogue that ensures effective decision making and fosters the city's image as a safe and vibrant place to live, work and play.

The guiding principles of community engagement are to be clear and direct, proactive, transparent and to recognize that communication is two-way. When the city engages and receives feedback from its residents it builds trust and credibility.

The city recognizes the need to have a variety of tools to present clear and helpful information to Royal Oak residents and visitors. As such, the community engagement division manages multiple communication assets to increase citizen awareness, including website content, city-wide email blasts, social media, public relations, direct mail, Insight magazine and more.

GOALS

1. Provide proactive, factual communication on all city projects.
2. Increase opportunity for people to engage through official city communications.
3. Engage residents more effectively in city decision-making.

OBJECTIVES

- Develop “low-tech” communication plan and execute on this plan.^{GOAL1}
- Schedule consistent “Q & A” webinars regarding city projects and department services.^{GOAL1}
- Continue to develop the city app or other mobile device communication tools to increase its effectiveness.^{GOAL2}
- Proactively develop clear and simple communications from the city, ensure that the community engagement specialist is in a position to understand and explain policies to the public.^{GOAL2}
- Regularly create a summary of top public issues that can be disseminated to city staff, city commissioners and boards and committees to better educate and inform the public.^{GOAL2}
- Increase promotion of the city’s website, get the uniform resource locator (URL) out in the public and on social media.^{GOAL3}
- Establish a citizen’s academy program along the lines of the citizens police academy to help individuals understand how the city does its business.^{GOAL3}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Fiscal year 2021-22 expenditures include \$40,000 for a public relations firm for advertising for various events and \$15,000 for the city's centennial celebration event.

Budget Summary Expenditures

| 101.747 COMMUNITY ENGAGEMENT | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 89,300 | 0 | 0 | 23,780 | 0 | 113,080 |
| 2018-2019 Actual | 83,770 | 0 | 0 | 8,770 | 0 | 92,540 |
| 2019-2020 Actual | 90,930 | 0 | 0 | 7,590 | 0 | 98,520 |
| 2020-2021 Original Budget | 90,590 | 0 | 0 | 60,710 | 0 | 151,300 |
| 2020-2021 Adjusted Budget (Dec) | 90,590 | 0 | 0 | 60,710 | 0 | 151,300 |
| 2020-2021 Six Month Actual | 43,370 | 0 | 0 | 0 | 0 | 43,370 |
| 2020-2021 Estimated Year End | 90,640 | 0 | 0 | 22,710 | 0 | 113,350 |
| 2021-2022 Dept Request | 91,820 | 0 | 0 | 55,710 | 0 | 147,530 |
| 2021-2022 Manager's Budget | 91,820 | 0 | 0 | 55,710 | 0 | 147,530 |
| 2021-2022 Adopted Budget | 91,820 | 0 | 0 | 55,710 | 0 | 147,530 |
| 2022-2023 Projected Budget | 94,450 | 0 | 0 | 40,710 | 0 | 135,160 |
| 2023-2024 Projected Budget | 97,160 | 0 | 0 | 40,710 | 0 | 137,870 |
| 2024-2025 Projected Budget | 99,950 | 0 | 0 | 40,710 | 0 | 140,660 |
| 2025-2026 Projected Budget | 102,820 | 0 | 0 | 40,710 | 0 | 143,530 |

Cost Center Position Detail - Home Base

Full-Time Employees

| Community Engagement | | Fiscal Year | | | | | | | | |
|---------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Community Engagement Specialist | | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Full-time total | | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |

The mission of the cable communications department is to provide the residents of Royal Oak a clear view of the city's commission, main committees, and departments, to enhance transparency and to increase residents' understanding of their government's processes, goals, objectives, and accomplishments.

WROK is the City of Royal Oak's government access channel. WROK is available to subscribers of W.O.W. on channel 10. AT&T and Comcast subscribers can access the real time live stream of WROK programming that is available on the city website. WROK is also available on ROKU via the TelVue PEG-TV app. By law, cable TV providers must provide public, government and educational access channels on their systems. To support this, each company pays a franchise fee to the city.

Residents can watch live coverage of the city commission, planning commission, ZBA, DDA and Brownfield redevelopment authority meetings as well as summer concerts and assorted short programs. In addition to the many live programs that WROK produces throughout the year, they also provide taped coverage of the many special events and meetings that dot the Royal Oak calendar.

WROK programming can be seen 7 days a week. Programming runs 10:00 a.m. – 2:00 p.m., 4:00 p.m. – 8:00 p.m. and meetings are re-run at midnight. For the night owls, WROK also offers expanded playback on weekends starting at midnight. The programming runs on an automated video server. We do anticipate being able to offer high-definition cable casts in the near future.

In between program hours, residents can view our electronic bulletin board. It features our program schedule and provides information regarding a wide variety of city news and events.

The video needs of many city departments are supplied regularly by WROK, with special projects on request. The city clerk's office and the community development department rely on copies of each meeting that WROK produces for their record keeping. WROK also provides video support for Royal Oak's many safe community projects.

WROK and the City of Royal Oak do not regulate the cable companies that serve Royal Oak. That job is handled by the Michigan Public Service Commission in Lansing. You may contact the MPSC at www.michigan.gov/mpsc.

To pay for WROK activities, the City of Royal Oak receives a franchise fee from the cable companies.

WROK, working under the information technology department, has a contract staff of one full-time cable coordinator and part-time production assistants. WROK also relies heavily on a crew of volunteers to fill assorted positions during productions. The staff of WROK are employees of cable access management, not employees of the City of Royal Oak. CAMCO pays all employee related expenses out of the contractual management fee in the cable TV budget.

GOALS**OBJECTIVES**

1. Communication - provide 30 hours of programming weekly, showing key board and committee meetings and special events at three time slots: 7:00 a.m. – 2:00 p.m.; 4:00 p.m. – 8:00 p.m.; and midnight to 2:00 a.m.
2. Community - use electronic media to inform the community of city services and promote community dialog.
3. Community - promote recreational and cultural activities for all ages.
4. Infrastructure - to sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.
5. Public safety - to protect all persons and property in Royal Oak by providing the highest quality public services possible in the most efficient manner.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Years 2021-22:

Office equipment and repair and maintenance costs include maintenance agreements for the city's web streaming appliances, video on-demand service and playback system. This budget includes \$7,500 for the live stream and video on demand service which includes additional storage, \$2,000 for the playback system maintenance agreement, and \$20,000 as a repair contingency for equipment. Dues and memberships are increasing \$5,000 relative to the fiscal year 2020-2021 original budget due to the increase for the Intergovernmental Cable Communications Authority (ICCA) annual membership fee.

Motor pool rental charges are increasing \$37,350 relative to the fiscal year 2020-21 approved budget due increased depreciation for the new vehicle relative to the resumption of the city's catch-up depreciation plan during fiscal year 2021-22.

Budget Summary Expenditures

| 101.834 CABLE COMMUNICATIONS | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 28,560 | 93,350 | 0 | 121,910 |
| 2018-2019 Actual | 0 | 0 | 0 | 110,840 | 0 | 110,840 |
| 2019-2020 Actual | 0 | 1,990 | 0 | 107,840 | 0 | 109,830 |
| 2020-2021 Original Budget | 0 | 11,000 | 0 | 116,730 | 0 | 127,730 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 11,000 | 0 | 116,730 | 0 | 127,730 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 34,280 | 0 | 34,280 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 94,120 | 0 | 94,120 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 159,080 | 0 | 159,080 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 159,080 | 0 | 159,080 |
| 2021-2022 Adopted Budget | 0 | 0 | 0 | 159,080 | 0 | 159,080 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 160,720 | 0 | 160,720 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 162,380 | 0 | 162,380 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 164,070 | 0 | 164,070 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 165,790 | 0 | 165,790 |

The mission of the community promotion cost center is to provide support to non-governmental organizations focused on serving our residents whose missions further the goals and objectives of the City of Royal Oak.

There is a very small amount of personnel costs allocated here in addition to some overtime. This cost center also records payment to eligible organizations.

As an example, the city commission assisted various not-for-profit groups (which benefit the city) who serve disadvantaged persons in the city.

City contributions are on a year-to-year, case-to-case basis, depending on availability of funds.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Overtime is increasing by \$14,000 relative to fiscal year 2020-21 estimated year-end due to lack of events due to the COVID-19 pandemic.

\$5,000 is budgeted for Memorial Day Parade contribution. \$30,000 is budgeted for Customer Centric Culture team program activities and coffee / tea expenses. Royal Oak Youth Services continues to be budgeted at \$20,000 as in prior years. \$2,000 has been budgeted for the Starr House contribution in fiscal year 2021-22.

Budget Summary Expenditures

| 101.835 COMMUNITY PROMOTION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|--------------------|----------|---------|---------|------|---------|
| 2017-2018 Actual | 24,020 | 700 | 0 | 63,120 | 0 | 87,840 |
| 2018-2019 Actual | 21,260 | 2,530 | 0 | 80,740 | 0 | 104,530 |
| 2019-2020 Actual | 11,020 | 230 | 0 | 156,660 | 0 | 167,910 |
| 2020-2021 Original Budget | 18,190 | 0 | 0 | 56,850 | 0 | 75,040 |
| 2020-2021 Adjusted Budget (Dec) | 18,190 | 0 | 0 | 56,850 | 0 | 75,040 |
| 2020-2021 Six Month Actual | 950 | 70 | 0 | 29,660 | 0 | 30,680 |
| 2020-2021 Estimated Year End | 1,310 | 100 | 0 | 67,680 | 0 | 69,090 |
| 2021-2022 Dept Request | 18,020 | 0 | 0 | 71,450 | 0 | 89,470 |
| 2021-2022 Manager's Budget | 18,020 | 0 | 0 | 71,450 | 0 | 89,470 |
| 2021-2022 Adopted Budget | 18,020 | 0 | 0 | 71,450 | 0 | 89,470 |
| 2022-2023 Projected Budget | 18,100 | 0 | 0 | 71,500 | 0 | 89,600 |
| 2023-2024 Projected Budget | 18,180 | 0 | 0 | 71,550 | 0 | 89,730 |
| 2024-2025 Projected Budget | 18,260 | 0 | 0 | 71,600 | 0 | 89,860 |
| 2025-2026 Projected Budget | 18,340 | 0 | 0 | 71,650 | 0 | 89,990 |

The mission for the Woodward Dream Cruise is to provide a safe family event for the thousands of visitors and residents of Royal Oak and to advertise the City of Royal Oak and attract people from around North America to it as a place to live and do business.

The Woodward Dream Cruise (WDC) is a “one-day” classic car event held annually on the third Saturday of August. The WDC event spans down Woodward Ave. from Pontiac through Royal Oak in Oakland County, Michigan, all the way to Eight Mile Rd.

The Woodward Dream Cruise is the world’s largest one-day automotive event, drawing up to 1.5 million people and 40,000 classic cars each year from around the globe. The Woodward Dream Cruise also welcomes vehicles of all models whose owners have either scrupulously maintained or customized their car to create a unique vehicle or statement.

The WDC was inaugurated in 1995. It is now the largest single day classic car event in the world and brings in over \$56 million annually for the Metro Detroit economy.

Each year, the celebration starts early in the week with these classic vehicles brought out onto the streets in preparation, and ancillary events are scheduled in the sponsoring communities of Ferndale, Pleasant Ridge, Royal Oak, Huntington Woods, Berkley, Bloomfield Township, Bloomfield Hills, and Pontiac.

An interdisciplinary committee of the eight communities meets, at least monthly, to coordinate the event. This involves representatives of police, fire, public service, communications, and recreation departments at a minimum.

Traffic and crowd control require regular and overtime services for up to seven days of Dream Cruise week. Woodward Ave., a state highway, is closed all day Saturday for 18 miles.

This budget records the city’s additional expenses for overtime, auxiliary staff, volunteers, events, and other cruise specific costs. Advertising revenue from sponsoring organizations offsets part of that cost.

GOALS

1. To provide a safe event.
2. To maintain facilities after the event.
3. Utilize resources to raise funds to support the event.

OBJECTIVES

- Improve online car registration. ^{GOAL2}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The 2020 Woodward Dream Cruise festival was canceled due to the COVID-19 pandemic. As a result, the city did not earn any sponsorship revenues during the year but did have some expenditures as personnel costs were incurred for police and fire/ems presence on site, minimal supplies, and for motor pool rental charges. Fiscal year 2021-22 anticipates a return of the festival and patrons and has been budgeted as it was originally for the prior fiscal year.

Budget Summary Expenditures

| 101.836 DREAM CRUISE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 27,240 | 25,740 | 0 | 13,630 | 0 | 66,610 |
| 2018-2019 Actual | 28,490 | 34,250 | 0 | 8,250 | 0 | 70,990 |
| 2019-2020 Actual | 35,990 | 26,010 | 0 | 31,950 | 0 | 93,950 |
| 2020-2021 Original Budget | 38,770 | 27,000 | 0 | 23,000 | 0 | 88,770 |
| 2020-2021 Adjusted Budget (Dec) | 5,210 | 3,000 | 0 | 2,500 | 0 | 10,710 |
| 2020-2021 Six Month Actual | 5,590 | 840 | 0 | 1,250 | 0 | 7,680 |
| 2020-2021 Estimated Year End | 7,340 | 3,000 | 0 | 2,500 | 0 | 12,840 |
| 2021-2022 Dept Request | 38,710 | 27,000 | 0 | 23,000 | 0 | 88,710 |
| 2021-2022 Manager's Budget | 38,710 | 27,000 | 0 | 23,000 | 0 | 88,710 |
| 2021-2022 Adopted Budget | 38,710 | 27,000 | 0 | 23,000 | 0 | 88,710 |
| 2022-2023 Projected Budget | 38,760 | 27,000 | 0 | 23,050 | 0 | 88,810 |
| 2023-2024 Projected Budget | 38,810 | 27,000 | 0 | 23,100 | 0 | 88,910 |
| 2024-2025 Projected Budget | 38,860 | 27,000 | 0 | 23,150 | 0 | 89,010 |
| 2025-2026 Projected Budget | 38,910 | 27,000 | 0 | 23,200 | 0 | 89,110 |

Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Dream Cruise | | Fiscal Year | | | | | | | |
|-----------------------------------|-------|-------------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Part-time total | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |

The purpose of the Arts, Beats & Eats cost center is to account for the costs related to the permit parking zone the weekend of the event. The balance of the Arts Beats & Eats fiscal activity is recorded in its own enterprise fund.

Arts, Beats & Eats is held in downtown Royal Oak over the Labor Day weekend. The event was formerly held in downtown Pontiac.

Over one-quarter of a million visitors are expected to enjoy the 150 musical acts, 150 fine artists, and nearly 50 restaurants during the event.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Due to the COVID-19 pandemic, the 2020 festival was cancelled and replaced with smaller, socially distanced events. As a result, the city received no revenues from parking and had minimal expenses incurred during fiscal year 2020-21 which were related to allocated motor pool vehicle rental charges and a small amount of personnel time.

Fiscal year 2021-22 anticipates a return of the festival and patrons and has been budgeted as it was originally for in the prior fiscal year.

Budget Summary Expenditures

| 101.837 AB&E | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-----------------------|----------|---------|--------|------|--------|
| 2017-2018 Actual | 28,280 | (170) | 0 | 12,200 | 0 | 40,310 |
| 2018-2019 Actual | 31,570 | 4,280 | 0 | 11,490 | 0 | 47,340 |
| 2019-2020 Actual | 20,790 | 8,810 | 0 | 12,060 | 0 | 41,660 |
| 2020-2021 Original Budget | 22,300 | 8,800 | 0 | 12,240 | 0 | 43,340 |
| 2020-2021 Adjusted Budget (Dec) | 22,300 | 8,800 | 0 | 12,240 | 0 | 43,340 |
| 2020-2021 Six Month Actual | 1,460 | 0 | 0 | 2,670 | 0 | 4,130 |
| 2020-2021 Estimated Year End | 3,820 | 0 | 0 | 5,340 | 0 | 9,160 |
| 2021-2022 Dept Request | 22,430 | 8,800 | 0 | 12,240 | 0 | 43,470 |
| 2021-2022 Manager's Budget | 22,430 | 8,800 | 0 | 12,240 | 0 | 43,470 |
| 2021-2022 Adopted Budget | 22,430 | 8,800 | 0 | 12,240 | 0 | 43,470 |
| 2022-2023 Projected Budget | 22,800 | 8,800 | 0 | 12,350 | 0 | 43,950 |
| 2023-2024 Projected Budget | 23,180 | 8,800 | 0 | 12,460 | 0 | 44,440 |
| 2024-2025 Projected Budget | 23,570 | 8,800 | 0 | 12,570 | 0 | 44,940 |
| 2025-2026 Projected Budget | 23,980 | 8,800 | 0 | 12,680 | 0 | 45,460 |

The purpose of the transfers out cost center is to provide a means of tracking the transfer of monies from the general fund to other city funds.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

For fiscal year 2021-22, \$22,500,000 is budgeted to be transferred to the public safety fund and \$500,000 is budgeted to be transferred to the senior citizens services fund in accordance with the public safety millage plan. Due to the higher expenses and dwindling fund balance, the transfer to the senior citizens services fund has increased by \$196,300 to \$500,000 relative to the fiscal year 2020-21 original budget. The forecast estimates that the transfer-out to the public safety fund will be as high as \$26.5 million by fiscal year 2025-26 and as high as \$575,000 to the senior citizen's fund. \$465,200 is budgeted to be transferred to the court debt fund. \$2,206,500 is budgeted for the Royal Oak Civic Center (ROCC) project debt service payment. \$20,000 is budgeted for the Arts Commission and \$2,000 for the Memorial Day Parade. \$10,000 is budgeted as a transfer to the information systems fund to purchase computerized maintenance management software for parks & forestry. \$22,670 is budgeted to be transferred to the indigent defense fund to cover compliance expenditures related to the Michigan Indigent Defense Act. \$994,000 is budgeted to transfer to the ROCC capital projects fund for the Centennial Commons Park bathroom facilities and a water feature. \$42,000 is budgeted to be transferred to the animal shelter fund.

Budget Summary Expenditures

| 101.965 TRANSFERS TO OTHER FUNDS | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 20,949,650 | 0 | 20,949,650 |
| 2018-2019 Actual | 0 | 0 | 0 | 26,057,950 | 0 | 26,057,950 |
| 2019-2020 Actual | 0 | 0 | 0 | 24,665,910 | 0 | 24,665,910 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 23,557,940 | 0 | 23,557,940 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 21,861,680 | 0 | 21,861,680 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 10,845,280 | 0 | 10,845,280 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 20,593,440 | 0 | 20,593,440 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 26,762,940 | 0 | 26,762,940 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 26,762,940 | 0 | 26,762,940 |
| 2021-2022 Adopted Budget | 0 | 0 | 0 | 26,762,370 | 0 | 26,762,370 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 26,833,170 | 0 | 26,833,170 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 27,333,170 | 0 | 27,333,170 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 28,368,170 | 0 | 28,368,170 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 29,368,170 | 0 | 29,368,170 |

Special Revenue Funds

Special revenue funds are funds that are used to record transactions in which a funding source is legally restricted for specific expenditures. The modified accrual basis of budgeting is utilized in the preparation of the *governmental* fund types. Expenditures, with the exception of debt service expenditures, compensated absences, claims and judgments, are recorded at the time the liability is incurred. Revenues are recorded when received as cash, with the exception for material or available revenues that are accrued to properly show revenues earned and/or levied taxes.

Major Streets Fund - 202

Local Streets Fund - 203

Public Safety Fund - 207

Publicity Tax Fund - 211

Solid Waste Fund - 226

Indigent Defense Fund - 260

Library Millage Fund - 271

Community Development Block
Grant Fund - 274

State Construction Code Fund –
282

ROOTS Fund – 295

Senior Citizen Services Fund –
296

Animal Shelter Fund – 297

Police Grants – 298

Miscellaneous Grants - 299

Special Revenue Funds – Component Units

Brownfield Redevelopment
Authority – 243

DDA Development Fund – 247

DDA Operation Fund - 248

The highway division of the department of public service (DPS) is responsible for routine maintenance of the city's 64.9 miles of the major street system. Routine maintenance includes joint/crack repairs,

concrete slab replacement, curb replacement, asphalt overlays/repairs, street sweeping, catch basin repair, and storm sewer/catch basin cleaning.

GOALS

1. To provide a safe and adequate major road system, preserving the quality of life in the city, which enhances the attraction and retention of residents and businesses.
2. To provide proactive planning and programming of maintenance activities to maximize the use of available resources dedicated for road maintenance activities.
3. Maintain a long-term major road improvement program that maximizes funds to extend and enhance the life of the city's major road system.

OBJECTIVES

- Increase use of hot mix asphalt (versus cold mix) during routine patching to increase repair longevity.^{GOAL3}
- Utilize proposed computerized maintenance management system (CMMS) platform to establish routing patching schedule.^{GOAL2}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Relative to the fiscal year 2020-21 estimated year-end, the personnel budget for fiscal year 2021-22 is increasing due to the potential for newer employees (who are not at the top of their pay range) to receive merit wage increases.

Motor pool rental charges, which are allocated to this cost center based upon a variable rate, are increasing \$4,350 relative to the fiscal year 2021-22 original budget due to increased depreciation charges from recently replaced vehicles and equipment during fiscal year 2020-21 as part of the city's annual vehicle replacement plan.

Budget Summary Expenditures

| 202.467 STREETS MAINTENANCE | Personnel Services | Supplies | Capital | Other | Transfer | Debt | Total |
|----------------------------------------|-------------------------------|-----------------|----------------|--------------|-----------------|-------------|--------------|
| 2017-2018 Actual | 238,240 | 96,060 | 0 | 288,690 | 0 | 0 | 622,990 |
| 2018-2019 Actual | 313,670 | 79,540 | 0 | 109,910 | 0 | 0 | 503,120 |
| 2019-2020 Actual | 402,270 | 64,230 | 0 | 124,190 | 0 | 0 | 590,690 |
| 2020-2021 Original Budget | 414,550 | 79,300 | 0 | 117,840 | 0 | 0 | 611,690 |
| 2020-2021 Adjusted Budget (Dec) | 414,550 | 79,300 | 0 | 117,840 | 0 | 0 | 611,690 |
| 2020-2021 Six Month Actual | 120,990 | 24,330 | 0 | 13,240 | 0 | 0 | 158,560 |
| 2020-2021 Estimated Year End | 320,530 | 79,300 | 0 | 117,790 | 0 | 0 | 517,620 |
| 2021-2022 Dept Request | 327,100 | 79,300 | 0 | 122,130 | 0 | 0 | 528,530 |
| 2021-2022 Manager's Budget | 327,100 | 79,300 | 0 | 122,130 | 0 | 0 | 528,530 |
| 2021-2022 Adopted Budget | 327,100 | 79,300 | 0 | 122,130 | 0 | 0 | 528,530 |
| 2022-2023 Projected Budget | 337,350 | 79,300 | 0 | 131,990 | 0 | 0 | 548,640 |
| 2023-2024 Projected Budget | 347,960 | 79,300 | 0 | 134,090 | 0 | 0 | 561,350 |
| 2024-2025 Projected Budget | 358,970 | 79,300 | 0 | 136,240 | 0 | 0 | 574,510 |
| 2025-2026 Projected Budget | 370,390 | 79,300 | 0 | 138,430 | 0 | 0 | 588,120 |

The parks & forestry division of the department of public service (DPS) maintains parkways in the city's major street system.

Parkways or boulevards are the grassy areas between opposing lanes of roads.

DPS crews weed, mow the grass, and trim trees and bushes.

This cost center also includes costs associated with the routine maintenance of raingardens which act as stormwater mitigation to help prevent flooding on major streets.

GOALS

1. To facilitate the growth of hardy trees and vegetation that will enhance the major road system while providing schemes and maintenance programs that enhance traffic safety, especially lines of sight.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing to better reflect actual time charged to this cost center relative to fiscal year 2020-21 projected year-end and to potentially provide newer employees (who are not at the top of their pay range) merit wage increases. This includes an increase in overtime wages of \$15,000 relative to fiscal year 2020-21 original budget based on activity over the past two years.

Miscellaneous contracted services are increasing \$5,800 relative to fiscal year 2020-21 original budget for routine raingarden maintenance costs. Motor pool rental charges, which are allocated to this cost center based on a variable rate, are increasing \$9,180 relative to the fiscal year 2020-21 projected year-end due to a planned increase in utilization.

Budget Summary Expenditures

| 202.469 STREETS PARKWAY MAINTENANCE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|----------------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 158,110 | 0 | 0 | 43,410 | 0 | 201,520 |
| 2018-2019 Actual | 144,140 | 0 | 0 | 48,540 | 0 | 192,680 |
| 2019-2020 Actual | 165,870 | 0 | 0 | 57,050 | 0 | 222,920 |
| 2020-2021 Original Budget | 161,390 | 0 | 0 | 69,760 | 0 | 231,150 |
| 2020-2021 Adjusted Budget (Dec) | 161,390 | 0 | 0 | 92,860 | 0 | 254,250 |
| 2020-2021 Six Month Actual | 91,900 | 0 | 0 | 14,340 | 0 | 106,240 |
| 2020-2021 Estimated Year End | 174,870 | 0 | 0 | 60,950 | 0 | 235,820 |
| 2021-2022 Dept Request | 194,800 | 0 | 0 | 70,130 | 0 | 264,930 |
| 2021-2022 Manager's Budget | 194,800 | 0 | 0 | 70,130 | 0 | 264,930 |
| 2021-2022 Adopted Budget | 194,800 | 0 | 0 | 70,130 | 0 | 264,930 |
| 2022-2023 Projected Budget | 200,910 | 0 | 0 | 70,810 | 0 | 271,720 |
| 2023-2024 Projected Budget | 207,550 | 0 | 0 | 71,510 | 0 | 279,060 |
| 2024-2025 Projected Budget | 215,050 | 0 | 0 | 72,220 | 0 | 287,270 |
| 2025-2026 Projected Budget | 223,990 | 0 | 0 | 72,950 | 0 | 296,940 |

The highway division of the department of public service (DPS) is responsible for winter

maintenance, such as snow and ice control, of the city's 64.9-mile major street system.

GOALS

1. To provide safe and passable major road system by performing prompt and efficient snow removal and ice control.
2. To clear major roads within 24 hours of a major snow event.

OBJECTIVES

- Study the efficacy and feasibility of using pavement anti-icing solutions to reduce costs related to snow/ice removal.^{GOAL1}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The personnel budget is increasing, relative to fiscal year 2020-21 estimated year-end due to newer employees (who are not at the top of their pay range) potentially receiving merit wage increases. However, overall expenditures are decreasing based upon historically lighter snowfall every few years. Road salt and ice melt compound is decreasing \$10,000 relative to fiscal year 2020-21 estimated year-end due to current inventory levels and motor pool rental charges are decreasing \$18,610 relative to the fiscal year 2020-21 estimated year-end due to a decrease in utilization.

Budget Summary Expenditures

| 202.472 STREETS WINTER MAINTENANCE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 104,070 | 409,220 | 0 | 191,020 | 0 | 704,310 |
| 2018-2019 Actual | 83,790 | 285,630 | 0 | 146,140 | 0 | 515,560 |
| 2019-2020 Actual | 96,450 | 290,500 | 0 | 109,840 | 0 | 496,790 |
| 2020-2021 Original Budget | 104,680 | 285,650 | 0 | 155,740 | 0 | 546,070 |
| 2020-2021 Adjusted Budget (Dec) | 104,680 | 285,650 | 0 | 155,740 | 0 | 546,070 |
| 2020-2021 Six Month Actual | 18,500 | 22,750 | 0 | 23,840 | 0 | 65,090 |
| 2020-2021 Estimated Year End | 89,190 | 311,000 | 0 | 132,000 | 0 | 532,190 |
| 2021-2022 Dept Request | 97,200 | 301,000 | 0 | 113,590 | 0 | 511,790 |
| 2021-2022 Manager's Budget | 97,200 | 301,000 | 0 | 113,590 | 0 | 511,790 |
| 2021-2022 Adopted Budget | 97,200 | 301,000 | 0 | 113,590 | 0 | 511,790 |
| 2022-2023 Projected Budget | 99,290 | 301,000 | 0 | 115,860 | 0 | 516,150 |
| 2023-2024 Projected Budget | 101,430 | 301,000 | 0 | 118,180 | 0 | 520,610 |
| 2024-2025 Projected Budget | 103,660 | 301,000 | 0 | 120,540 | 0 | 525,200 |
| 2025-2026 Projected Budget | 106,000 | 301,000 | 0 | 122,950 | 0 | 529,950 |

The department of public service (DPS) is responsible for implementing and maintaining traffic control for the city's major street system. This cost center focuses on traffic signage, pavement markings and traffic risk management. See also street signal services.

The city uses a two-stage traffic control committee to review traffic control issues and make recommendations for changes. Representatives from DPS, police, fire, planning, and engineering departments meet monthly to discuss traffic control issues.

A volunteer resident's committee reviews the staff recommendations and makes recommendations to the city commission.

Traffic control signage means street, stop, parking, turn/no-turn, speed, school zone, pedestrian walk signs, etc. The DPS's sign shop provides replacement signs promptly and reduces the cost of carrying an extensive sign inventory.

Additional services performed include pavement markings, intersection and pedestrian markings, guard rails, and bridge inspections.

GOALS

1. To promote effective traffic control in order to provide safety on the city's major roads.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The total personnel costs in the department requested budget are lower than the fiscal year 2020-21 original budget due to a smaller allocation of DPS staff allocated to this cost center than in the prior year based on recent activity. However, this is still an increase over the fiscal year 2020-21 projection to allow for newer staff to receive step wage increases.

Miscellaneous contracted services include \$60,500 to replace three traffic cabinets, \$45,000 for center line pavement marking, \$15,000 for a traffic study (per CIP), \$15,000 for sign inventory maintenance and \$4,500 for mast-arm traffic signal inspections (per CIP). Motor pool rental charges, which are allocated to this cost center based on a variable rate, are increasing \$9,140 relative to fiscal year 2020-21 estimated year-end due to increased depreciation from recently replaced vehicles and equipment.

Budget Summary Expenditures

| 202.473 STREETS TRAFFIC CONTROL | Personnel Services | Supplies | Capital | Other | Debt | Total |
|--------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 72,230 | 43,820 | 0 | 76,380 | 0 | 192,430 |
| 2018-2019 Actual | 122,510 | 63,690 | 0 | 78,280 | 0 | 264,480 |
| 2019-2020 Actual | 150,360 | 31,260 | 0 | 103,880 | 0 | 285,500 |
| 2020-2021 Original Budget | 168,740 | 53,000 | 0 | 103,310 | 0 | 325,050 |
| 2020-2021 Adjusted Budget (Dec) | 168,740 | 53,000 | 0 | 103,310 | 0 | 325,050 |
| 2020-2021 Six Month Actual | 38,870 | 9,200 | 0 | 10,650 | 0 | 58,720 |
| 2020-2021 Estimated Year End | 103,960 | 54,000 | 0 | 100,300 | 0 | 258,260 |
| 2021-2022 Dept Request | 139,200 | 53,000 | 0 | 189,440 | 0 | 381,640 |
| 2021-2022 Manager's Budget | 139,200 | 53,000 | 0 | 189,440 | 0 | 381,640 |
| 2021-2022 Adopted Budget | 139,200 | 53,000 | 0 | 189,440 | 0 | 381,640 |
| 2022-2023 Projected Budget | 143,840 | 53,000 | 0 | 190,420 | 0 | 387,260 |
| 2023-2024 Projected Budget | 148,640 | 53,000 | 0 | 191,420 | 0 | 393,060 |
| 2024-2025 Projected Budget | 153,630 | 53,000 | 0 | 192,440 | 0 | 399,070 |
| 2025-2026 Projected Budget | 158,810 | 53,000 | 0 | 193,480 | 0 | 405,290 |

Cost Center Position Detail - Home Base Full & Part-Time Employees

| Streets Traffic Control | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Part-time total | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |

The department of public service (DPS) is responsible for implementing and maintaining traffic control for the city's major street system. This cost center focuses on signal services.

The major street system has 82 signals to maintain, each with its own controller and wiring plus possible pedestrian crossing signals. A DPS electrician handles signal maintenance.

This cost center pays the city's share of maintenance cost for signals on state and county roads.

The city uses a two-stage traffic control committee to review traffic control issues and make recommendations for changes. Representatives from DPS, police, fire, planning, and engineering departments meet monthly. A volunteer citizen's committee reviews the staff recommendations and makes recommendations to the city commission.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing in fiscal year 2021-22 due to having a higher allocation of the city's electrician's time charged to this cost center to reflect the increased workload in recent years.

Traffic and signal repair and maintenance services are decreasing \$12,000 from the fiscal year 2020-21 projected balance due to emergency signal knockdown repairs at Main Street and Normandy Roads and from a planned replacement of a damaged signal during the year. Motor pool rental charges, which are allocated to this cost center based upon a variable rate, are increasing \$1,770 relative to the fiscal year 2021-22 original budget due to increased depreciation charges from recently replaced vehicles and equipment during fiscal year 2020-21 as part of the city's annual vehicle replacement plan.

Budget Summary Expenditures

| 202.474 STREETS SIGNAL SERVICES | Personnel Services | Supplies | Capital | Other | Debt | Total |
|--------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 34,420 | 14,780 | 0 | 95,470 | 0 | 144,670 |
| 2018-2019 Actual | 39,680 | 19,380 | 0 | 159,100 | 0 | 218,160 |
| 2019-2020 Actual | 51,860 | 24,470 | 0 | 143,760 | 0 | 220,090 |
| 2020-2021 Original Budget | 46,540 | 19,000 | 0 | 121,900 | 0 | 187,440 |
| 2020-2021 Adjusted Budget (Dec) | 46,540 | 19,000 | 0 | 121,900 | 0 | 187,440 |
| 2020-2021 Six Month Actual | 29,370 | 2,910 | 0 | 90,990 | 0 | 123,270 |
| 2020-2021 Estimated Year End | 54,880 | 19,000 | 0 | 161,500 | 0 | 235,380 |
| 2021-2022 Dept Request | 60,050 | 19,000 | 0 | 120,870 | 0 | 199,920 |
| 2021-2022 Manager's Budget | 60,050 | 19,000 | 0 | 120,870 | 0 | 199,920 |
| 2021-2022 Adopted Budget | 60,050 | 19,000 | 0 | 120,870 | 0 | 199,920 |
| 2022-2023 Projected Budget | 60,670 | 19,000 | 0 | 121,170 | 0 | 200,840 |
| 2023-2024 Projected Budget | 61,310 | 19,000 | 0 | 121,480 | 0 | 201,790 |
| 2024-2025 Projected Budget | 61,980 | 19,000 | 0 | 121,790 | 0 | 202,770 |
| 2025-2026 Projected Budget | 62,660 | 19,000 | 0 | 122,110 | 0 | 203,770 |

Cost Center Position Detail - Home Base Full & Part-Time Employees

| Signal Services | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Part-time total | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |

The mission of the major street fund is to maintain the major streets system and rights-of-way in a manner to ensure safe vehicle and pedestrian traffic as well as to present an attractive roadside environment in accordance with Michigan Act 51 of Public Acts of 1951 as amended.

The City of Royal Oak owns over 64 miles of major streets. These are the main arteries that move residents to and from local or neighborhood streets to larger, faster roads that are maintained by Oakland County or the State of Michigan. (See street map)

The city engineer, as the street administrator, is responsible for evaluating, planning, designing, and constructing the road system and its traffic safety. This includes original construction, major replacement or resurfacing, traffic signs and signals.

The engineer coordinates regularly with the Oakland County Road Commission, surrounding communities and the State

Department of Transportation regarding the roads in the city for which the city is responsible. It also means meeting with subdivision and homeowner groups or associations, and other concerned citizens as situations warrant.

The department of public service maintains the system of roadways. Their responsibilities include patching roads, maintaining parkways, rights-of way, signs, and signals, and controlling snow and ice.

* * * * *

The major street fund / administration cost center accounts for the cost of the overall planning, administration and oversight of all activities that affect traffic conditions on the city's major street network.

Audit and debt expenditures are included. This cost center also accounts for any city commission authorized transfer-out to support the local street fund, as allowed by Act 51.

GOALS

1. Coordinate all aspects of major street construction, maintenance and permitting practices.
2. Construct and rehabilitate failing segments of the city's major street system by implementing safety improvements as presented in the annual capital improvement plan (CIP) while balancing the sometimes-conflicting interests of safety, mobility, and environmental impacts.
3. Maintain an active role in regional public transportation initiatives.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Using the State of Michigan's revised distribution formula projections based on the funding law, revenues from the gasoline/vehicle registration (Act 51) tax are budgeted at \$5.352 million, an increase over the prior year.

Fiscal year 2021-22 budgets for a \$610,100 use of fund balance and a continued use each year thereafter. The forecast assumes the continuation of the street millage going in the local streets fund. The original 10-year millage ends after fiscal year 2023-24 and a millage renewal is assumed in the forecast.

Note: All of the road millage revenue is recorded and expended in the local street fund. However, it appears that a portion of the millage may need to be moved to the major streets fund due to the significant reduction of fund balance anticipated.

Budget Summary

| Major Street Fund Summary | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance | 4,354,026 | 5,600,086 | 5,144,396 | 2,929,336 | 2,379,316 | 1,129,456 |
| Revenues and transfers from other funds | 5,914,730 | 5,612,130 | 5,612,130 | 5,612,130 | 5,612,130 | 5,612,130 |
| Expenditures and transfers to other funds | 4,668,670 | 6,067,820 | 7,827,190 | 6,162,150 | 6,861,990 | 5,660,820 |
| Net Change in Fund Balance | 1,246,060 | (455,690) | (2,215,060) | (550,020) | (1,249,860) | (48,690) |
| Ending Fund Balance | 5,600,086 | 5,144,396 | 2,929,336 | 2,379,316 | 1,129,456 | 1,080,766 |

Revenues

| 202-000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|------------------------------------|-----------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 4,723,310 | 203,040 | 43,970 | 161,670 | 337,680 | 5,469,670 |
| 2018-2019 Actual | 0 | 5,220,000 | 203,990 | 115,040 | 10,020 | 129,590 | 5,678,640 |
| 2019-2020 Actual | 0 | 4,812,010 | 224,830 | 73,000 | 16,370 | 40,250 | 5,166,460 |
| 2020-2021 Original Budget | 0 | 4,854,000 | 203,000 | 48,500 | 454,600 | 0 | 5,560,100 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 4,854,000 | 203,000 | 48,500 | 454,600 | 0 | 5,560,100 |
| 2020-2021 Six Month Actual | 0 | 1,829,520 | 0 | 19,260 | (4,580) | 0 | 1,844,200 |
| 2020-2021 Estimated Year End | 0 | 5,206,000 | 225,000 | 29,130 | 454,600 | 0 | 5,914,730 |
| 2021-2022 Dept Request | 0 | 5,352,000 | 225,000 | 25,130 | 10,000 | 0 | 5,612,130 |
| 2021-2022 Manager's Budget | 0 | 5,352,000 | 225,000 | 25,130 | 10,000 | 0 | 5,612,130 |
| 2021-2022 Adopted Budget | 0 | 5,352,000 | 225,000 | 25,130 | 10,000 | 0 | 5,612,130 |
| 2022-2023 Projected Budget | 0 | 5,352,000 | 225,000 | 25,130 | 10,000 | 0 | 5,612,130 |
| 2023-2024 Projected Budget | 0 | 5,352,000 | 225,000 | 25,130 | 10,000 | 0 | 5,612,130 |
| 2024-2025 Projected Budget | 0 | 5,352,000 | 225,000 | 25,130 | 10,000 | 0 | 5,612,130 |
| 2025-2026 Projected Budget | 0 | 5,352,000 | 225,000 | 25,130 | 10,000 | 0 | 5,612,130 |

Expenditures

| 202.515 STREETS ADMINISTRATION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-------------------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 94,570 | 208,580 | 303,150 |
| 2018-2019 Actual | 0 | 0 | 0 | 1,135,940 | 183,840 | 1,319,780 |
| 2019-2020 Actual | 0 | 0 | 0 | 97,750 | 183,750 | 281,500 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 147,960 | 184,400 | 332,360 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 147,960 | 184,400 | 332,360 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 73,100 | 139,610 | 212,710 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 159,360 | 184,400 | 343,760 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 154,410 | 186,000 | 340,410 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 154,410 | 186,000 | 340,410 |
| 2021-2022 Adopted Budget | 0 | 0 | 0 | 154,410 | 186,000 | 340,410 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 141,710 | 185,000 | 326,710 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 144,060 | 184,000 | 328,060 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 146,450 | 184,000 | 330,450 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 148,890 | 183,500 | 332,390 |

The mission of the major street construction cost center is to track and fund major street projects.

GOALS

OBJECTIVES

1. Maintain a long-term major road improvement program that maximizes funds to extend and enhance the life of the city's major road system.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The following capital projects for this fund for fiscal year 2021-22 are as follows:

| | |
|---------------------------------------------------------------------|-------------------|
| • CAP2008 Crooks Rd. resurfacing from 13 Mile to 14 Mile Rd. (MDOT) | \$320,820 |
| • CAP2041 traffic signal upgrades on Main St. and Crooks Rd. | 451,130 |
| • CAP2109 S. Main St. resurfacing from Lincoln to 11 Mile Rd. | 625,000 |
| • CAP2208 Lincoln Ave. resurfacing from Lafayette to Campbell Rd. | 650,000 |
| • CAP2211 Vinsetta Blvd. resurfacing from 12 Mile Rd. to Crooks Rd. | 550,000* |
| • CAP2125 annual millage and major street joint sealing | 251,000 |
| • CAP2242 traffic signal upgrades - mast arm installation | <u>1,000,000*</u> |
| FY2021-22 total: | \$3,847,950 |

*Indicates new projects not listed in the FY2021-22 CIP document.

Future operating costs and savings have not been quantified by the requesting department.

Budget Summary Expenditures

| 202.901 CONSTRUCTION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 139,110 | 1,070 | 980 | 359,900 | 0 | 501,060 |
| 2018-2019 Actual | 155,000 | 1,430 | 0 | 3,219,990 | 0 | 3,376,420 |
| 2019-2020 Actual | 176,590 | 260 | 37,000 | 2,731,720 | 0 | 2,945,570 |
| 2020-2021 Original Budget | 150,950 | 1,000 | 3,717,400 | 13,820 | 0 | 3,883,170 |
| 2020-2021 Adjusted Budget (Dec) | 150,950 | 1,000 | 3,717,400 | 13,820 | 0 | 3,883,170 |
| 2020-2021 Six Month Actual | 27,190 | 340 | 0 | 1,030,030 | 0 | 1,057,560 |
| 2020-2021 Estimated Year End | 0 | 1,000 | 0 | 2,704,000 | 0 | 2,705,000 |
| 2021-2022 Dept Request | 138,120 | 1,000 | 3,847,950 | 7,940 | 0 | 3,995,010 |
| 2021-2022 Manager's Budget | 138,120 | 1,000 | 3,847,950 | 7,940 | 0 | 3,995,010 |
| 2021-2022 Adopted Budget | 138,120 | 1,000 | 3,847,950 | 7,940 | 0 | 3,995,010 |
| 2022-2023 Projected Budget | 143,040 | 1,000 | 5,565,500 | 8,040 | 0 | 5,717,580 |
| 2023-2024 Projected Budget | 148,140 | 1,000 | 3,865,000 | 8,140 | 0 | 4,022,280 |
| 2024-2025 Projected Budget | 153,430 | 1,000 | 4,526,500 | 8,240 | 0 | 4,689,170 |
| 2025-2026 Projected Budget | 158,910 | 1,000 | 3,285,000 | 8,340 | 0 | 3,453,250 |

The highway division of the department of public service (DPS) is responsible for daily routine maintenance of the city's 148-mile local street system.

Routine maintenance includes joint and crack sealing, concrete slab replacement, some limited asphalt overlays/repairs that

are implemented through CIP's managed by the engineering department, street sweeping and storm sewer/catch basin cleaning. Dust control is applied when paid by residents and is performed by the highway division.

GOALS

1. To provide a safe and adequate local/neighborhood system, preserving the quality of life in the city, which enhances the attraction and retention of residents and businesses.
2. To provide proactive planning and programming of maintenance activities to maximize the use of available resources dedicated for local/neighborhood maintenance activities.
3. To maintain a long-term local street improvement program that maximizes funding to extend and enhance the life of the city's local street system.

OBJECTIVES

- Increase the use of GIS technology in tracking maintenance activities on neighborhood streets.^{GOAL2}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Total personnel costs are increasing due to the city having higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22 and due to more time/activity being allocated by DPS employees and engineering staff relative to the fiscal year 2020-21 original budget. The fiscal year 2020-21 year-end projection is high due to an increased workload during the year, however fiscal year 2021-22 is not anticipated to be as high and is budgeted lower than the current projected amount for 2020-21.

Miscellaneous contracted services are decreasing \$10,000 based the historical usage of this account. Motor pool charges are decreasing \$74,850, relative to fiscal year 2020-21 estimated year-end, due to a decrease in vehicle utilization.

Budget Summary Expenditures

| 203.467 STREETS MAINTENANCE | Personnel Services | Supplies | Capital | Other | Transfer | Debt | Total |
|----------------------------------------|-------------------------------|-----------------|----------------|--------------|-----------------|-------------|--------------|
| | | | | | | | |
| 2017-2018 Actual | 533,340 | 59,120 | 0 | 1,372,410 | 0 | 0 | 1,964,870 |
| 2018-2019 Actual | 460,730 | 69,870 | 0 | 1,655,890 | 0 | 0 | 2,186,490 |
| 2019-2020 Actual | 462,280 | 35,620 | 0 | 175,270 | 0 | 0 | 673,170 |
| 2020-2021 Original Budget | 442,400 | 57,500 | 0 | 290,940 | 0 | 0 | 790,840 |
| 2020-2021 Adjusted Budget (Dec) | 442,400 | 57,500 | 0 | 290,940 | 0 | 0 | 790,840 |
| 2020-2021 Six Month Actual | 309,110 | 21,420 | 0 | 151,500 | 0 | 0 | 482,030 |
| 2020-2021 Estimated Year End | 596,420 | 59,000 | 0 | 265,500 | 0 | 0 | 920,920 |
| 2021-2022 Dept Request | 546,980 | 57,500 | 0 | 190,650 | 0 | 0 | 795,130 |
| 2021-2022 Manager's Budget | 546,980 | 57,500 | 0 | 190,650 | 0 | 0 | 795,130 |
| 2021-2022 Adopted Budget | 546,980 | 57,500 | 0 | 190,650 | 0 | 0 | 795,130 |
| 2022-2023 Projected Budget | 564,260 | 57,500 | 0 | 202,060 | 0 | 0 | 823,820 |
| 2023-2024 Projected Budget | 582,210 | 57,500 | 0 | 205,750 | 0 | 0 | 845,460 |
| 2024-2025 Projected Budget | 600,860 | 57,500 | 0 | 209,510 | 0 | 0 | 867,870 |
| 2025-2026 Projected Budget | 620,230 | 57,500 | 0 | 213,340 | 0 | 0 | 891,070 |

This division of the department of public service (DPS) maintains parkways in the city's local street system.

Parkways or boulevards are the grassy areas between opposing lanes of roads.

DPS crews weed, mow the grass, and trim trees and bushes.

This cost center also includes costs associated with the routine maintenance of raingardens which act as stormwater mitigation to help prevent flooding on local streets.

GOALS

1. To facilitate the growth of hardy trees and vegetation that will enhance the neighborhood while providing schemes and maintenance programs that enhance traffic safety, especially lines of sight.

OBJECTIVES

- To improve aesthetic of raingardens through contracted maintenance.^{GOAL1}

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|---------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL ¹ Boulevards mowed (hours) | 1,582 | 1,987 | 321 | 1,500 | 1,800 | 1,800 |
| GOAL ¹ Street tree work requests | 742 | 829 | 633 | 750 | 950 | 950 |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Total personnel costs are increasing in fiscal year 2021-22 due to an increased workload which is also reflected in the higher projected year-end balance of fiscal year 2020-21.

Miscellaneous contracted services are increasing \$38,000 relative to fiscal year 2020-21 original budget to cover routine raingarden maintenance and for the city's right-of-way tree replacement policy which allows for a one-for-one replacement of all removed trees. Fiscal year 2020-21 estimated year-end was higher due to a one-time GIS inventory of streetlights and data reconciliation project. Motor pool rental charges are projected to increase \$10,050 relative to the fiscal year 2020-21 projected year-end due to increased utilization and depreciation charges from recently replaced vehicles and equipment.

Budget Summary Expenditures

| 203.469 STREETS PARKWAY MAINTENANCE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|------------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| | | | | | | |
| 2017-2018 Actual | 256,980 | 0 | 0 | 162,020 | 0 | 419,000 |
| 2018-2019 Actual | 250,060 | 0 | 0 | 220,000 | 0 | 470,060 |
| 2019-2020 Actual | 322,570 | 0 | 0 | 257,140 | 0 | 579,710 |
| 2020-2021 Original Budget | 342,340 | 0 | 0 | 241,490 | 0 | 583,830 |
| 2020-2021 Adjusted Budget (Dec) | 342,340 | 0 | 0 | 264,590 | 0 | 606,930 |
| 2020-2021 Six Month Actual | 185,920 | 0 | 0 | 127,750 | 0 | 313,670 |
| 2020-2021 Estimated Year End | 386,510 | 0 | 0 | 288,100 | 0 | 674,610 |
| 2021-2022 Dept Request | 380,140 | 0 | 0 | 313,060 | 0 | 693,200 |
| 2021-2022 Manager's Budget | 380,140 | 0 | 0 | 313,060 | 0 | 693,200 |
| 2021-2022 Adopted Budget | 380,140 | 0 | 0 | 313,060 | 0 | 693,200 |
| 2022-2023 Projected Budget | 392,140 | 0 | 0 | 317,860 | 0 | 710,000 |
| 2023-2024 Projected Budget | 404,630 | 0 | 0 | 322,760 | 0 | 727,390 |
| 2024-2025 Projected Budget | 417,630 | 0 | 0 | 327,760 | 0 | 745,390 |
| 2025-2026 Projected Budget | 431,150 | 0 | 0 | 332,860 | 0 | 764,010 |

The highway division of the department of public service (DPS) is responsible for winter

maintenance, such as snow and ice control, of the city's 148-mile local street system.

GOALS

1. To provide safe and passable local road system by performing prompt and efficient snow removal and ice control.
2. To continue to introduce de-icing as a cost saving measure.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The personnel budget is increasing, relative to fiscal year 2020-21 estimated year-end, due to newer employees (who are not at the top of their pay range) potentially receiving merit wage increases. Road salt and ice melt compound is increasing \$20,000 relative to fiscal year 2020-21 estimated year-end, due to having a mild winter and less snowfall in 2020-21. Motor pool rental charges are decreasing \$15,730, relative to the fiscal year 2020-21 estimated year-end, due to a decrease in utilization.

Budget Summary Expenditures

| 203.472 STREETS WINTER MAINTENANCE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 95,920 | 45,490 | 0 | 148,890 | 0 | 290,300 |
| 2018-2019 Actual | 69,360 | 30,800 | 0 | 92,910 | 0 | 193,070 |
| 2019-2020 Actual | 48,310 | 32,220 | 0 | 46,450 | 0 | 126,980 |
| 2020-2021 Original Budget | 63,070 | 79,500 | 0 | 99,590 | 0 | 242,160 |
| 2020-2021 Adjusted Budget (Dec) | 63,070 | 79,500 | 0 | 99,590 | 0 | 242,160 |
| 2020-2021 Six Month Actual | 16,780 | 2,600 | 0 | 5,930 | 0 | 25,310 |
| 2020-2021 Estimated Year End | 55,700 | 40,200 | 0 | 62,750 | 0 | 158,650 |
| 2021-2022 Dept Request | 65,590 | 60,100 | 0 | 46,270 | 0 | 171,960 |
| 2021-2022 Manager's Budget | 65,590 | 60,100 | 0 | 46,270 | 0 | 171,960 |
| 2021-2022 Adopted Budget | 65,590 | 60,100 | 0 | 46,270 | 0 | 171,960 |
| 2022-2023 Projected Budget | 66,990 | 60,100 | 0 | 47,200 | 0 | 174,290 |
| 2023-2024 Projected Budget | 68,430 | 60,100 | 0 | 48,140 | 0 | 176,670 |
| 2024-2025 Projected Budget | 69,930 | 60,100 | 0 | 49,100 | 0 | 179,130 |
| 2025-2026 Projected Budget | 71,490 | 60,100 | 0 | 50,080 | 0 | 181,670 |

The department of public service (DPS) is responsible for implementing and maintaining traffic control for the city's local street system. This cost center focuses on traffic signage, pavement markings and traffic risk management.

The city uses a two-stage traffic control committee to review traffic control issues and make recommendations for changes. Representatives from DPS, police, fire, planning, and engineering departments meet monthly.

A volunteer citizen's committee reviews the staff recommendations and makes recommendations to the city commission.

Traffic control signage means street, stop, parking, turn/no-turn, speed, school zone, pedestrian walk signs, etc. DPS's own sign shop provides replacement signs promptly and reduces the cost of carrying an extensive sign inventory. Additional services performed include pavement markings, intersection, and pedestrian markings.

GOALS

1. To promote effective traffic control in order to provide safety on the city's local streets.
2. To maintain all street pavement markings.

OBJECTIVES

- To replace all down signs within 24 hours of notification. ^{GOAL1}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing to better reflect actual time charged to this cost center relative to fiscal year 2020-21 estimated year-end and to potentially provide newer employees (who are not at the top of their pay range) merit wage increases. Motor pool rental charges, which are allocated to this cost center based on a variable rate, are decreasing \$21,190 relative to fiscal year 2020-21 estimated year-end, due to a decrease in vehicle utilization.

Budget Summary Expenditures

| 203.473 STREETS TRAFFIC CONTROL | Personnel Services | Supplies | Capital | Other | Debt | Total |
|--------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 140,250 | 7,960 | 0 | 40,730 | 0 | 188,940 |
| 2018-2019 Actual | 129,400 | 18,600 | 0 | 24,070 | 0 | 172,070 |
| 2019-2020 Actual | 146,350 | (3,290) | 0 | 20,640 | 0 | 163,700 |
| 2020-2021 Original Budget | 90,340 | 13,000 | 0 | 25,110 | 0 | 128,450 |
| 2020-2021 Adjusted Budget (Dec) | 90,340 | 13,000 | 0 | 25,110 | 0 | 128,450 |
| 2020-2021 Six Month Actual | 77,720 | 2,240 | 0 | 26,240 | 0 | 106,200 |
| 2020-2021 Estimated Year End | 142,700 | 13,000 | 0 | 42,000 | 0 | 197,700 |
| 2021-2022 Dept Request | 152,650 | 13,000 | 0 | 20,810 | 0 | 186,460 |
| 2021-2022 Manager's Budget | 152,650 | 13,000 | 0 | 20,810 | 0 | 186,460 |
| 2021-2022 Adopted Budget | 152,650 | 13,000 | 0 | 20,810 | 0 | 186,460 |
| 2022-2023 Projected Budget | 158,050 | 13,000 | 0 | 21,230 | 0 | 192,280 |
| 2023-2024 Projected Budget | 163,650 | 13,000 | 0 | 21,650 | 0 | 198,300 |
| 2024-2025 Projected Budget | 169,470 | 13,000 | 0 | 22,080 | 0 | 204,550 |
| 2025-2026 Projected Budget | 175,540 | 13,000 | 0 | 22,520 | 0 | 211,060 |

The mission of the local street fund is to maintain the local streets system and rights-of-way in a manner to ensure safe vehicle and pedestrian traffic as well as to present an attractive roadside environment in accordance with Michigan Act 51 of Public Acts of 1951 as amended.

The City of Royal Oak owns over 148 miles of local streets. These are the neighborhood roads that move residents to and from their residences to major streets or other larger, faster roads that are maintained by Oakland County or the State of Michigan.

The city engineer, as the street administrator, is responsible for evaluating, planning, designing, and constructing the road system and its traffic safety. This includes original construction, major replacement or resurfacing, and traffic signs.

The engineer meets with neighborhood groups wishing to upgrade their streets to inform them and guide them in obtaining special assessment funding.

The department of public service maintains the system of roadways. Their responsibilities include patching roads, maintaining parkways, rights-of way, signs, and controlling snow and ice on the roads.

* * * * *

The local street fund / administration cost center accounts for the cost of the overall planning, administration and oversight of all activities that affect traffic conditions on the city's local street network. Audit expenditures are included.

GOALS

1. To effectively plan and coordinate the construction, maintenance and permitting for the city's local street system in a manner that maximizes the use of resources.
2. Maintain an active role in regional public transportation initiatives.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Using the State of Michigan's revised distribution formula projections based on the road funding law, revenues from the gasoline/vehicle registration (Act 51) tax are budgeted to be approximately \$1.784 million for local streets. The full streets millage levy of 2.3344 mills is budgeted to generate approximately \$6.843 million. Approximately \$2.06 million of fund balance is budgeted to be used as a funding source in fiscal year 2021-22 and then decreasing to approximately \$468,240 use of fund balance in fiscal year 2023-24 before increasing in the remaining years of the forecast. The forecast assumes the continuation of the street millage in this fund. The original 10-year millage ends after fiscal year 2023-24 and a millage renewal is assumed in the forecast.

Budget Summary

| Local Street Fund Summary | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-------------|-------------|-------------|------------|------------|------------|
| Beginning Fund Balance | 6,449,021 | 4,700,791 | 2,644,521 | 1,198,811 | 730,571 | 2,994,421 |
| Revenues and transfers from other funds | 8,620,810 | 8,704,000 | 9,881,380 | 10,279,030 | 10,566,070 | 10,857,600 |
| Expenditures and transfers to other funds | 10,369,040 | 10,760,270 | 11,327,090 | 10,747,270 | 8,302,220 | 6,684,510 |
| Net Change in Fund Balance | (1,748,230) | (2,056,270) | (1,445,710) | (468,240) | 2,263,850 | 4,173,090 |
| Ending Fund Balance | 4,700,791 | 2,644,521 | 1,198,811 | 730,571 | 2,994,421 | 7,167,511 |

Revenues

| 203.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|-----------|-----------|-----------------------------------|-------------------------------|-----------|-----------|------------|
| 2017-2018 Actual | 5,896,780 | 1,399,210 | 0 | 57,230 | 8,526,660 | 1,120,900 | 17,000,780 |
| 2018-2019 Actual | 6,053,150 | 1,722,860 | 0 | 426,150 | 17,100 | 1,832,490 | 10,051,750 |
| 2019-2020 Actual | 6,357,980 | 1,713,160 | 0 | 91,470 | 10,260 | 211,000 | 8,383,870 |
| 2020-2021 Original Budget | 6,626,000 | 1,799,000 | 0 | 30,000 | 0 | 0 | 8,455,000 |
| 2020-2021 Adjusted Budget (Dec) | 6,626,000 | 1,799,000 | 0 | 213,590 | 0 | 0 | 8,638,590 |
| 2020-2021 Six Month Actual | 3,194,940 | 664,800 | 0 | 193,170 | 110 | 0 | 4,053,020 |
| 2020-2021 Estimated Year End | 6,619,000 | 1,807,020 | 0 | 193,590 | 1,200 | 0 | 8,620,810 |
| 2021-2022 Dept Request | 6,843,000 | 1,855,000 | 0 | 6,000 | 0 | 0 | 8,704,000 |
| 2021-2022 Manager's Budget | 6,843,000 | 1,855,000 | 0 | 6,000 | 0 | 0 | 8,704,000 |
| 2021-2022 Adopted Budget | 6,843,000 | 1,855,000 | 0 | 6,000 | 0 | 0 | 8,704,000 |
| 2022-2023 Projected Budget | 7,014,080 | 1,855,000 | 0 | 6,000 | 1,006,300 | 0 | 9,881,380 |
| 2023-2024 Projected Budget | 7,189,430 | 1,855,000 | 0 | 6,000 | 1,228,600 | 0 | 10,279,030 |
| 2024-2025 Projected Budget | 7,369,170 | 1,855,000 | 0 | 6,000 | 1,335,900 | 0 | 10,566,070 |
| 2025-2026 Projected Budget | 7,553,400 | 1,855,000 | 0 | 6,000 | 1,443,200 | 0 | 10,857,600 |

Expenditures

| 203.515 STREETS ADMINISTRATION | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|-------------------------------------------|-------------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| | | | | | | | |
| 2017-2018 Actual | 0 | 0 | 0 | 70,150 | 3,500,000 | 1,602,500 | 5,172,650 |
| 2018-2019 Actual | 0 | 0 | 0 | 154,610 | 0 | 1,607,230 | 1,761,840 |
| 2019-2020 Actual | 0 | 0 | 0 | 157,870 | 0 | 1,632,910 | 1,790,780 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 155,960 | 0 | 1,608,500 | 1,764,460 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 155,960 | 0 | 1,608,500 | 1,764,460 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 80,090 | 0 | 282,760 | 362,850 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 156,160 | 0 | 1,608,500 | 1,764,660 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 172,280 | 15,000 | 1,634,500 | 1,821,780 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 172,280 | 15,000 | 1,634,500 | 1,821,780 |
| 2021-2022 Adopted Budget | 0 | 0 | 0 | 172,280 | 15,000 | 1,634,500 | 1,821,780 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 175,610 | 0 | 1,634,500 | 1,810,110 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 179,000 | 0 | 1,609,500 | 1,788,500 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 182,460 | 0 | 305,500 | 487,960 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 185,990 | 0 | 304,500 | 490,490 |

The mission of the local street construction cost center is to track and fund local street projects.

GOALS

OBJECTIVES

1. To maintain a long-term local street improvement program that maximizes funding to extend and enhance the life of the city's local street system.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The following capital projects for this fund for fiscal year 2021-22 are as follows:

| | |
|-------------------------------------------------------------------------|-----------------|
| • CAPXX01 concrete pavement and prepaid sidewalk imp. | \$47,000 |
| • CAPXX02 city-wide sidewalk improvement program | 1,000,000* |
| • CAPXX05 millage concrete street repairs | 1,280,000 |
| • CAPXX15 millage asphalt resurfacing | 3,161,000* |
| • CAPXX25 millage joint sealing | 90,000 |
| • CAP2036 diverter islands | 150,000 |
| • CAP2040 road imp. due to water/sewer projects (stormwater mitigation) | 30,000 |
| • CAP2110 2021 road imp. due to water main construction | 112,500 |
| • CAP2135 2021 road reconstruction improvements | 400,000 |
| • CAP2136 special assessment alley reconstr. (Evergreen and Northwood) | 60,000 |
| • CAP2155 special assessment street paving of unimproved streets | 37,500 |
| • CAP2210 2022 road imp. due to water main construction | 175,000 |
| • CAP2211 2022 road imp. due to water main construction | <u>317,500</u> |
| FY2021-22 total: | \$6,860,500 |

*Project amount deviates from the estimated cost listed in the FY 2021-22 CIP document due to revised cost estimates provided after the CIP document was prepared.

Future operating costs and savings have not been quantified by the requesting department.

Budget Summary Expenditures

| 203.901 CONSTRUCTION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 211,720 | 4,440 | 0 | 4,947,790 | 0 | 5,163,950 |
| 2018-2019 Actual | 199,520 | 3,360 | 0 | 3,802,900 | 0 | 4,005,780 |
| 2019-2020 Actual | 145,500 | 11,700 | 0 | 4,865,320 | 0 | 5,022,520 |
| 2020-2021 Original Budget | 187,650 | 8,000 | 6,743,520 | 21,670 | 0 | 6,960,840 |
| 2020-2021 Adjusted Budget (Dec) | 187,650 | 8,000 | 6,743,520 | 21,670 | 0 | 6,960,840 |
| 2020-2021 Six Month Actual | 110,030 | 910 | 0 | 3,572,320 | 0 | 3,683,260 |
| 2020-2021 Estimated Year End | 0 | 8,000 | 0 | 6,644,500 | 0 | 6,652,500 |
| 2021-2022 Dept Request | 209,270 | 5,000 | 6,860,500 | 16,970 | 0 | 7,091,740 |
| 2021-2022 Manager's Budget | 209,270 | 5,000 | 6,860,500 | 16,970 | 0 | 7,091,740 |
| 2021-2022 Adopted Budget | 209,270 | 5,000 | 6,860,500 | 16,970 | 0 | 7,091,740 |
| 2022-2023 Projected Budget | 209,620 | 5,000 | 7,385,000 | 16,970 | 0 | 7,616,590 |
| 2023-2024 Projected Budget | 209,980 | 5,000 | 6,779,000 | 16,970 | 0 | 7,010,950 |
| 2024-2025 Projected Budget | 210,350 | 5,000 | 5,585,000 | 16,970 | 0 | 5,817,320 |
| 2025-2026 Projected Budget | 210,740 | 5,000 | 3,913,500 | 16,970 | 0 | 4,146,210 |

The public safety fund collects the public safety millage, authorized by voters in November 2012 and renewed for a second five-year term in 2016. The city budgets to levy 3.7120 mills of the 3.9750 (reduced by Headlee Act to 3.7120) authorized amount, for FY2021-22. This will be the fifth year of the renewal. The renewal millage is

approved for five years. Revenues generated by the police, fire and ambulance functions are accounted for in this fund. As anticipated when originally approved, it appears a renewal will be needed again, based upon the estimated future years' projections.

Significant Revenue, Staff & Program Notes - Fiscal Year 2021-22:

The public safety millage is budgeted to generate approximately \$10.88 million based upon the millage rate of 3.7120. mills (the maximum authorized levy reduced by Headlee Act). Fiscal year 2021-22 will be the fifth year of the five-year millage renewal.. A transfer of \$22.5 million from the general fund to offset the police, fire, and ambulance functions' expenditures for fiscal year 2021-22 is budgeted. The forecast assumes the millage will be renewed and levied beginning in fiscal year 2022-23. By the last year of the forecast, the general fund transfers-out is estimated at \$26.5 million to try to keep the fund out of a deficit position however the general fund cannot afford to transfer-out due to the general funds estimated deficit fund balance beginning in fiscal year 2022-23. The estimated forecast only assumes the renewal of the public safety millage. Based upon the estimated forecast the annual general fund operating deficit reaches nearly \$9 million in fiscal year 2025-26 in order to transfer-out the necessary monies to the public safety millage. Discussions toward a resolution to this fiscal condition is encouraged.

Police cost recover is budgeted to increase \$30,000 / 27 percent based upon the assumption of beginning to ramp up to pre COVID 19 pandemic activity.

Ambulance service revenue is budgeted to increase by \$100,000 / 10 percent relative to 2020-21 projected year-end due to an anticipated increase of transports (such as from new facilities such as Henry Ford downtown).

The transfer from the DDA remains budgeted at \$540,000 for policing services in the downtown area.

Budget Summary

| PUBLIC SAFETY FUND | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance | 1,611,509 | 1,707,709 | 812,359 | 741,569 | 293,389 | 417,189 |
| Revenues and transfers from other funds | 33,838,850 | 35,504,990 | 36,776,820 | 37,555,490 | 39,341,160 | 40,634,000 |
| Expenditures and transfers to other funds | 33,742,650 | 36,400,340 | 36,847,610 | 38,003,670 | 39,217,360 | 40,483,720 |
| Net Change in Fund Balance | 96,200 | (895,350) | (70,790) | (448,180) | 123,800 | 150,280 |
| Ending Fund Balance | 1,707,709 | 812,359 | 741,569 | 293,389 | 417,189 | 567,469 |

Revenues

| 207-000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 9,376,680 | 0 | 1,411,670 | 15,430 | 146,440 | 18,640,000 | 29,590,220 |
| 2018-2019 Actual | 9,624,850 | 108,150 | 1,359,370 | 35,330 | 162,130 | 19,540,000 | 30,829,830 |
| 2019-2020 Actual | 10,109,730 | 143,320 | 1,333,770 | 420,210 | 120,460 | 21,540,000 | 33,667,490 |
| 2020-2021 Original Budget | 10,536,000 | 115,000 | 1,391,500 | 5,000 | 111,820 | 21,050,000 | 33,209,320 |
| 2020-2021 Adjusted Budget (Dec) | 10,536,000 | 1,947,260 | 1,391,500 | 5,000 | 111,820 | 19,353,740 | 33,345,320 |
| 2020-2021 Six Month Actual | 5,080,350 | 3,305,940 | 631,140 | 1,840 | 83,150 | 10,525,000 | 19,627,420 |
| 2020-2021 Estimated Year End | 10,525,000 | 3,871,880 | 1,224,850 | 2,710 | 174,410 | 18,040,000 | 33,838,850 |
| 2021-2022 Dept Request | 10,881,000 | 113,000 | 1,356,700 | 1,000 | 113,290 | 23,040,000 | 35,504,990 |
| 2021-2022 Manager's Budget | 10,881,000 | 113,000 | 1,356,700 | 1,000 | 113,290 | 23,040,000 | 35,504,990 |
| 2021-2022 Adopted Budget | 10,881,000 | 113,000 | 1,356,700 | 1,000 | 113,290 | 23,040,000 | 35,504,990 |
| 2022-2023 Projected Budget | 11,153,030 | 113,000 | 1,356,700 | 800 | 113,290 | 24,040,000 | 36,776,820 |
| 2023-2024 Projected Budget | 11,431,860 | 113,000 | 1,356,700 | 640 | 113,290 | 24,540,000 | 37,555,490 |
| 2024-2025 Projected Budget | 11,717,660 | 113,000 | 1,356,700 | 510 | 113,290 | 26,040,000 | 39,341,160 |
| 2025-2026 Projected Budget | 12,010,600 | 113,000 | 1,356,700 | 410 | 113,290 | 27,040,000 | 40,634,000 |

The Royal Oak Police Department's mission is to keep the City of Royal Oak a safe community.

ROPD is organized into two divisions, staff services division and patrol operations division. Additionally, there is a professional standards unit that reports directly to the chief. A complete 911-emergency police and fire dispatch function is housed and supervised within the police department. Services include responding to calls for service, traffic education and enforcement, emergency management, investigation and prosecution of criminal offenses, school liaison program, crime prevention, school crossing and maintaining a detention facility.

The patrol division has three 8-hour shifts: day, afternoon, and midnight. Each patrol shift is led by a lieutenant and is staffed by patrol sergeants, and patrol officers, two K-9 officers, and police service aides. Part-time police desk assistants (PDA) staff the front desk on day shift and afternoon shift, which allows for an additional police officer on the road.

The Criminal Investigation Division (CID) is headed by a lieutenant, who supervises a sergeant, detectives, and officers assigned to various task forces.

Royal Oak participates in the following task forces, Narcotic Enforcement Team, FBI Violent Crimes Task Force, Troy Special Investigations Unit, Oakland County Auto Theft, and Secret Service Fraud Task Force. Royal Oak Police Department also has a school liaison officer assigned to Royal Oak High School.

The records section collects, analyzes, and reports performance data, processes handgun permits and maintains evidence. The records section reports to the deputy chief of staff services.

24 volunteer auxiliary police "officers" assist the department in a variety of ways, including acting as extra "eyes and ears" while patrolling on Thursday, Friday, and Saturday evenings, performing home vacation checks, and working special events such as the Woodward Dream Cruise, Arts, Beats and Eats, and the Clay and Glass Festival. Additionally, auxiliary officers are available to assist patrol operations on an emergency call-out basis for downed wires, flooding, etc.

The police chief is the city's emergency manager. In separate cost centers, the chief is responsible for the animal control division, Royal Oak Animal Shelter, auto parking and grant activity in the police grants fund.

GOALS

1. To keep Royal Oak safe.
2. To maintain a visible presence in the community.
3. To provide quality police service in the most efficient and cost-effective manner possible.

OBJECTIVES

- Expand the cadet program to assist with administrative tasks to keep sworn officers on the road and a pipeline for recruiting. GOALS1,7
- Train officers to fill expected leadership vacancies. GOAL1,7

GOALS**OBJECTIVES**

4. To provide exceptional public safety for major events, such as Woodward Dream Cruise and Arts, Beats and Eats.
5. Utilize a data-driven approach to crime prevention and enforcement.
6. To establish or maintain partnerships with community groups to make the most of proactive police efforts.
7. Fully implement organizational changes.

Performance Indicators / Outcome Measures

| | Actual 2017 | Actual 2018 | Actual 2019 | Actual 2020 | Projected 2021 | Projected 2022 |
|--------------------------------------|------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| GOAL1 Calls for Service** | 49,139 | 48,450 | 51,852 | 45,108 | 52,000 | 52,000 |
| GOAL1 CID Cases Assigned | 789 | 728 | 755 | 605 | 800 | 800 |
| GOAL1 Warrants Obtained | 370 | 336 | 353 | 330 | 390 | 390 |
| GOAL1 Traffic Violations Issued | 14,145 | 13,548 | 14,587 | 7,539 | 12,000 | 13,000 |
| GOAL1 Accidents reported- non-Injury | 2,034 | 2,004 | 2,094 | 1,121 | 1,800 | 2,100 |
| GOAL1 Accidents- Injury | 255 | 283 | 171 | 155 | 200 | 290 |
| GOAL1 Accidents- Fatal | 4 | 2 | 2 | 1 | 2 | 2 |
| GOAL1 Part A Crimes | 1,987 | 1,628 | 1,438 | 1,201 | 1,700 | 1,700 |
| GOAL1 Part B Crimes | 1,409 | 1,140 | 1,030 | 769 | 1,200 | 1,200 |

Note: Police performance measures are reported on a calendar year basis as opposed to a fiscal year basis.

**From 2015-2017 'calls for service' were total reports for the year.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

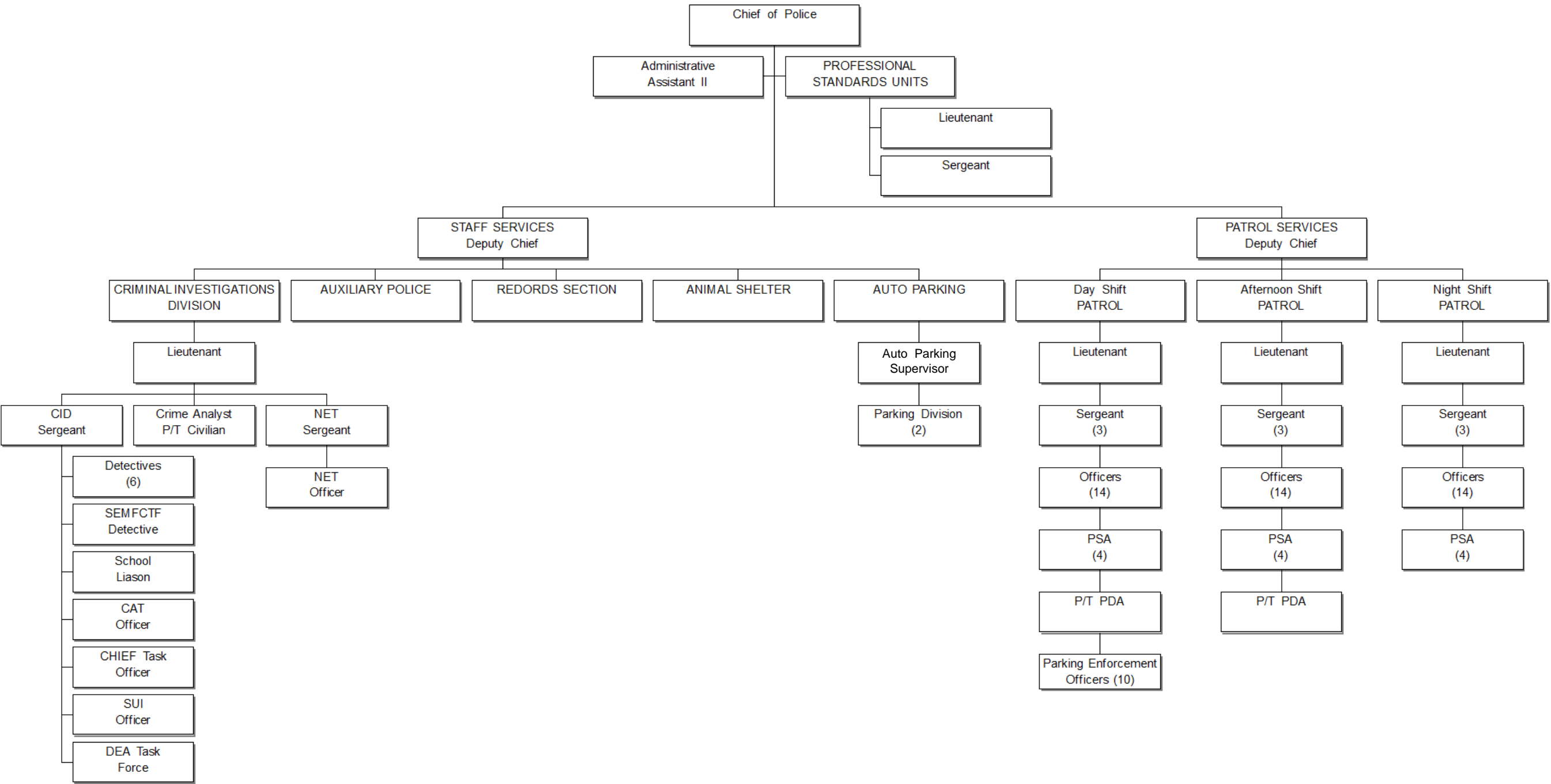
Personnel costs are increasing over \$1 million relative to the fiscal year 2020-21 original budget due to the potential for newer employees (who are not at the top of their pay range) to receive merit wage increases and due to the city having higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22. Weapons proficiency is increasing \$36,000 relative to the fiscal year 2020-2021 original budget due to a contract increase from \$1,000 to \$1,500 per officer, and an increase in the number of officers (due to vacancies).

Communication systems parts & supplies is increasing \$108,000 relative to the fiscal year 2020-21 original budget for the purchase of 17 new prep radios in preparation for the Oakland County upgrade / overhaul of the public safety radio system, which will be fully functional by the end of 2022. Clemis services is increasing \$17,000 relative to the fiscal year 2020-21 original budget due the purchase of a new live scan machine. Telecom line repair & maintenance service is decreasing \$9,000 relative to the fiscal year 2020-21 original budget due to logistical efficiencies gained by using an upgraded 911 system in the new police station. Miscellaneous operating supplies are increasing \$27,300 relative to the fiscal year 2020-21 original budget for the purchase of AEDs, digital cameras, and PBTs (Preliminary Breath Tests). Contracted worker services are decreasing \$6,000 relative to the fiscal year 2020-21 estimated year-end due to the likely elimination of the police storage unit and associated rental costs. Uniforms, clothing & gear are increasing \$5,000 relative to the fiscal year 2020-21 estimated year-end due to the need to purchase new crowd control uniforms. Training & education is increasing \$10,000 relative to the fiscal year 2020-21 estimated-year end due to an anticipated increase in training opportunities in fiscal year 2021-22, and which were limited in fiscal year 2020-21 due to the COVID-19 pandemic.

Cleaning & janitorial services are increasing \$10,000 relative to the fiscal year 2020-21 estimated year-end due to additional services needed for the new (larger) police station. Telephone service is increasing \$2,000 relative to the fiscal year 2020-21 original budget due to the increase of offices and phone lines in the new police station. Elevator repair & maintenance is decreasing \$2,000 relative to the fiscal year 2020-21 estimated year-end due to the elevators in the new police station being under warranty. Water utility is decreasing \$20,000 relative to the fiscal year 2020-21 estimated year-end due to the one-time rental of portable air conditioning units for the old police station building. Gas utility is increasing \$5,000 relative to the fiscal year 2020-21 estimated year-end due to anticipated higher usage in the new (larger) police station. The electric utility for the new police station is budgeted at \$66,000 for fiscal year 2021-22 and will be reevaluated and adjusted as usage data becomes available.

Motor pool rental charges are decreasing \$70,870 relative to the fiscal year 2020-21 department requested budget due to a decrease in maintenance & operating costs, depreciation, and fuel costs. Information systems service charges are increasing \$120,030 relative to the fiscal year 2020-21 original budget due to an increase in planned expenditures in fiscal year 2021-22 from the Information Technology fund, which include \$30,000 for the team rooms at the EOC (Emergency Operations Center) and \$11,000 for a police training and policy tracking system replacement.

Department Organization Chart



Budget Summary Expenditures

| 207.301 POLICE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 12,963,450 | 125,110 | 0 | 2,113,710 | 2,166,590 | 17,368,860 |
| 2018-2019 Actual | 13,182,240 | 84,920 | 0 | 2,363,630 | 2,166,780 | 17,797,570 |
| 2019-2020 Actual | 14,911,580 | 89,350 | 0 | 2,438,030 | 2,166,390 | 19,605,350 |
| 2020-2021 Original Budget | 14,980,110 | 131,000 | 0 | 2,436,700 | 2,167,400 | 19,715,210 |
| 2020-2021 Adjusted Budget (Dec) | 15,078,110 | 131,000 | 0 | 2,461,640 | 2,167,400 | 19,838,150 |
| 2020-2021 Six Month Actual | 7,714,680 | 29,390 | 0 | 1,218,500 | 1,646,080 | 10,608,650 |
| 2020-2021 Estimated Year End | 15,045,670 | 130,500 | 0 | 2,490,800 | 2,167,400 | 19,834,370 |
| 2021-2022 Dept Request | 16,047,830 | 133,000 | 0 | 2,848,660 | 2,169,000 | 21,198,490 |
| 2021-2022 Manager's Budget | 16,047,830 | 133,000 | 0 | 2,848,660 | 2,169,000 | 21,198,490 |
| 2021-2022 Adopted Budget | 16,047,830 | 133,000 | 0 | 2,848,660 | 2,169,000 | 21,198,490 |
| 2022-2023 Projected Budget | 16,668,070 | 133,000 | 0 | 2,789,550 | 2,169,000 | 21,759,620 |
| 2023-2024 Projected Budget | 17,315,390 | 133,000 | 0 | 2,839,930 | 2,168,000 | 22,456,320 |
| 2024-2025 Projected Budget | 17,990,960 | 133,000 | 0 | 2,891,830 | 2,168,000 | 23,183,790 |
| 2025-2026 Projected Budget | 18,695,960 | 133,000 | 0 | 2,945,330 | 2,168,000 | 23,942,290 |

Cost Center Position Detail- Home Base Full & Part-Time Employees

| Police | Fiscal Year | | | | | | | | |
|------------------------------------------|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | |
| Police Chief | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Deputy Chief of Police | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Police Lieutenant | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Police Sergeant | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 |
| Detective | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 | 7.0 |
| Police Officer | 51.0 | 51.0 | 51.0 | 51.0 | 51.0 | 51.0 | 51.0 | 51.0 | 51.0 |
| Police Service Aide | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 |
| Police Records Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Administrative Asst II - Police | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| CS III - Detective Bureau | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Police Records - MC III | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Detective Bureau - MC II | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Police Records - MC II | 1.0 | 2.0 | 2.0 | 2.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Full-time total | 96.0 | 97.0 | 98.0 | 98.0 | 98.0 | 98.0 | 98.0 | 98.0 | 98.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | 96.0 | 97.0 | 98.0 | 98.0 | 98.0 | 98.0 | 98.0 | 98.0 | 98.0 |

The mission of the Royal Oak Fire Department is to protect and preserve life, property, and the environment through a dedicated and highly trained professional team.

The fire department staffs three strategically located fire stations to provide the shortest possible response time to all areas of the city. Operations are funded primarily through general fund tax revenue along with a public safety millage.

Fire operations are organized into two divisions, fire prevention and fire suppression in this one cost center.

The fire prevention division provides risk management services. They lead inspections, investigations, test alarm panels and sprinkler systems, plan reviews, and fire code enforcement. They work with several other departments in the City of Royal Oak on plan reviews and annual business license renewals.

The fire suppression division responds to fire emergencies and medical emergencies, as well as special tactical operations for hazardous materials and technical rescue. Members of the suppression division also respond to calls for lift assistance, odor investigations, and downed power lines.

The department currently provides transporting advanced life support (ALS) services to the City of Royal Oak and its immediate OakWay neighbors for medical care and transport to area hospitals. Costs of ambulance rescue services are tracked in the ambulance service cost center, so they can be evaluated against ambulance service revenue.

As part of the OakWay mutual aid pact, the suppression firefighters are first responders to our city and provide assistance to seven other neighboring fire departments.

The department responds to hazardous material incidents with an in-house initial response. If additional resources are needed the city activates the OakWay Haz-Mat Team.

The department provides technical rescue response to the City of Royal Oak via the OakWay Technical Rescue Team. The city also coordinates with Birmingham, Madison Heights, and Ferndale to form Squad 4 of the Oakland County Technical Rescue Regional Response Team.

The city's ISO rating which is based on manpower, stations, equipment, training, and water supply is currently at three.

All fire department calls are dispatched by the 911 public safety answering point (PSAP) at the police department's dispatch center.

The department is responsible for the daily maintenance of all emergency response vehicles and equipment. The shift personnel maintain the stations' buildings and grounds.

Daily training is conducted to keep the quality of our service high and employee injuries low.

Grants are recorded in the grants fund.

A separate fire debt tax millage is collected and budgeted separately in the general obligation debt fund to pay the debt service on Series 2001A bonds that built or improved fire stations. The millage is to be levied at 0.2056 mill. Fiscal year 2021-22 is the last year of this debt / millage.

Fire apparatus are purchased by the motor pool and rented to the fire department. Those rental rates in this budget include charges for debt and/or capital replacement plus repair and maintenance costs.

The fire department currently has a CPR program for the public. This function is performed by the firefighters to the public for a nominal fee.

The fire department has a lockbox program for its residents, which provides firefighters easy access into homes in case of fires or medical run

GOALS

1. Provide the highest quality emergency services delivery.
2. Seek additional funding opportunities for department services.
3. Utilize technology to maximize the efficiency, effectiveness, and safety of fire operations.
4. Limit fire loss through increased comprehensive fire safety inspections.
5. Promote physical fitness for all personnel especially those who perform fire-fighting activities.
6. Evaluate the level of service being delivered to residents using an increased focus on measurable factors.
7. Maintain safe working conditions through the use of well-maintained equipment, and safe operating practices.
8. Explore additional fire grant opportunities.

OBJECTIVES

- Conduct advanced training as a department and with mutual aid partners.
GOAL 1
- Regular review of fee schedule for Fire Prevention and explore service models to increase annual inspections.
GOAL2
- Implement geographic location system (GIS) technology in conjunction with alarm software to provide vital on-scene information.
GOAL3
- Increase the number of fire inspections performed annually to 700.
GOAL4
- Increase physical readiness and decrease injuries through participation in fitness training and increased participation in the fitness incentive program.
GOAL5
- Use customer satisfaction data and turn-out times to monitor and evaluate service and delivery times.
GOAL6
- Establish maintenance policies for new equipment.
GOAL7
- Work closely with city grants coordinator to identify and apply for available grant opportunities.
GOAL8

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|---------------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL4 Structure Fires | 58 | 47 | 33 | 65 | 60 | 60 |
| GOAL4 Vehicle Fires | 12 | 20 | 6 | 15 | 20 | 20 |
| GOAL4 Other Fires | 28 | 30 | 16 | 30 | 20 | 20 |
| GOAL4 Total Fires | 98 | 97 | 55 | 110 | 100 | 100 |
| GOAL6 Total EMS Incidents | 4,325 | 4,309 | 1,822 | 3,875 | 4,350 | 4,450 |
| GOAL3 False Alarms including detector activations | 343 | 298 | 164 | 300 | 350 | 350 |
| GOAL3 Hazardous Conditions | 252 | 316 | 220 | 245 | 300 | 300 |
| GOAL1 Public Service Calls | 497 | 450 | 225 | 475 | 500 | 500 |
| GOAL1 Good Intent including Smoke Scares | 457 | 434 | 230 | 450 | 450 | 450 |
| GOAL1 Other Alarms | 39 | 38 | 25 | 45 | 50 | 50 |
| GOAL1 Incidents by Fire Station | | | | | | |
| Station #1 | 2,489 | 2,447 | 1,111 | 2,300 | 2,650 | 2,700 |
| Station #2 | 2,381 | 2,350 | 1,124 | 2,200 | 2,250 | 2,300 |
| Station #3 | 1,141 | 1,145 | 506 | 1,000 | 1,200 | 1,200 |
| Total Incidents | 6,011 | 5,942 | 2,741 | 5,500 | 6,100 | 6,200 |
| ISO Rating | 3 | 3 | 3 | 3 | 3 | 3 |
| GOAL6 Average Turn-Out time for all calls | n/a | 1:53 | 1:48 | 1:45 | 1:45 | 1:45 |
| GOAL4 # of Businesses available to inspect | 2,585 | 2,600 | 2,600 | 2,600 | 2,600 | 2,600 |
| GOAL4 # of Fire Prevention Inspections annually | 647 | 309 | 292 | 600 | 700 | 700 |
| GOAL4 # of those Re-Inspected due to violations | 192 | 53 | 50 | 150 | 175 | 175 |
| GOAL4 % of Businesses requiring Re-Inspection | 29 | 17 | 17 | 25 | 25 | 15 |
| GOAL4 # of Plan Reviews conducted annually | 111 | 106 | 83 | 130 | 130 | 130 |
| GOAL4 % of Businesses inspected annually | 25% | 12% | 11% | 25% | 25% | 25% |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The personnel budget is increasing due to newer employees (who are not at the top of their pay range) receiving wage step increases, and due to the city having higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22. Defined contributions are increasing relative to the fiscal year 2020-21 original budget due to additional employees in the defined contribution plans.

Fire and EMS supplies are decreasing \$9,000 relative to the fiscal year 2020-21 original budget due to the cancellation of the cancer prevention program due to the COVID-19 pandemic. Training & education and materials for public sale & distribution are increasing, \$11,000 and \$1,500 respectively, relative to the fiscal year 2020-21 estimated year-end due to lower usage in fiscal year 2020-21 due to COVID-19 shutdowns in 2020-21. Books, subscriptions & electronic works are increasing \$750 relative to the fiscal year 2020-21 estimated year-end due to the anticipated need for updated promotion exam books. Hazardous materials management contribution is decreasing \$2,500 relative to the fiscal year 2020-21 original budget due to fewer firefighters completing recertification physicals. Communication systems parts & supplies are increasing \$4,000 relative to the fiscal year 2020-21 estimated year-end due to an anticipated increase in the number of parts and supplies that will be needed for the ongoing radio system overhaul, which should be completed in 2022. Plumbing repair & maintenance services and miscellaneous contracted services are decreasing, each by \$2,000, relative to the fiscal year 2020-21 original budget to better reflect historical usage. Water utilities are decreasing \$3,000 relative to the 2020-21 fiscal year original budget to better reflect historical water usage trend.

In the motor pool fund, as part of the city's annual vehicle replacement program, fiscal year 2021-22 includes \$720,000 for a Rosenbauer E-1 pumper tanker and \$43,140 for a F-350 truck. Motor pool vehicle rentals are increasing \$228,500 relative to the fiscal year 2020-21 original budget due to the resumption of the city's depreciation catch-up plan. Information system service charges are increasing \$26,320 due to an increase in planned expenditures in fiscal year 2021-22 from the Information Technology fund.

The following capital improvement projects are budgeted for the fire department for FY2021-22:

| | |
|------------------------------------------------------|----------------|
| • Fire station #1 – security remodel | \$15,000 |
| • Fire station #1 – HVAC system replacement | 140,000 |
| • Fire station #1 – roof replacement | 310,000 |
| • Fire stations #1, #2 & #3 – exhaust system upgrade | 30,000 |
| • Fire station #2 – apron slab repair | <u>60,000*</u> |

* Carryover of \$20,000 from FY 2020-21

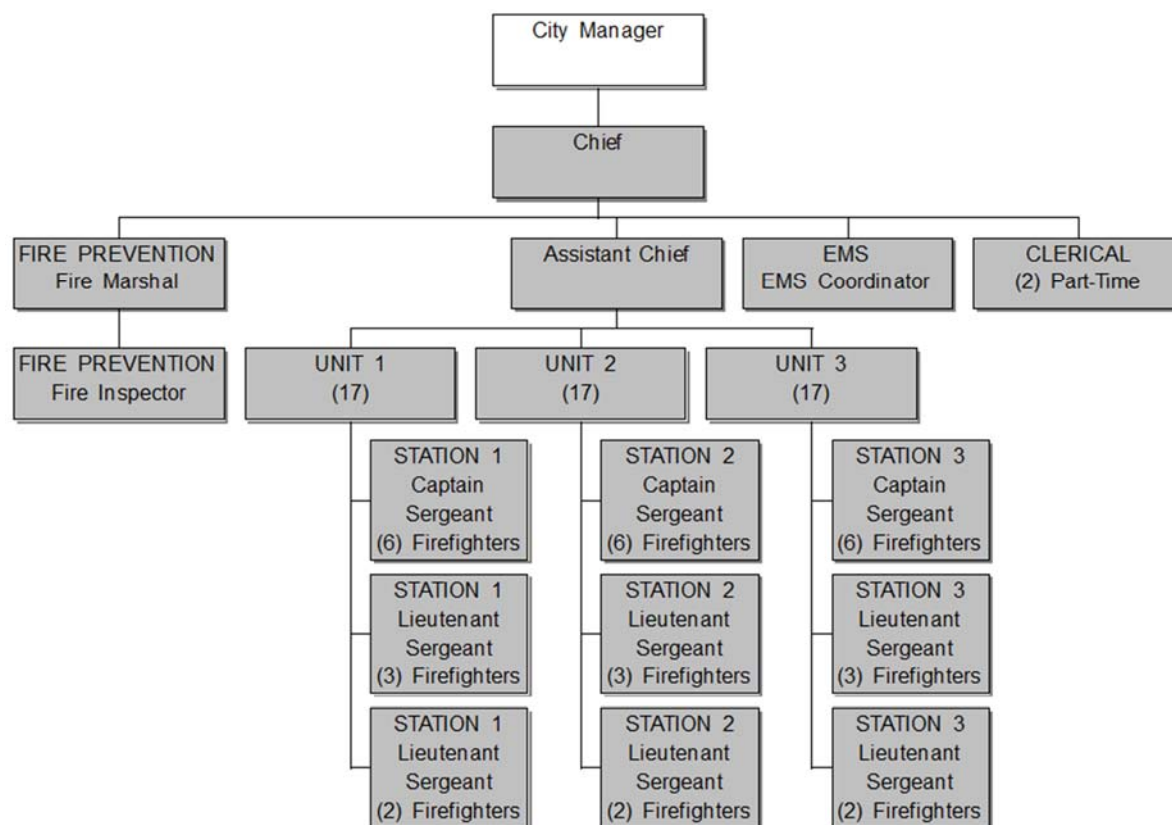
| | |
|------------------|-----------|
| FY2021-22 total: | \$555,000 |
|------------------|-----------|

Future operating costs and savings related to the capital purchases have not been quantified by the requesting department.

Budget Summary Expenditures

| 207.336 FIRE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 8,056,880 | 101,140 | 124,940 | 1,273,110 | 1,591,510 | 11,147,580 |
| 2018-2019 Actual | 8,538,210 | 164,460 | 108,240 | 1,576,420 | 1,591,590 | 11,978,920 |
| 2019-2020 Actual | 9,777,060 | 75,970 | 61,340 | 1,569,580 | 1,591,390 | 13,075,340 |
| 2020-2021 Original Budget | 10,004,100 | 144,600 | 80,000 | 1,329,220 | 1,592,100 | 13,150,020 |
| 2020-2021 Adjusted Budget (Dec) | 10,063,100 | 144,600 | 80,000 | 1,329,220 | 1,592,100 | 13,209,020 |
| 2020-2021 Six Month Actual | 5,284,810 | 40,370 | 59,400 | 698,650 | 1,209,190 | 7,292,420 |
| 2020-2021 Estimated Year End | 9,823,880 | 135,850 | 60,000 | 1,295,020 | 1,592,100 | 12,906,850 |
| 2021-2022 Dept Request | 10,391,990 | 134,100 | 555,000 | 1,630,600 | 1,594,200 | 14,305,890 |
| 2021-2022 Manager's Budget | 10,391,990 | 134,100 | 555,000 | 1,630,600 | 1,594,200 | 14,305,890 |
| 2021-2022 Adopted Budget | 10,391,990 | 134,100 | 555,000 | 1,630,600 | 1,594,200 | 14,305,890 |
| 2022-2023 Projected Budget | 10,789,710 | 134,100 | 20,000 | 1,664,580 | 1,595,000 | 14,203,390 |
| 2023-2024 Projected Budget | 11,204,950 | 134,100 | 20,000 | 1,699,530 | 1,590,000 | 14,648,580 |
| 2024-2025 Projected Budget | 11,638,460 | 134,100 | 20,000 | 1,735,490 | 1,592,000 | 15,120,050 |
| 2025-2026 Projected Budget | 12,090,990 | 134,100 | 20,000 | 1,772,500 | 1,595,000 | 15,612,590 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Fire | Fiscal Year | | | | | | | | |
|------------------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | |
| Fire Chief | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Assistant Fire Chief | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Fire Marshal | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Fire Prevention Inspector Act | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Fire Captain | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Fire Lieutenant | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| Fire Sergeant | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 |
| Firefighter | 33.0 | 33.0 | 33.0 | 33.0 | 33.0 | 33.0 | 33.0 | 33.0 | 33.0 |
| Fire Dept - MC III | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Full-time total | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 | 55.0 |

The mission of the ambulance service is to provide quality emergency transport and medical services within Royal Oak.

The fire department currently provides transporting advanced life support (ALS) ambulances and one ALS engine to the City of Royal Oak and its immediate OakWay neighbors for medical care and transport to area hospitals. Costs of ambulance rescue services are tracked in this ambulance service cost center so they can be evaluated against ambulance service revenue.

Costs of billing and collecting ambulance services are included in this fund.

The fire department's EMS calls are dispatched by the 911 public safety answering point (PSAP) at the police department's dispatch center.

Ambulances are purchased by the motor pool and rented to the fire department. Those rental rates in this budget include charges for debt and/or capital replacement plus repair and maintenance costs.

GOALS

1. Maintain good working relationships with area hospitals and neighboring EMS agencies and continue to work with area hospitals and our mutual aid departments to provide the most efficient service and care for our patients.
2. Provide quality Advanced Life Support (ALS) with proper oversight and compliance with Oakland County Medical Control Authority protocols.
3. Provide a high level of EMS service through technology and a commitment to excellent customer service.
4. Look at ways to improve our service to our residents.

OBJECTIVES

- Enhance our working relationships with area hospitals and mutual aid departments to provide the best and most efficient care for our residents. GOAL1
- Review and update our protocols to maintain compliance with county standards. GOAL2
- Continue to improve and control medical training costs by using our own instructors. GOAL3
- Maximize the use of Accumed Web for patient and billable revenue. GOAL3
- Comprehensive quality assurance and professional standards review to identify opportunities to improve service. GOAL4

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|-------------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL ¹ Total EMS Runs | 4,158 | 4,309 | 1,884 | 4,000 | 4,400 | 4,500 |
| GOAL ¹ Average EMS Turnout Time | 1:38 | 1:36 | 1:36 | 1:34 | 1:30 | 1:30 |
| Customer Satisfaction Score | 96.38 | n/a | n/a | 96.5 | 96.6 | 96.7 |
| National Average Customer Satisfaction Score | 93.18 | 93.42 | 93.37 | 93.5 | 93.5 | 93.5 |
| CPR Save Rate vs. National Save Rate | 13.9% / 5.4% | 16.7% / 5.4% | 17.2% / 6.4% | 17.5% / 6.4% | 18% / 6.5% | 18% / 6.5% |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The personnel budget is decreasing relative to the fiscal year 2020-21 original budget due to a reduction in pension expense allocated to the ALS (Advanced Life Support) function. Paramedic premium is increasing \$5,000 relative to the fiscal year 2020-21 due to an increase in the number of employees eligible for this premium.

Ambulance billing services are increasing \$6,000 relative to the fiscal year 2020-21 original budget due to the anticipated increase in the number of EMS runs in fiscal year 2021-22 once the Henry Ford facility opens. Equipment repair & maintenance services are increasing \$3,500 relative to the fiscal year 2020-21 estimated year-end budget due to an anticipated increase in scheduled maintenance in fiscal year 2021-22. Training & education is increasing \$9,000 relative to the fiscal year 2020-21 estimated year-end due to the anticipated resumption of training in fiscal year 2021-22, and which was reduced in fiscal year 2020-21 due to the COVID-19 pandemic. Fire & EMS supplies are increasing \$10,000 relative to the fiscal year 2020-21 estimated year-end due to Oakland County providing COVID-19 supplies in fiscal year 2020-21 as well as an anticipated increase in supply costs. Dues & memberships are increasing \$7,000 relative to the fiscal year 2020-21 estimated year-end due to the cost of customer satisfaction surveys that were previously covered by OakWay.

In the motor pool fund, as part of the city's annual vehicle replacement program, fiscal year 2021-22 includes \$250,000 for an ambulance which was moved up in the replacement program due to reliability concerns. Motor pool rental charges are increasing \$24,900 relative to fiscal year 2020-21 original budget due to the resumption of the city's depreciation catch-up plan during fiscal year 2021-22.

The following capital improvement project is budgeted for ambulance services for FY2021-22:

- EMS tablet replacements \$25,000

Budget Summary Expenditures

| 207.344 AMBULANCE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 401,160 | 173,910 | 0 | 150,590 | 0 | 725,660 |
| 2018-2019 Actual | 359,290 | 150,770 | 0 | 216,880 | 0 | 726,940 |
| 2019-2020 Actual | 500,600 | 192,540 | 45,620 | 209,510 | 0 | 948,270 |
| 2020-2021 Original Budget | 544,610 | 217,280 | 0 | 188,380 | 0 | 950,270 |
| 2020-2021 Adjusted Budget (Dec) | 544,610 | 217,280 | 0 | 188,380 | 0 | 950,270 |
| 2020-2021 Six Month Actual | 467,130 | 51,990 | 62,500 | 91,190 | 0 | 672,810 |
| 2020-2021 Estimated Year End | 593,770 | 162,780 | 62,500 | 182,380 | 0 | 1,001,430 |
| 2021-2022 Dept Request | 462,680 | 201,000 | 25,000 | 207,280 | 0 | 895,960 |
| 2021-2022 Manager's Budget | 462,680 | 201,000 | 25,000 | 207,280 | 0 | 895,960 |
| 2021-2022 Adopted Budget | 462,680 | 201,000 | 25,000 | 207,280 | 0 | 895,960 |
| 2022-2023 Projected Budget | 471,750 | 201,420 | 0 | 211,430 | 0 | 884,600 |
| 2023-2024 Projected Budget | 481,250 | 201,860 | 0 | 215,660 | 0 | 898,770 |
| 2024-2025 Projected Budget | 491,230 | 202,320 | 0 | 219,970 | 0 | 913,520 |
| 2025-2026 Projected Budget | 501,670 | 202,800 | 0 | 224,370 | 0 | 928,840 |

Cost Center Position Detail - Home Base Full-Time Employees

| Ambulance Service (Fire) | | | | | Fiscal Year | | | | | |
|----------------------------|-------|-------|-------|-------|-------------|-------|-------|-------|-------|--|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Fire ALS Coordinator | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | |
| Full-time total | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | |

The mission of the publicity tax fund is to inform prospective and existing residents and businesses about the advantages, programs, and services that the City of Royal Oak City offers.

This fund collects the ad valorem publicity tax, authorized by State Act 59 of 1925, plus contributions from other city funds. The city is budgeting to levy 0.0154 mill for fiscal year 2021-22.

The City of Royal Oak's departments publish the *Insight* magazine quarterly. It focuses on the recreational and cultural activities available for the next season.

Additionally, *Insight* highlights many varied, on-going, and special events and services. For instance: library seminars, assessment

notices and snow emergency procedures in the winter; yard waste procedures and the ice show in the spring; tax bills, the art fair and kids park programs in the summer; and senior trips, elections, leaf pickup and the holiday hockey tournament in the fall.

Copy preparation, editing and final makeup are coordinated by the superintendent of recreation and his staff. A local printer assists and completes the final document.

Magazines are mailed to all residents and businesses. Copies are displayed prominently in city hall and given out to attract new home buyers. Planners distribute copies to entice prospective developers and businesspersons.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The millage is budgeted to decrease slightly from 0.0160 mill to 0.0154 mill based upon the allowable maximum amount of tax revenue the levy can generate according to Michigan legislation. The small transfers from funds that advertise in *Insight* Magazine are increasing from \$3,000 to \$4,000 for fiscal year 2021-22 for the fund to maintain a positive fund balance.

There are no significant changes in expenditures anticipated.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance | 14,758 | 13,678 | 14,468 | 17,958 | 19,078 | 17,718 |
| Revenues and transfers from other funds | 60,400 | 69,200 | 74,200 | 74,200 | 74,200 | 74,200 |
| Expenditures and transfers to other funds | 61,480 | 68,410 | 70,710 | 73,080 | 75,560 | 78,120 |
| Net Change in Fund Balance | (1,080) | 790 | 3,490 | 1,120 | (1,360) | (3,920) |
| Ending Fund Balance | 13,678 | 14,468 | 17,958 | 19,078 | 17,718 | 13,798 |

Revenues

| 211.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 47,200 | 0 | 0 | 0 | 310 | 20,000 | 67,510 |
| 2018-2019 Actual | 45,150 | 1,130 | 0 | 0 | 810 | 15,000 | 62,090 |
| 2019-2020 Actual | 44,980 | 1,150 | 0 | 0 | 610 | 10,000 | 56,740 |
| 2020-2021 Original Budget | 48,000 | 530 | 0 | 0 | 300 | 15,000 | 63,830 |
| 2020-2021 Adjusted Budget (Dec) | 48,000 | 530 | 0 | 0 | 300 | 15,000 | 63,830 |
| 2020-2021 Six Month Actual | 43,800 | 500 | 0 | 0 | 90 | 0 | 44,390 |
| 2020-2021 Estimated Year End | 44,800 | 500 | 0 | 0 | 100 | 15,000 | 60,400 |
| 2021-2022 Dept Request | 48,700 | 500 | 0 | 0 | 0 | 20,000 | 69,200 |
| 2021-2022 Manager's Budget | 48,700 | 500 | 0 | 0 | 0 | 20,000 | 69,200 |
| 2021-2022 Adopted Budget | 48,700 | 500 | 0 | 0 | 0 | 20,000 | 69,200 |
| 2022-2023 Projected Budget | 48,700 | 500 | 0 | 0 | 0 | 25,000 | 74,200 |
| 2023-2024 Projected Budget | 48,700 | 500 | 0 | 0 | 0 | 25,000 | 74,200 |
| 2024-2025 Projected Budget | 48,700 | 500 | 0 | 0 | 0 | 25,000 | 74,200 |
| 2025-2026 Projected Budget | 48,700 | 500 | 0 | 0 | 0 | 25,000 | 74,200 |

Expenditures

| 211.835 COMMUNITY PROMOTION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|----------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 16,140 | 36,340 | 0 | 11,490 | 0 | 63,970 |
| 2018-2019 Actual | 14,450 | 37,800 | 0 | 11,900 | 0 | 64,150 |
| 2019-2020 Actual | 16,450 | 36,890 | 0 | 12,060 | 0 | 65,400 |
| 2020-2021 Original Budget | 17,310 | 38,000 | 0 | 12,000 | 0 | 67,310 |
| 2020-2021 Adjusted Budget (Dec) | 17,310 | 38,000 | 0 | 12,000 | 0 | 67,310 |
| 2020-2021 Six Month Actual | 8,650 | 10,360 | 0 | 5,850 | 0 | 24,860 |
| 2020-2021 Estimated Year End | 17,460 | 32,000 | 0 | 12,020 | 0 | 61,480 |
| 2021-2022 Dept Request | 18,390 | 38,000 | 0 | 12,020 | 0 | 68,410 |
| 2021-2022 Manager's Budget | 18,390 | 38,000 | 0 | 12,020 | 0 | 68,410 |
| 2021-2022 Adopted Budget | 18,390 | 38,000 | 0 | 12,020 | 0 | 68,410 |
| 2022-2023 Projected Budget | 19,190 | 39,140 | 0 | 12,380 | 0 | 70,710 |
| 2023-2024 Projected Budget | 20,020 | 40,310 | 0 | 12,750 | 0 | 73,080 |
| 2024-2025 Projected Budget | 20,910 | 41,520 | 0 | 13,130 | 0 | 75,560 |
| 2025-2026 Projected Budget | 21,830 | 42,770 | 0 | 13,520 | 0 | 78,120 |

The mission of the solid waste function is to keep the city appealing by providing residents and businesses with desirable curbside refuse collection and disposal, recycling, and yard waste services.

Curbside refuse, recycling and yard waste services to homes and businesses are administered by the department of public services.

To provide economical service, the city partners with the South Oakland County Resource Recovery Authority. SOCRRA is a multi-community, public enterprise delivering outstanding services for Royal Oak's recycling, yard waste and composting needs.

SOCRRA privatizes collection with a third-party waste hauler on a ten-year contract ending in 2027. Household refuse and recycling material is picked-up weekly. Yard waste is collected seasonally April through mid-December.

Recycling and certain construction and household hazardous materials may be dropped off at the SOCRRA drop-off site on Coolidge Hwy. north of 14 Mile Rd. by appointment.

Recycling is encouraged, as it reuses valuable raw resources, reduces landfill needs, and saves residents money. The city has implemented a business recycling program.

The DPS leaf pickup program vacuums up leaves raked onto city streets. Pickup begins at the end of October after leaves start dropping. Solid waste funding is also used for the removal and disposal of dead trees from public property.

A total millage rate of 2.5768 mills is budgeted. This is 0.2364 mill lower than the combined maximum authorized amount of 2.8132 mills (voted local millage of 0.9304 and 1.8828 mills levied under authority of PA 298 of 1917 (MCL 123.261)).

The solid waste function is a division of the department of public service.

GOALS

1. To provide refuse collection and disposal, recycling, and yard waste services in both an efficient and effective manner in accordance with federal and state laws.
2. Provide street sweeping four times per year.
3. Increase percentage of recycled material.

OBJECTIVES

- Provide all residential households with uniform refuse containers.^{GOAL1}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The local solid waste charter millage was renewed for five years at the August 2016 election. The full authorized combined millage that can be levied is 2.8132 mills however it is recommended to continue to temporarily lower the levy to 2.5768 mills (0.2364 mill lower than the maximum allowed) as done in fiscal year 2020-21. *However, there is sufficient fund balance to reduce the millage rate further in fiscal year 2021-22 should the commission find it more desirable to use a greater amount of fund balance earlier.* Each year of the forecast illustrates reduced tax revenue due to not levying the full authorized local voted millage and using fund balance as a revenue source, however, it does not appear that this can be a permanent reduction. The forecast assumes the renewal of the levy authorized by amended city charter.

Personnel costs are increasing due to the potential for newer employees (who are not at the top of their pay range) to receive wage step increases.

SOCRRA has contracted with GFL for 10 years through 2027 and is tentatively increasing their charges by 3% to the community members. As such, the solid waste collection services expenditure line-item is budgeted to increase 3% relative to the fiscal year 2020-21 estimated year-end balance. Solid waste disposal services are increasing \$20,000 relative to the fiscal year 2020-21 original budget due to annual contractual increases for various tree removal services. The budget for materials for public sale/distribution is increasing \$3,000 relative to fiscal year 2020-21 original budget to provide materials for the uniform refuse cart distribution and for environmental advisory board outreach activities. Training and education costs are increasing \$1,000 due to the changing need for various staff training. Advertising and legal notices are increasing \$500 due to the upcoming millage renewal. Relative to fiscal year 2020-21 original budget, motor pool rental charges are decreasing \$71,280 based on estimated utilization which is reflected in the 2020-21 projected year-end balance decrease as well. Administrative charges are increasing \$14,110 due to the solid waste fund having a larger percentage of overall total expenditures during fiscal year 2019-20, and information systems services charges allocated to this fund are increasing \$4,210 due to a reduction and postponement in planned expenditures from the Information Technology fund due to necessary budget reductions during fiscal year 2020-21.

Capital expenditures in the fiscal year 2021-22 department budget include \$1.8 million for city-wide residential property garbage bins, which draws down the fund balance by design, and \$50,000 for storage area screening at Waterworks Park, both projects as noted in the city's annual CIP. Additionally, there is a \$20,000 transfer out to the information systems fund for the solid waste's portion of the computerized maintenance management software budgeted in 2021-22 that several DPS departments will utilize.

Future operating costs and savings related to the capital purchases have not been quantified by the requesting department.

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|-------------------------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL ² Tons of Yard Waste Diverted from Landfill | 10,033 | 11,941 | 9,822 | 12,000 | 12,000 | 12,000 |
| GOAL ³ Recycle tons | 5,573 | 4,617 | 2,916 | 5,500 | 5,500 | 5,500 |
| GOAL ¹ Hazardous Material Collected – Drop off | 13,441 | 10,406 | 2,398 | 8,000 | 11,000 | 11,000 |

Budget Summary

| | <u>2020-2021</u> | <u>2021-2022</u> | <u>2022-2023</u> | <u>2023-2024</u> | <u>2024-2025</u> | <u>2025-2026</u> |
|-------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance | 5,588,147 | 4,937,287 | 2,678,007 | 2,254,637 | 1,807,707 | 1,401,747 |
| Revenues and transfers from other funds | 7,444,200 | 7,701,000 | 7,889,830 | 8,083,380 | 8,281,760 | 8,485,100 |
| Expenditures and transfers to other funds | 8,095,060 | 9,960,280 | 8,313,200 | 8,530,310 | 8,687,720 | 8,852,160 |
| Net Change in Fund Balance | (650,860) | (2,259,280) | (423,370) | (446,930) | (405,960) | (367,060) |
| Ending Fund Balance | 4,937,287 | 2,678,007 | 2,254,637 | 1,807,707 | 1,401,747 | 1,034,687 |

Revenues

| 226.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 7,119,760 | 0 | 0 | 64,630 | 51,940 | 0 | 7,236,330 |
| 2018-2019 Actual | 7,312,310 | 170,350 | 170 | 186,500 | 41,350 | 0 | 7,710,680 |
| 2019-2020 Actual | 7,011,110 | 187,110 | 0 | 143,320 | 57,650 | 0 | 7,399,190 |
| 2020-2021 Original Budget | 7,290,000 | 86,000 | 0 | 9,000 | 50,000 | 0 | 7,435,000 |
| 2020-2021 Adjusted Budget (Dec) | 7,290,000 | 86,000 | 0 | 9,000 | 50,000 | 0 | 7,435,000 |
| 2020-2021 Six Month Actual | 7,136,090 | 78,150 | 50 | 22,240 | 20,740 | 0 | 7,257,270 |
| 2020-2021 Estimated Year End | 7,300,000 | 78,150 | 50 | 26,000 | 40,000 | 0 | 7,444,200 |
| 2021-2022 Dept Request | 7,553,000 | 78,000 | 0 | 20,000 | 50,000 | 0 | 7,701,000 |
| 2021-2022 Manager's Budget | 7,553,000 | 78,000 | 0 | 20,000 | 50,000 | 0 | 7,701,000 |
| 2021-2022 Adopted Budget | 7,553,000 | 78,000 | 0 | 20,000 | 50,000 | 0 | 7,701,000 |
| 2022-2023 Projected Budget | 7,741,830 | 78,000 | 0 | 20,000 | 50,000 | 0 | 7,889,830 |
| 2023-2024 Projected Budget | 7,935,380 | 78,000 | 0 | 20,000 | 50,000 | 0 | 8,083,380 |
| 2024-2025 Projected Budget | 8,133,760 | 78,000 | 0 | 20,000 | 50,000 | 0 | 8,281,760 |
| 2025-2026 Projected Budget | 8,337,100 | 78,000 | 0 | 20,000 | 50,000 | 0 | 8,485,100 |

Expenditures

| 226.528 SOLID WASTE | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|---------------------------------|--------------------|----------|-----------|-----------|-----------|---------|-----------|
| 2017-2018 Actual | 811,020 | 33,880 | 994,160 | 6,187,830 | 4,000 | 225,210 | 8,256,100 |
| 2018-2019 Actual | 863,170 | 39,220 | 940 | 6,265,720 | 3,000 | 225,300 | 7,397,350 |
| 2019-2020 Actual | 1,082,330 | 24,890 | 0 | 6,313,040 | 2,000 | 225,170 | 7,647,430 |
| 2020-2021 Original Budget | 1,042,850 | 39,100 | 0 | 6,534,480 | 203,000 | 226,000 | 8,045,430 |
| 2020-2021 Adjusted Budget (Dec) | 1,042,850 | 39,100 | 0 | 6,534,480 | 203,000 | 226,000 | 8,045,430 |
| 2020-2021 Six Month Actual | 590,370 | 22,340 | 0 | 3,194,610 | 0 | 171,060 | 3,978,380 |
| 2020-2021 Estimated Year End | 1,024,850 | 39,400 | 0 | 6,458,310 | 346,500 | 226,000 | 8,095,060 |
| 2021-2022 Dept Request | 1,108,340 | 42,100 | 1,850,000 | 6,708,840 | 24,000 | 227,000 | 9,960,280 |
| 2021-2022 Manager's Budget | 1,108,340 | 42,100 | 1,850,000 | 6,708,840 | 24,000 | 227,000 | 9,960,280 |
| 2021-2022 Adopted Budget | 1,108,340 | 42,100 | 1,850,000 | 6,708,840 | 24,000 | 227,000 | 9,960,280 |
| 2022-2023 Projected Budget | 1,142,970 | 42,100 | 0 | 6,896,630 | 4,000 | 227,500 | 8,313,200 |
| 2023-2024 Projected Budget | 1,178,960 | 42,100 | 0 | 7,079,250 | 4,000 | 226,000 | 8,530,310 |
| 2024-2025 Projected Budget | 1,216,350 | 42,100 | 0 | 7,199,270 | 4,000 | 226,000 | 8,687,720 |
| 2025-2026 Projected Budget | 1,255,220 | 42,100 | 0 | 7,324,840 | 4,000 | 226,000 | 8,852,160 |

Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Solid Waste | | Fiscal Year | | | | | | | |
|-----------------------------------|-------|-------------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| Full-Time Positions | | | | | | | | | |
| Director of Rec & Public Svc | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| DPS Supervisor - Highway | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Sign Technician | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Equipment Operator II | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Equipment Operator I | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Painting Machine Operator | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Truck Driver | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| DPS/Hwy - MC III | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Equipment Repair Worker | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Solid Waste Employee | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Full-time total | 14.0 | 14.0 | 14.0 | 14.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 |
| Part-Time Positions (FTEs) | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | 14.0 | 14.0 | 14.0 | 14.0 | 15.0 | 15.0 | 15.0 | 15.0 | 15.0 |

The purpose of the indigent defense fund is to account for costs associated with grant revenue received to provide defense attorneys for indigent defendants at the 44th District Court.

Originally adopted in 2013, the Michigan Indigent Defense Commission Act (PA 93 of 2013) established a new state oversight body to review and implement state-wide standards for the provision of criminal

defense services for indigent defendants. The act also established state funding requirement for local court systems.

In May of 2017, the Michigan Indigent Defense Commission adopted the first four standards for the provision of criminal defendants. Funding for the local courts was first appropriated during the state's 2018-19 fiscal year.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Grant revenue and miscellaneous operating supply expenditures are decreasing due to the decrease in state funding provided by the 2021 state grant award from the Michigan Indigent Defense Commission.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance | 291,404 | 503,954 | 503,954 | 503,954 | 503,954 | 503,954 |
| Revenues and transfers from other funds | 694,550 | 661,040 | 661,040 | 661,040 | 661,040 | 661,040 |
| Expenditures and transfers to other funds | 482,000 | 661,040 | 661,040 | 661,040 | 661,040 | 661,040 |
| Net Change in Fund Balance | 212,550 | 0 | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 503,954 | 503,954 | 503,954 | 503,954 | 503,954 | 503,954 |

Revenues

| 260.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2018-2019 Actual | 0 | 276,000 | 0 | 0 | 0 | 22,210 | 298,210 |
| 2019-2020 Actual | 0 | 646,020 | 0 | 0 | 0 | 22,690 | 668,710 |
| 2020-2021 Original Budget | 0 | 650,000 | 0 | 0 | 28,000 | 23,240 | 701,240 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 650,000 | 0 | 0 | 28,000 | 23,240 | 701,240 |
| 2020-2021 Six Month Actual | 0 | 517,470 | 0 | 0 | 0 | 0 | 517,470 |
| 2020-2021 Estimated Year End | 0 | 671,310 | 0 | 0 | 0 | 23,240 | 694,550 |
| 2021-2022 Dept Request | 0 | 615,370 | 0 | 0 | 23,000 | 22,670 | 661,040 |
| 2021-2022 Manager's Budget | 0 | 615,370 | 0 | 0 | 23,000 | 22,670 | 661,040 |
| 2021-2022 Adopted Budget | 0 | 615,370 | 0 | 0 | 23,000 | 22,670 | 661,040 |
| 2022-2023 Projected Budget | 0 | 615,370 | 0 | 0 | 23,000 | 22,670 | 661,040 |
| 2023-2024 Projected Budget | 0 | 615,370 | 0 | 0 | 23,000 | 22,670 | 661,040 |
| 2024-2025 Projected Budget | 0 | 615,370 | 0 | 0 | 23,000 | 22,670 | 661,040 |
| 2025-2026 Projected Budget | 0 | 615,370 | 0 | 0 | 23,000 | 22,670 | 661,040 |

Expenditures

| 260.286 DISTRICT COURT | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 0 | 0 | 0 |
| 2018-2019 Actual | 0 | 0 | 0 | 206,050 | 0 | 206,050 |
| 2019-2020 Actual | 0 | 0 | 0 | 469,470 | 0 | 469,470 |
| 2020-2021 Original Budget | 0 | 73,850 | 0 | 627,390 | 0 | 701,240 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 73,850 | 0 | 627,390 | 0 | 701,240 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 206,480 | 0 | 206,480 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 482,000 | 0 | 482,000 |
| 2021-2022 Dept Request | 0 | 33,650 | 0 | 627,390 | 0 | 661,040 |
| 2021-2022 Manager's Budget | 0 | 33,650 | 0 | 627,390 | 0 | 661,040 |
| 2021-2022 Adopted Budget | 0 | 33,650 | 0 | 627,390 | 0 | 661,040 |
| 2022-2023 Projected Budget | 0 | 33,650 | 0 | 627,390 | 0 | 661,040 |
| 2023-2024 Projected Budget | 0 | 33,650 | 0 | 627,390 | 0 | 661,040 |
| 2024-2025 Projected Budget | 0 | 33,650 | 0 | 627,390 | 0 | 661,040 |
| 2025-2026 Projected Budget | 0 | 33,650 | 0 | 627,390 | 0 | 661,040 |

The Royal Oak Public Library provides opportunities for all to learn, connect, create, and innovate.

The Public Library of the City of Royal Oak is administered by a library board of nine members whose duties are fixed by ordinance and whose members are appointed for fixed terms by the mayor with city commission approval. The board appoints the Library Director and subordinate employees of the library and determines their compensation. The board can make purchases for the library without the requisition chapter; however, the total amount expended by the board in any one year for compensation of employees, purchase, and other expenses cannot exceed the appropriation allowed for library purposes in the annual budget.

Prior to the pandemic, the Royal Oak Public Library provided informational and recreational resources to the community in many forms: books, e-books, audio books in several formats including downloadable ones, internet access, music CDs, DVDs, online databases with remote access, online courses, and local history materials to patrons with in-person visits averaging 13,300 per month. After the closure in March 2020, due to the pandemic, services quickly shifted to virtual. Going from presenting many programs for adults and children in person to hosting everything through virtual platforms was difficult, but staff quickly adapted to the new service model and library programs were relatively uninterrupted.

The Royal Oak Public Library is still a major information source for the community and a great place to access entertaining and informative books and media in both traditional and electronic formats. This year we added a Library of Things and will be starting an arts-based makerspace. This project is supported in part by the National Endowment for the Arts.

Nearly 40% of the residents of Royal Oak have a library card. The last fiscal year saw a switch to online-only programs, but we were still able to feature programs on a huge variety of topics with an average of fifteen programs weekly. The summer reading program provides an entertaining way for children to maintain and improve their literacy skills during the summer vacation, and this fiscal year will be no different although we will be utilizing Royal Oak's parks to ensure social distancing.

The pandemic has been extremely challenging for our community. We are thankful for the support of our patrons and community who supported us during our modified operations to keep the staff and community safe in an extremely difficult era.

A dedicated one mill secures the operating funds restricted for Royal Oak Public Library purposes through the year 2023. The maximum allowable rate is now 0.8959 mill due to Headlee Act reductions over the years. The full allowable rate is budgeted to be levied for this fiscal year.

GOALS

1. Employ and retain happy, welcoming staff and provide for their ongoing professional development.
2. Continually maintain and enhance our physical and digital collections.

OBJECTIVES

- Collect regular feedback from our staff and community members. ^{GOALS1,3}
- Develop and implement a collection of management strategies to ensure available materials and reduced wait time for popular materials. ^{GOAL2}

GOALS

3. Capture the community's attention and effectively communicate our available resources, programs, and services.

4. Continuously upgrade and maintain our physical space and functionality of the library to meet the evolving needs of the community.

5. Invest in and make accessible innovative technologies.

6. Secure stable funding.

7. Ensure best practices in library governance, management, and curation in all areas of the library.

OBJECTIVES

- Promote library through all available channels.^{GOAL3}
- Engage in regular outreach to the community.^{GOAL3,4,5}
- Continue to work closely with Friends of the Library to ensure sustainable operations for the library.^{GOAL6}
- Continue to review policies and procedures to ensure we are being good stewards of taxpayer funds.^{GOAL6,7}
- Seek and implement ideas to reduce barriers and increase access.^{GOAL5,7}

Performance Indicators / Outcome Measures

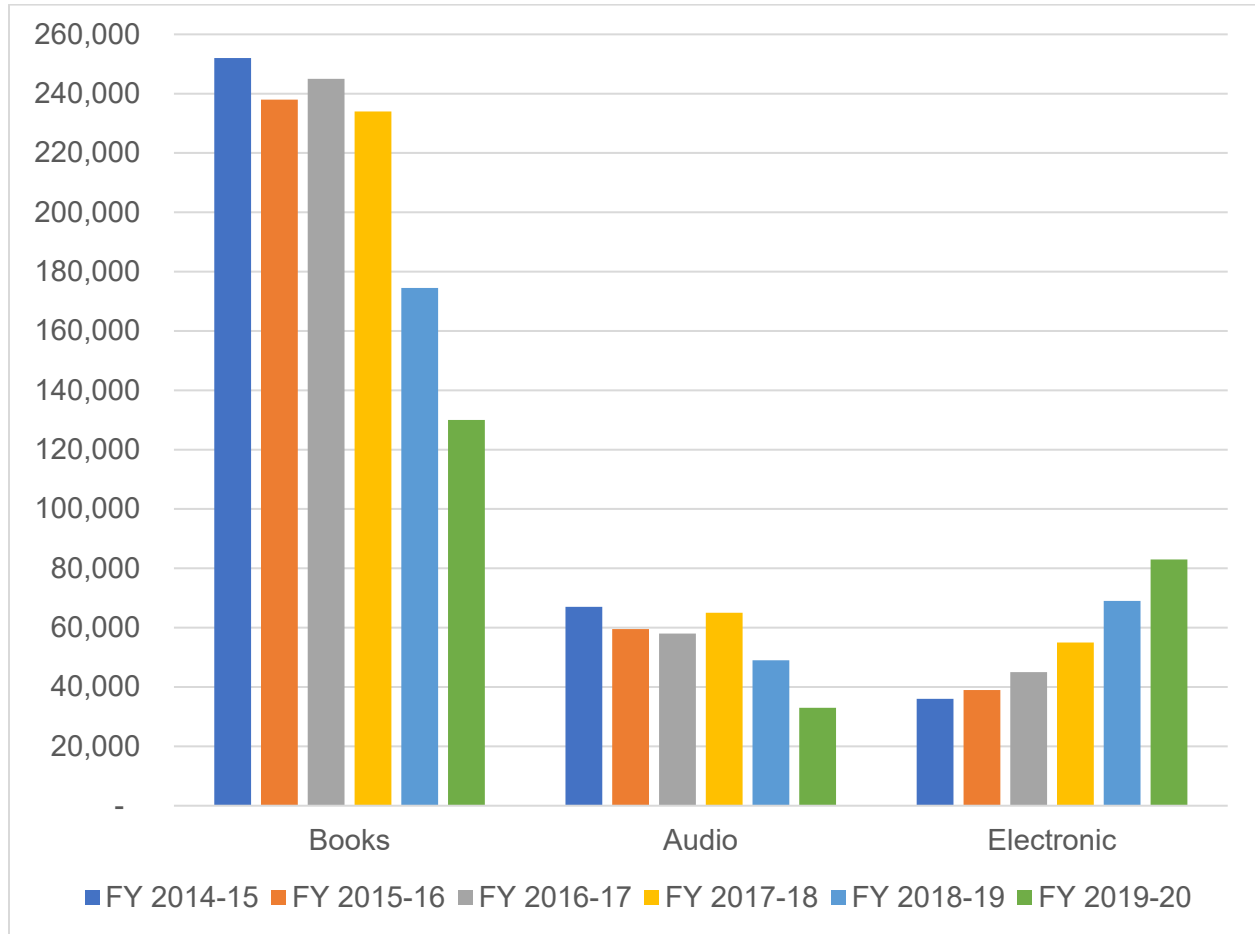
| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|---------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL1 Registered Card Holders | 23,885 | 22,002 | 23,363 | 23,830 | 24,297 | 24,794 |
| GOAL1 Annual Library Visitors | *163,413 | 127,211 | **49,944 | **75,000 | 100,000 | 125,000 |
| GOAL1 Collection Size | 152,589 | 145,819 | 146,273 | 148,000 | 150,000 | 152,000 |
| GOAL1 E-Titles† | 446,901 | 380,721 | 330,993 | 350,000 | 375,000 | 400,000 |
| GOAL1 Lending Transactions | 339,197 | 309,806 | 268,765 | 281,400 | 295,470 | 310,243 |
| GOAL2 Reference Question Responses | 20,369 | 15,024 | 8,963 | 15,500 | 16,500 | 17,500 |
| GOAL3 Programs Offered | 524 | 444 | 145 | 480 | 515 | 545 |
| GOAL3 Program Attendance | 17,275 | 14,116 | 2,692 | 14,500 | 15,100 | 15,700 |
| GOAL3 Summer Youth Reading Enrollment | 1,530 | 1,500 | 313 | 1,500 | 1,700 | 2,000 |

* In 2019, a door counter was not installed until approximately one month after the 11 Mile Rd. entrance was opened.

**In 2020, the library was closed for several months due to the COVID-19 pandemic.

†Correction: E-Titles in FY18-19 was revised. The above corrected number represents only electronic titles (books, audio, movies).

Library Circulation by Format



Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The library fund is now covering the entirety of the programming costs due to the significant budget impact COVID-19 had on the revenue of the Friends of the Library, who previously covered the programs budget. In total, fiscal year 2021-22 revenues are anticipated to increase slightly over fiscal year 2020-21 original budget mostly due to a slight increase in property tax revenues. The budget does not anticipate any revenues for library service charges and fines during fiscal year 2021-22 due to an effort to make the library fine free for patrons, as recent research shows that eliminating library reduces barriers to access and promotes social equity.

Personnel costs are increasing relative to the fiscal year 2020-21 budget due to the request for the addition of a full-time Librarian I and to allow for newer employees (who are not at the top of their pay range) potentially receiving wage step increases.

The library books budget is increasing \$5,720 relative to fiscal year 2020-21 original budget to ensure the continued purchase of popular titles. Telecommunications services are budgeted at \$2,000 for mobile hotspots. Miscellaneous contracted services are decreasing \$19,000 due to a one-time RFID tagging project during 2020-21. Cleaning and janitorial services are budgeted at \$45,000, which is a decrease of \$15,000 due to a deep cleaning of the facility budgeted during fiscal year 2020-21 and cleaning and janitorial supplies are decreasing \$5,000. The library began renovations during fiscal year 2020-21 and increased maintenance activities (such as carpet cleaning) will be necessary to extend the life of the new flooring. Miscellaneous building repair maintenance services are decreasing \$9,000 due to recent renovations.

Administrative charges allocated to this fund for fiscal year 2021-22 are decreasing \$36,390 relative to fiscal year 2020-21 original budget, due to the library having a smaller percentage of overall expenditures during fiscal year 2019-20. Information system service charges are increasing \$7,530 due to a reduction in planned IT expenditures during fiscal year 2020-21. Motor pool rental charges are new for the library during 2021-22 and are budgeted at \$2,260 to allow the library to pilot a home delivery program. The vehicle will also be used for Leaf/Twigs distribution and various offsite program supply transportation.

The library is budgeted to use \$334,000 of fund balance mostly due to a one-time capital outlay. The fiscal year 2021-22 budget includes a capital expenditure budget of \$260,000 for phase two of the library renovation project. The forecast includes future capital expenditures of \$558,000 for a complete roof replacement during fiscal year 2023-24 (deviates from CIP).

Future operating costs and savings related to the capital purchases have not been quantified by the requesting department.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance | 1,479,095 | 749,685 | 415,285 | 354,875 | 34,025 | 286,575 |
| Revenues and transfers from other funds | 2,808,070 | 2,846,100 | 2,899,430 | 2,967,090 | 3,036,440 | 3,107,530 |
| Expenditures and transfers to other funds | 3,537,480 | 3,180,500 | 2,959,840 | 3,287,940 | 2,783,890 | 2,838,720 |
| Net Change in Fund Balance | (729,410) | (334,400) | (60,410) | (320,850) | 252,550 | 268,810 |
| Ending Fund Balance | 749,685 | 415,285 | 354,875 | 34,025 | 286,575 | 555,385 |

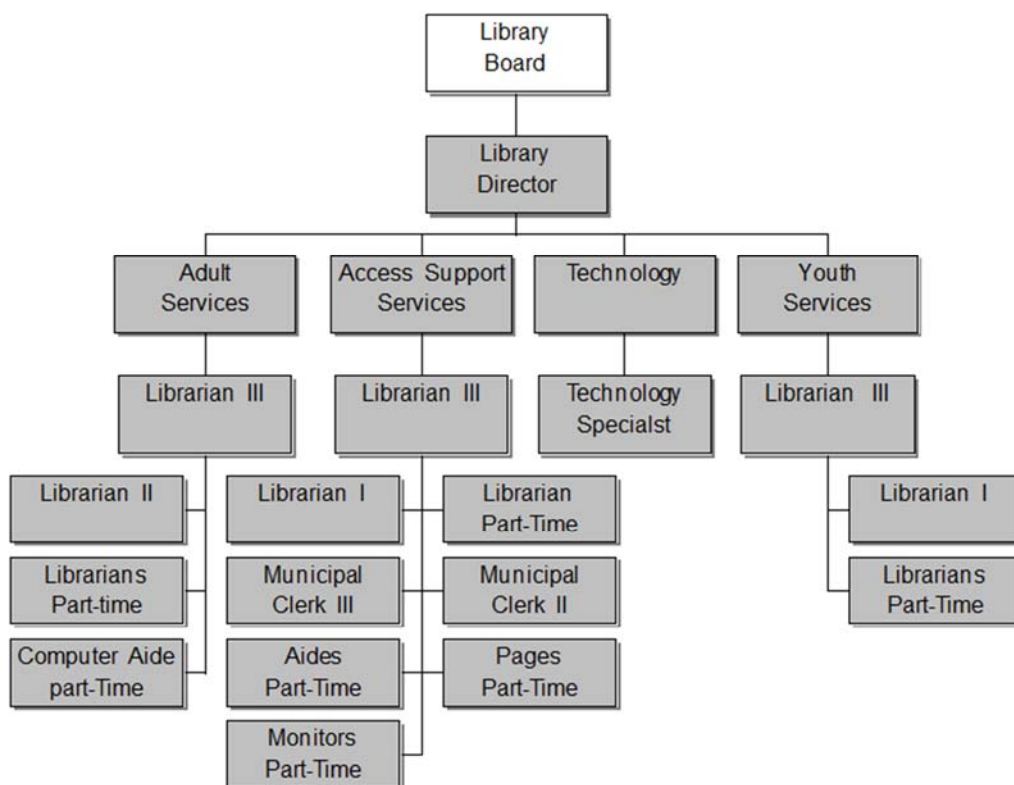
Revenues

| 271.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|-----------|---------|-----------------------------------|-------------------------------|-------|-----------|-----------|
| 2017-2018 Actual | 2,268,050 | 39,680 | 163,610 | 22,760 | 4,920 | 0 | 2,499,020 |
| 2018-2019 Actual | 2,329,220 | 98,120 | 158,470 | 87,330 | 5,420 | 169,080 | 2,847,640 |
| 2019-2020 Actual | 2,444,920 | 105,570 | 150,730 | 66,490 | 2,680 | 0 | 2,770,390 |
| 2020-2021 Original Budget | 2,542,000 | 64,000 | 142,500 | 59,500 | 4,000 | 0 | 2,812,000 |
| 2020-2021 Adjusted Budget (Dec) | 2,542,000 | 79,430 | 142,500 | 59,500 | 4,000 | 0 | 2,827,430 |
| 2020-2021 Six Month Actual | 2,489,020 | 100,660 | 106,160 | 28,930 | 430 | 0 | 2,725,200 |
| 2020-2021 Estimated Year End | 2,546,000 | 117,600 | 108,770 | 33,500 | 2,200 | 0 | 2,808,070 |
| 2021-2022 Dept Request | 2,626,000 | 64,000 | 120,100 | 34,000 | 2,000 | 0 | 2,846,100 |
| 2021-2022 Manager's Budget | 2,626,000 | 64,000 | 120,100 | 34,000 | 2,000 | 0 | 2,846,100 |
| 2021-2022 Adopted Budget | 2,626,000 | 64,000 | 120,100 | 34,000 | 2,000 | 0 | 2,846,100 |
| 2022-2023 Projected Budget | 2,678,650 | 64,680 | 120,100 | 34,000 | 2,000 | 0 | 2,899,430 |
| 2023-2024 Projected Budget | 2,745,620 | 65,370 | 120,100 | 34,000 | 2,000 | 0 | 2,967,090 |
| 2024-2025 Projected Budget | 2,814,260 | 66,080 | 120,100 | 34,000 | 2,000 | 0 | 3,036,440 |
| 2025-2026 Projected Budget | 2,884,620 | 66,810 | 120,100 | 34,000 | 2,000 | 0 | 3,107,530 |

Expenditures

| 271.790 LIBRARY | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2017-2018 Actual | 1,137,830 | 301,970 | 1,090 | 432,630 | 0 | 638,970 | 2,512,490 |
| 2018-2019 Actual | 1,230,760 | 359,510 | 196,560 | 405,430 | 0 | 639,450 | 2,831,710 |
| 2019-2020 Actual | 1,282,740 | 432,790 | 29,680 | 400,370 | 0 | 639,090 | 2,784,670 |
| 2020-2021 Original Budget | 1,310,440 | 384,880 | 0 | 494,810 | 0 | 645,000 | 2,835,130 |
| 2020-2021 Adjusted Budget (Dec) | 1,310,440 | 400,310 | 513,000 | 574,810 | 0 | 645,000 | 3,443,560 |
| 2020-2021 Six Month Actual | 651,160 | 209,180 | 0 | 248,080 | 0 | 279,750 | 1,388,170 |
| 2020-2021 Estimated Year End | 1,287,620 | 448,010 | 590,000 | 566,850 | 0 | 645,000 | 3,537,480 |
| 2021-2022 Dept Request | 1,440,370 | 404,500 | 260,000 | 429,630 | 0 | 646,000 | 3,180,500 |
| 2021-2022 Manager's Budget | 1,440,370 | 404,500 | 260,000 | 429,630 | 0 | 646,000 | 3,180,500 |
| 2021-2022 Adopted Budget | 1,440,370 | 404,500 | 260,000 | 429,630 | 0 | 646,000 | 3,180,500 |
| 2022-2023 Projected Budget | 1,485,910 | 404,500 | 0 | 429,430 | 0 | 640,000 | 2,959,840 |
| 2023-2024 Projected Budget | 1,533,060 | 404,500 | 558,000 | 434,380 | 0 | 358,000 | 3,287,940 |
| 2024-2025 Projected Budget | 1,581,890 | 404,500 | 0 | 439,500 | 0 | 358,000 | 2,783,890 |
| 2025-2026 Projected Budget | 1,632,440 | 404,500 | 0 | 444,780 | 0 | 357,000 | 2,838,720 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Library | Fiscal Year | | | | | | | | |
|------------------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | |
| Library Director | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Librarian III | 2.0 | 2.0 | 2.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Librarian II | 3.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.0 | 1.0 | 1.0 |
| Librarian I | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 2.0 |
| Library Technology Specialist | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Library - MC III | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Library - MC II | 2.0 | 2.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Full-time total | 10.0 | 9.0 | 8.0 | 8.0 | 8.0 | 9.0 | 9.0 | 9.0 | 10.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | 10.0 | 9.0 | 8.0 | 8.0 | 8.0 | 9.0 | 9.0 | 9.0 | 10.0 |

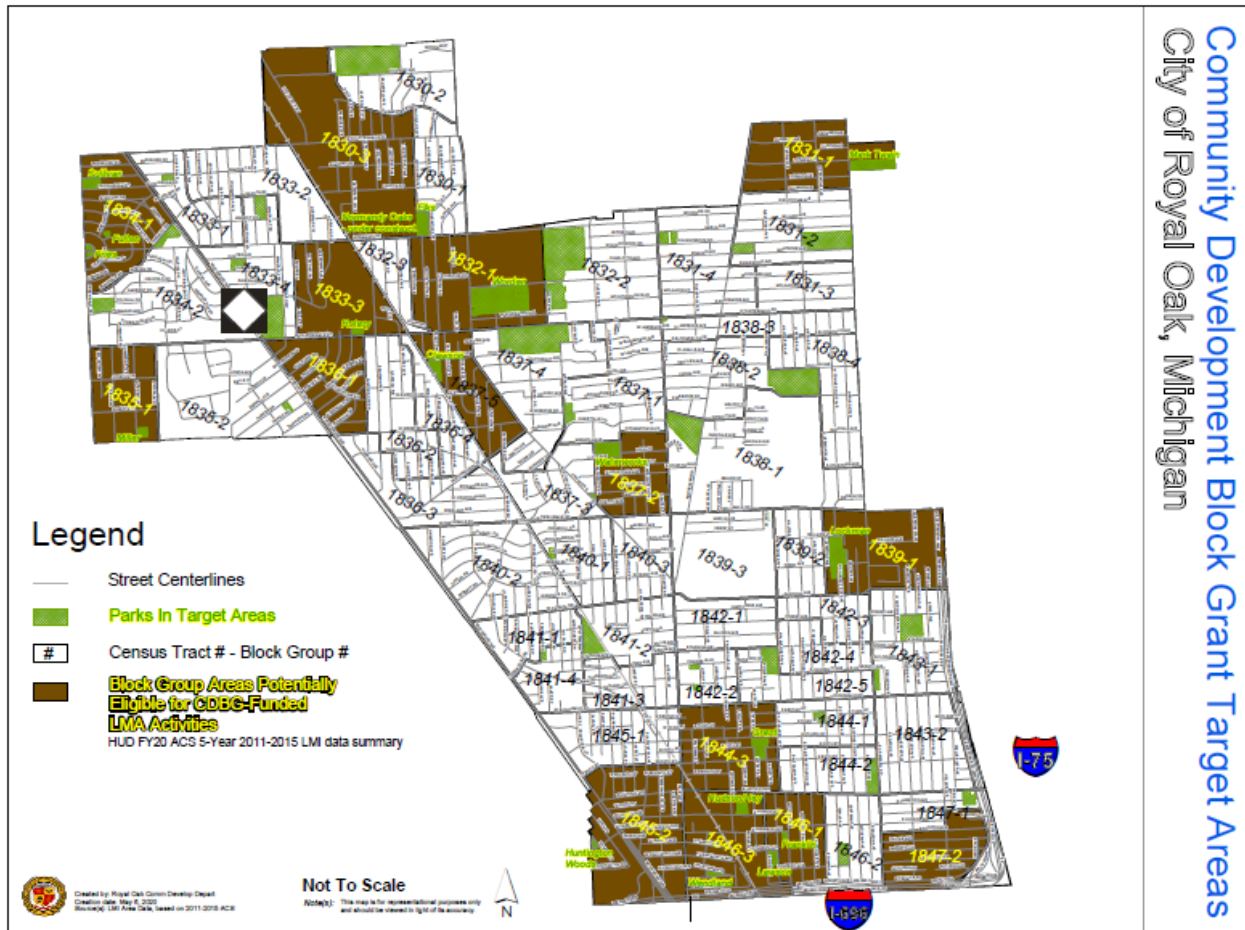
The mission of the community development block grant program is to develop viable urban communities by providing the following, principally for persons of low and moderate income: decent housing, a suitable living environment; and expanded economic opportunities.

Funding for CDBG fund operations comes from Federal Housing and Urban Development grants.

The city commission appoints a rehabilitation board of appeals to review community

development matters including applications of CDBG funded projects. The board makes recommendations to the city commission. The planning department staff oversees implementation of the grant and compliance with all associated federal requirements.

Historically, the city's housing rehabilitation program receives the largest share of the CDBG program's annual grant amount. Large-scale capital projects, such as road improvements, tree planting, and park improvements, have also received significant CDBG funds.



The mission of the housing rehabilitation program is to upgrade and conserve the existing housing stock of the City of Royal Oak meeting federal H.U.D. regulations for eligibility.

The housing rehabilitation loan program provides low-interest financing for necessary home repairs to eligible low- and moderate-income homeowners.

The City of Royal Oak has operated a successful housing rehabilitation program since 1976, upgrading and conserving the existing single-family housing stock in the city.

It is funded by Community Development Block Grant Program (CDBG) through the U.S. Dept. of Housing and Urban Development (HUD). Annually this revolving loan program makes new loans using new CDBG grants and repayments on existing loans.

Two kinds of loan are available: monthly installment loans at 3 percent interest for homeowners with incomes no greater than 80 percent of the Detroit area median income, and deferred loans for homeowners at 50 percent of the median income. Additionally, homeowners may be eligible for a forgivable loan, not to exceed \$10,000, for exterior rehabilitation activities. The loan is forgiven in equal parts over a 10-year period, as long as the loan recipient stays in the home. Loans are required to address local property maintenance standards, HUD's minimum housing quality standards, and any identified lead-based paint hazards.

As a full-service program, the city provides housing and credit counseling, loan underwriting, property inspections, specifications, and contractor solicitation.

Planning staff coordinates funding requests and provides reports and information on these Community Development Block Grant programs.

The department also prepares documents such as the Impediments to Fair Housing, the Five-Year Consolidated Plan, the Annual Action Plan, Comprehensive Annual Performance Evaluation Report, and other interim reports required by HUD for the rehab program.

Rehabilitation Board of Appeals: The Rehabilitation Board of Appeal is comprised of seven citizen members, empowered to grant or deny appeals from the eligibility requirements of the housing assistance program or actions of the administration of the rehabilitation loan committee. The decision of the board of appeals is final. Action to set aside guidelines and eligibility is on the basis of demonstrated hardship. The Board also studies and recommends CDBG related priorities to the city commission. Board members are appointed by the commission to three-year terms and meet the fourth Tuesday of each month.

GOALS

1. Increase the availability of decent, safe, and affordable housing.
2. Reduce the health risks of lead-based paint.

OBJECTIVES

GOALS

OBJECTIVES

- Continue the financial viability of the revolving loan program.

Performance Indicators / Outcome Measures

| | Actual FY17-18 | Actual FY18-19 | Actual FY19-20 | Dec 31 2020 | Projected FY20-21 | Projected FY21-22 |
|---------------------------------------|-------------------|-------------------|-------------------|----------------|----------------------|----------------------|
| GOAL3 Rehabilitation Loans | | | | | | |
| Loan Applications Received | 38 | 26 | 22 | 12 | 29 | 35 |
| Loan Applicants on Waiting List | 0 | 0 | 0 | 0 | 0 | 0 |
| Number of Loans Approved | 30 | 27 | 14 | 10 | 25 | 22 |
| Funds Available for Loans | \$428k | \$900k | \$500k | \$500k | \$500k | \$425k |
| Amount of Loans Approved | \$478k | \$448k | \$394k | \$250k | \$500k | \$425k |
| GOAL2 Lead-based Paint Hazards | | | | | | |
| Homes with Hazards Identified | 22 | 18 | 14 | 5 | 10 | 18 |
| Homes with Hazards Addressed | 13 | 14 | 11 | 5 | 8 | 14 |
| Repairs Made on Eligible Properties | 18 | 25 | 14 | 10 | 26 | 22 |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The fiscal year 2021-22 budget includes \$45,000 to provide supportive services for residents who qualify through the city's R.O.S.E.S (Royal Oak Senior Essential Services) program that is administered by the city's recreation department. This is an increase of \$35,000 from fiscal year 2020-21 estimated year-end. \$29,000 has been allocated to support local organizations that provide homeless assistance and emergency shelter programs in the city, and which is decreasing \$6,000 relative to the fiscal year 2020-21 original budget. Housing rehabilitation loans are decreasing \$95,000 relative to the fiscal year 2020-21 original budget due to a reallocation of funding to the capital improvement projects listed below.

The following capital improvement projects budgeted for FY 2021-22 is as follows:

- Franklin Park improvements \$475,000*
- Delemere Blvd. resurfacing improvements** \$350,000*

FY 2021-22 total: \$825,000

*Project deviates from CIP

**Transfer out to Local Street Fund

Future operating costs and savings related to the capital purchases have not been quantified by the requesting department.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance | 0 | 0 | 0 | 0 | 0 | 0 |
| Revenues and transfers from other funds | 3,271,820 | 2,370,200 | 2,383,120 | 2,383,120 | 2,397,000 | 2,411,420 |
| Expenditures and transfers to other funds | 3,271,820 | 2,370,200 | 2,383,120 | 2,383,120 | 2,397,000 | 2,411,420 |
| Net Change in Fund Balance | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 0 | 0 | 0 | 0 | 0 | 0 |

Revenues

| 274.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|-------|-----------|-----------------------------|----------------------------|--------|-----------|-----------|
| 2017-2018 Actual | 0 | 524,370 | 326,960 | 0 | 13,790 | 0 | 865,120 |
| 2018-2019 Actual | 0 | 1,482,320 | 471,650 | 0 | 11,690 | 0 | 1,965,660 |
| 2019-2020 Actual | 0 | 1,146,610 | 456,430 | 0 | 21,920 | 0 | 1,624,960 |
| 2020-2021 Original Budget | 0 | 1,194,030 | 344,000 | 832,000 | 6,000 | 0 | 2,376,030 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 1,194,030 | 344,000 | 1,301,670 | 6,000 | 0 | 2,845,700 |
| 2020-2021 Six Month Actual | 0 | 0 | 334,390 | 0 | 10,590 | 0 | 344,980 |
| 2020-2021 Estimated Year End | 0 | 2,153,550 | 585,000 | 518,270 | 15,000 | 0 | 3,271,820 |
| 2021-2022 Dept Request | 0 | 1,895,200 | 460,000 | 0 | 15,000 | 0 | 2,370,200 |
| 2021-2022 Manager's Budget | 0 | 1,895,200 | 460,000 | 0 | 15,000 | 0 | 2,370,200 |
| 2021-2022 Adopted Budget | 0 | 1,895,200 | 460,000 | 0 | 15,000 | 0 | 2,370,200 |
| 2022-2023 Projected Budget | 0 | 1,895,200 | 460,000 | 12,920 | 15,000 | 0 | 2,383,120 |
| 2023-2024 Projected Budget | 0 | 1,895,200 | 460,000 | 12,920 | 15,000 | 0 | 2,383,120 |
| 2024-2025 Projected Budget | 0 | 1,895,200 | 460,000 | 26,800 | 15,000 | 0 | 2,397,000 |
| 2025-2026 Projected Budget | 0 | 1,895,200 | 460,000 | 41,220 | 15,000 | 0 | 2,411,420 |

Expenditures

| 274.692 HOUSING ASSISTANCE PROGRAM | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 79,660 | 210 | 0 | 394,500 | 0 | 474,370 |
| 2018-2019 Actual | 90,640 | 220 | 0 | 538,820 | 0 | 629,680 |
| 2019-2020 Actual | 108,720 | 390 | 0 | 283,570 | 0 | 392,680 |
| 2020-2021 Original Budget | 100,480 | 390 | 0 | 488,510 | 0 | 589,380 |
| 2020-2021 Adjusted Budget (Dec) | 100,480 | 390 | 0 | 642,380 | 0 | 743,250 |
| 2020-2021 Six Month Actual | 61,430 | 20 | 0 | 180,960 | 0 | 242,410 |
| 2020-2021 Estimated Year End | 104,530 | 390 | 0 | 543,890 | 0 | 648,810 |
| 2021-2022 Dept Request | 125,420 | 0 | 0 | 398,540 | 0 | 523,960 |
| 2021-2022 Manager's Budget | 125,420 | 0 | 0 | 398,540 | 0 | 523,960 |
| 2021-2022 Adopted Budget | 125,420 | 0 | 0 | 398,540 | 0 | 523,960 |
| 2022-2023 Projected Budget | 129,640 | 0 | 0 | 398,540 | 0 | 528,180 |
| 2023-2024 Projected Budget | 134,030 | 0 | 0 | 398,540 | 0 | 532,570 |
| 2024-2025 Projected Budget | 138,580 | 0 | 0 | 398,540 | 0 | 537,120 |
| 2025-2026 Projected Budget | 143,320 | 0 | 0 | 398,540 | 0 | 541,860 |

| 274.712 BLOCK GRANT ADMINISTRATION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 126,540 | 100 | 0 | 25,500 | 0 | 152,140 |
| 2018-2019 Actual | 134,080 | 190 | 0 | 91,070 | 0 | 225,340 |
| 2019-2020 Actual | 180,050 | 90 | 0 | 43,090 | 0 | 223,230 |
| 2020-2021 Original Budget | 240,290 | 0 | 0 | 37,920 | 0 | 278,210 |
| 2020-2021 Adjusted Budget (Dec) | 240,290 | 0 | 0 | 37,920 | 0 | 278,210 |
| 2020-2021 Six Month Actual | 89,300 | 0 | 0 | 20,350 | 0 | 109,650 |
| 2020-2021 Estimated Year End | 261,960 | 0 | 0 | 44,670 | 0 | 306,630 |
| 2021-2022 Dept Request | 259,310 | 0 | 0 | 40,960 | 0 | 300,270 |
| 2021-2022 Manager's Budget | 259,310 | 0 | 0 | 40,960 | 0 | 300,270 |
| 2021-2022 Adopted Budget | 259,310 | 0 | 0 | 40,960 | 0 | 300,270 |
| 2022-2023 Projected Budget | 268,010 | 0 | 0 | 40,960 | 0 | 308,970 |
| 2023-2024 Projected Budget | 277,030 | 0 | 0 | 40,960 | 0 | 317,990 |
| 2024-2025 Projected Budget | 286,360 | 0 | 0 | 40,960 | 0 | 327,320 |
| 2025-2026 Projected Budget | 296,040 | 0 | 0 | 40,960 | 0 | 337,000 |

CDBG Fund – Housing Rehabilitation Program

| 274.759 SENIOR CENTER | Personnel Services | Supplies | Capital | Other | Debt | Total |
|----------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 39,420 | 0 | 39,420 |
| 2018-2019 Actual | 0 | 0 | 0 | 43,550 | 0 | 43,550 |
| 2019-2020 Actual | 0 | 0 | 0 | 27,630 | 0 | 27,630 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 45,000 | 0 | 45,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 45,000 | 0 | 45,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 3,800 | 0 | 3,800 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 5,000 | 0 | 5,000 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 45,000 | 0 | 45,000 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 45,000 | 0 | 45,000 |
| 2021-2022 Adopted Budget | 0 | 0 | 0 | 45,000 | 0 | 45,000 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 45,000 | 0 | 45,000 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 45,000 | 0 | 45,000 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 45,000 | 0 | 45,000 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 45,000 | 0 | 45,000 |

| 274. OTHER COST CENTERS | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|------------------------------------|-------------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 141,930 | 0 | 0 | 141,930 |
| 2018-2019 Actual | 0 | 0 | 0 | 1,067,090 | 0 | 0 | 1,067,090 |
| 2019-2020 Actual | 0 | 0 | 0 | 550,070 | 0 | 0 | 550,070 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 157,160 | 0 | 0 | 157,160 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 297,160 | 0 | 0 | 297,160 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 147,580 | 0 | 0 | 147,580 |
| 2020-2021 Estimated Year End | 125,000 | 0 | 0 | 282,750 | 0 | 0 | 407,750 |
| 2021-2022 Dept Request | 310,300 | 0 | 350,000 | 357,110 | 0 | 0 | 1,017,410 |
| 2021-2022 Manager's Budget | 310,300 | 0 | 350,000 | 357,110 | 0 | 0 | 1,017,410 |
| 2021-2022 Adopted Budget | 310,300 | 0 | 350,000 | 357,110 | 0 | 0 | 1,017,410 |
| 2022-2023 Projected Budget | 310,300 | 0 | 350,000 | 357,110 | 0 | 0 | 1,017,410 |
| 2023-2024 Projected Budget | 310,300 | 0 | 350,000 | 357,110 | 0 | 0 | 1,017,410 |
| 2024-2025 Projected Budget | 310,300 | 0 | 350,000 | 357,110 | 0 | 0 | 1,017,410 |
| 2025-2026 Projected Budget | 310,300 | 0 | 350,000 | 357,110 | 0 | 0 | 1,017,410 |

CDBG Fund – Housing Rehabilitation Program

| 274.901 CAPITAL | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2017-2018 Actual | 5,570 | 0 | 50,480 | 1,190 | 0 | 0 | 57,240 |
| 2018-2019 Actual | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2019-2020 Actual | 16,130 | 0 | 414,140 | 1,040 | 0 | 0 | 431,310 |
| 2020-2021 Original Budget | 6,280 | 0 | 1,300,000 | 0 | 0 | 0 | 1,306,280 |
| 2020-2021 Adjusted Budget (Dec) | 6,280 | 0 | 1,475,800 | 0 | 0 | 0 | 1,482,080 |
| 2020-2021 Six Month Actual | 1,490 | 0 | 58,830 | 840 | 0 | 0 | 61,160 |
| 2020-2021 Estimated Year End | 0 | 0 | 1,902,790 | 840 | 0 | 0 | 1,903,630 |
| 2021-2022 Dept Request | 8,560 | 0 | 475,000 | 0 | 0 | 0 | 483,560 |
| 2021-2022 Manager's Budget | 8,560 | 0 | 475,000 | 0 | 0 | 0 | 483,560 |
| 2021-2022 Adopted Budget | 8,560 | 0 | 475,000 | 0 | 0 | 0 | 483,560 |
| 2022-2023 Projected Budget | 8,560 | 0 | 475,000 | 0 | 0 | 0 | 483,560 |
| 2023-2024 Projected Budget | 8,560 | 0 | 811,590 | 0 | 0 | 0 | 820,150 |
| 2024-2025 Projected Budget | 8,560 | 0 | 811,590 | 0 | 0 | 0 | 820,150 |
| 2025-2026 Projected Budget | 8,560 | 0 | 811,590 | 0 | 0 | 0 | 820,150 |

Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Housing Assistance | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Housing Program Supervisor | | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Housing Rehabilitation Officer | | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| CS III - Housing | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Full-time total | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |

The mission of the inspection division of the building division is to effectively administer the Michigan construction codes and local ordinances to ensure public health, safety, and welfare.

Pursuant to the provisions of Section 9 of Act No. 230 of the Michigan Public Act of 1972 (MCLA § 125.1509), the Royal Oak building official is designated as the enforcing agency to discharge the responsibilities of the act. The city's building division assumes responsibility for the administration and enforcement of the act within our corporate limits.

The building inspection division issues permits for commercial and residential construction projects and performs related building, mechanical, electrical, and plumbing inspections throughout the construction process to ensure compliance with state construction codes and local ordinances. Fees are intended to cover the costs of this special revenue fund.

The building division of community development department consists of two areas: building inspection and code enforcement.

GOALS

1. To inspect all new construction to help ensure a safe environment for city residents, businesses, and visitors.
2. To provide professional services to our customers that will encourage development and growth within the city.
3. To encourage and support diverse investment to maximize property values and facilitate employment opportunities.
4. Provide accurate and thorough plan reviews within 14 days.
5. Provide requested inspections by the next business day.

OBJECTIVES

- Review and update policies to ensure compliance with current codes and laws.^{GOAL1}

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|------------------------------------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL1 Percent of Required Code Training Received | 100 | 100 | 100 | 100 | 100 | 100 |
| GOAL2 Percent of Inspections Performed Within the Next Business Day | 95 | 95 | 95 | 95 | 95 | 95 |
| GOAL1 Percent of Plans Reviewed for Permit Within 14 Business Days | 85 | 85 | 85 | 95 | 95 | 95 |
| <u>Permits Issued</u> | | | | | | |
| Building | 2,904 | 2,089 | 1,639 | 2,100 | 1,600 | 1,600 |
| Electrical | 1,960 | 1,781 | 1,010 | 1,500 | 800 | 800 |
| Mechanical | 1,786 | 1,887 | 1,024 | 1,500 | 800 | 800 |
| Plumbing Sewer | 1,378 | 1,716 | 878 | 1,500 | 1,000 | 1,000 |
| Construction Value (in 1000's) | \$156,000 | \$112,000 | \$66,000 | \$120,000 | \$ 75,000 | \$ 75,000 |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Revenues are decreasing relative to the fiscal year 2020-21 estimated year-end budget due to conservative budgeting as construction activity is unpredictable / cyclical so permit revenues can vary greatly from year to year.

Personnel costs are increasing relative to the fiscal year 2020-21 estimated year-end due to newer employees (who are not at the top of their pay range) potentially receiving merit wage increases, anticipating three vacancies being filled, and due to the city having higher annual required retirement contributions for pension and retiree healthcare in fiscal year 2021-22.

Office equipment / furniture (non-capitalized) and safety clothing & gear are increasing, \$3,000 and \$3,500 respectively, relative to the fiscal year 2020-21 estimated year-end due to an anticipated increase in usage relative to the three the vacancies being filled. Printing & document duplicating costs are increasing \$15,000 relative to the fiscal year 2020-21 estimated year-end due to an anticipated increase in document scanning. Telephone services are increasing \$4,300 relative to the fiscal year 2020-21 original budget to better reflect historical usage. Training & education and dues & memberships are increasing, \$5,000 and \$4,000 respectively, relative to the fiscal year 2020-21 estimated year-end due to an anticipated increase in usage for both existing and new employees in fiscal year 2021-22.

Motor pool rental charges are increasing \$18,550 relative to the fiscal year 2020-21 original budget due to the resumption of the city's depreciation catch-up plan and vehicle replacement program, and information systems service charges are increasing \$5,960 due to an increase in planned expenditures from the Information Technology fund during fiscal year 2021-22.

\$60,000 is budgeted in miscellaneous contracted services to conduct a comprehensive evaluation of the city's development approval and permits process such as, but not limited to, rezoning, special use approvals, building permits, plan check, development approval, inspections and enforcement processes established by city department.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|------------|------------|------------|------------|------------|------------|
| Beginning Fund Balance | 11,469,793 | 12,488,983 | 12,264,533 | 11,982,313 | 11,640,213 | 11,236,013 |
| Revenues and transfers from other funds | 2,521,710 | 1,734,500 | 1,734,500 | 1,734,500 | 1,734,500 | 1,734,500 |
| Expenditures and transfers to other funds | 1,502,520 | 1,958,950 | 2,016,720 | 2,076,600 | 2,138,700 | 2,203,090 |
| Net Change in Fund Balance | 1,019,190 | (224,450) | (282,220) | (342,100) | (404,200) | (468,590) |
| Ending Fund Balance | 12,488,983 | 12,264,533 | 11,982,313 | 11,640,213 | 11,236,013 | 10,767,423 |

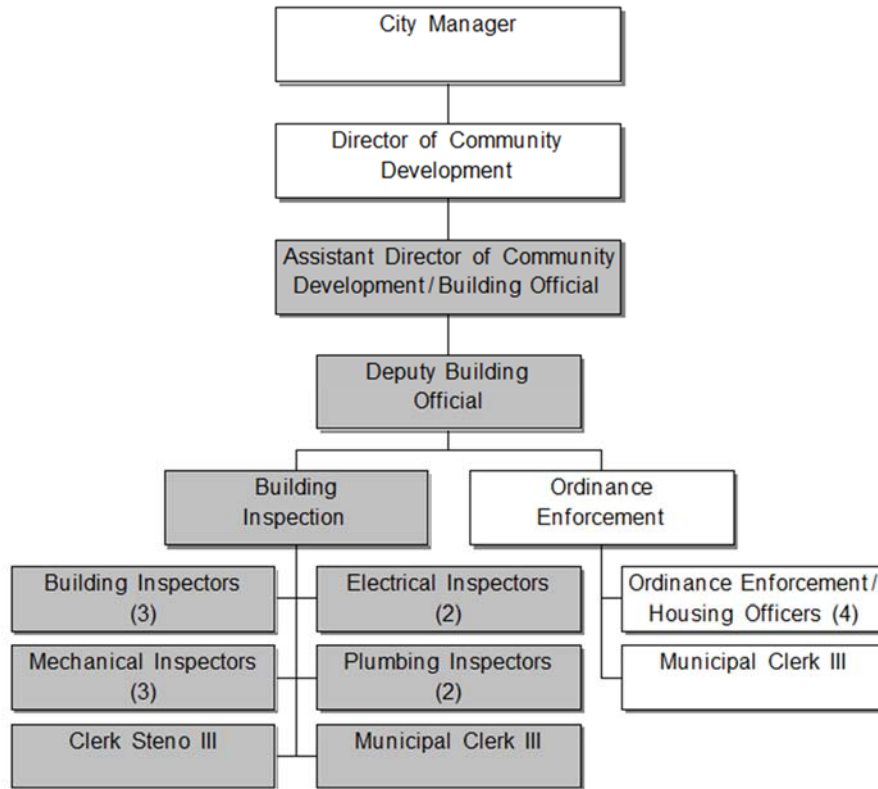
Revenues

| 282.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 3,988,770 | 0 | 130,860 | 0 | 4,119,630 |
| 2018-2019 Actual | 0 | 0 | 3,615,410 | 0 | 306,350 | 0 | 3,921,760 |
| 2019-2020 Actual | 0 | 0 | 2,839,460 | 0 | 245,620 | 0 | 3,085,080 |
| 2020-2021 Original Budget | 0 | 0 | 1,682,500 | 0 | 120,000 | 0 | 1,802,500 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 1,682,500 | 0 | 120,000 | 0 | 1,802,500 |
| 2020-2021 Six Month Actual | 0 | 0 | 1,376,670 | 0 | 74,830 | 0 | 1,451,500 |
| 2020-2021 Estimated Year End | 0 | 0 | 2,424,710 | 0 | 97,000 | 0 | 2,521,710 |
| 2021-2022 Dept Request | 0 | 0 | 1,682,500 | 0 | 52,000 | 0 | 1,734,500 |
| 2021-2022 Manager's Budget | 0 | 0 | 1,682,500 | 0 | 52,000 | 0 | 1,734,500 |
| 2021-2022 Adopted Budget | 0 | 0 | 1,682,500 | 0 | 52,000 | 0 | 1,734,500 |
| 2022-2023 Projected Budget | 0 | 0 | 1,682,500 | 0 | 52,000 | 0 | 1,734,500 |
| 2023-2024 Projected Budget | 0 | 0 | 1,682,500 | 0 | 52,000 | 0 | 1,734,500 |
| 2024-2025 Projected Budget | 0 | 0 | 1,682,500 | 0 | 52,000 | 0 | 1,734,500 |
| 2025-2026 Projected Budget | 0 | 0 | 1,682,500 | 0 | 52,000 | 0 | 1,734,500 |

Expenditures

| 282.371 INSPECTION | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2017-2018 Actual | 817,070 | 2,340 | 0 | 430,700 | 4,000 | 0 | 1,254,110 |
| 2018-2019 Actual | 866,770 | 6,030 | 0 | 510,550 | 1,202,800 | 0 | 2,586,150 |
| 2019-2020 Actual | 975,870 | 6,850 | 0 | 399,010 | 38,000 | 0 | 1,419,730 |
| 2020-2021 Original Budget | 1,335,160 | 18,000 | 0 | 446,340 | 3,000 | 0 | 1,802,500 |
| 2020-2021 Adjusted Budget (Dec) | 1,335,160 | 18,000 | 0 | 446,340 | 3,000 | 0 | 1,802,500 |
| 2020-2021 Six Month Actual | 508,290 | 3,990 | 0 | 207,590 | 0 | 0 | 719,870 |
| 2020-2021 Estimated Year End | 1,067,480 | 12,500 | 0 | 419,540 | 3,000 | 0 | 1,502,520 |
| 2021-2022 Dept Request | 1,379,930 | 21,000 | 0 | 554,020 | 4,000 | 0 | 1,958,950 |
| 2021-2022 Manager's Budget | 1,379,930 | 21,000 | 0 | 554,020 | 4,000 | 0 | 1,958,950 |
| 2021-2022 Adopted Budget | 1,379,930 | 21,000 | 0 | 554,020 | 4,000 | 0 | 1,958,950 |
| 2022-2023 Projected Budget | 1,430,090 | 21,000 | 0 | 561,630 | 4,000 | 0 | 2,016,720 |
| 2023-2024 Projected Budget | 1,482,150 | 21,000 | 0 | 569,450 | 4,000 | 0 | 2,076,600 |
| 2024-2025 Projected Budget | 1,536,220 | 21,000 | 0 | 577,480 | 4,000 | 0 | 2,138,700 |
| 2025-2026 Projected Budget | 1,592,370 | 21,000 | 0 | 585,720 | 4,000 | 0 | 2,203,090 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Building | Fiscal Year | | | | | | | | |
|---------------------------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | |
| Assistant C.D. Director / Building Official | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Deputy Building Official | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| CS III Inspection | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Inspection - MC III | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Building Inspectors | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Electrical Inspector | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Housing Inspector | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Mechanical Inspector | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Plumbing Inspector | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Full-time total | 6.0 | 10.0 | 10.0 | 10.0 | 10.0 | 13.0 | 13.0 | 13.0 | 13.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | 6.0 | 10.0 | 10.0 | 10.0 | 10.0 | 13.0 | 13.0 | 13.0 | 13.0 |

The ROOTS (Royal Oak Opportunity to Serve) Foundation is a committee established by the city charter. Its purpose is to promote charitable contributions through the city disbursement to various

organizations or projects whose work constitutes a public purpose within the city. This fund records the receipt and disbursement of the monies/property.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance | 347,523 | 312,653 | 312,693 | 312,733 | 312,773 | 312,813 |
| Revenues and transfers from other funds | 26,790 | 23,100 | 23,100 | 23,100 | 23,100 | 23,100 |
| Expenditures and transfers to other funds | 61,660 | 23,060 | 23,060 | 23,060 | 23,060 | 23,060 |
| Net Change in Fund Balance | (34,870) | 40 | 40 | 40 | 40 | 40 |
| Ending Fund Balance | 312,653 | 312,693 | 312,733 | 312,773 | 312,813 | 312,853 |

Revenues

| 295.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|-------|--------|-----------------------------|----------------------------|-------|-----------|--------|
| 2017-2018 Actual | 0 | 0 | 0 | 64,160 | 0 | 0 | 64,160 |
| 2018-2019 Actual | 0 | 0 | 0 | 66,310 | 0 | 0 | 66,310 |
| 2019-2020 Actual | 0 | 0 | 0 | 48,310 | 0 | 0 | 48,310 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 55,100 | 0 | 0 | 55,100 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 55,100 | 0 | 0 | 55,100 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 4,790 | 0 | 0 | 4,790 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 26,790 | 0 | 0 | 26,790 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 1,100 | 0 | 0 | 1,100 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 1,100 | 0 | 0 | 1,100 |
| 2021-2022 Adopted Budget | 0 | 0 | 0 | 23,100 | 0 | 0 | 23,100 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 23,100 | 0 | 0 | 23,100 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 23,100 | 0 | 0 | 23,100 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 23,100 | 0 | 0 | 23,100 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 23,100 | 0 | 0 | 23,100 |

Expenditures

| 295. MULTIPLE COST CENTERS | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|-----------------------------------|---------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2017-2018 Actual | 0 | 4,100 | 0 | 20,470 | 42,890 | 0 | 67,460 |
| 2018-2019 Actual | 0 | 3,850 | 0 | 20,550 | 188,370 | 0 | 212,770 |
| 2019-2020 Actual | 0 | 2,230 | 0 | 10,730 | 36,890 | 0 | 49,850 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 25,000 | 49,100 | 0 | 74,100 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 25,000 | 69,310 | 0 | 94,310 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | (220) | 1,200 | 0 | 980 |
| 2020-2021 Estimated Year End | 0 | 3,000 | 0 | 1,350 | 57,310 | 0 | 61,660 |
| 2021-2022 Dept Request | 0 | 1,000 | 0 | 60 | 0 | 0 | 1,060 |
| 2021-2022 Manager's Budget | 0 | 1,000 | 0 | 60 | 0 | 0 | 1,060 |
| 2021-2022 Adopted Budget | 0 | 1,000 | 0 | 60 | 22,000 | 0 | 23,060 |
| 2022-2023 Projected Budget | 0 | 1,000 | 0 | 60 | 22,000 | 0 | 23,060 |
| 2023-2024 Projected Budget | 0 | 1,000 | 0 | 60 | 22,000 | 0 | 23,060 |
| 2024-2025 Projected Budget | 0 | 1,000 | 0 | 60 | 22,000 | 0 | 23,060 |
| 2025-2026 Projected Budget | 0 | 1,000 | 0 | 60 | 22,000 | 0 | 23,060 |

The City of Royal Oak offers mature adults' opportunities for lifelong education, fitness, nutrition, and leisure activities. Supportive services that promote independence and quality of life are available for residents who are 50 and over or permanently disabled adults.

The City of Royal Oak's recreation department does not discriminate against any program participant or applicant for participation because of actual or perceived race, color, religion, national origin, sex, age, height, weight, condition of pregnancy, marital status, physical or mental limitations, legal source of income, family responsibilities, sexual orientation, gender identity, or HIV status of person, that person's relatives, or that person's associates or for any other reason (s) prohibited by law. The City of Royal Oak will take affirmative action to ensure that all practices are free from such discrimination.

Senior administrative offices and the bulk of its programs are located at the Mahany/Meininger Center (the M/M or Senior Center). Additional activities are held at the Salter Center and other sites.

The coordinator of senior citizen activity is responsible for all cost centers and reports to the superintendent of recreation. Senior programs include a wide range of activities supported by an equally diverse group of fees, donations, and grants.

The Mahany/Meininger Senior Center has a senior's resource center that provides brochures for seniors from businesses with products and services for older adults. The fees to display brochures are \$10 monthly or \$100 yearly.

Health and wellness programs are offered at the Salter Center for individual's 50 years of age and over. Pickle ball, while easy for beginners, can also develop into an intense competition for high-level players, is played one evening and two days a week. Bounce

volleyball numbers are increasing daily. Walking daily is very popular.

The recreation specialist plans, publicizes, and schedules activities, classes, plus one day and extended trips tailored to senior citizens' interests. Three trips per month are scheduled on average.

At the M/M Senior Community Center, staff has become very creative during the pandemic to keep the seniors engaged, active, and remaining healthy. Some of the indoor fitness classes were held outside on the back patio and some in the new parking lot. Virtual classes were even tried as well. Additionally, cooking demonstrations with Chef Erin and a monthly sing-along with Kerry Price were two programs that were taped and available free on social media. Through Helping Hands, a virtual fundraiser was also conducted to help fund Tim's Kitchen. Some new and exciting programs that have been able to be offered to the community include Curbside Pop-Up Meals, DIY Holiday Cookie Kits, At-Home Bingo, Hot Chocolate Bombs, "Love for the Elderly" as an ambassador letter program, "Give a Book a Forever Home", and an outdoor Spring concert with Kerry Price.

Tim's Kitchen, a senior congregate meal program, began in June 2007. About 5,607 tasty and nutritious meals were served from July 2019 – June 2020. However, meals have been decreased due to the pandemic and no congregate meals have been served since mid-March of 2020. The kitchen has been under renovation and in the interim we have been able to partner with local restaurants and do a monthly Curbside Pop-up meal.

Center Operations CDBG (274.759) – Certain eligible costs are covered by federal reimbursement and recorded in the block grant fund (274.759). The CDBG fund pays a subsidy for R.O.S.E.S. personnel serving low-income residents. \$45,000 has been budgeted for support in fiscal year 2021-22.

Senior building maintenance (296.750) - This budget covers utilities, janitorial, heating & cooling, and other building maintenance, and repair items of the M/M Center. M/M rental fees partially fund this budget.

R.O.S.E.S. (296.686) - Royal Oak Senior Essential Services is a local program hiring contract workers to provide home chores, minor home repairs and personal care to senior citizens, age 62 and over, and permanently disabled adults. R.O.S.E.S. enables older adults who reside in Royal Oak to remain independent in their own homes, shorten hospital stays, lower health care costs, and reduce the need for institutionalization.

R.O.S.E.S. workers are independent contractors with this agency and have agreed to work at an affordable per-hour or per-job rate dependent upon the service rendered. There were services to 991 low-income senior adults provided during 2020. However, this is decline over previous years due to the pandemic only allowing for outdoor services to be provided to clients. There were no in-home repairs or cleaning.

The R.O.S.E.S. budget pays half of the wages for two part-time R.O.S.E.S. aides, paid by client administrative fees and donations. The remainder of the R.O.S.E.S. aides' wages is paid by the CDBG budget.

A.G.E. (296.687) - The Adjacent Generational Exchange volunteer program, funded by a Beaumont Health grant, pays a volunteer coordinator to recruit, train, and place volunteers to serve senior citizen needs. In the community, volunteers provide senior citizens with meals delivered to homes, assistance, and transportation.

One A.G.E. staff member is trained to counsel seniors in Medicare D prescription drug coverage. 44 seniors received assistance in plan eligibility, benefit comparisons, low-income assistance, and enrollment assistance. This program runs from Nov. 15 to Dec. 31 annually, by

appointment only, however for 2020 all assistance was conducted via phone calls and the program was cut short five weeks because of the pandemic. 18 volunteers assisted 188 seniors with free tax help and free e-filing.

Transportation (296.688) - The senior transportation program continues to provide high quality van service for 8,803 one-way trips to doctor appointments, grocery shopping, and programs at the senior center. The service was suspended from mid-March to mid-June during the Stay-at-Home orders issued by the State, however, once services resumed, the service area was extended even providing rides to accommodate vaccine appointments at no additional charge. This service promotes independence for residents aged 62 or older, and adults who are permanently disabled. Door-to-door service is available to those with mobility problems who need to be personally escorted to the buses. With annual Community Credits the services can increase to five vehicles on the road Mondays and Wednesdays.

We are partnering with the City of Pleasant Ridge to provide bus transportation to senior residents of Pleasant Ridge once a week and one trip per month. The City of Royal Oak receives PR Municipal and Community Credits to provide this service. Another partnership is with the Royal Oak Middle School to provide transportation every Friday for mentally and physically disabled students' social outings.

The city currently operates six community transit vehicles purchased in collaboration with SMART. This budget provides for part-time (nine drivers, two dispatchers), maintenance and insurance for vans. This budget is funded by Beaumont Health, SMART municipal and community credit funds, and rider donations. The city has been awarded to replace a bus in fiscal year 2021-22.

The Royal Oak Civic Foundation fund (295.759 cost center) records ad-hoc grant receipts and related expenditures.

GOALS

1. Continue exploring opportunities to partner with other senior centers to increase opportunities and maintain the current ones.
2. Continue partnering with the private sector, schools, and neighboring communities.
3. Investigate innovative ways to fund and reduce the cost of programs.
4. Continue meeting the transportation needs of the senior citizens.
5. Community - To preserve neighborhoods by encouraging community involvement and family activities.

OBJECTIVES

- Focusing on the focus groups and the eight domains of AARP Network of Age-Friendly Communities. ^{GOAL6}
- Provide administrative support for the work of the senior services/aging in place task force. ^{GOAL6}

Performance Indicators / Outcome Measures

| | <u>Actual 2018</u> | <u>Actual 2019</u> | <u>Actual 2020</u> | <u>Projected 2021</u> | <u>Projected 2022</u> | <u>Projected 2023</u> |
|-----------------------------------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|---------------------------|
| GOAL1 Supportive Services | | | | | | |
| Congregate Meals Served* | 8,478 | 8,704 | 5,607 | 2,800* | 8,700 | 8,700 |
| Homebound Meals Served ** | 0 | 0 | 0 | 0 | 0 | 0 |
| Information & Referral | 74,700 | 74,700 | 40,000 | 40,000 | 74,700 | 74,700 |
| R.O.S.E.S. Jobs | 2,333 | 1,428 | 991 | 900 | 1,500 | 1,500 |
| Senior Bus Rides | 10,703 | 11,105 | 8,003 | 6,400 | 11,200 | 11,200 |
| Frail Elderly Escort | 0 | 0 | 0 | 0 | 0 | 0 |
| Outreach Assessments | 91 | 149 | 52 | 50 | 150 | 150 |
| GOAL3 Mahany/Meininger Center Programs | | | | | | |
| Programs Offered | 100 | 94 | 94 | 94 | 94 | 94 |
| Sessions Held | 2,890 | 2,632 | 1,570 | 500 | 2,600 | 2,600 |
| Participants | 59,750 | 55,640 | 13,670 | 5,000 | 55,600 | 55,600 |
| GOAL3 Salter Community Center Programs | | | | | | |
| Programs Offered | 13 | 13 | 13 | 13 | 13 | 13 |
| Sessions Held | 1,228 | 1,173 | 778 | 400 | 1,200 | 1,200 |
| Participants | 11,812 | 10,456 | 8,012 | 6,000 | 10,500 | 10,500 |
| GOAL3 Combined Senior Programs | | | | | | |
| Programs Offered | 113 | 107 | 107 | 107 | 107 | 107 |
| Sessions Held | 4,118 | 3,805 | 2,348 | 900 | 3,800 | 3,800 |
| Participants | 71,562 | 66,096 | 21,682 | 11,000 | 66,100 | 66,100 |

Note: Senior center performance indicators are on a calendar year as opposed to fiscal year.

*Congregate meals were not served during the M/M center closure as a result of the COVID-19 pandemic.

Instead, curbside pop-up meals were provided in partnership with local restaurants.

**Please note that as of September 30, 2012, Oakland County Mobile Meals disbanded homebound meals.

Emerald Foods now provides all volunteers and deliveries through the Troy Community Center.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing due to having the full-time position of assistant to the coordinator of senior citizen activity / chef in the budget for a full year as it was only included for partial funding during fiscal year 2020-21 due to delaying the start date of the position. Overall temporary wages are increasing by approximately \$24,940, relative to the projected year-end, due to having a reduced staff during the closures as a result of the pandemic during fiscal year 2020-21. It is anticipated that a full staff will be needed in fiscal year 2021-22, including filling a part-time clerk and ROSES aide position once the Senior Center opens to full programming and activities resume.

\$1,000 has been budgeted for supplies related to the Aging-In-Place Task Force. Program supplies are budgeted at \$30,000, which includes the food purchases and supplies used during the year, this is an increase of \$24,000 relative to the estimated year-end as the kitchen has been under renovation during the closure and congregate meals were suspended and replaced with monthly curbside pop-up meals in partnerships with local restaurants during the pandemic. Cleaning and janitorial supplies are increasing \$500 relative to the fiscal year 2020-21 original budget due to anticipating an increase in supplies and frequency of cleanings needed to maintain the facilities.

Relative to the fiscal year 2020-21 original budget, information systems service charges are increasing \$21,300, due to an increase in planned expenditures from the Information Technology fund that were postponed from fiscal year 2020-21 and the increase in user allocation for the full-time position added in fiscal year 2020-21. The transfer in from the general fund has been increased by \$196,500 to \$500,000 due to the lost revenues as a result of the pandemic and dwindling fund balance. The fund forecast demonstrates a need for a continued transfer from the general fund of \$575,000 through fiscal year 2025-26.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance | 493,051 | 77,091 | 77,971 | 134,371 | 171,591 | 186,931 |
| Revenues and transfers from other funds | 573,570 | 936,210 | 1,011,210 | 1,011,210 | 1,011,210 | 1,011,210 |
| Expenditures and transfers to other funds | 989,530 | 935,330 | 954,810 | 973,990 | 995,870 | 1,016,520 |
| Net Change in Fund Balance | (415,960) | 880 | 56,400 | 37,220 | 15,340 | (5,310) |
| Ending Fund Balance | 77,091 | 77,971 | 134,371 | 171,591 | 186,931 | 181,621 |

Revenues

| 296.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 149,820 | 237,940 | 8,060 | 30,000 | 350,000 | 775,820 |
| 2018-2019 Actual | 0 | 148,850 | 239,500 | 14,980 | 30,000 | 350,000 | 783,330 |
| 2019-2020 Actual | 0 | 160,780 | 157,640 | 10,170 | 15,000 | 350,000 | 693,590 |
| 2020-2021 Original Budget | 0 | 165,510 | 238,500 | 7,000 | 30,000 | 303,700 | 744,710 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 165,510 | 95,000 | 7,000 | 30,000 | 303,700 | 601,210 |
| 2020-2021 Six Month Actual | 0 | 30,530 | 13,660 | 780 | 30,000 | 151,850 | 226,820 |
| 2020-2021 Estimated Year End | 0 | 165,510 | 56,050 | 3,310 | 45,000 | 303,700 | 573,570 |
| 2021-2022 Dept Request | 0 | 165,510 | 238,200 | 2,500 | 30,000 | 500,000 | 936,210 |
| 2021-2022 Manager's Budget | 0 | 165,510 | 238,200 | 2,500 | 30,000 | 500,000 | 936,210 |
| 2021-2022 Adopted Budget | 0 | 165,510 | 238,200 | 2,500 | 30,000 | 500,000 | 936,210 |
| 2022-2023 Projected Budget | 0 | 165,510 | 238,200 | 2,500 | 30,000 | 575,000 | 1,011,210 |
| 2023-2024 Projected Budget | 0 | 165,510 | 238,200 | 2,500 | 30,000 | 575,000 | 1,011,210 |
| 2024-2025 Projected Budget | 0 | 165,510 | 238,200 | 2,500 | 30,000 | 575,000 | 1,011,210 |
| 2025-2026 Projected Budget | 0 | 165,510 | 238,200 | 2,500 | 30,000 | 575,000 | 1,011,210 |

Expenditures

| 296.686 R.O.S.E.S. | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 12,020 | 0 | 0 | 0 | 0 | 12,020 |
| 2018-2019 Actual | 21,230 | 0 | 0 | 0 | 0 | 21,230 |
| 2019-2020 Actual | 21,670 | 0 | 0 | 0 | 0 | 21,670 |
| 2020-2021 Original Budget | 32,240 | 0 | 0 | 0 | 0 | 32,240 |
| 2020-2021 Adjusted Budget (Dec) | 32,240 | 0 | 0 | 0 | 0 | 32,240 |
| 2020-2021 Six Month Actual | 7,850 | 0 | 0 | 0 | 0 | 7,850 |
| 2020-2021 Estimated Year End | 14,790 | 0 | 0 | 0 | 0 | 14,790 |
| 2021-2022 Dept Request | 26,350 | 0 | 0 | 0 | 0 | 26,350 |
| 2021-2022 Manager's Budget | 26,350 | 0 | 0 | 0 | 0 | 26,350 |
| 2021-2022 Adopted Budget | 26,350 | 0 | 0 | 0 | 0 | 26,350 |
| 2022-2023 Projected Budget | 26,960 | 0 | 0 | 0 | 0 | 26,960 |
| 2023-2024 Projected Budget | 27,590 | 0 | 0 | 0 | 0 | 27,590 |
| 2024-2025 Projected Budget | 28,230 | 0 | 0 | 0 | 0 | 28,230 |
| 2025-2026 Projected Budget | 28,890 | 0 | 0 | 0 | 0 | 28,890 |

Senior Citizen Services Fund

| 296.687 A.G.E. PROGRAM | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 11,710 | 500 | 0 | 0 | 0 | 12,210 |
| 2018-2019 Actual | 12,420 | 830 | 0 | 0 | 0 | 13,250 |
| 2019-2020 Actual | 12,890 | 360 | 0 | 120 | 0 | 13,370 |
| 2020-2021 Original Budget | 16,180 | 3,000 | 0 | 300 | 0 | 19,480 |
| 2020-2021 Adjusted Budget (Dec) | 16,180 | 3,000 | 0 | 300 | 0 | 19,480 |
| 2020-2021 Six Month Actual | 6,300 | 0 | 0 | 30 | 0 | 6,330 |
| 2020-2021 Estimated Year End | 14,530 | 1,000 | 0 | 300 | 0 | 15,830 |
| 2021-2022 Dept Request | 13,510 | 1,000 | 0 | 300 | 0 | 14,810 |
| 2021-2022 Manager's Budget | 13,510 | 1,000 | 0 | 300 | 0 | 14,810 |
| 2021-2022 Adopted Budget | 13,510 | 1,000 | 0 | 300 | 0 | 14,810 |
| 2022-2023 Projected Budget | 13,820 | 1,000 | 0 | 300 | 0 | 15,120 |
| 2023-2024 Projected Budget | 14,140 | 1,000 | 0 | 300 | 0 | 15,440 |
| 2024-2025 Projected Budget | 14,470 | 1,000 | 0 | 300 | 0 | 15,770 |
| 2025-2026 Projected Budget | 14,810 | 1,000 | 0 | 300 | 0 | 16,110 |

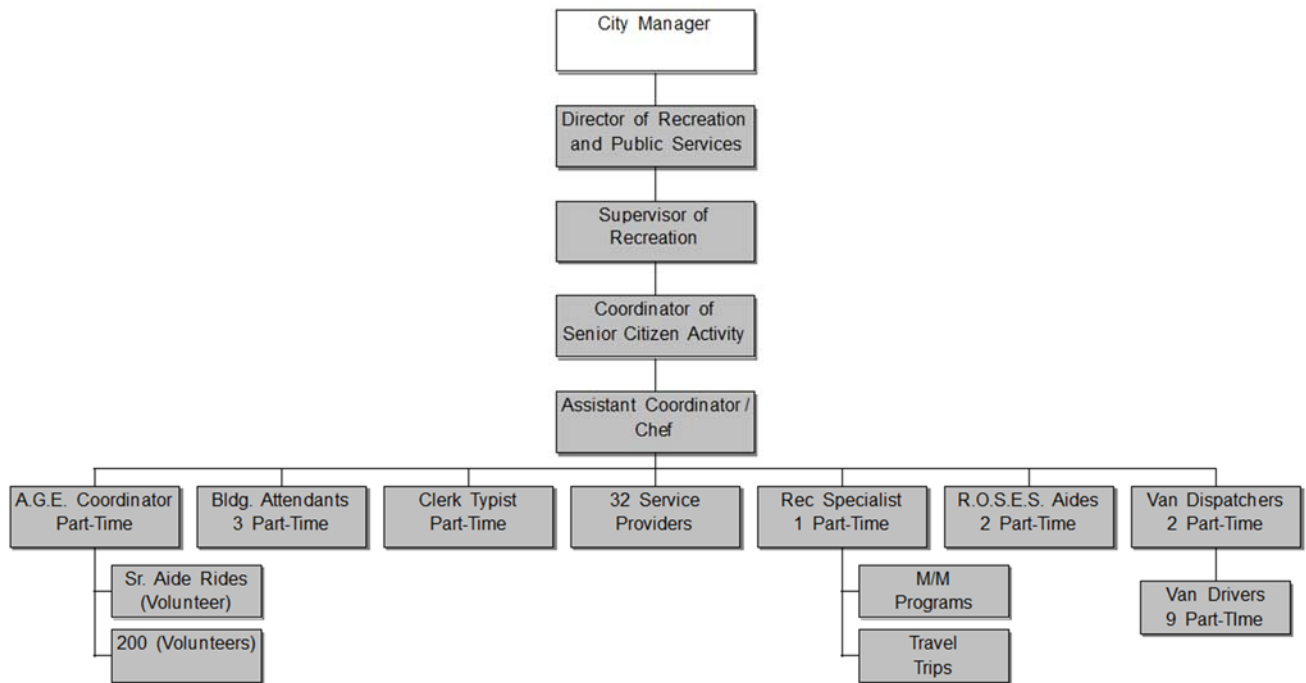
| 296.688 SENIOR VAN | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 127,150 | 150 | 0 | 35,690 | 0 | 162,990 |
| 2018-2019 Actual | 132,390 | 160 | 0 | 36,440 | 0 | 168,990 |
| 2019-2020 Actual | 146,720 | 70 | 0 | 35,160 | 0 | 181,950 |
| 2020-2021 Original Budget | 154,630 | 100 | 0 | 42,740 | 0 | 197,470 |
| 2020-2021 Adjusted Budget (Dec) | 154,630 | 100 | 0 | 42,740 | 0 | 197,470 |
| 2020-2021 Six Month Actual | 74,230 | 0 | 0 | 24,370 | 0 | 98,600 |
| 2020-2021 Estimated Year End | 154,080 | 0 | 0 | 42,740 | 0 | 196,820 |
| 2021-2022 Dept Request | 163,290 | 0 | 0 | 40,670 | 0 | 203,960 |
| 2021-2022 Manager's Budget | 163,290 | 0 | 0 | 40,670 | 0 | 203,960 |
| 2021-2022 Adopted Budget | 163,290 | 0 | 0 | 40,670 | 0 | 203,960 |
| 2022-2023 Projected Budget | 167,940 | 0 | 0 | 41,750 | 0 | 209,690 |
| 2023-2024 Projected Budget | 172,740 | 0 | 0 | 42,870 | 0 | 215,610 |
| 2024-2025 Projected Budget | 177,680 | 0 | 0 | 44,030 | 0 | 221,710 |
| 2025-2026 Projected Budget | 182,780 | 0 | 0 | 45,220 | 0 | 228,000 |

Senior Citizen Services Fund

| 296.750 SENIOR BUILDING MAINTENANCE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|--------------------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 3,130 | 22,300 | 91,590 | 0 | 117,020 |
| 2018-2019 Actual | 0 | 2,980 | 6,780 | 82,030 | 0 | 91,790 |
| 2019-2020 Actual | 0 | 4,110 | 7,110 | 79,000 | 0 | 90,220 |
| 2020-2021 Original Budget | 0 | 3,750 | 93,100 | 106,170 | 0 | 203,020 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 3,750 | 265,100 | 124,270 | 0 | 393,120 |
| 2020-2021 Six Month Actual | 0 | 1,050 | 205,160 | 35,330 | 0 | 241,540 |
| 2020-2021 Estimated Year End | 0 | 2,200 | 282,300 | 79,870 | 0 | 364,370 |
| 2021-2022 Dept Request | 0 | 4,250 | 0 | 109,610 | 0 | 113,860 |
| 2021-2022 Manager's Budget | 0 | 4,250 | 0 | 109,610 | 0 | 113,860 |
| 2021-2022 Adopted Budget | 0 | 4,250 | 0 | 109,610 | 0 | 113,860 |
| 2022-2023 Projected Budget | 0 | 4,250 | 0 | 109,860 | 0 | 114,110 |
| 2023-2024 Projected Budget | 0 | 4,250 | 0 | 110,110 | 0 | 114,360 |
| 2024-2025 Projected Budget | 0 | 4,250 | 0 | 110,370 | 0 | 114,620 |
| 2025-2026 Projected Budget | 0 | 4,250 | 0 | 110,640 | 0 | 114,890 |

| 296.759 SENIOR CENTER | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|---------------------------------|---------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2017-2018 Actual | 189,150 | 9,780 | 0 | 265,620 | 4,000 | 56,310 | 524,860 |
| 2018-2019 Actual | 193,900 | 17,870 | 0 | 244,150 | 3,000 | 56,330 | 515,250 |
| 2019-2020 Actual | 210,730 | 23,870 | 0 | 150,650 | 2,000 | 56,290 | 443,540 |
| 2020-2021 Original Budget | 254,880 | 32,000 | 0 | 186,510 | 3,000 | 57,000 | 533,390 |
| 2020-2021 Adjusted Budget (Dec) | 254,880 | 17,000 | 0 | 111,010 | 3,000 | 57,000 | 442,890 |
| 2020-2021 Six Month Actual | 95,940 | 2,720 | 0 | 39,910 | 0 | 42,760 | 181,330 |
| 2020-2021 Estimated Year End | 229,040 | 8,390 | 0 | 100,290 | 3,000 | 57,000 | 397,720 |
| 2021-2022 Dept Request | 275,820 | 32,000 | 0 | 207,430 | 4,000 | 57,100 | 576,350 |
| 2021-2022 Manager's Budget | 275,820 | 32,000 | 0 | 207,430 | 4,000 | 57,100 | 576,350 |
| 2021-2022 Adopted Budget | 275,820 | 32,000 | 0 | 207,430 | 4,000 | 57,100 | 576,350 |
| 2022-2023 Projected Budget | 286,520 | 32,000 | 0 | 209,310 | 4,000 | 57,100 | 588,930 |
| 2023-2024 Projected Budget | 297,660 | 32,000 | 0 | 211,230 | 4,000 | 56,100 | 600,990 |
| 2024-2025 Projected Budget | 309,250 | 32,000 | 0 | 213,190 | 4,000 | 57,100 | 615,540 |
| 2025-2026 Projected Budget | 321,340 | 32,000 | 0 | 215,190 | 4,000 | 56,100 | 628,630 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Senior Center | | Fiscal Year | | | | | | | | |
|------------------------------------|-------|-------------|-------|-------|-------|-------|-------|-------|-------|--|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Coordinator of Sr Citizen Activity | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | |
| Assistant Coordinator / Chef | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | |
| Full-time total | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | |
| Cost center total | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | |

The mission of the animal shelter is to provide a safe haven for animals lost or given up by their owners; to reunite lost animals with their human companions; and to provide the best possible adoptions of available animals into the home best suited to their personalities.

The Royal Oak Animal Shelter is operated as a city service under management of the Royal Oak Police Department.

The shelter charges fees for its services including rent and spay/neutering costs. This covers some of the cost of operation. Donations both direct and through the ROOTS foundation make up any difference.

The shelter pays for limited part-time help and trains volunteers to work with and care for all animals throughout their stay. The shelter uses its own internet website as an excellent way to seek situations for animals considered suitable for pets.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

A \$42,000 transfer in from the general fund is budgeted in order to eliminate the fund from going into a negative position. This transfer is assumed in the forecasted years as well. However, the \$42,000 transfer will need to increase each year of the forecast to prevent the fund from a deficit position beginning in fiscal year 2022-23.

Animal medical services & animal spay/neutering services are budgeted to increase, \$10,000 & \$2,000 respectively, relative to the fiscal year 2020-21 estimated year-end due to an anticipated increase in the number of animals requiring these services, as fewer animals were cared for in the shelter in fiscal year 2020-21 due to the COVID-19 pandemic.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance | 50,622 | 13,262 | 902 | (13,538) | (30,118) | (48,918) |
| Revenues and transfers from other funds | 40,500 | 95,200 | 95,200 | 95,200 | 95,200 | 95,200 |
| Expenditures and transfers to other funds | 77,860 | 107,560 | 109,640 | 111,780 | 114,000 | 116,290 |
| Net Change in Fund Balance | (37,360) | (12,360) | (14,440) | (16,580) | (18,800) | (21,090) |
| Ending Fund Balance | 13,262 | 902 | (13,538) | (30,118) | (48,918) | (70,008) |

Revenues

| 297.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 11,340 | 63,760 | 1,000 | 15,000 | 91,100 |
| 2018-2019 Actual | 0 | 0 | 23,550 | 82,140 | 1,370 | 11,620 | 118,680 |
| 2019-2020 Actual | 0 | 0 | 6,750 | 66,530 | 50 | 9,000 | 82,330 |
| 2020-2021 Original Budget | 0 | 0 | 13,000 | 44,200 | 100 | 12,000 | 69,300 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 13,000 | 44,200 | 100 | 12,000 | 69,300 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 13,260 | 1,850 | 0 | 15,110 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 38,650 | 1,850 | 0 | 40,500 |
| 2021-2022 Dept Request | 0 | 0 | 9,100 | 44,100 | 0 | 42,000 | 95,200 |
| 2021-2022 Manager's Budget | 0 | 0 | 9,100 | 44,100 | 0 | 42,000 | 95,200 |
| 2021-2022 Adopted Budget | 0 | 0 | 9,100 | 44,100 | 0 | 42,000 | 95,200 |
| 2022-2023 Projected Budget | 0 | 0 | 9,100 | 44,100 | 0 | 42,000 | 95,200 |
| 2023-2024 Projected Budget | 0 | 0 | 9,100 | 44,100 | 0 | 42,000 | 95,200 |
| 2024-2025 Projected Budget | 0 | 0 | 9,100 | 44,100 | 0 | 42,000 | 95,200 |
| 2025-2026 Projected Budget | 0 | 0 | 9,100 | 44,100 | 0 | 42,000 | 95,200 |

Expenditures

| 297.430 ANIMAL SHELTER | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 46,630 | 1,910 | 0 | 51,120 | 0 | 99,660 |
| 2018-2019 Actual | 89,690 | 7,740 | 0 | 38,310 | 0 | 135,740 |
| 2019-2020 Actual | 44,480 | 2,800 | 0 | 31,510 | 0 | 78,790 |
| 2020-2021 Original Budget | 59,340 | 6,000 | 0 | 42,120 | 0 | 107,460 |
| 2020-2021 Adjusted Budget (Dec) | 59,340 | 6,000 | 0 | 42,120 | 0 | 107,460 |
| 2020-2021 Six Month Actual | 18,490 | 1,670 | 0 | 7,660 | 0 | 27,820 |
| 2020-2021 Estimated Year End | 44,340 | 6,000 | 0 | 27,520 | 0 | 77,860 |
| 2021-2022 Dept Request | 59,440 | 6,000 | 0 | 42,120 | 0 | 107,560 |
| 2021-2022 Manager's Budget | 59,440 | 6,000 | 0 | 42,120 | 0 | 107,560 |
| 2021-2022 Adopted Budget | 59,440 | 6,000 | 0 | 42,120 | 0 | 107,560 |
| 2022-2023 Projected Budget | 61,520 | 6,000 | 0 | 42,120 | 0 | 109,640 |
| 2023-2024 Projected Budget | 63,660 | 6,000 | 0 | 42,120 | 0 | 111,780 |
| 2024-2025 Projected Budget | 65,880 | 6,000 | 0 | 42,120 | 0 | 114,000 |
| 2025-2026 Projected Budget | 68,170 | 6,000 | 0 | 42,120 | 0 | 116,290 |

Cost Center Position Detail - Home Base

Part-Time Employees

| Animal Protection Services | | | | | Fiscal Year | | | | | |
|-----------------------------------|-------|-------|-------|-------|-------------|-------|-------|-------|-------|--|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | |
| Part-time total | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | |

The police grants fund accounts for the receipt and disbursement of all police grants and forfeitures.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Miscellaneous operating supplies are budgeted at \$150,000 for fiscal year 2021-22 for the purchase of new defensive tactical grappling mats, a shooting simulator, and for building security upgrades. Police dog maintenance is budgeted for \$20,000 for fiscal year 2021-22 for a kennel and new equipment for the new K9 dog purchased in fiscal year 2020-21.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance | 370,862 | 293,922 | 138,232 | 123,662 | 104,022 | 79,122 |
| Revenues and transfers from other funds | 243,750 | 243,000 | 239,000 | 239,000 | 239,000 | 239,000 |
| Expenditures and transfers to other funds | 320,690 | 398,690 | 253,570 | 258,640 | 263,900 | 269,360 |
| Net Change in Fund Balance | (76,940) | (155,690) | (14,570) | (19,640) | (24,900) | (30,360) |
| Ending Fund Balance | 293,922 | 138,232 | 123,662 | 104,022 | 79,122 | 48,762 |

Revenues

| 298.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 413,810 | 54,700 | 42,210 | 1,160 | 0 | 511,880 |
| 2018-2019 Actual | 0 | 406,820 | 59,010 | 63,470 | 98,000 | 0 | 627,300 |
| 2019-2020 Actual | 0 | 276,810 | 70,560 | 67,410 | 0 | 0 | 414,780 |
| 2020-2021 Original Budget | 0 | 171,000 | 55,000 | 31,000 | 0 | 0 | 257,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 171,000 | 55,000 | 31,000 | 0 | 0 | 257,000 |
| 2020-2021 Six Month Actual | 0 | 151,110 | 19,160 | 8,750 | 0 | 0 | 179,020 |
| 2020-2021 Estimated Year End | 0 | 191,380 | 43,220 | 9,150 | 0 | 0 | 243,750 |
| 2021-2022 Dept Request | 0 | 192,000 | 40,000 | 11,000 | 0 | 0 | 243,000 |
| 2021-2022 Manager's Budget | 0 | 192,000 | 40,000 | 11,000 | 0 | 0 | 243,000 |
| 2021-2022 Adopted Budget | 0 | 192,000 | 40,000 | 11,000 | 0 | 0 | 243,000 |
| 2022-2023 Projected Budget | 0 | 188,000 | 40,000 | 11,000 | 0 | 0 | 239,000 |
| 2023-2024 Projected Budget | 0 | 188,000 | 40,000 | 11,000 | 0 | 0 | 239,000 |
| 2024-2025 Projected Budget | 0 | 188,000 | 40,000 | 11,000 | 0 | 0 | 239,000 |
| 2025-2026 Projected Budget | 0 | 188,000 | 40,000 | 11,000 | 0 | 0 | 239,000 |

Expenditures

| 298.301 POLICE GRANTS/RESTRICTED MONIES | Personnel Services | Supplies | Capital | Other | Debt | Total |
|--------------------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 128,330 | 3,700 | 0 | 70,530 | 0 | 202,560 |
| 2018-2019 Actual | 114,460 | 9,650 | 98,000 | 97,710 | 0 | 319,820 |
| 2019-2020 Actual | 113,510 | 10,050 | 0 | 1,467,700 | 0 | 1,591,260 |
| 2020-2021 Original Budget | 183,080 | 0 | 48,080 | 38,940 | 0 | 270,100 |
| 2020-2021 Adjusted Budget (Dec) | 183,080 | 0 | 48,080 | 38,940 | 0 | 270,100 |
| 2020-2021 Six Month Actual | 102,940 | 820 | 0 | 24,780 | 0 | 128,540 |
| 2020-2021 Estimated Year End | 185,730 | 6,000 | 0 | 128,960 | 0 | 320,690 |
| 2021-2022 Dept Request | 187,610 | 6,000 | 0 | 205,080 | 0 | 398,690 |
| 2021-2022 Manager's Budget | 187,610 | 6,000 | 0 | 205,080 | 0 | 398,690 |
| 2021-2022 Adopted Budget | 187,610 | 6,000 | 0 | 205,080 | 0 | 398,690 |
| 2022-2023 Projected Budget | 192,490 | 6,000 | 0 | 55,080 | 0 | 253,570 |
| 2023-2024 Projected Budget | 197,560 | 6,000 | 0 | 55,080 | 0 | 258,640 |
| 2024-2025 Projected Budget | 202,820 | 6,000 | 0 | 55,080 | 0 | 263,900 |
| 2025-2026 Projected Budget | 208,280 | 6,000 | 0 | 55,080 | 0 | 269,360 |

The miscellaneous grants fund accounts for city grants, receipts, and disbursements (except for grants that are recorded in a fund that is already dedicated).

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

There are no significant notes for this fund.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance | 69,223 | 72,033 | 72,033 | 72,033 | 72,033 | 72,033 |
| Revenues and transfers from other funds | 76,120 | 0 | 0 | 0 | 0 | 0 |
| Expenditures and transfers to other funds | 73,310 | 0 | 0 | 0 | 0 | 0 |
| Net Change in Fund Balance | 2,810 | 0 | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 72,033 | 72,033 | 72,033 | 72,033 | 72,033 | 72,033 |

Revenues

| 299.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 22,950 | 0 | 720 | 0 | 11,250 | 34,920 |
| 2018-2019 Actual | 0 | 232,620 | 0 | 450 | 0 | 53,770 | 286,840 |
| 2019-2020 Actual | 0 | 9,150 | 0 | 830 | 2,010 | 0 | 11,990 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 7,440 | 0 | 0 | 0 | 0 | 7,440 |
| 2020-2021 Six Month Actual | 0 | 7,440 | 0 | 150 | 0 | 0 | 7,590 |
| 2020-2021 Estimated Year End | 0 | 76,040 | 0 | 80 | 0 | 0 | 76,120 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2021-2022 Adopted Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Expenditures

| 299.538 /835 other cost centers | Personnel Services | Supplies | Capital | Other | Debt | Total |
|--------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 140 | 0 | 0 | 1,380 | 0 | 1,520 |
| 2018-2019 Actual | 15,140 | 0 | 0 | 37,540 | 0 | 52,680 |
| 2019-2020 Actual | 0 | 0 | 0 | 11,160 | 0 | 11,160 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 7,440 | 0 | 7,440 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 7,440 | 0 | 7,440 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 17,440 | 0 | 17,440 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 0 | 0 | 0 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2021-2022 Adopted Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |

The mission of the Royal Oak Brownfield Redevelopment Authority (BRA) is to encourage the redevelopment of eligible “brownfield” properties by providing financial assistance for remediation of environmental contamination at such properties.

The Brownfield Redevelopment Act 381 of 1996, (as amended) provides for creative financing with economic and environmental benefit. The Act allows for a municipality to adopt plans and capture incremental local and school property taxes from redeveloped contaminated properties, to pay for the environmental clean-up costs associated with those properties.

The BRA meets on an as-needed basis to review applications for new brownfield plans. Once an application is received by the planning department, a meeting of the BRA

is scheduled as soon as possible, pending publication of required public hearing notices required by state law. The BRA then meets to review each plan and submits a recommendation to the city commission.

The City of Royal Oak currently has ten (10) active brownfield plans: 802 S. Main St. [Huntington Bank]; 426 E. Lincoln Ave. [LSL Planning / Safe Built]; 520 N. Main St. [Genisys Credit Union]; 25766 Woodward Ave. [Kramar Jewelry]; 30712 Woodward Ave. [Starbucks]; 1210 to 1260 Diamond Ct. [33 on Harrison Lofts]; 1210 to 1232 Morse Ave. [Harrison Lofts]; 31786 Woodward Ave. [Shell / Barrel & Vines]; 30955 Woodward Ave. [Woodward Corners]; and 11489 S. Washington Ave. [Urbane on Harrison].

GOALS

- Encourage the redevelopment of blighted and contaminated property.
- Process applications for new brownfield plans and reimbursement requests for existing plans in a timely fashion.
- Work with the city treasurer and finance departments to ensure tax increment revenues for each brownfield plan are correctly accounted for and properly credited.
- Continue capture of tax increment revenues until each brownfield plan expires to create revolving loan fund.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The Brownfield plan at 3380 Greenfield [7-11] has been completed. There are no other significant notes.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance | 377,743 | 371,463 | 371,463 | 371,463 | 371,463 | 371,463 |
| Revenues and transfers from other funds | 666,200 | 819,800 | 840,260 | 861,230 | 882,720 | 904,750 |
| Expenditures and transfers to other funds | 672,480 | 819,800 | 840,260 | 861,230 | 882,720 | 904,750 |
| Net Change in Fund Balance | (6,280) | 0 | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 371,463 | 371,463 | 371,463 | 371,463 | 371,463 | 371,463 |

Revenues

| 243.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|---------|--------|-----------------------------------|-------------------------------|-------|-----------|---------|
| 2017-2018 Actual | 434,450 | 0 | 0 | 4,180 | 0 | 0 | 438,630 |
| 2018-2019 Actual | 579,570 | 0 | 0 | 15,150 | 0 | 0 | 594,720 |
| 2019-2020 Actual | 242,440 | 0 | 0 | 12,850 | 0 | 0 | 255,290 |
| 2020-2021 Original Budget | 242,200 | 0 | 0 | 7,000 | 0 | 0 | 249,200 |
| 2020-2021 Adjusted Budget (Dec) | 242,200 | 0 | 0 | 7,000 | 0 | 0 | 249,200 |
| 2020-2021 Six Month Actual | 550,740 | 0 | 0 | 1,720 | 0 | 0 | 552,460 |
| 2020-2021 Estimated Year End | 664,200 | 0 | 0 | 2,000 | 0 | 0 | 666,200 |
| 2021-2022 Dept Request | 818,300 | 0 | 0 | 1,500 | 0 | 0 | 819,800 |
| 2021-2022 Manager's Budget | 818,300 | 0 | 0 | 1,500 | 0 | 0 | 819,800 |
| 2021-2022 Adopted Budget | 818,300 | 0 | 0 | 1,500 | 0 | 0 | 819,800 |
| 2022-2023 Projected Budget | 838,760 | 0 | 0 | 1,500 | 0 | 0 | 840,260 |
| 2023-2024 Projected Budget | 859,730 | 0 | 0 | 1,500 | 0 | 0 | 861,230 |
| 2024-2025 Projected Budget | 881,220 | 0 | 0 | 1,500 | 0 | 0 | 882,720 |
| 2025-2026 Projected Budget | 903,250 | 0 | 0 | 1,500 | 0 | 0 | 904,750 |

Expenditures

| 243.729 BROWNFIELD REDEVELOPMENT AUTH | Personnel Services | Supplies | Capital | Other | Debt | Total |
|------------------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| | | | | | | |
| 2017-2018 Actual | 0 | 0 | 0 | 324,000 | 0 | 324,000 |
| 2018-2019 Actual | 0 | 0 | 0 | 430,890 | 0 | 430,890 |
| 2019-2020 Actual | 0 | 0 | 0 | 332,830 | 0 | 332,830 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 249,200 | 0 | 249,200 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 249,200 | 0 | 249,200 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 13,120 | 0 | 13,120 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 672,480 | 0 | 672,480 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 819,800 | 0 | 819,800 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 819,800 | 0 | 819,800 |
| 2021-2022 Adopted Budget | 0 | 0 | 0 | 819,800 | 0 | 819,800 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 840,260 | 0 | 840,260 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 861,230 | 0 | 861,230 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 882,720 | 0 | 882,720 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 904,750 | 0 | 904,750 |

The DDA's mission is to promote economic growth and revitalization in downtown Royal Oak. The DDA will accomplish this mission by (1) improving and maintaining a solid and user-friendly infrastructure; (2) marketing downtown Royal Oak to consumers and businesses and (3) encouraging preservation of Royal Oak's downtown. By fulfilling its mission, the DDA will enhance the viability of not only the downtown, but the entire City of Royal Oak.

The authority is authorized by the city to impose an ad valorem tax on all taxable property in the downtown district for the purposes provided by Act 197 of 1975. The tax cannot exceed two mills on the value of taxable property in the downtown district. The levy is proposed at its authorized Headlee maximum.

Tax incremental financing (TIF) allows an authority like the DDA, to "capture" incremental tax revenues that result from growth in the district.

The City of Royal Oak Downtown Development Authority is under the supervision and control of a board consisting of the city manager and eight or ten members as determined by the city commission. Members are appointed by the city manager, subject to approval by the city commission.

The authorities goals are to pay into the debt retirement fund, for all outstanding series of bonds issued pursuant to the plan; establish a reserve account for payment of principal and interest on bonds issued pursuant to this plan; to provide the initial stage and second stage public improvements costs that are not financed from the proceeds of bonds; pay administrative and operating costs of the DDA; to acquire property, clear land, make preliminary plans, and improvements necessary for the development of the development area.

The development plan, created by the downtown development authority, prioritizes needed physical improvements like façade improvements, buildings, parking lots and decks, streetscapes, and infrastructure.

Additionally, marketing themes have been developed to enhance the renewed physical appearance. These include advertising, signage and banners, street lighting, tree and floral arrangements. This fund provides extra police officers for the district to enhance existing public safety efforts.

Additional funding for improvements can come from other state and federal programs.

GOALS

1. Downtown safety goal: to protect the residents, businesses, and visitors of downtown Royal Oak.
2. Downtown promotion goal: to promote downtown Royal Oak as a premier destination for shopping, dining, entertainment, living and working.
3. Downtown infrastructure goal: to provide a downtown that is clean and well maintained.
4. Downtown development goal: to encourage development in downtown through economic development programs, attraction efforts, and TIF reimbursement.
5. Downtown parking goal: to provide adequate and safe parking for downtown residents, employees, and visitors.
6. Downtown public goal: to keep the public informed of the DDA's activities.

OBJECTIVES

- Develop a downtown plan which enumerates our collective vision for Downtown Royal Oak and addresses business development, liquor license policy, special events, land use, office space, hotels, and downtown parks.^{GOAL1}
- Continue the funding of three downtown police officers.^{GOAL1}
- Continue the marketing of downtown.^{GOAL2}
- Develop a communication workplan (strategy) to plan, manage and coordinate the DDA's efforts regarding advertising, promotions, and public relations.^{GOAL2}
- Expand marketing efforts of the façade improvement program to downtown property owners and businesses.^{GOAL1}
- Continue to provide downtown maintenance/enhancement services.^{GOAL3}
- Create downtown city park. Provide financial support for Royal Oak Civic Center proposed park.^{GOAL2}
- Continue to complete streetscape improvements and repairs. Create an improvement program for public alleys in the downtown.^{GOAL3}
- Investigate and improve streetscape design elements and components, including light fixtures, tree grates and other technology improvements.^{GOAL2}
- Fund the purchase and installation of holiday lights downtown.^{GOAL2}
- Reimburse TIF revenue to approved development projects.^{GOAL4}
- Identify and improve targeted business base.^{GOAL4}

GOALS

OBJECTIVES

- Identify ways to Improve Customer Base, such as “cohesive business hours”.^{GOAL4}
 - Continue to provide funding to cover the 2nd Street parking structure(s) annual debt service.^{GOAL5}
 - Conduct parking analysis / study to evaluate parking supply versus demand after the completion of the new city hall and police station.^{GOAL5}
 - Investigate and monitor technology enhancements that could improve the downtown parking system.^{GOAL5}
 - Purchase revenue producing property.^{GOAL4}
 - Hold monthly DDA board meetings.^{GOAL6}
 - Conduct regular meetings with stakeholders to receive feedback on policies, projects and events occurring downtown.^{GOAL6}
 - Continue to support temporary street closings for special events downtown.^{GOAL2}
-

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

DDA TIF: Personnel costs are decreasing relative to the fiscal year 2020-21 estimated year-end due to higher overtime wages in fiscal year 2020-2021 due to downtown DPS snow removal services.

Expenditures related to the business development committee have decreased \$1.59 million relative to the fiscal year 2020-21 original budget and are budgeted at \$500,000 for fiscal year 2021-22, of which \$200,000 has been allocated for the development of a downtown social district and related activities / events, and \$300,000 has been allocated for Downtown Dollars – Community / Yiftee cards.

Expenditures related to the promotion committee have increased \$108,400 relative to the fiscal year 2020-21 original budget and are budgeted at \$688,400 for fiscal year 2021-22 as follows: Spooktacular - \$10,000; Jingle Event & Parade - \$70,000; Small Business Saturday - \$15,000; Arts, Beats, & Eats - \$100,000, St. Patrick's Day Parade - \$2,000; Rock N Rides - \$35,000; Commission for the Arts Sponsorship - \$50,000; Other special events & sponsorships TBD - \$100,000; Comcast / Effectv- \$120,000; Public Relations-Siren PR - \$86,400; Social Media content TBD - \$50,000; and Media Buys & Social Media Boosts TBD - \$50,000.

Miscellaneous contracted services have decreased by approximately \$3.99 million relative to the fiscal year 2020-21 original budget and are budgeted for \$1.79 million in fiscal year 2021-22. Significant expenditures in this account include the following: \$653,000 for mast-arm style traffic signal replacement, \$375,000 for downtown maintenance, \$205,000 for the alley improvement program, \$310,000 for Knowles parking lot resurfacing, \$230,000 for holiday lights, and \$17,400 for traffic island landscaping. Contracted workers services are increasing \$20,000 relative to the fiscal year 2020-21 original budget due to adding a new part-time contracted assistant (to the Downtown Manager) position.

\$2.1 million is being transferred to the ROCC capital project for the Centennial Park, \$100,000 of which is contingency funds. \$737,000 is being transferred to the general fund for the Centennial Park debt payment, and \$540,000 annually continues to be transferred out to the public safety fund to fund extra police services in the downtown. \$581,000 is budgeted to be transferred to the auto parking fund to pay a portion of the Center Street structure debt.

DDA millage fund: There are no significant changes in this fund.

Budget Summary

DDA Development Fund

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-------------|-------------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance | 6,722,422 | 3,839,202 | 1,329,512 | 1,667,282 | 2,484,462 | 3,441,692 |
| Revenues and transfers from other funds | 5,000,480 | 5,052,000 | 5,526,750 | 5,962,120 | 6,108,370 | 6,258,280 |
| Expenditures and transfers to other funds | 7,883,700 | 7,561,690 | 5,188,980 | 5,144,940 | 5,151,140 | 5,157,570 |
| Net Change in Fund Balance | (2,883,220) | (2,509,690) | 337,770 | 817,180 | 957,230 | 1,100,710 |
| Ending Fund Balance | 3,839,202 | 1,329,512 | 1,667,282 | 2,484,462 | 3,441,692 | 4,542,402 |

Development Revenues

| 247.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|-----------|--------|-----------------------------------|-------------------------------|-----------|-----------|-----------|
| 2017-2018 Actual | 3,459,920 | 0 | 0 | 21,870 | 2,429,430 | 100,000 | 6,011,220 |
| 2018-2019 Actual | 3,894,330 | 0 | 0 | 147,800 | 8,040 | 100,000 | 4,150,170 |
| 2019-2020 Actual | 4,488,000 | 0 | 0 | 133,280 | 320,970 | 85,000 | 5,027,250 |
| 2020-2021 Original Budget | 4,707,000 | 0 | 0 | 70,000 | 0 | 100,000 | 4,877,000 |
| 2020-2021 Adjusted Budget (Dec) | 4,707,000 | 0 | 0 | 70,000 | 0 | 100,000 | 4,877,000 |
| 2020-2021 Six Month Actual | 3,594,920 | 0 | 0 | 15,370 | 11,500 | 0 | 3,621,790 |
| 2020-2021 Estimated Year End | 4,950,000 | 0 | 0 | 16,000 | 34,480 | 0 | 5,000,480 |
| 2021-2022 Dept Request | 4,990,000 | 0 | 0 | 12,000 | 0 | 50,000 | 5,052,000 |
| 2021-2022 Manager's Budget | 4,990,000 | 0 | 0 | 12,000 | 0 | 50,000 | 5,052,000 |
| 2021-2022 Adopted Budget | 4,990,000 | 0 | 0 | 12,000 | 0 | 50,000 | 5,052,000 |
| 2022-2023 Projected Budget | 5,414,750 | 0 | 0 | 12,000 | 0 | 100,000 | 5,526,750 |
| 2023-2024 Projected Budget | 5,850,120 | 0 | 0 | 12,000 | 0 | 100,000 | 5,962,120 |
| 2024-2025 Projected Budget | 5,996,370 | 0 | 0 | 12,000 | 0 | 100,000 | 6,108,370 |
| 2025-2026 Projected Budget | 6,146,280 | 0 | 0 | 12,000 | 0 | 100,000 | 6,258,280 |

Development Expenditures

| 247.729 DDA/TIFA | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|---------------------------------|---------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2017-2018 Actual | 161,390 | 0 | 0 | 1,016,270 | 1,342,500 | 0 | 2,520,160 |
| 2018-2019 Actual | 195,860 | 0 | 0 | 1,072,330 | 1,857,790 | 0 | 3,125,980 |
| 2019-2020 Actual | 180,840 | 0 | 0 | 2,038,180 | 2,359,810 | 0 | 4,578,830 |
| 2020-2021 Original Budget | 196,850 | 0 | 0 | 8,816,770 | 2,110,780 | 0 | 11,124,400 |
| 2020-2021 Adjusted Budget (Dec) | 196,850 | 0 | 0 | 8,616,770 | 2,310,780 | 0 | 11,124,400 |
| 2020-2021 Six Month Actual | 92,850 | 0 | 0 | 3,679,030 | 755,400 | 0 | 4,527,280 |
| 2020-2021 Estimated Year End | 218,990 | 0 | 0 | 4,501,930 | 2,060,780 | 0 | 6,781,700 |
| 2021-2022 Dept Request | 197,410 | 0 | 0 | 3,377,820 | 3,986,460 | 0 | 7,561,690 |
| 2021-2022 Manager's Budget | 197,410 | 0 | 0 | 3,377,820 | 3,986,460 | 0 | 7,561,690 |
| 2021-2022 Adopted Budget | 197,410 | 0 | 0 | 3,377,820 | 3,986,460 | 0 | 7,561,690 |
| 2022-2023 Projected Budget | 203,160 | 0 | 0 | 3,377,820 | 1,608,000 | 0 | 5,188,980 |
| 2023-2024 Projected Budget | 209,120 | 0 | 0 | 3,577,820 | 1,358,000 | 0 | 5,144,940 |
| 2024-2025 Projected Budget | 215,320 | 0 | 0 | 3,577,820 | 1,358,000 | 0 | 5,151,140 |
| 2025-2026 Projected Budget | 221,750 | 0 | 0 | 3,577,820 | 1,358,000 | 0 | 5,157,570 |

| 247.901 DDA/TIFA | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|---------------------------------|---------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2017-2018 Actual | 20 | 0 | 0 | 225,870 | 0 | 0 | 225,890 |
| 2018-2019 Actual | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2019-2020 Actual | 3,600 | 0 | 0 | 110 | 0 | 0 | 3,710 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020-2021 Six Month Actual | 31,390 | 0 | 0 | 980,640 | 0 | 0 | 1,012,030 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 1,102,000 | 0 | 0 | 1,102,000 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2021-2022 Adopted Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Budget Summary

DDA Operating Fund

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance | 123,739 | 97,279 | 78,369 | 59,359 | 41,539 | 23,629 |
| Revenues and transfers from other funds | 49,800 | 50,300 | 51,550 | 54,140 | 55,490 | 55,490 |
| Expenditures and transfers to other funds | 76,260 | 69,210 | 70,560 | 71,960 | 73,400 | 74,900 |
| Net Change in Fund Balance | (26,460) | (18,910) | (19,010) | (17,820) | (17,910) | (19,410) |
| Ending Fund Balance | 97,279 | 78,369 | 59,359 | 41,539 | 23,629 | 4,219 |

DDA Operating Revenues

| 248.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------|--------|-----------------------------------|-------------------------------|-------|-----------|--------|
| 2017-2018 Actual | 50,140 | 0 | 0 | 1,150 | 0 | 0 | 51,290 |
| 2018-2019 Actual | 49,960 | 0 | 0 | 3,610 | 0 | 0 | 53,570 |
| 2019-2020 Actual | 50,450 | 0 | 0 | 2,120 | 0 | 0 | 52,570 |
| 2020-2021 Original Budget | 51,000 | 0 | 0 | 1,000 | 0 | 0 | 52,000 |
| 2020-2021 Adjusted Budget (Dec) | 51,000 | 0 | 0 | 1,000 | 0 | 0 | 52,000 |
| 2020-2021 Six Month Actual | 41,330 | 0 | 0 | 340 | 0 | 0 | 41,670 |
| 2020-2021 Estimated Year End | 49,400 | 0 | 0 | 400 | 0 | 0 | 49,800 |
| 2021-2022 Dept Request | 50,000 | 0 | 0 | 300 | 0 | 0 | 50,300 |
| 2021-2022 Manager's Budget | 50,000 | 0 | 0 | 300 | 0 | 0 | 50,300 |
| 2021-2022 Adopted Budget | 50,000 | 0 | 0 | 300 | 0 | 0 | 50,300 |
| 2022-2023 Projected Budget | 51,250 | 0 | 0 | 300 | 0 | 0 | 51,550 |
| 2023-2024 Projected Budget | 52,530 | 0 | 0 | 300 | 0 | 0 | 52,830 |
| 2024-2025 Projected Budget | 53,840 | 0 | 0 | 300 | 0 | 0 | 54,140 |
| 2025-2026 Projected Budget | 55,190 | 0 | 0 | 300 | 0 | 0 | 55,490 |

DDA Operating Expenditures

| 248.729 DDA/TIFA | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|--------------------|----------|---------|--------|------|--------|
| 2017-2018 Actual | 19,040 | 3,090 | 0 | 23,800 | 0 | 45,930 |
| 2018-2019 Actual | 24,010 | 940 | 0 | 27,630 | 0 | 52,580 |
| 2019-2020 Actual | 31,170 | 0 | 0 | 39,830 | 0 | 71,000 |
| 2020-2021 Original Budget | 57,880 | 2,500 | 0 | 17,500 | 0 | 77,880 |
| 2020-2021 Adjusted Budget (Dec) | 57,880 | 2,500 | 0 | 17,500 | 0 | 77,880 |
| 2020-2021 Six Month Actual | 15,900 | 90 | 0 | 6,020 | 0 | 22,010 |
| 2020-2021 Estimated Year End | 54,850 | 1,500 | 0 | 19,910 | 0 | 76,260 |
| 2021-2022 Dept Request | 49,150 | 2,500 | 0 | 17,560 | 0 | 69,210 |
| 2021-2022 Manager's Budget | 49,150 | 2,500 | 0 | 17,560 | 0 | 69,210 |
| 2021-2022 Adopted Budget | 49,150 | 2,500 | 0 | 17,560 | 0 | 69,210 |
| 2022-2023 Projected Budget | 50,500 | 2,500 | 0 | 17,560 | 0 | 70,560 |
| 2023-2024 Projected Budget | 51,900 | 2,500 | 0 | 17,560 | 0 | 71,960 |
| 2024-2025 Projected Budget | 53,340 | 2,500 | 0 | 17,560 | 0 | 73,400 |
| 2025-2026 Projected Budget | 54,840 | 2,500 | 0 | 17,560 | 0 | 74,900 |

Cost Center Position Detail - Home Base

Full & Part-Time Employees

| DDA/TIFA | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Part-time total | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |



Debt Service Funds

Debt Service funds are funds established to finance and account for the payment of interest and principal on all tax supported debt, serial, and term, including those payable for special assessments. These funds are not legally appropriated; however, they are audited.

| | |
|----------------------------------------|------------------------------|
| Description of Long-Term Debt | ROCC Debt Service Fund – 350 |
| General Obligation Debt Fund – 301 | Legal Debt Margin |
| Court Building Debt Service Fund – 303 | |

Description of Long-Term Debt

The city currently has a AA+ bond rating. As of June 30, 2020, the last audited fiscal year, the City of Royal Oak has 23 outstanding bond debt issues and contracts totaling \$204.3 million. Michigan statute limits general obligation debt to ten percent (\$391,257,349) of state equalized value and a five percent limit for capital improvement bonds. Our exempt debt of \$32,052,771 leaves approximately \$233.3 million of additional bond debt that can be incurred. These bonds and contract terms are summarized as follows:

Primary Government

Building Authority – Public Act 31 of 1948 (First Extra Session)

Act 31 provides for an authority to issue bonds to build and equip various public buildings, which are then leased to the city. Proceeds from these leases are used to repay the bonds. The collection of lease payments, payment of interest and retirement of debt is reflected in the respective Debt Service or Proprietary fund.

On Oct. 11, 2001, the City of Royal Oak Building Authority issued \$9,000,000 of bonds, series 2001A (unlimited tax general obligation), pursuant to a special election on May 15, 2001. The proceeds were used to construct and equip a new fire station, and remodel and equip existing fire stations. These 20-year bonds have interest rates that range from 3.750 percent to 5.000 percent. The city was obligated to pay interest commencing March 1, 2002, and semiannually thereafter. The first principal payment was due Sept. 1, 2002, and due annually Sept. 1 through 2021. In Aug. 2012, the city performed an advanced refunding of the Series 2001A, now Series 2012. This refunding created a net present value savings of \$614,000. The term of the payments did not change.

On June 2, 2005, the City of Royal Oak Building Authority issued \$3,700,000 of

bonds, series 2005 (general obligation limited tax). The proceeds were used to remodel, renovate, equip, and furnish the city library building. These 18-year bonds have interest rates that range from 3.000 percent to 4.250 percent. Library fund revenue is used to pay the debt service. The city is obligated to pay interest commencing Dec. 1, 2005, and semiannually thereafter. The first principal payment was due June 1, 2006, and due annually June 1 through 2023. In Nov. 2014, the city performed an advanced refunding, issuing capital improvement refunding bonds, series 2014 with a 2.3 percent interest rate. This refunding created a net present value savings of \$104,000. The term of the payments did not change.

Capital Improvement Bonds – Revised Municipal Finance Act, Public Act 34 of 2001, Part V

Act 34 permits the issuance of bonds for the purpose of paying the cost of capital improvements.

On March 15, 2006, the City of Royal Oak issued \$4,325,000 of capital improvement bonds, series 2006A (general obligation limited tax) to finance capital improvements to the city's water and sewer systems and other items. The city used the net proceeds exclusively to finance improvements to the water and sewer system, which is responsible for all debt service payments. These 20-year bonds have interest rates ranging from 3.500 percent to 4.300 percent. The city is obligated to pay interest commencing Nov. 1, 2006, and semiannually thereafter. The first principal payment was due May 1, 2007 and was due through May 1, 2026. In March 2016, these bonds were refunded at 1.9 percent true interest cost providing a net present value savings of \$295,028, and now part of the capital improvement refunding bonds, series 2016.

On April 26, 2006, the City of Royal Oak Building Authority issued \$11,100,000 of

capital improvement refunding bonds, series 2006B (general obligation limited tax), with interest rates that range from 4.000 percent to 4.375 percent. The net proceeds were used to advance refund 1999 prior (44th District Court building) bonds for the years 2010 through 2026 in the amount of \$5,475,000, and the 2001 prior (parking structure) bonds for the years 2012 through 2026 in the amount of \$8,185,000. The proceeds were used to purchase U.S. Certificates of Indebtedness – State and Local Government Securities (SLGS). Those securities were deposited into an irrevocable trust with an escrow agent and subsequently used to pay off the bonds, including call premiums on June 1, 2009, and May 1, 2011, respectively. Accordingly, the refunded bonds are no longer reported on the city's financial statements. The advance refunding reduced the total debt payments over the next 20 years by approximately \$310,090 which represents an economic gain of \$198,175. The new bonds will bear interest payable commencing Nov. 1, 2006, and semiannually thereafter. The first principal payment was due May 1, 2008 and is due annually May 1 through 2026. In March 2016, these bonds were refunded at 1.8 percent true interest cost, providing a net present value savings of \$871,950, and now part of the capital improvement refunding bonds, series 2016.

On Nov. 15, 2007, the City of Royal Oak issued \$2,645,000 of capital improvement bonds, series 2007A (general obligation limited tax) to finance a vehicle purchase project. The city used approximately \$1,970,000 to acquire five fire trucks, \$500,000 for two ambulance rescue vehicles and \$175,000 for two dump truck bodies. These 12-year serial bonds have interest at 4.0 percent. The city is obligated to pay interest commencing May 1, 2008, and semiannually thereafter. The first principal payment was due Oct. 1, 2008, and the last was due Oct. 1, 2019 – last fiscal year.

In September 1997, the City of Royal Oak, and the Oakland County Drain Commission

(currently Water Resources Commission) entered into an agreement whereby the city contracted to pay \$1,710,691 of Garfield drain refunding revenue bonds, series 1997, with interest rates that range from 5.000 percent to 5.125 percent. Repayment is made from net revenues of the water and sewer fund. These bonds bear interest payable commencing April 1, 1998, and semiannually thereafter. The first principal payment was due Oct. 1, 1998, and due annually Oct. 1 through 2017.

On Dec. 11, 2008, the City of Royal Oak sold \$11,825,000 of capital improvement bonds, series 2008 (general obligation limited tax) with interest rates that range from 4.000 percent to 6.250 percent. The bonds finance projects in three funds: auto parking \$7,250,000 (\$5,481,000 to purchase & develop the 600-700 S. Main Street property and to improve other decks and lots, plus \$1,550,000 to acquire the 225 S. Troy Street property); water and sewer \$3,270,000 for infrastructure improvements; and motor pool \$1,305,000 (\$650,000 to purchase vehicles and \$620,000 to repave the DPS yard); plus, related costs. These bonds bear interest payable commencing May 1, 2009, and semiannually thereafter. The first principal payment is due annually Oct. 1, 2009, through 2028. In March 2016, these bonds were advance refunded at a true interest cost of 2.32 percent providing a net present value savings of \$1,086,758, and now a part of the Capital Improvement Refunding Bonds, Series 2016.

On Jan. 31, 2017, the City of Royal Oak sold \$106,040,000 of taxable limited tax general obligation bonds, series 2017-A (OPEB). The sale closed on February 21, 2017. The bond proceeds were used to fund the entire unfunded actuarial accrued liability of the city's defined benefit retiree healthcare plan as of June 30, 2016. The term of the bonds is 21 years with the last maturity due on Oct. 1, 2037. The bonds bear interest rates between 1.163 percent to 4.524 percent, with a true interest rate of 4.082 percent. The city is obligated to pay interest commencing on

October 1, 2017, and semiannually thereafter. The first principal payment was due on Oct. 1, 2017. It is intended that numerous funds will contribute toward the debt service payments based upon the fund in which the legacy cost was incurred.

On Jan. 31, 2017, the City of Royal Oak sold \$20,570,000 of taxable limited tax general obligation bonds, series 2017-A (pension). The sale closed on Feb. 21, 2017. The bond proceeds were used to fund the entire general employees' unfunded actuarial accrued liability of the city's defined benefit pension plan as of June 30, 2016. The term of the bonds is 21 years with the last maturity due on Oct. 1, 2037. The bonds bear interest rates between 1.163 percent to 4.524 percent, with a true interest rate of 4.082 percent. The city is obligated to pay interest commencing on Oct. 1, 2017, and semiannually thereafter. The first principal payment was due on October 1, 2017. It is intended that numerous funds will contribute toward the debt service payments based upon the fund in which the legacy cost was incurred.

On Sept. 12, 2017, the City of Royal Oak sold \$8,500,000 of tax-exempt general obligation limited tax bonds, series 2017. The bond proceeds were used to fund capital improvements to streets within the city. The term of the bonds is 6.5 years with the last maturity due on April 1, 2024. The bonds bear an interest rate of 2.10 percent.

On May 23, 2018, the City of Royal Oak issued \$32,465,000 of limited tax general obligation bonds, series 2018. The bond proceeds are used to construct a new city hall, police headquarters, and develop a central park. The term of the bonds is 25 years. The first interest payment is Oct. 1, 2018, and the first principal payment is April 1, 2018. A net premium of \$3,018,257 was on these bonds. The issue price of the bonds amounted to \$35,483,257 with the per annum rate of 3.4528%. A true interest cost of 3.825%. There is an optional redemption date of April 1, 2028. Final maturity date is April 1, 2043.

Michigan Municipal Bond Authority Bonds – Public Act 227 of 1985

The MMBA has a variety of financing tools including the broad authority to purchase municipal notes or bonds and bundle them for resale. Among those tools, the MMBA and Michigan Department of Environmental Quality (MDEQ) jointly administer state revolving fund (SRF) and drinking water revolving fund (DWRF) low interest loan programs. The following bonds are paid from net revenues of the water and sewer fund.

On Sept. 29, 1998, the City of Royal Oak and the Michigan Municipal Bond Authority entered into an agreement whereby the city of Royal Oak would issue revenue bonds, and the Michigan Municipal Bond Authority would purchase, up to \$15,800,000 of North Arm Relief Drain bonds, series 1998A (General Obligation Limited Tax). The project built enclosed pipes, expanding, and improving the North Relief Arm of the 12 Towns Drainage District, to abate flooding primarily affecting the City of Royal Oak, plus seven other communities and highways therein, controlled by the State of Michigan and Oakland County. The State and County paid cash up front. Based on the interlocal agreement between the City of Royal Oak (the city) and the seven other communities, the city pledges its net water and sewer revenue and pays approximately 49% of the debt service. The city bills approximately 51% to the other communities and collects their payments to pay the debt service. The city is obligated if payments received on contracts with benefiting municipalities are insufficient to meet principal and interest requirements of this debt, when due. The city is obligated to pay interest at 2.25 percent commencing on April 1, 1999, and semiannually thereafter. The first principal payment was due Oct. 1, 2001 and will continue to be due Oct. 1 through 2020.

Since 2000, the Oakland County Drain Commission, predominantly with the MMBA, has initiated multiple financings for the George W. Kuhn Drainage District (GWKDD) to abate

combined sewer overflows from its communities, which includes the City of Royal Oak. The whole retention/treatment facility was estimated to cost \$144 million in 2001. Construction was staged in several contracts. MMBA borrowing draw-downs occur over months or years during construction. The principal payback period is 20 years. The various communities share in GWKDD debt based on the percentage of their contract flow capacity that is about 29 percent for the city. The following eight paragraphs discuss the city's GWKDD contract debt obligations.

On Sept. 30, 2000, the city's share of GWKDD bonds, series A, was issued for \$5,176,386 to the MMBA bearing interest at 2.50 percent. The city is obligated to pay interest commencing April 1, 2001, and semiannually thereafter. The first principal payment was due April 1, 2003 and will continue to be due April 1 until 2022.

On Sept. 28, 2001, the city's share of GWKDD bonds, series C, was issued for \$23,797,479 to the MMBA bearing interest at 2.50 percent. The city is obligated to pay interest commencing April 1, 2002, and semiannually thereafter. The first principal payment was due April 1, 2005 and will continue to be due April 1 until 2024.

On Dec. 20, 2001, the city's share of GWKDD bonds, series D, was issued for up to \$3,170,000 to the MMBA bearing interest at 2.50 percent. The city is obligated to pay interest commencing April 1, 2002, and semiannually thereafter. The first principal payment was due April 1, 2005 and will continue to be due April 1 until 2024.

On Jan. 2, 2002, the city's share of GWKDD bonds, series E, was issued originally for \$2,857,431 bearing market interest rates from 4.00 percent to 5.25 percent. The city is obligated to pay interest commencing April 1, 2001, and semiannually thereafter. The first principal payment was due April 1, 2002 and originally continued to be due April 1 until 2024. On August 1, 2007, bonds maturing

2012 through 2024 were advanced refunded and no longer are shown as debt. Remaining unrefunded bonds were due through April 1, 2012.

On Sept. 22, 2005, the city's share of GWKDD bonds, series 2005 (F), was issued for \$469,002 to the MMBA bearing interest at 1.625 percent. To date, \$390,953 has been drawn as the city's share. The city is obligated to pay interest commencing October 1, 2006, and semiannually thereafter. The first principal payment was due April 1, 2007 and will continue to be due April 1 until 2026.

On Aug. 1, 2007, the city's share of GWKDD Drain (partial B & E) refunding bonds, series 2007 (R), was issued for \$3,607,258, bearing market interest rates from 4.250 percent to 4.375 percent. The refunding bonds advance refunded part of series B and E bonds above. The city is obligated to pay interest commencing Oct. 1, 2007, and semiannually thereafter. The first principal payment was due April 1, 2008 and will continue to be due April 1 until 2024. The city realized a net savings in cash flow of \$176,280 over the life of the bonds for a net economic gain (present value savings) of \$117,311. In February 2016, drain refunding bonds were reissued saving the city \$158,000.

On Sept. 22, 2007, the city's share of GWKDD bonds, series 2007 (G) was issued for up to \$1,765,000 in total to the MMBA, bearing interest at 1.625 percent. Based on \$1,754,260 drawn down by February 9, 2009, the city's share was approximately \$515,923. The city is obligated to pay interest commencing April 1, 2009, and semiannually thereafter. The first principal payment was due April 1, 2009 and will continue to be due April 1 until 2026.

On Sept. 22, 2008, the city's share of 5 GWKDD bonds, Series 2008 (H) was issued for up to \$2,260,136 in total to the MMBA, bearing interest at 2.500 percent. Based on \$4,057,179 drawn down by April 2, 2009, the city's share was approximately \$1,183,205.

Debt Service Funds – Description of Long-Term Debt

The city is obligated to pay interest commencing April 1, 2009 and semiannually thereafter. The first principal payment was due April 1, 2010 and will continue to be due April 1 until 2029. This is expected to be the final funding for the GWKDD project.

Revenue Bonds – Public Act 94 of 1933

On Dec. 22, 2016, the City of Royal Oak issued \$13,500,000 of Parking System Revenue Bonds, Series 2016. The bond proceeds were used to construct a new parking garage on the land of the former Second Street surface lot. The new structure is attached to the existing Center Street parking garage. The term of the bonds is 15 years with the last maturity due on Oct. 1, 2031. The bonds have a true interest rate of 3.45%. The city is obligated to pay interest commencing on April 1, 2017, and semiannually thereafter. The first principal payment is due on Oct. 1, 2017.

Parking fee revenue and monies from the Downtown Development Authority are pledged to pay the debt service.

On May 23, 2018, the City of Royal Oak issued \$16,325,000 of Parking System Revenue Bonds – Series 2018. The bond proceeds are used to construct a new parking garage on the land formerly known as the North Williams Street Lot. This garage is titled the 11 Mile Road garage. Parking fee revenue is pledged to pay the debt service. The term of the bond is 15 years. The bonds were issued as a single registered term bond and mature on Oct. 1, 2033, with first interest payable on Oct. 1, 2018 and semiannually thereafter on April 1 and Oct. 1 of each year at the per annum rate of 3.551%. The true interest cost is also 3.551%.

Budget Summary

| GENERAL OBLIGATION DEBT | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance | 32,373 | 20,313 | 0 | 0 | 0 | 0 |
| Revenues and transfers from other funds | 620,940 | 609,300 | 0 | 0 | 0 | 0 |
| Expenditures and transfers to other funds | 633,000 | 629,300 | 0 | 0 | 0 | 0 |
| Net Change in Fund Balance | (12,060) | (20,000) | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 20,313 | 313 | 0 | 0 | 0 | 0 |

Revenues

| 301.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 585,760 | 0 | 0 | 150 | 0 | 0 | 585,910 |
| 2018-2019 Actual | 620,820 | 6,700 | 0 | 950 | 0 | 0 | 628,470 |
| 2019-2020 Actual | 607,190 | 7,330 | 0 | 490 | 0 | 0 | 615,010 |
| 2020-2021 Original Budget | 610,000 | 7,330 | 0 | 200 | 0 | 0 | 617,530 |
| 2020-2021 Adjusted Budget (Dec) | 610,000 | 7,330 | 0 | 200 | 0 | 0 | 617,530 |
| 2020-2021 Six Month Actual | 600,140 | 6,790 | 0 | 80 | 0 | 0 | 607,010 |
| 2020-2021 Estimated Year End | 614,000 | 6,790 | 0 | 150 | 0 | 0 | 620,940 |
| 2021-2022 Dept Request | 602,500 | 6,700 | 0 | 100 | 0 | 0 | 609,300 |
| 2021-2022 Manager's Budget | 602,500 | 6,700 | 0 | 100 | 0 | 0 | 609,300 |
| 2021-2022 Approved Budget | 602,500 | 6,700 | 0 | 100 | 0 | 0 | 609,300 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Expenditures

| 301.905 GENERAL OBLIGATION DEBT | Personnel Services | Supplies | Capital | Other | Debt | Total |
|--------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 0 | 629,600 | 629,600 |
| 2018-2019 Actual | 0 | 0 | 0 | 0 | 628,080 | 628,080 |
| 2019-2020 Actual | 0 | 0 | 0 | 0 | 630,830 | 630,830 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 0 | 633,000 | 633,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 0 | 633,000 | 633,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 0 | 623,670 | 623,670 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 0 | 633,000 | 633,000 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 0 | 629,300 | 629,300 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 0 | 629,300 | 629,300 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 0 | 629,300 | 629,300 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |

Budget Summary

| COURT BUILDING DEBT SERVICE | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance | 0 | 0 | 0 | 0 | 0 | 0 |
| Revenues and transfers from other funds | 465,000 | 465,200 | 465,000 | 465,000 | 465,000 | 460,000 |
| Expenditures and transfers to other funds | 465,000 | 465,200 | 465,000 | 465,000 | 465,000 | 460,000 |
| Net Change in Fund Balance | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 0 | 0 | 0 | 0 | 0 | 0 |

Revenues

| 303.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 0 | 0 | 463,400 | 463,400 |
| 2018-2019 Actual | 0 | 0 | 0 | 0 | 2,250 | 457,690 | 459,940 |
| 2019-2020 Actual | 0 | 0 | 0 | 0 | (2,250) | 465,220 | 462,970 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 0 | 0 | 438,430 | 438,430 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 0 | 0 | 465,200 | 465,200 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 0 | 0 | 465,200 | 465,200 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 0 | 0 | 465,200 | 465,200 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 0 | 460,000 | 460,000 |

Expenditures

| 303.905 COURT BUILDING DEBT SERVICE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|------------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 0 | 463,400 | 463,400 |
| 2018-2019 Actual | 0 | 0 | 0 | 0 | 457,690 | 457,690 |
| 2019-2020 Actual | 0 | 0 | 0 | 0 | 465,220 | 465,220 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 0 | 438,430 | 438,430 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 0 | 465,200 | 465,200 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 0 | 465,200 | 465,200 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 0 | 465,200 | 465,200 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 465,000 | 465,000 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 460,000 | 460,000 |

Budget Summary

| ROCC DEBT SERVICE FUND | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance | 231 | 231 | 231 | 231 | 231 | 231 |
| Revenues and transfers from other funds | 2,210,500 | 2,206,500 | 2,206,500 | 2,206,500 | 2,206,500 | 2,206,500 |
| Expenditures and transfers to other funds | 2,210,500 | 2,206,500 | 2,206,500 | 2,206,500 | 2,206,500 | 2,206,500 |
| Net Change in Fund Balance | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 231 | 231 | 231 | 231 | 231 | 231 |

Revenues

| 350.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2018-2019 Actual | 0 | 0 | 0 | 0 | 0 | 2,206,000 | 2,206,000 |
| 2019-2020 Actual | 0 | 0 | 0 | 0 | 0 | 2,206,000 | 2,206,000 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 0 | 0 | 2,210,000 | 2,210,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 0 | 0 | 2,210,000 | 2,210,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 0 | 0 | 2,210,500 | 2,210,500 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |

Expenditures

| 350.905 ROCC DEBT SERVICE FUND | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 0 | 0 | 0 |
| 2018-2019 Actual | 0 | 0 | 0 | 0 | 2,206,000 | 2,206,000 |
| 2019-2020 Actual | 0 | 0 | 0 | 0 | 2,206,230 | 2,206,230 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 0 | 2,210,000 | 2,210,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 0 | 2,210,000 | 2,210,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 0 | 718,070 | 718,070 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 0 | 2,210,500 | 2,210,500 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 2,206,500 | 2,206,500 |

City's Legal Debt Limit

Section 21 of Article VII of the Michigan Constitution authorizes the enactment of laws for the incorporation of cities and grants cities the power to levy taxes for public purposes, subject to statutory and constitutional limitation:

"The legislature shall provide by general laws for the incorporation of cities and villages. Such laws shall limit their range of ad valorem property taxation for municipal purposes and restrict the powers of cities and villages to borrow money and contract debts. Each city and village are granted power to levy other taxes for public purposes, subject to limitations and prohibitions provided by the constitution or by law."

In accordance with the foregoing, the Home Rule City Act, Act 279, Michigan Public Acts, 1909, as amended, limits the amount of debt a home rule city may have outstanding at any time. Section 4-a of the Home Rule City Act provides, in pertinent part:

"Notwithstanding a charter provision to the contrary the net indebtedness incurred for all public purposes shall not exceed the greater of the following:

- (a) 10 percent of the assessed value of all the real and personal property in the city.
- (b) 15 percent of the assessed value of all the real and personal property in the city if that portion of the total amount of indebtedness incurred which exceeds 10 percent is or has been used solely for the construction or renovation of hospital facilities."

The provision of the Home Rule City Act cited above overrides the city's charter provision which limits the city indebtedness to five percent of the "assessed valuation" (SEV) of all real and personal property in the city. Other limitations may apply, however, if specifically set forth in a statute authorizing a particular kind of borrowing.

Certain types of indebtedness are not subject to the 10 percent limitation of the Home Rule City Act, including: special assessment bonds, Michigan transportation fund bonds and revenue bonds, whether secured by a mortgage or not; bonds issued or contract obligations or assessment incurred to comply with an order of the Water Resource Commission of the state or a court of competent jurisdiction; obligations incurred for water supply, sewage, drainage, or refuse disposal or resource recovery projects necessary to protect the public health by abating pollution; and bonds issued for construction, improvements and replacement of a combined sewer overflow abatement facility. The resources of a sinking fund pledged for the retirements of outstanding bonds shall also be excluded in compounding debt limitation.

Pursuant to the statutory and constitutional debt provisions set forth above, the following table reflects the amount of additional debt the city may legally incur as of June 2021.

| | <u>10 % SEV</u> | <u>5% SEV*</u> |
|----------------------------------------------------------------|-----------------|----------------|
| 2021 State Equalized Value (SEV) | 3,912,573,490 | 3,912,573,490 |
| Debt limit | 391,257,349 | 195,628,675 |
| Debt outstanding | 190,004,925 | 190,004,925 |
| Less: exempt obligations | (32,052,771) | (32,052,771) |
| Debt subject to SEV limitation | 157,952,154 | 80,239,453 |
| Additional debt which can be legally incurred | 233,305,195 | 115,389,222 |
| Non-exempt debt outstanding as a percentage of 2021 SEV | 4.04% | 2.05% |

* Capital Improvement Bond Limit



Capital Improvement Plan

These funds are not legally appropriated; however, they are audited.

Capital Improvement Summary

Capital Projects Fund - 498

ROCC Capital Projects Fund - 450

Parks Improvement Fund - 499

What is a Capital Improvement Program?

Capital improvement programming is a long-range study of non-operating wants, needs, expected revenue and policy intentions. It is not a budget but provides the necessary information for prudent budget recommendations. It compares various departments' needs over a period of years with anticipated revenue and puts them in single focus for analytical purposes.

It is not a legal appropriation such as an annual budget, but a collection of facts, and suggestions available for the guidance of the budget document preparation for people and the legislative body to use as a tool. It is not a law such as an annual budget, but a collection of facts, trends, and suggestions available for the guidance of the budget people and the legislative body when budget time arrives. After it is adopted by the legislative body, it is a non-binding assertion of future intent only. For each year, however, when an appropriation for an annual capital budget is adopted as part of the regular budget, it represents that amount which will be used to implement a part of the capital improvement program in the coming year.

One-year or two-year budget studies do not always yield the best long-term policy. Accordingly, they have added five, six, or even ten-year capital improvement planning to their program, wherein the larger and longer-term picture can be anticipated and studied. This kind of capital improvement planning is nothing more than business common sense applied to public monies.

Typically, the function of studying long-term capital improvement trends and needs is done with a single agency or team of agencies. A commonly used team is that of

budget, which best knows the details of the annual "facts of life," and engineering which is the closest to the many problems of providing space and facilities for the ever-changing departments and their equipment. In initiating such a program, a master list of needed improvements is first compiled by the various operating departments to cover, usually, the next six years. The list is studied in the light of the comprehensive plan, comparative needs, and replacement urgencies. The trend of tax rates, revenues from other sources, various financing possibilities, bond retirement and future available funds are considered during the budget process. Finally, a recommended priority listing emerges from combined study of these proposed revenues and expenditures.

By providing this planning and programming of capital improvements, all the preliminary engineering or architectural design can be completed timely. Financing is planned well in advance and the effect of the annual budget is determined. This eliminates hasty decisions brought on by crash programs and provides for well designed, orderly growth or renewal of the city's capital. Good management requires greater physical and financial planning than ever before.

The planning commission planned to adopt the capital improvement plan in March and many of the CIP projects are provided for in this section of the budget document. The CIP projects that the city manager is recommending moving forward are listed in the significant notes section of the budget narrative for each of the funding sources (i.e., water and sewer fund, major street fund, local street fund, auto parking fund, IT, motor pool, etc.).

Budget Summary

| ROCC CAPITAL PROJECTS | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------------|-----------------------|-------------------|-----------|-----------|-----------|-----------|
| | Estimated Year End | Adopted Budget | | | | |
| Beginning Fund Balance | 15,090,020 | 1,860,760 | 0 | 0 | 0 | 0 |
| Revenues | 25,000 | 5,000 | 0 | 0 | 0 | 0 |
| Expenditures | 13,254,260 | 4,988,220 | 0 | 0 | 0 | 0 |
| Net | (13,229,260) | (4,983,220) | 0 | 0 | 0 | 0 |
| Transfers from other funds | 0 | 3,122,460 | 0 | 0 | 0 | 0 |
| Net Change in Fund Balance | (13,229,260) | (1,860,760) | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 1,860,760 | 0 | 0 | 0 | 0 | 0 |
| Fund Balance as a percentage of Expenditures | 12.33% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

| CAPITAL PROJECTS | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------------|-----------------------|-------------------|-----------|-----------|-----------|-----------|
| | Estimated Year End | Adopted Budget | | | | |
| Beginning Fund Balance | 286,670 | 0 | 0 | 0 | 0 | 0 |
| Revenues | 750 | 0 | 0 | 0 | 0 | 0 |
| Expenditures | 287,420 | 0 | 0 | 0 | 0 | 0 |
| Net | (286,670) | 0 | 0 | 0 | 0 | 0 |
| Transfers from other funds | 0 | 0 | 0 | 0 | 0 | 0 |
| Net Change in Fund Balance | (286,670) | 0 | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 0 | 0 | 0 | 0 | 0 | 0 |
| Fund Balance as a percentage of Expenditures | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

| PARKS IMPROVEMENT FUND | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------------|-----------------------|-------------------|-----------|-----------|-----------|-----------|
| | Estimated Year End | Adopted Budget | | | | |
| Beginning Fund Balance | 2,697,770 | 958,000 | 0 | 0 | 0 | 0 |
| Revenues | 1,253,710 | 3,000 | 0 | 0 | 0 | 0 |
| Expenditures | 3,038,480 | 961,000 | 0 | 0 | 0 | 0 |
| Net | (1,784,770) | (958,000) | 0 | 0 | 0 | 0 |
| Transfers from other funds | 45,000 | 0 | 0 | 0 | 0 | 0 |
| Net Change in Fund Balance | (1,739,770) | (958,000) | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 958,000 | 0 | 0 | 0 | 0 | 0 |
| Fund Balance as a percentage of Expenditures | 35.51% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |

| WATER& SEWER IMPROVEMENTS | | | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------|
| CAP1999 | Quality Control Review of Water and Sewer GIS Database | | |
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$62,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Water Reliability Study Update, Water Asset Management Plan Update, Water Risk Resilience Plan Preparation, Quality Control Review of Water and Sewer GIS Database. Reports due to entities by 6/30/21. | | |
| CAP2008 | 2021 Crooks Road Resurfacing (water main improvements) | | |
| Project Length: | 2019-2022 | City Share: | 100% |
| Estimated City Cost: | \$686,660 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | New Water Main Nakota to 14 Mile Road Resurfacing Crooks Road from 13 Mile to 14 Mile Road (MDOT); begin construction in February 2021. | | |
| CAP2040 | Stormwater Mitigation in Royal Oak | | |
| Project Length: | 2021-2023 | City Share: | 29% |
| Estimated City Cost: | \$527,000 | Funding Source: | Water & Sewer Fund / Rates, MDEQ Grant |
| Impact on the Operating Budget: | Reduce inflow into the sewers. | | |
| Description: | New Rain Gardens at the intersection of Arden Place and Grandview to help with road flooding. Road reconstruct of these streets. Applying for EGLE Non-Point Source Grant to fund rain garden work and part of roadwork; construct in summer/fall 2022. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2110 | 2021 Watermain Improvements | | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2020-2022 | City Share: | 100% |
| Estimated City Cost: | \$3,983,750 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Installation of replacement 8" water main on DeVillen (Ferris to Campbell), Glendale (13 Mile to Englewood), Girard (Vermont to Lauren Ct), Parkdale (Vermont to Wilson), E Houstonia (Vermont to Campbell), N Vermont (12 Mile to Girard). | | |

| CAP2135 | 2021 Road Reconstruction Improvements (water main improvements) | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2020-2022 | City Share: | 100% |
| Estimated City Cost: | \$90,570 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Road replacement related to 8" water main on Manor: Cresthill (Manor to Massoit); Chester (Elmhurst to Linwood); Manor (pavement change to Crooks), Samoset (Mandalay to Coolidge); Massoit (Mandalay to Coolidge); Nakota (Mandalay to Coolidge). | | |

| CAP2150 | Aerial Flyover of City | | |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2021-2025 | City Share: | 100% |
| Estimated City Cost: | \$155,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Every 3 years, use Quantum (or other approved vendor) to perform aerial flyover of Royal Oak to obtain updated impervious areas for stormwater utility calculations. Typically November or February is best time of year. First flyover was done February 2019. | | |

| CAP2155 | Special Assessment Street Paving (water main improvements) | | |
|----------------------------------------|------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2021-2023 | City Share: | 100% |
| Estimated City Cost: | \$100,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Water main replacement related to special assessment paving of unimproved streets. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2210 | 2022 Water Main Improvements | | |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2021-2023 | City Share: | 100% |
| Estimated City Cost: | \$2,100,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Installation of replacement 8" water main on E 6th Street (Knowles to S. Alexander), Ardmore (12 Mile to Beaver), Clifton (12 Mile to Beaver), Fern (12 Mile to Beaver), Maplewood (Sycamore to Northwood), W. Houstonia (Main to Beechwood). Project includes concrete street repairs and asphalt resurfacing millage work along with water main improvements. | | |

| CAP2211 | 2022 Water Main Improvements | | |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2021-2023 | City Share: | 100% |
| Estimated City Cost: | \$1,900,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Installation of replacement 8" water main on Sycamore (Maplewood to Bonnieview), Vinsetta (12 Mile to Crooks), Northwood (Maplewood to Crooks), Project includes asphalt resurfacing millage work along with water main improvements, traffic calming on Northwood. | | |

| CAP2240 | 2022 Sewer and Green Infrastructure Improvements | | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2021-2023 | City Share: | 100% |
| Estimated City Cost: | \$600,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Sewer and Green Infrastructure Improvements - Chester (Mandalay to Hampton increase sewer capacity); Bellaire (Campbell to Edgeworth - major road flooding at low point, possible Green Infrastructure); Normandy/Parkway rain garden for road flooding; Rowland east of Campbell - check sewer design only; Millard east of Rochester Road add relief for high ponding. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2308 | 2023 Normandy Road Resurfacing (water main improvements) | | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2022-2024 | City Share: | 100% |
| Estimated City Cost: | \$1,020,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Resurfacing Normandy Road from Coolidge to Crooks; 12" water main from Delemere to Crooks. Include traffic calming, pedestrian crossing at Durham/Rosewold. | | |

| CAP2310 | 2023 Water Main Improvements | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2022-2024 | City Share: | 100% |
| | Local Streets Fund | | |
| Estimated City Cost: | \$2,700,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Installation of replacement 8" water main on Forest (Main to Rosedale), Virginia (Pingree), N Alexander (13 Mile Road to Woodlawn), N. Blair (13 Mile Road to Woodlawn). Installation of new 12" water main Stephenson (4th Street to north of Gardenia) Project includes concrete street repairs and asphalt resurfacing millage work along with water main improvements. | | |

| CAP2335 | 2023 Road Reconstruction Improvements (water main improvements) | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2022-2024 | City Share: | 100% |
| Estimated City Cost: | \$250,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Road replacement: Brockton (Helene to Stephenson Highway), E Hudson (Stephenson Highway to dead end), Helene (11 Mile Road to Fourth Street), Nakota (Fernlee to dead end), Woodsboro (Vinsetta to dead end), Ferris (Genesee to 14 Mile Road), E Seventh (Williams to Troy Street DDA) 8" water main replacement on E Hudson and Woodsboro. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2409 | 2024 11 Mile Road Gateway Project (water main improvements) | | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2023-2025 | City Share: | 100% |
| Estimated City Cost: | \$292,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | 11 Mile Road resurfacing from Campbell Road to Stephenson Highway, installation of landscaped boulevard at Stephenson Highway, trees along edge of road, curb widening throughout. Construction of replacement 8" water main from Campbell Road to Kenwood. | | |

| CAP2410 | 2024 Water Main Improvements | | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2023-2025 | City Share: | 100% |
| Estimated City Cost: | \$1,905,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Installation of replacement 8" water main on Arden (Grandview to Sheridan), Sheridan (Arden to Grandview), Dukeshire (Chester to Normandy), Ravena (Woodward to Chester), Yorba Linda (Dukeshire to Kensington). Installation of replacement 12" water main on Woodward Avenue (Buckingham to north of Starr), Chester (Hillside to Dukeshire). Project includes concrete street repairs and asphalt resurfacing millage work along with water main improvements. | | |

| CAP2411 | 2024 Water Main Improvements | | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2023-2025 | City Share: | 100% |
| Estimated City Cost: | \$1,901,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Installation of replacement 8" water main on Rosewold (Normandy to Massoit), Nakota (Hillcrest to Crooks), York (Huntington to city limit), Oakdale (4th Street to 11 Mile Road). Installation of replacement 12" water main on Lexington (Marais to Washington). Project includes concrete street repairs and asphalt resurfacing millage work along with water main improvements. | | |

| CAP2507 | 2025 Crooks Road Resurfacing (water main improvements) | | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2024-2026 | City Share: | 100% |
| Estimated City Cost: | \$573,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Crooks Road resurfacing from Main Street to 13 Mile Road; replace water main from Webster to Royal and Lloyd to Vinsetta. | | |

| CAP2510 | 2025 Water Main Improvements | | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2024-2026 | City Share: | 100% |
| Estimated City Cost: | \$3,250,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Utilize recommendations from 2020 Water Asset Management Plan to determine priority of water main replacements for 2025 and beyond. | | |

| CAP2610 | 2026 Water Main Improvements | | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2025-2027 | City Share | 100% |
| Estimated City Cost: | \$3,250,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Utilize recommendations from 2020 Water Asset Management Plan to determine priority of water main replacements for 2026 and beyond. | | |

| CAP2161- CAP2761 | Controlled Burns of Rain Gardens | | |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$48,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Controlled burns of rain gardens is recommended every 5 years; Michigan native plants are fire dependent and controlled burns help enhance future growth. Burn in early spring to allow for same season re-growth. Hire out to specialty contractor. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2165- CAP2765 | | Water Service Replacement | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------|
| Project Length: | 2020-2027 | City Share: | 100% |
| Estimated City Cost: | \$3,500,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Unknown | | |
| Description: | In accordance with Michigan's new Lead and Copper Rule and sampling results, replacing 7% of lead and galvanized services each year starting in 2020. Estimated 1400 lead/galvanized services in the city. Plan for 100 services each year at \$5000 per service. | | |

| CAP2166- CAP2766 | | Water Service Materials Verification | |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|----------------------------|
| Project Length: | 2020-2025 | City Share: | 100% |
| Estimated City Cost: | \$1,443,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Unknown | | |
| Description: | In accordance with Michigan's new Lead and Copper Rule, verifying the water service material for each water customer by 2024. 23,741 services in the city; DPS estimates the need to hydro-vac and verify approximately 2,400 service lines at \$500 each. | | |

| CAP2175- CAP2775 | | Sewer Line Televising & Root Control | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|----------------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$3,988,000 | Funding Source: | Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | | |
| Description: | Televis existing 8" through 48" diameter sanitary and combined sewer lines for engineering department review, sewer condition evaluation, and sewer analysis for future sewer improvements programming; and chemically root treat existing 8" through 36" diameter sewer. | | |

| CAP2185- CAP2785 | Sewer Lining (City Wide) | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| Project Length: | 2021-2027 | City Share: 100% |
| Estimated City Cost: | \$5,146,000 | Funding Source: Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | |
| Description: | Pre-line televising to review and evaluate sewer condition, lining of existing 8" thru 24" diameter sewer to seal and stabilize pipe from further structural damage and improve flow, and post-line televising to check, review, and evaluate lining installation quality and acceptance. | |

| CAP2195- CAP2795 | Spot Sewer Repairs (City Wide) | |
|----------------------------------------|------------------------------------------------------------------------------------------|---------------------------------------------------|
| Project Length: | 2021-2027 | City Share: 100% |
| Estimated City Cost: | \$3,988,000 | Funding Source: Water & Sewer Fund / Rates |
| Impact on the Operating Budget: | Lower system maintenance costs. | |
| Description: | Spot sewer repair of different sanitary sewer pipe sizes in various locations city wide. | |

| |
|------------------------------|
| SIDEWALK IMPROVEMENTS |
|------------------------------|

| CAP2101- CAP2701 | Concrete Pavement & Prepaid Sidewalk Improvements | |
|----------------------------------------|------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| Project Length: | 2021-2027 | City Share: 100% |
| Estimated City Cost: | \$4,210,000 | Funding Source: Water & Sewer Fund / Rates/Local Streets Fund |
| Impact on the Operating Budget: | Improve safety thus reducing liability expenses due to fewer trip and fall claims. | |
| Description: | Concrete pavement and prepaid sidewalk improvements throughout the city. | |

| CAP2102- CAP2702 | City-Wide Sidewalk Improvement Program | |
|----------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Project Length: | 2021-2027 | City Share: 100% |
| Estimated City Cost: | \$6,000,000 | Funding Source: Local Streets Fund/ Direct Invoice/Special Assessment |
| Impact on the Operating Budget: | Improve safety thus reducing liability expenses due to fewer trip and fall claims. | |
| Description: | Repair of residents' deficient sidewalks-city-wide. | |

| CAP2103- CAP2703 | Stamped Colored Concrete Sealing - Downtown | | |
|------------------------------------|----------------------------------------------------------------------------------------------------------------|-----------------|------|
| Project Length: | 2021-2025 | City Share: | 100% |
| Estimated City Cost: | \$130,000 | Funding Source: | DDA |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Sealing the stamped colored concrete in the DDA area. Plan to do in Spring 2022, and then again every 3 years. | | |

LOCAL STREET IMPROVEMENTS

| CAP2036 | 2021 Diverter Islands | | |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------|--------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$150,000 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Installation of diverter islands at intersections of Albert, Merrill, Parker, Warick and Trafford at Woodward Avenue. | | |

| CAP2040 | Stormwater Mitigation in Royal Oak (road improvements due to Water&Sewer projects) | | |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------|
| Project Length: | 2021-2023 | City Share: | 100% |
| Estimated City Cost: | \$150,000 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | New rain gardens at the intersection of Arden Place and Grandview to help with road flooding. Road reconstruct of these streets. Applying for EGLE Non-Point Source Grant to fund rain garden work and part of roadwork; construct in summer/fall 2022. 8" water main on Arden Place. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2110 | 2021 Road Improvements (due to water main construction) | | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2020-2022 | City Share: | 100% |
| Estimated City Cost: | \$225,000 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | | |
| Description: | Installation of replacement 8" water main on DeVillen (Ferris to Campbell Road), Glendale (13 Mile Road to Englewood), Girard (Vermont to Lauren Ct), Parkdale (Vermont to Wilson), E Houstonia (Vermont to Campbell Road), N Vermont (12 Mile Road to Girard). Installation of replacement 12" water main on 14 Mile (Rochester Road to Campbell Road) Project includes concrete street repairs along with water main improvements. | | |

| CAP2135 | 2021 Road Reconstruction Improvements | | |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2020-2022 | City Share: | 100% |
| Estimated City Cost: | \$871,000 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | | |
| Description: | Road replacement: Cresthill (Manor to Massoit); Chester (Elmhurst to Linwood); Manor (pavement change to Crooks), Samoset (Mandalay to Coolidge); Massoit (Mandalay to Coolidge); Nakota (Mandalay to Coolidge); 8" water main on Manor. | | |

| CAP2136 | Alley Reconstruction - Special Assessment | | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------|------------------------|---------------------------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$60,000 | Funding Source: | Local Streets Fund/Special Assessment |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Repaving of alley west of Evergreen, south of Northwood (acts like a long driveway for multiple homes). | | |

| CAP2137 | Downtown Alleys and Parking Lots | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$512,000 | Funding Source: | DDA |
| Impact on the Operating Budget: | Unknown | | |
| Description: | DDA to decide how much work to perform; possibilities include: Repaving alley east of S. Main Street (Third to Fourth) - priority repaving alley east of S. Main Street (Fourth to Fifth) Resurfacing parking lot west of Williams (Third to Fourth) - possible green infrastructure added Resurfacing parking lot west of Williams (Fourth to Fifth) - possible green infrastructure added. | | |

| CAP2138 | CDBG Delemere Blvd Resurfacing Improvements | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$625,000 | Funding Source: | CDBG |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | | |
| Description: | Resurfacing or reconstruction Delemere from Normandy to 14 Mile Road; removing illegal paved parking in ROW, adding pedestrian refuge islands, installing new trees. | | |

| CAP2155 | Special Assessment Street Paving | | |
|----------------------------------------|--------------------------------------------------------------------------------------|------------------------|-------------------------------------------------------|
| Project Length: | 2021-2023 | City Share: | 100% |
| Estimated City Cost: | \$125,000 | Funding Source: | Local Streets Fund/ Direct Invoice/Special Assessment |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | | |
| Description: | Special Assessment paving of unimproved streets. | | |

| CAP2210 | 2022 Road Improvements (due to water main construction) | | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2021-2023 | City Share: | 100% |
| Estimated City Cost: | \$350,000 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | | |
| Description: | Installation of replacement 8" water main on E 6th Street (Knowles to S. Alexander), Ardmore (12 Mile Road to Beaver), Clifton (12 Mile Road to Beaver), Fern (12 Mile Road to Beaver), Maplewood (Sycamore to Northwood), W. Houstonia (Main Street to Beechwood). Project includes concrete street repairs and asphalt resurfacing millage work along with water main improvements. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2211 | 2022 Road Improvements (due to water main construction) | | |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2021-2023 | City Share: | 100% |
| Estimated City Cost: | \$635,000 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | | |
| Description: | Installation of replacement 8" water main on Sycamore (Maplewood to Bonnieview), Vinsetta (12 Mile Road to Crooks), Northwood (Maplewood to Crooks). Project includes asphalt resurfacing millage work along with water main improvements, traffic calming on Northwood. | | |

| CAP2310 | 2023 Road Improvements(due to water main construction) | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2022-2024 | City Share: | 100% |
| Estimated City Cost: | \$210,000 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | | |
| Description: | Installation of replacement 8" water main on Forest (Main Street to Rosedale), Virginia (Pingree), N Alexander (13 Mile Road to Woodlawn), N. Blair (13 Mile Road to Woodlawn). Installation of replacement 12" water main Stephenson (4th Street to north of Gardenia) Project includes concrete street repairs and asphalt resurfacing millage work along with water main improvements. | | |

| CAP2335 | 2023 Road Reconstruction Improvements | | |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2022-2024 | City Share: | 100% |
| Estimated City Cost: | \$1,925,000 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | | |
| Description: | Road replacement: Brockton (Helene to Stephenson Highway), E Hudson (Stephenson Highway to dead end), Helene (11 Mile to Fourth), Nakota (Fernlee to dead end), Woodsboro (Vinsetta to dead end), Ferris (Genesee to 14 Mile Road), E Seventh (Williams to Troy Street DDA). | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2410 | 2024 Road Improvements (due to water main construction) | | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2023-2025 | City Share: | 100% |
| Estimated City Cost: | \$406,000 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | | |
| Description: | Installation of replacement 8" water main on Arden (Grandview to Sheridan), Sheridan (Arden to Grandview), Dukeshire (Chester to Normandy), Ravenna (Woodward to Chester), Yorba Linda (Dukeshire to Kensington). Installation of replacement 12" water main on Woodward Avenue (Buckingham to north of Starr), Chester (Hillside to Dukeshire). Project includes concrete street repairs and asphalt resurfacing millage work along with water main improvements. | | |

| CAP2411 | 2024 Road Improvements (due to water main construction) | | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2023-2025 | City Share: | 100% |
| Estimated City Cost: | \$150,000 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | | |
| Description: | Installation of replacement 8" water main on Rosewold (Normandy to Massoit), Nakota (Hillcrest to Crooks), York (Huntington to city limit), Oakdale (4th Street to 11 Mile). Installation of replacement 12" water main on Lexington (Marais to Washington). Project includes concrete street repairs and asphalt resurfacing millage work along with water main improvements. | | |

| CAP2416 | 2024 Asphalt Resurfacing - Downtown Streets | | |
|----------------------------------------|--------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2023-2025 | City Share: | 100% |
| Estimated City Cost: | \$1,033,000 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | | |
| Description: | DDA streets in need of resurfacing. | | |

| CAP2101- CAP2701 | Concrete Pavement And Prepaid Sidewalk Improv.(City Wide) | | |
|----------------------------------------|------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2020-2027 | City Share: | 100% |
| Estimated City Cost: | \$794,450 | Funding Source: | Local Streets Fund |
| Impact on the Operating Budget: | Improve safety thus reducing liability expenses due to fewer trip and fall claims. | | |
| Description: | Concrete pavement and prepaid sidewalk improvements throughout the city. | | |

| CAP2105- CAP2505 | Millage Concrete Street Repairs | |
|----------------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------|
| Project Length: | 2020-2025 | City Share: 100% |
| Estimated City Cost: | \$8,917,940 | Funding Source: Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | |
| Description: | Repairs on concrete streets as part of the road millage. | |

| CAP2115- CAP2515 | Millage Asphalt Resurfacing | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| Project Length: | 2020-2025 | City Share: 100% |
| Estimated City Cost: | \$13,914,600 | Funding Source: Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | |
| Description: | Resurfacing of asphalt streets in city as part of road millage. Also resurface Memorial Parking Lot at 13 Mile Road and Coolidge in summer 2021 (FY21/22) using general fund. | |

| CAP2125- CAP2525 | Millage Joint Sealing | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| Project Length: | 2020-2025 | City Share: 100% |
| Estimated City Cost: | \$430,000 | Funding Source: Local Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to local roads. | |
| Description: | Joint sealing of asphalt streets in city as part of road millage plan. Joint sealing of major roads on a cyclical basis. | |

MAJOR STREET IMPROVEMENTS

| CAP2008 | 2021 Crooks Road Resurfacing | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|
| Project Length: | 2019-2022 | City Share: 31% |
| Estimated City Cost: | \$2,796,711 | Funding Source: Major Streets Funds/Federal Funds |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | |
| Description: | Resurfacing Crooks Road from 13 Mile to 14 Mile Road (MDOT); begin construction in February 2021. New Water Main Nakota to 14 Mile. | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2041 | 2020 Traffic Signal Upgrade | |
|----------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|
| Project Length: | 2019-2022 | City Share: 50% |
| Estimated City Cost: | \$2,048,725 | Funding Source: Major Streets Fund / CMAQ Grant / DDA funds |
| Impact on the Operating Budget: | Unknown | |
| Description: | Traffic signal upgrades on Main Street and Crooks Road signals. | |

| CAP2109 | 2021 S Main Street Resurfacing | |
|----------------------------------------|--------------------------------------------------------------------------------------|-------------------------------------------|
| Project Length: | 2021-2023 | City Share: 100% |
| Estimated City Cost: | \$1,250,000 | Funding Source: Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | |
| Description: | Resurfacing S Main Street from Lincoln to 11 Mile Road. | |

| CAP2199 | 11 Mile Traffic Study | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$15,000 | Funding Source: Major Streets Fund |
| Impact on the Operating Budget: | Improve efficiency and access to information | |
| Description: | Study 11 Mile Road from Main Street to Stephenson Highway to see if a road diet would be appropriate; road tentatively scheduled for upgrades in 2025, so study will allow us to be prepared for design scope. | |

| CAP2208 | 2022 Lincoln Ave Resurfacing | |
|----------------------------------------|---------------------------------------------------------------------------------------------|-------------------------------------------|
| Project Length: | 2021-2023 | City Share: 100% |
| Estimated City Cost: | \$1,300,000 | Funding Source: Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | |
| Description: | Resurfacing Lincoln Ave from Lafayette to Campbell Road with traffic calming islands added. | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2241 | 2022-23 Mast Arm Installation | | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2022-2023 | City Share: | 100% |
| Estimated City Cost: | \$250,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | New traffic signals being installed for bridge at 11 Mile Road and I-75 as part of freeway project; city paying for cost to upgrade signals to be mast arms. | | |

| CAP2308 | 2022 Normandy Road Resurfacing | | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2022-2024 | City Share: | 100% |
| Estimated City Cost: | \$2,735,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | | |
| Description: | Resurfacing Normandy Road from Coolidge to Crooks; 12" water main from Delemere to Crooks. Include traffic calming, pedestrian crossing at Durham/Rosewold. | | |

| CAP2309 | 2023 Lincoln Ave Resurfacing | | |
|----------------------------------------|--------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2022-2024 | City Share: | 100% |
| Estimated City Cost: | \$750,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | | |
| Description: | Resurfacing Lincoln Ave from Lafayette to Knowles. | | |

| CAP2408 | Rochester Road Resurfacing | | |
|----------------------------------------|--------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2023-2025 | City Share: | 100% |
| Estimated City Cost: | \$885,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | | |
| Description: | Rochester Rd resurfacing from Catalpa to 12 Mile Road. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2409 | 11 Mile Road Gateway Project | | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2023-2025 | City Share: | 100% |
| Estimated City Cost: | \$1,504,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | | |
| Description: | 11 Mile Road resurfacing from Campbell Road to Stephenson Highway, installation of landscaped boulevard at Stephenson Highway, trees along edge of road, curb widening throughout. New 8" water main from Campbell Road to Kenwood. | | |

| CAP2507 | Crooks Road Resurfacing | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2024-2026 | City Share: | 100% |
| Estimated City Cost: | \$3,220,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | | |
| Description: | Crooks Road resurfacing from Main Street to 13 Mile Road; replace water main Webster to Royal and Lloyd to Vinsetta. | | |

| CAP2508 | Gardenia Resurfacing | | |
|----------------------------------------|--------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2024-2026 | City Share: | 100% |
| Estimated City Cost: | \$645,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | | |
| Description: | Resurfacing Gardenia from Campbell Road to Stephenson Highway. | | |

| CAP2509 | 11 Mile Road Resurfacing | | |
|----------------------------------------|--------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2024-2026 | City Share: | 100% |
| Estimated City Cost: | \$2,205,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | | |
| Description: | Resurfacing 11 Mile Road from Main Street to Campbell Road. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP2607 | Rochester Road Resurfacing | | |
|----------------------------------------|--------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2025-2027 | City Share: | 100% |
| Estimated City Cost: | \$4,500,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | | |
| Description: | Resurfacing Rochester Road from 12 Mile Road to 14 mile Road. | | |

| CAP2608 | 11 Mile Road Resurfacing | | |
|----------------------------------------|--------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2025-2027 | City Share: | 100% |
| Estimated City Cost: | \$2,100,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | | |
| Description: | Resurfacing 11 Mile Road from Woodward Avenue to Main Street. | | |

| CAP2125- CAP2725 | Annual Major Joint Seal Program | | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$1,524,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Reduce road maintenance costs over time by making structural repairs to major roads. | | |
| Description: | Joint Sealing of asphalt streets in city as part of road millage. Joint sealing of major roads on a cyclical basis. | | |

| CAP2160- CAP2760 | Mast Arm Inspections | | |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$27,000 | Funding Source: | Major Streets Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Mast Arms need to be inspected every two years per AASHTO and MDOT. Once all are installed, about \$4500 per year if evaluated on rotating schedule. | | |

PARKS AND FACILITIES

| CAP1102 | Parking Meters | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$300,000 | Funding Source: | Parking Fund |
| Impact on the Operating Budget: | Lower costs for coin collection and possibly increase costs for finance department | | |
| Description: | Replacement of the city parking meters with improved meter technology, as they are aging and becoming obsolete. Technology will provide additional methods of payment which will provide improved service to the visitors. | | |

| tbd | Animal Shelter Drive | | |
|----------------------------------------|--------------------------------------------------------------------------|------------------------|------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$45,000 | Funding Source: | tbd |
| Impact on the Operating Budget: | Reduce annual cold patch maintenance by \$250 | | |
| Description: | Pave the access drive to the animal shelter and DPS off of Edgar Street. | | |

| tbd | Ice Arena Compressor (2) Units | | |
|----------------------------------------|---------------------------------------------------------------------------|------------------------|----------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$20,000 | Funding Source: | Ice Arena Fund |
| Impact on the Operating Budget: | Reduce maintenance costs by \$2,000 annually. | | |
| Description: | Ice Arena Compressors need to be rebuilt, should be done every 3-5 years. | | |

| tbd | Royal Oak Golf Course Clubhouse Reconstruction | | |
|----------------------------------------|------------------------------------------------------------------|------------------------|------|
| Project Length: | 2023-2025 | City Share: | 100% |
| Estimated City Cost: | \$500,000 | Funding Source: | tbd |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Re-construct existing outdated Royal Oak Golf Course Club House. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| tbd | Royal Oak Golf Course Clubhouse Roof Replacement | | |
|----------------------------------------|--------------------------------------------------|------------------------|--------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$150,000 | Funding Source: | General Fund |
| Impact on the Operating Budget: | Reduce repair and maintenance costs. | | |
| Description: | Replace existing golf course clubhouse roof. | | |

| tbd | DPS Fleet Garage Roof Replacement | | |
|----------------------------------------|--------------------------------------------|------------------------|-----------------|
| Project Length: | 2026-2027 | City Share: | 100% |
| Estimated City Cost: | \$500,000 | Funding Source: | Motor Pool Fund |
| Impact on the Operating Budget: | Reduce repair and maintenance costs. | | |
| Description: | Replacement of 16,500 sq ft of metal roof. | | |

| tbd | Ice Arena-Roof Section Replacement | | |
|----------------------------------------|-----------------------------------------------------|------------------------|----------------|
| Project Length: | 2022-2023 | City Share: | 100% |
| Estimated City Cost: | \$135,000 | Funding Source: | Ice Arena Fund |
| Impact on the Operating Budget: | Reduce maintenance costs by \$1,000 annually. | | |
| Description: | Restoration of 8,000 sq ft of modular roof section. | | |

| tbd | Court-LED Lighting Retro-Fit Project | | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$18,550 | Funding Source: | General Fund |
| Impact on the Operating Budget: | Future electric utility cost savings. | | |
| Description: | This project is for the LED lighting retro-fit for the first floor and the basement of the courthouse. This project would complete the buildings conversion to energy efficient lighting. The second floor lighting was retro-fit in 2020. | | |

| tbd | Farmers Market- Replacement of Resident Shop Enclosures | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------|------------------------|--------------------------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$14,750 | Funding Source: | Farmers Market Fund, potentially DDA |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Replace the enclosures on the 5 permanent spaces. Current enclosures are broken and falling apart. | | |

| tbd | Farmers Market-Preservation and enhancement of Interior Walls | | |
|----------------------------------------|-------------------------------------------------------------------------------------|------------------------|--------------------------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$10,600 | Funding Source: | Farmers Market Fund, potentially DDA |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Install corrugated metal and barnwood on interior walls of farmers market building. | | |

| tbd | Farmers Market-Electrical Upgrade | | |
|----------------------------------------|-----------------------------------------------------------------------------------|------------------------|---------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$16,150 | Funding Source: | Farmers Market Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Update and repair electrical south and east areas inside farmers market building. | | |

| tbd | Library Roof Replacement | | |
|----------------------------------------|-------------------------------------------------------------|------------------------|--------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$558,000 | Funding Source: | Library Fund |
| Impact on the Operating Budget: | Reduce repair and maintenance costs. | | |
| Description: | Replace both roof sections at the Royal Oak Public Library. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| tbd | Salter Center Parking Lot Repaving | | |
|----------------------------------------|------------------------------------------------------------|------------------------|--------------|
| Project Length: | 2022-2023 | City Share: | 100% |
| Estimated City Cost: | \$125,000 | Funding Source: | General Fund |
| Impact on the Operating Budget: | Reduce maintenance costs by \$1,000 over a 5-year average. | | |
| Description: | Resurface Salter Center Parking Lot. | | |

| tbd | Fire Station #1 HVAC System Replacement | | |
|----------------------------------------|-----------------------------------------|------------------------|--------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$140,000 | Funding Source: | Public Safety Fund |
| Impact on the Operating Budget: | Reduce maintenance costs. | | |
| Description: | Replace HVAC system at fire station 1. | | |

| tbd | Fire Station #2 Apron Slab Repair | | |
|----------------------------------------|--------------------------------------------|------------------------|--------------------|
| Project Length: | 2020-2022 | City Share: | 100% |
| Estimated City Cost: | \$60,000 | Funding Source: | Public Safety Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Replace broken concrete at fire station 2. | | |

| tbd | Fire Station #1 Security Remodel | | |
|----------------------------------------|----------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$15,000 | Funding Source: | Public Safety Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Redesign front entrance and service counter at fire station 1. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| tbd | Fire Station #1 Roof Replacement | |
|----------------------------------------|-----------------------------------------|-------------------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$310,000 | Funding Source: Public Safety Fund |
| Impact on the Operating Budget: | Unknown | |
| Description: | Replace roof at fire station 1. | |

| tbd | Exhaust System Upgrade-Fire Stations 1, 2 & 3 | |
|----------------------------------------|----------------------------------------------------------|-------------------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$30,000 | Funding Source: Public Safety Fund |
| Impact on the Operating Budget: | Unknown | |
| Description: | Upgrade existing exhaust system at all 3 fire stations. | |

| tbd | Center Street Garage-Electrical Upgrades | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$60,000 | Funding Source: Auto Parking Fund |
| Impact on the Operating Budget: | Unknown | |
| Description: | Replacement of failing concrete-encased electrical conduit/wiring with overhead conduit/wiring; fixture upgrades/replacement. | |

| CAPNOPK | Normandy Oaks Park Development | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| Project Length: | 2017-2022 | City Share: 100% |
| Estimated City Cost: | \$4,100,000 | Funding Source: Sale of Normandy Oaks Assets/Oakland County |
| Impact on the Operating Budget: | \$55,000 annual operating cost possibly, depending on design. | |
| Description: | Redevelopment of Normandy Oaks Golf Course into a city park with a wide range of recreational activities, including a splash park, ropes playground equipment, soccer field, sledding hill, and nature area. | |

| CAPCP18 | Centennial Commons Park and Connectivity | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2019-2022 | City Share: | 100% |
| Estimated City Cost: | \$10,777,000 | Funding Source: | General Fund / DDA |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Construction of a new downtown park where the existing city hall and police buildings are located. | | |

| tbd | Centennial Commons Park Bathroom and Water Feature | | |
|----------------------------------------|--------------------------------------------------------|------------------------|--------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$665,000 | Funding Source: | General Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Water feature and bathroom at Centennial Commons Park. | | |

| CAP1846 | Tree Planting | | |
|----------------------------------------|-----------------------------------------------------------|------------------------|-----------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$750,000 | Funding Source: | CDBG Fund |
| Impact on the Operating Budget: | Tree pruning by DPS employees or contractors. | | |
| Description: | CDBG funded tree planting in qualified areas of the city. | | |

| CAP1904 | Upton Park Soccer Field Development | | |
|----------------------------------------|------------------------------------------------------------------|------------------------|------|
| Project Length: | 2022-2023 | City Share: | 100% |
| Estimated City Cost: | \$75,000 | Funding Source: | tbd |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Improve open grass area at Upton Park to develop a soccer field. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| CAP1918 | Memorial Park Parking Lot Improvement | | |
|----------------------------------------|---------------------------------------------------------------|------------------------|--------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$125,000 | Funding Source: | General Fund |
| Impact on the Operating Budget: | Reduce maintenance costs. | | |
| Description: | Repaving of parking lot (performed last paving in the 1990's) | | |

| tbd | Fernwood Park Improvements | | |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$450,000 | Funding Source: | tbd |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Replacement of play equipment and fall zone surface material and installing outdoor fitness equipment with rubber fall zone surface material. | | |

| tbd | Red Run and Exchange Park Pavilion and Restrooms | | |
|----------------------------------------|-----------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2025-2026 | City Share: | 100% |
| Estimated City Cost: | \$300,000 | Funding Source: | tbd / LWCF (Grant) |
| Impact on the Operating Budget: | Maintenance and supplies for upkeep of pavilions and restrooms. | | |
| Description: | Construct pavilions with restrooms. | | |

| tbd | Memorial Park and Worden Park Irrigation Systems | | |
|----------------------------------------|----------------------------------------------------------------------------------|------------------------|------------------------------------|
| Project Length: | 2022-2023 | City Share: | 100% |
| Estimated City Cost: | \$92,000 | Funding Source: | tbd / LWCF (Grant) / MNRTF (Grant) |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Install irrigation system for playing surfaces at Worden Park and Memorial Park. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| tbd | Miller Park Improvements | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$250,000 | Funding Source: CDBG Fund |
| Impact on the Operating Budget: | Unknown | |
| Description: | Replacement of Miller Park playground equipment and replacement of current fibar fall zone material with artificial turf or poured in place fall zone. | |

| tbd | Baseball Infield Clay Replenishment Project | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Project Length: | 2021-2027 | City Share: 100% |
| Estimated City Cost: | \$90,000 | Funding Source: tbd |
| Impact on the Operating Budget: | Unknown | |
| Description: | Replace the clay infield of city's baseball fields to help with drainage issues and improve quality of play. 1 – 2 fields each year. | |

| tbd | Playground Equipment - Fall Zone Replacement Program | |
|----------------------------------------|---------------------------------------------------------------------|----------------------------|
| Project Length: | 2021-2027 | City Share: 100% |
| Estimated City Cost: | \$90,000 | Funding Source: tbd |
| Impact on the Operating Budget: | Reduction of maintenance crew labor hours. | |
| Description: | Add in "spray in fibar" to parks whose fall zone is not up to code. | |

| tbd | Kenwood Park - Basketball/Tennis Court Improvements | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$70,000 | Funding Source: tbd |
| Impact on the Operating Budget: | Unknown | |
| Description: | Redesign/Resurface the tennis courts at Kenwood Park to resemble both a basketball court and tennis court to reflect a multisport area. Neighborhood community has been requesting a multi-sport surface. Kenwood Park received a new play structure in FY19-20 and revamped baseball/soccer participation. | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| tbd | Memorial Park-Batting Cages | |
|----------------------------------------|---------------------------------------------------------------|----------------------------|
| Project Length: | 2022-2023 | City Share: 100% |
| Estimated City Cost: | \$35,000 | Funding Source: tbd |
| Impact on the Operating Budget: | Unknown | |
| Description: | Install 2 to 4 outdoor batting cage tunnels at Memorial Park. | |

| tbd | Community Garden | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------|----------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$10,000 | Funding Source: tbd |
| Impact on the Operating Budget: | Unknown | |
| Description: | Create a city wide community garden program allowing residents to lease part of park property for their garden use. | |

| tbd | Hudson Park Upgrade | |
|----------------------------------------|------------------------------------------------------------------------------------|----------------------------------|
| Project Length: | 2022-2023 | City Share: 100% |
| Estimated City Cost: | \$500,000 | Funding Source: CDBG Fund |
| Impact on the Operating Budget: | Reduce maintenance costs. | |
| Description: | Upgrades to Hudson park to include new playground and surfacing, basketball court. | |

| tbd | Lockman Park Upgrade | |
|----------------------------------------|---------------------------------------------------------------------------------|----------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$500,000 | Funding Source: CDBG Fund |
| Impact on the Operating Budget: | Reduce maintenance costs. | |
| Description: | Upgrade Lockman Park's current playground, tennis courts and basketball courts. | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| tbd | Park Bench Replacement | |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| Project Length: | 2021-2027 | City Share: 100% |
| Estimated City Cost: | \$19,200 | Funding Source: General Fund |
| Impact on the Operating Budget: | Unknown | |
| Description: | Replacement program for all wooden picnic tables in parks. Replace 3-4 tables (\$3,200 / year) with composite wood picnic tables. | |

| tbd | Tennis Court Repair/Replacements | |
|----------------------------------------|------------------------------------------------------------------------------------------------|----------------------------|
| Project Length: | 2021-2027 | City Share: 100% |
| Estimated City Cost: | \$180,000 | Funding Source: tbd |
| Impact on the Operating Budget: | Reduce maintenance costs. | |
| Description: | Resurface, repair or replace current city tennis courts that are not eligible for CDBG grants. | |

| tbd | Waterworks Park-Storage Area Screening | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$50,000 | Funding Source: Solid Waste Fund |
| Impact on the Operating Budget: | Unknown | |
| Description: | Aesthetic improvements to better screen storage area from neighborhood/park. To include fence screening, shrubbery, and other landscape elements. | |

| tbd | Worden Park-East Playground | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$300,000 | Funding Source: tbd |
| Impact on the Operating Budget: | Reduce maintenance costs. | |
| Description: | Upgrade 14-year-old wooden play structure at Worden Park – east. Play equipment is heavily used by the Four Seasons Pre-school. Current play structure is not repairable. | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| tbd | Worden Park-Upgrade | | |
|----------------------------------------|-----------------------------------------|------------------------|-----------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$500,000 | Funding Source: | CDBG Fund |
| Impact on the Operating Budget: | Reduce maintenance costs. | | |
| Description: | Upgrade Worden Park four ball diamonds. | | |

| tbd | Clawson Park-Upgrade | | |
|----------------------------------------|------------------------------------------------------------------------------------|------------------------|-----------|
| Project Length: | 2022-2023 | City Share: | 100% |
| Estimated City Cost: | \$500,000 | Funding Source: | CDBG Fund |
| Impact on the Operating Budget: | Reduce maintenance costs. | | |
| Description: | Upgrades to Hudson park to include new playground, surfacing and basketball court. | | |

| tbd | Elks Park-Upgrade | | |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|------------------------|-----------|
| Project Length: | 2022-2023 | City Share: | 100% |
| Estimated City Cost: | \$420,000 | Funding Source: | CDBG Fund |
| Impact on the Operating Budget: | Reduce maintenance costs. | | |
| Description: | Upgrade park components at Elks Park to include: Playground, Basketball Court, Tennis Court, Baseball Field and a Pavilion. | | |

| CAP2115 | Golf Center and Starr Road Parking Areas (construct under road project CAP2115) | | |
|----------------------------------------|---------------------------------------------------------------------------------|------------------------|------|
| Project Length: | 2020-2022 | City Share: | 100% |
| Estimated City Cost: | \$420,000 | Funding Source: | tbd |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Improve parking areas at Royal Oak Golf Center and Starr Road. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| tbd | Skatepark | | |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------|
| Project Length: | 2022-2023 | City Share: | 100% |
| Estimated City Cost: | \$500,000 | Funding Source: | tbd |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Design and construct a skatepark with artistic features to appeal to multiple demographics, through a potential partnership with the Tony Hawk Foundation. | | |

INFORMATION TECHNOLOGY

| CAP1103 | Computer Replacement Program (ongoing) | | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$450,000 | Funding Source: | IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Costs are anticipated to remain consistent for the proposed replacement, before more extensive service is required to keep older equipment operational. | | |
| Description: | Scheduled replacement of desktop computers when they have reached the end of their useful service life. Useful service life is generally five years. | | |

| CAP1104 | Office Software and Training Program | | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$288,000 | Funding Source: | IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Upgrade software and training programs. Office365 to replace older versions of the Microsoft Office software for all city employees. Lynda.com licensing for employee training. | | |

| CAP1105 | Server-Network-Cabling Infrastructure | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$300,000 | Funding Source: | IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Upgrade and replace key areas of the city's network, cabling, server hardware and intrusion protection improvements when appropriate. This program is ongoing. | | |

| CAP1302 | GIS Integration | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$360,000 | Funding Source: | IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Costs will increase due to license renewals. Reporting capabilities could potentially save time and assist with decision making processes. | | |
| Description: | Consulting services to integrate geographical information systems (GIS) applications and development into planning, fire, clerk, and engineering and various departments and Oakland County CAMS. This program is ongoing. | | |

| CAP1403 | Mobile Workforce | | |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$56,000 | Funding Source: | IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Costs are anticipated to remain consistent, until more extensive service levels are required to keep older equipment operational. | | |
| Description: | This project would address the aging laptop computers for remote and mobile workforce equipment. Consideration and utilization of other electronic devices similar to PDA/smart phones and iPads can be addressed. Accessibility of wireless access points to be implemented. This is an ongoing program. | | |

| CAP1726 | Disaster Recovery Solution | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$450,000 | Funding Source: | IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | There will be ongoing operating expenses to provide data and telephony redundancy as well as rental costs for an offsite recovery location. | | |
| Description: | Implement a disaster recovery solution to ensure city technology and systems can be quickly recovered in case of a disaster. This could include rental costs for a recovery location, hardware, and cloud computing. | | |

| tbd | DPS Mobilization | | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| Project Length: | 2021-2026 | City Share: | 100% |
| Estimated City Cost: | \$49,800 | Funding Source: | IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Provide DPS field employees with mobile devices to allow real-time entering of data into CMMS software, view and modify documents, retrieve and respond to emails and perform other function remotely. | | |

| tbd | DPS Security | | |
|----------------------------------------|--------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$50,000 | Funding Source: | IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Replace failing video surveillance system at Department of Public Services facility. | | |

| tbd | DPS WiFi | | |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$20,400 | Funding Source: | IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Provide WiFi access at the Department of Public Services facility to allow mobile devices to be utilized throughout the facility. | | |

| tbd | Engineering Plotter | | |
|----------------------------------------|------------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$11,000 | Funding Source: | IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Replace plotter used for printing/scanning plan documents in the Engineering department. | | |

| tbd | Library Security | | |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------|------------------------|----------------------------------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$12,000 | Funding Source: | IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Enhance security at Royal Oak Public Library to prevent public from having easy access to employee areas. | | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| tbd | DPS-Computerized Maintenance Management Software | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| Project Length: | 2021-2022 | City Share 100% |
| Estimated City Cost: | \$100,000 | Funding Source: IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Unknown | |
| Description: | Purchase and implementation of computerized maintenance management software for DPS use in maintenance activity tracking, compliance, record keeping and planning. | |

| tbd | Fuel Management System Upgrade | |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| Project Length: | 2021-2022 | City Share 100% |
| Estimated City Cost: | \$30,000 | Funding Source: IT Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Unknown | |
| Description: | Replace current outdated fuel management system that requires manual entries to update and reconcile records in the fleet management software. Current system requires the use of a dot-matrix printer. | |

VEHICLES, EQUIPMENT, LARGE STUDIES, AND OTHERS

| tbd | Police Officer Technology (bodycams, storage, stun devices) | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|
| Project Length: | 2021-2027 | City Share: 100% |
| Estimated City Cost: | \$1,050,000 | Funding Source: General Fund / Public Safety Fund |
| Impact on the Operating Budget: | Unknown | |
| Description: | Equipment and software that includes new in-car cameras, officer-worn body cameras, stun devices, interview room recording equipment and a cloud based digital evidence storage and management system. | |

| tbd | Uniform Garbage Bins (City-Wide) | |
|----------------------------------------|----------------------------------------------------------------|-----------------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$1,800,000 | Funding Source: Solid Waste Fund |
| Impact on the Operating Budget: | Unknown | |
| Description: | Purchase and distribution of uniform residential refuse carts. | |

| tbd | Senior Center Fitness Equipment | |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$48,000 | Funding Source: Senior Center Fund |
| Impact on the Operating Budget: | Unknown | |
| Description: | Transform the senior center lounge area into a fitness room. The lounge and game room would share space. (2) treadmill, (2) cross-trainer, (2) recumbent, (2) recumbent steppers, strength equipment with signature series accessory rack, leg press, hanging mat rack adjustable, (5) exercise mat 72", fitness room flooring (48" wide grippin gray rolled flooring) and install rubber flooring. | |

| tbd | Ice Arena Padded Floor Mats | |
|----------------------------------------|------------------------------------------------|---------------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$15,000 | Funding Source: Ice Arena Fund |
| Impact on the Operating Budget: | Unknown | |
| Description: | New padded floor mats for east and west rinks. | |

| tbd | EV Fleet Charging Infrastructure | |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$90,000 | Funding Source: Motor Pool Fund |
| Impact on the Operating Budget: | Reduced fuel costs | |
| Description: | To convert some of the city fleet to full electric vehicles, accessible, dedicated charging infrastructure will be required. This application includes the cost for install of a solar-generated, stand-alone charging station with 3 ports, to be located in the city hall parking lot. | |

| tbd | Senior Center Outdoor Fitness Equipment | |
|----------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------------|
| Project Length: | 2021-2022 | City Share: 100% |
| Estimated City Cost: | \$65,000 | Funding Source: Senior Center Fund/Roots/Fundraising/Grants |
| Impact on the Operating Budget: | Unknown | |
| Description: | Install outdoor fitness equipment for Senior Center building. | |

City of Royal Oak Capital Improvement Plan FY2021-22 to FY2026-27

| tbd | Sewer Camera Hardware | | |
|----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$247,100 | Funding Source: | Water & Sewer Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Purchase and installation of sewer televising/recording equipment to replace aged equipment. This equipment is to be installed on replacement chassis. | | |

| tbd | EMS Tablets | | |
|----------------------------------------|-------------------------------------------------------------------------|------------------------|--------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$25,000 | Funding Source: | Public Safety Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Replace end of life laptops with ruggedized tablets and vehicle mounts. | | |

| tbd | Master Plan Update | | |
|----------------------------------------|--------------------------------|------------------------|--------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$300,000 | Funding Source: | General Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Update the city's Master Plan. | | |

| tbd | Department Organization Review | | |
|----------------------------------------|------------------------------------|------------------------|------------------------------|
| Project Length: | 2021-2022 | City Share: | 100% |
| Estimated City Cost: | \$60,000 | Funding Source: | State Construction Code Fund |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Review of department organization. | | |

| CAP1830 | Motor Pool Vehicle Replacement Plan | | |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------------------------------------|
| Project Length: | 2021-2027 | City Share: | 100% |
| Estimated City Cost: | \$12,247,486 | Funding Source: | Motor Pool Fund / Internal Service Fund User Charges |
| Impact on the Operating Budget: | Lower maintenance costs | | |
| Description: | Vehicle replacements plan for fiscal years 2021-22 to 2026-27; Plan is modified due to operational review modifications and year 2027 is being added to maintain six-year period. Detailed schedules begin on the next page. | | |

| Projects Under Review |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Projects under review are projects that may be deemed as worthy and viable; however, they are not included as part of the active 2021-2027 Capital Improvement Plan as additional research or review is ongoing. Projects under review may require additional information, studies or city commission policies to be in place before more accurate timelines and/or funding levels can be identified. It is possible that projects under review may not fall under the city's jurisdiction and will require other agencies to move the project forward; while some projects may not fall within the 2021-2027 timeframe. |

| tbd | City Recreation Center | | |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------|
| Project Length: | 2023-2025 | City Share: | 100% |
| Estimated City Cost: | \$30,000,000 | Funding Source: | tbd |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Build a 100,000 sq. ft. multipurpose recreation facility to serve Royal Oak and its residents. Recreation center should include rooms for licensed preschool, teen center for after school programming, community room (w/potential stage), classroom/meeting spaces, dance/fitness rooms, 2 HS basketball gyms, walking track and multipurpose turf area for indoor soccer, baseball, lacrosse, football etc. | | |

| tbd | DPS Facility Renovation | | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------|
| Project Length: | 2024-2025 | City Share: | 100% |
| Estimated City Cost: | \$25,000,000 | Funding Source: | tbd |
| Impact on the Operating Budget: | Unknown | | |
| Description: | Construct major renovations to the DPS facility/property to improve functionality and provide additional space for covered storage areas. | | |

| tbd | Library Improvement (Phase 2) | |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Project Length: | 2021-2022 | City Share: 0% |
| Estimated City Cost: | \$249,000 | Funding Source: tbd |
| Impact on the Operating Budget: | Unknown | |
| Description: | This project may include improvements and additions to the library's interior space: new furniture, new partitions, upgrades to media/lounge area and new clubhouse in youth space. | |

**VEHICLE REPLACEMENT
2021/2022**

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE & MODEL</u> | <u>ESTIMATED REPLACEMENT COSTS</u> |
|--------------|-------------|-----------------------------|------------------------------------|
| | | AUTO PARKING | |
| 683 | 15 | Tennant Sweeper | \$47,520 |
| | | BUILDING MAINTENANCE | |
| 737 | 15 | Ford F-250 | \$44,000 |
| | | FIRE | |
| 967 | 15 | Ford F-350 | \$43,138 |
| 930 | 08 | E-1 Pumper | \$782,334 |
| | | Ambulance | \$250,000 |
| | | HIGHWAY | |
| 283 | 02 | Bobcat L 873 | \$150,800 |
| | | INSPECTION | |
| 165 | 15 | Ford Escape | \$44,000 |
| 184 | 15 | Ford Escape | \$44,000 |
| 185 | 15 | Ford Escape | \$44,000 |
| | | MOTOR POOL | |
| GM131 | 13 | Torro Groundsmaster 360 | \$56,680 |
| | | PARKS & FORESTRY | |
| 774 | 01 | NH TN-65 Tractor | \$36,960 |
| GA971 | 97 | Gator | \$30,000 |
| | | POLICE | |
| 801 | 17 | Ford Explorer | \$50,098 |
| 803 | 18 | Ford Explorer | \$50,098 |
| 809 | 17 | Ford Explorer | \$50,098 |
| 811 | 17 | Ford Explorer | \$50,098 |
| 812 | 15 | Chevy Tahoe | \$54,610 |
| 814 | 16 | Chevy Tahoe | \$54,610 |
| 816 | 17 | Ford Explorer | \$50,098 |
| 841 | | Chevy Tahoe | \$40,430 |
| 843 | 15 | Ford Explorer | \$40,560 |
| 851 | 17 | Ford Explorer | \$40,560 |
| 862 | 13 | Ford Taurus | \$35,000 |
| | | SEWER | |
| 141 | 15 | Ford F-250 | \$37,300 |
| 413 | 09 | GMC Savana | \$47,937 |
| | | WATER MAINTENANCE | |
| 1460 | 97 | Ingersoll Light Tower | \$19,800 |
| 1466 | 01 | Ingersoll Air Compressor | \$27,600 |
| | | Total | \$2,222,329 |

**VEHICLE REPLACEMENT
2022/2023**

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE & MODEL</u> | <u>ESTIMATED REPLACEMENT COSTS</u> |
|--------------|-------------|-----------------------------|------------------------------------|
| | | ASSESSOR | |
| 102 | 17 | Ford Escape | \$29,700 |
| | | FIRE | |
| 912 | 03 | E-1 Aerial | \$1,296,814 |
| | | HIGHWAY | |
| 234 | 15 | Ford F-250 | \$37,437 |
| 261 | 18 | Ford F-250 | \$40,720 |
| 268 | 19 | Ford F-250 | \$44,711 |
| | | MOTOR POOL | |
| GM061 | 06 | Torro Groundsmaster 345 | \$56,680 |
| | | PARKS & FORESTRY | |
| 703 | 02 | Bobcat L 773 | \$150,800 |
| 717 | 15 | Ford F-250 | \$36,164 |
| | | POLICE | |
| 806 | 18 | Ford Explorer | \$50,098 |
| 810 | 18 | Ford Explorer | \$50,098 |
| 818 | 16 | Chevy Tahoe | \$50,098 |
| 823 | 13 | Ford Taurus | \$50,098 |
| 830 | 13 | Ford Taurus | \$50,098 |
| 844 | 17 | Dodge Durango | \$34,436 |
| 860 | 15 | Ford Taurus | \$34,175 |
| | | SEWER | |
| | | Hudson Bros. Trailer | \$28,000 |
| | | Total | \$2,040,127 |

**VEHICLE REPLACEMENT
2023/2024**

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE & MODEL</u> | <u>ESTIMATED REPLACEMENT COSTS</u> |
|--------------|-------------|-----------------------------|------------------------------------|
| | | ASSESSOR | |
| 109 | 17 | Ford Escape | \$29,700 |
| | | AUTO PARKING | |
| 639 | 05 | GMC Sierra | \$33,000 |
| | | ELECTRICAL | |
| 331 | 16 | Ford Transit 150 | \$33,855 |
| | | ENGINEERING | |
| 108 | 16 | Ford Transit Connect | \$33,320 |
| 630 | 17 | Ford Explorer | \$36,537 |
| 631 | 17 | Ford Explorer | \$35,839 |
| 633 | 16 | Ford Explorer | \$35,200 |
| | | FIRE | |
| 907 | 17 | Ford Explorer | \$36,998 |
| | | HIGHWAY | |
| 202 | 18 | Ford F-150 | \$37,119 |
| 256 | 14 | Freightliner 108SD | \$205,729 |
| | | ICE ARENA | |
| 792 | 15 | Zamboni | \$130,000 |
| | | INSPECTION | |
| 180 | 16 | Ford Escape | \$44,000 |
| 186 | 16 | Ford Escape | \$44,000 |
| 187 | 17 | Ford Escape | \$44,000 |
| | | MOTOR POOL | |
| GM051 | 05 | Torro Groundsmaster 345 | \$56,680 |
| | | PARKS & FORESTRY | |
| 776 | 96 | Ford 4630 Tractor | \$36,960 |
| 777 | 96 | Ford 4630 Tractor | \$36,960 |
| 1768 | 01 | Bandit Tree Stumper | \$32,500 |
| 2715 | 99 | Integrity Trailer | \$16,800 |
| 2718 | 99 | Integrity Trailer | \$16,800 |
| GA972 | 97 | Gator | \$30,000 |
| | | POLICE | |
| 819 | 13 | BMW Motorcycle | \$26,400 |
| 820 | 13 | BMW Motorcycle | \$26,400 |
| 821 | 13 | BMW Motorcycle | \$26,400 |
| 822 | 13 | BMW Motorcycle | \$26,400 |
| 845 | 15 | Ford Taurus | \$29,500 |
| 861 | 17 | Chevy Traverse | \$35,330 |
| | | SEWER | |
| 461 | 15 | Freightliner2100/Vactor | \$492,698 |
| | | WATER MAINTENANCE | |
| 401 | 17 | Ford F-150 | \$37,119 |
| 471 | 09 | JCB 3C-15 | \$150,800 |
| 1481 | 08 | Target Arrow | \$6,700 |
| 1483 | 08 | Target Arrow | \$6,700 |
| | | Total | \$1,870,444 |

**VEHICLE REPLACEMENT
2024/2025**

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE & MODEL</u> | <u>ESTIMATED REPLACEMENT COSTS</u> |
|--------------|-------------|-----------------------------|------------------------------------|
| | | ENGINEERING | |
| 103 | 17 | Ford F-150 | \$37,119 |
| 637 | 14 | Ford Escape | \$44,000 |
| | | HIGHWAY | |
| 252 | 16 | Freightliner 108SD | \$205,729 |
| 253 | 16 | Freightliner 108SD | \$205,729 |
| 286 | 17 | Elgin Sweeper | \$240,000 |
| | | MOTOR POOL | |
| GM071 | 07 | Torro Groundsmaster 328D | \$56,680 |
| | | PARKS & FORESTRY | |
| 713 | 18 | Ford F-250 | \$38,200 |
| 742 | 15 | Ford F-350 | \$44,970 |
| | | POLICE | |
| 802 | 20 | Ford Explorer | \$50,098 |
| 807 | 14 | Ford Explorer | \$50,098 |
| 808 | 15 | Ford Explorer | \$50,098 |
| 813 | 14 | Ford Explorer | \$50,098 |
| 817 | 19 | Ford Explorer | \$56,094 |
| 829 | 10 | Ford Escape | \$50,098 |
| 832 | 14 | Ford Explorer | \$50,098 |
| 840 | 19 | Ford Explorer | \$43,082 |
| 841 | 16 | Chevy Tahoe | \$40,430 |
| 858 | 18 | Ford Taurus | \$30,500 |
| 859 | 19 | Ford Explorer | \$39,690 |
| | | SEWER | |
| 463 | 15 | Freightliner2100/Vactor | \$492,000 |
| | | WATER MAINTENANCE | |
| 417 | 15 | Ford F-450 | \$74,773 |
| | | Total | \$1,949,584 |

**VEHICLE REPLACEMENT
2025/2026**

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE & MODEL</u> | <u>ESTIMATED REPLACEMENT COSTS</u> |
|---------------------|--------------------|--------------------------------|-------------------------------------------|
| | | AUTO PARKING | |
| 635 | 16 | Ford F-250 | \$30,780 |
| | | ENGINEERING | |
| 107 | 19 | Ford Escape | \$29,700 |
| | | FIRE | |
| 908 | 16 | Ford Explorer | \$38,200 |
| 909 | 96 | GMC G-6 | \$36,800 |
| | | HIGHWAY | |
| 110 | 16 | Ford Explorer | \$35,200 |
| 232 | 19 | Ford F-250 | \$47,226 |
| 246 | 17 | Freightliner 108SD | \$205,729 |
| 254 | 16 | Freightliner 108SD | \$205,729 |
| 285 | 17 | Elgin Sweeper | \$246,000 |
| 1261 | 95 | Muller Mixer | \$6,500 |
| | | INSPECTION | |
| 183 | 16 | Ford Escape | \$44,000 |
| | | LIBRARY | |
| 640 | 12 | Ford Transit Connect | \$31,000 |
| | | MOTOR POOL | |
| GM132 | 13 | Torro Groundsmaster 360 | \$58,357 |
| | | PARKS & FORESTRY | |
| 714 | 16 | Ford F-250 | \$47,708 |
| GA961 | 96 | Gator | \$30,000 |
| | | POLICE | |
| 804 | 20 | Ford Explorer | \$50,098 |
| 805 | 20 | Ford Explorer | \$50,098 |
| 816 | 17 | Ford Explorer | \$50,098 |
| 824 | 16 | Ford Explorer | \$50,098 |
| 826 | 16 | Ford Explorer | \$50,098 |
| 842 | 20 | Chevy Equinox | \$41,690 |
| 854 | 21 | Ford F-150 | \$34,800 |
| 855 | 20 | Chrysler Pacifica | \$42,600 |
| 863 | 20 | Ford Edge | \$40,141 |
| | | SEWER | |
| 1461 | 97 | Muller Mixer | \$6,500 |
| | | WATER MAINTENANCE | |
| 418 | 15 | Ford F-450 | \$74,373 |
| 441 | 17 | Freightliner Tandem | \$174,371 |
| 473 | 13 | John Deere 410K | \$150,800 |
| | | WATER SERVICE | |
| 431 | 16 | Ford Transit 150 | \$28,854 |
| 432 | 16 | Ford Transit 150 | \$28,854 |
| | | Total | \$1,966,402 |

**VEHICLE REPLACEMENT
2026/2027**

| <u>VEH #</u> | <u>YEAR</u> | <u>MAKE & MODEL</u> | <u>ESTIMATED REPLACEMENT COSTS</u> |
|--------------|-------------|-----------------------------|------------------------------------|
| | | ASSESSOR | |
| 104 | 20 | Ford Escape | \$29,700 |
| | | BUILDING MAINTENANCE | |
| 733 | 17 | Ford Transit 350 | \$39,739 |
| | | ELECTRICAL | |
| 362 | 19 | Ford F750 Aerial Truck | \$247,200 |
| | | FIRE | |
| 991 | 16 | Ford Horton Ambulance | \$232,100 |
| 992 | 16 | Ford Horton Ambulance | \$232,100 |
| | | HIGHWAY | |
| 251 | 17 | Freightliner 108SD | \$205,729 |
| 258 | 17 | Freightliner 108SD | \$205,729 |
| 259 | 20 | Freightliner 108SD | \$205,729 |
| | | MOTOR POOL | |
| GM141 | 14 | Torro Groundsmaster 360 | \$57,983 |
| | | PARKS & FORESTRY | |
| 715 | 17 | Ford F-250 | \$45,687 |
| 718 | 17 | Ford F-250 | \$41,399 |
| 730 | 17 | Ford Transit 250 | \$28,645 |
| | | POLICE | |
| 801 | 17 | Ford Explorer | \$50,098 |
| 803 | 18 | Ford Explorer | \$50,098 |
| 809 | 17 | Ford Explorer | \$50,098 |
| 811 | 17 | Ford Explorer | \$50,098 |
| 815 | 20 | Ford Explorer | \$50,098 |
| 843 | 21 | Ford Explorer | \$40,560 |
| | | SEWER | |
| 445 | 17 | Ford F-550 | \$58,212 |
| | | WATER MAINTENANCE | |
| 411 | 15 | Ford F-450 | \$74,373 |
| 442 | 17 | Freightliner Tandem | \$174,371 |
| | | WATER SERVICE | |
| 433 | 16 | Ford Transit 150 | \$28,854 |
| | | Total | \$2,198,600 |

| CIP # | PROJECT NAME | SUBMITTER RATING | PROJECT COORDINATION | PROJECT TYPE | POTENTIAL FUNDING SOURCE(S) | ESTIMATED TOTAL PROJECT COST | % CITY SHARE | NON CITY COST | TOTAL CITY COST | PRIOR YRS CITY COST | FUTURE CITY COST (2021-2027) | FISCAL YEAR 2021-22 CITY COST | FISCAL YEAR 2022-23 CITY COST | FISCAL YEAR 2023-24 CITY COST | FISCAL YEAR 2024-25 CITY COST | FISCAL YEAR 2025-26 CITY COST | FISCAL YEAR 2026-27 CITY COST |
|------------------------------|------------------------------------------------------------------------------------|------------------|------------------------------|----------------|-------------------------------------------------------|------------------------------|--------------|---------------|-----------------|---------------------|------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Water and Sewer Improvements | | | | | | | | | | | | | | | | | |
| CAP1999 | Quality Control Review of Water and Sewer GIS Database | 124 | N/A | Study | Water & Sewer Fund / Rates | 62,000 | 100% | - | 62,000 | - | 62,000 | 62,000 | | | | | |
| CAP2008 | 2021 Crooks Road Resurfacing (water main improvements) | 132 | Major Streets | Rehabilitation | Water & Sewer Fund / Rates | 686,660 | 100% | - | 686,660 | 490,100 | 196,560 | 196,560 | | | | | |
| CAP2040 | Stormwater Mitigation in Royal Oak | 135 | Local St. Paving | New | Water & Sewer Fund / Rates, MDEQ Grant | 527,000 | 29% | 373,000 | 154,000 | - | 154,000 | | 123,200 | | | | |
| CAP2110 | 2021 Watermain Improvements | 141 | Local St. Paving | Replacement | Water & Sewer Fund / Rates | 3,983,750 | 100% | - | 3,983,750 | 1,923,750 | 2,060,000 | 2,060,000 | | | | | |
| CAP2135 | 2021 Road Reconstruction Improvements (water main improvements) | 132 | Local St. Paving | Replacement | Water & Sewer Fund / Rates | 90,570 | 100% | - | 90,570 | 45,570 | 45,000 | 45,000 | | | | | |
| CAP2150 | Aerial Flyover of City | 119 | N/A | Study | Water & Sewer Fund / Rates | 155,000 | 100% | - | 155,000 | - | 155,000 | 75,000 | | | | 80,000 | |
| CAP2155 | Special Assessment Street Paving (water main improvements) | 119 | Local St. Paving | Replacement | Water & Sewer Fund / Rates | 100,000 | 100% | - | 100,000 | - | 100,000 | 33,000 | 67,000 | | | | |
| CAP2210 | 2022 Water Main Improvements | 141 | Local St. Paving | Replacement | Water & Sewer Fund / Rates | 2,100,000 | 100% | | 2,100,000 | - | 2,100,000 | 1,050,000 | 1,050,000 | | | | |
| CAP2211 | 2022 Water Main Improvements | 141 | Local St. Paving | Replacement | Water & Sewer Fund / Rates | 1,900,000 | 100% | | 1,900,000 | - | 1,900,000 | 950,000 | 950,000 | | | | |
| CAP2240 | 2022 Sewer and Green Infrastructure Improvements | 105 | N/A | Rehabilitation | Water & Sewer Fund / Rates | 600,000 | 100% | | 600,000 | - | 600,000 | 300,000 | 300,000 | | | | |
| CAP2308 | 2023 Normandy Road Resurfacing (water main improvements) | 107 | Major Streets | Rehabilitation | Water & Sewer Fund / Rates | 1,020,000 | 100% | | 1,020,000 | - | 1,020,000 | | 510,000 | 510,000 | | | |
| CAP2310 | 2023 Water Main Improvements | 141 | Local St. Paving | Replacement | Water & Sewer Fund / Rates | 2,700,000 | 100% | | 2,700,000 | - | 2,700,000 | | 1,350,000 | 1,350,000 | | | |
| CAP2335 | 2023 Road Reconstruction Improvements (water main improvements) | 132 | Local St Paving | Replacement | Water & Sewer Fund / Rates | 250,000 | 100% | | 250,000 | - | 250,000 | | 125,000 | 125,000 | | | |
| CAP2409 | 2024 11 Mile Road Gateway Project (water main improvements) | 107 | Major Streets | Rehabilitation | Water & Sewer Fund / Rates | 292,000 | 100% | | 292,000 | - | 292,000 | | | 146,000 | 146,000 | | |
| CAP2410 | 2024 Water Main Improvements | 141 | Local St. Paving | Replacement | Water & Sewer Fund / Rates | 1,905,000 | 100% | | 1,905,000 | - | 1,905,000 | | | 952,500 | 952,500 | | |
| CAP2411 | 2024 Water Main Improvements | 141 | Local St. Paving | Replacement | Water & Sewer Fund / Rates | 1,901,000 | 100% | | 1,901,000 | - | 1,901,000 | | 950,500 | 950,500 | | | |
| CAP2507 | 2025 Crooks Road Resurfacing (water main improvements) | 107 | Major Streets | Rehabilitation | Water & Sewer Fund / Rates | 573,000 | 100% | | 573,000 | - | 573,000 | | | | 286,500 | 286,500 | |
| CAP2510 | 2025 Water Main Improvements | 110 | N/A | Replacement | Water & Sewer Fund / Rates | 3,250,000 | 100% | | 3,250,000 | - | 3,250,000 | | | | 1,625,000 | 1,625,000 | |
| CAP2610 | 2026 Water Main Improvements | 110 | N/A | Replacement | Water & Sewer Fund / Rates | 3,250,000 | 100% | | 3,250,000 | - | 3,250,000 | | | | | 1,625,000 | 1,625,000 |
| CAPXX61 | Controlled Burns of Rain Gardens | 80 | N/A | Rehabilitation | Water & Sewer Fund / Rates | 48,000 | 100% | | 48,000 | - | 48,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| CAPXX65 | Water Service Replacement | 131 | N/A | Replacement | Water & Sewer Fund / Rates | 3,500,000 | 100% | | 3,500,000 | 500,000 | 3,000,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| CAPXX66 | Water Service Materials Verification | 131 | N/A | Study | Water & Sewer Fund / Rates | 1,443,000 | 100% | | 1,443,000 | 243,000 | 1,200,000 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | |
| CAPXX75 | Sewer Televising & Root Control | 126 | N/A | Rehabilitation | Water & Sewer Fund / Rates | 3,988,000 | 100% | | 3,988,000 | ** | 3,988,000 | 600,000 | 630,000 | 662,000 | 696,000 | 700,000 | 700,000 |
| CAPXX85 | Sewer Lining (City Wide) | 126 | N/A | Rehabilitation | Water & Sewer Fund / Rates | 5,146,000 | 100% | | 5,146,000 | ** | 5,146,000 | 776,000 | 815,000 | 856,000 | 899,000 | 900,000 | 900,000 |
| CAPXX95 | Spot Sewer Repairs (City Wide) | 126 | N/A | Rehabilitation | Water & Sewer Fund / Rates | 3,988,000 | 100% | | 3,988,000 | ** | 3,988,000 | 600,000 | 630,000 | 662,000 | 696,000 | 700,000 | 700,000 |
| | Water and Sewer Improvements | | | | Subtotal | 43,458,980 | | 373,000 | 43,085,980 | 3,202,420 | 39,883,560 | 7,586,360 | 7,358,200 | 7,022,000 | 7,139,500 | 6,344,500 | 4,433,000 |
| Sidewalk Improvements | | | | | | | | | | | | | | | | | |
| CAPXX01 | Concrete Pavement & Prepaid Sidewalk Improvements | 105 | Local St. Paving | Replacement | Water & Sewer Fund / Rates/Local Streets Fund | 4,210,000 | 100% | | 4,210,000 | 1,672,000 | 2,538,000 | 423,000 | 423,000 | 423,000 | 423,000 | 423,000 | 423,000 |
| CAPXX02 | City-Wide Sidewalk Improvement Program | 145 | Local St. Paving | Replacement | Local Streets Fund/ Direct Invoice/Special Assessment | 6,000,000 | 100% | | 6,000,000 | 100,000 | 5,900,000 | 1,400,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 500,000 |
| CAPXX03 | Stamped Colored Concrete Sealing - Downtown | 87 | DDA | Rehabilitation | DDA | 130,000 | 100% | | 130,000 | - | 130,000 | 65,000 | | | 65,000 | | |
| | Sidewalk Improvements | | | | Subtotal | 10,340,000 | | - | 10,340,000 | 1,772,000 | 8,568,000 | 1,888,000 | 1,423,000 | 1,423,000 | 1,488,000 | 1,423,000 | 923,000 |
| Local Street Improvements | | | | | | | | | | | | | | | | | |
| CAP2036 | 2021 Diverter Islands | 79 | N/A | New | Local Streets Fund | 150,000 | 100% | | 150,000 | - | 150,000 | 150,000 | | | | | |
| CAP2040 | Stormwater Mitigation in Royal Oak (road improvements due to Water&Sewer projects) | 135 | W&S Projects | New | Local Streets Fund | 150,000 | 100% | | 150,000 | - | 150,000 | 30,000 | 120,000 | | | | |
| CAP2110 | 2021 Road Improvements (due to water main construction) | 141 | W&S Projects | Replacement | Local Streets Fund | 225,000 | 100% | | 225,000 | 112,500 | 112,500 | 112,500 | | | | | |
| CAP2135 | 2021 Road Reconstruction Improvements | 132 | W&S Projects | Replacement | Local Streets Fund | 871,000 | 100% | | 871,000 | 471,000 | 400,000 | 400,000 | | | | | |
| CAP2136 | Alley Reconstruction - Special Assessment | 95 | N/A | Replacement | Local Streets Fund/Special Assessment | 60,000 | 100% | | 60,000 | - | 60,000 | 60,000 | | | | | |
| CAP2137 | Downtown Alleys and Parking Lots | 107 | DDA | Replacement | DDA | 512,000 | 100% | | 512,000 | - | 512,000 | 512,000 | | | | | |
| CAP2138 | CDBG Delemere Blvd Resurfacing Improvements | 113 | N/A | Replacement | CDBG | 625,000 | 100% | | 625,000 | - | 625,000 | 625,000 | | | | | |
| CAP2155 | Special Assessment Street Paving | 119 | W&S Projects | Replacement | Local Streets Fund/ Direct Invoice/Special Assessment | 125,000 | 100% | | 125,000 | - | 125,000 | 37,500 | 87,500 | | | | |
| CAP2210 | 2022 Road Improvements (due to water main construction) | 141 | W&S Projects | Replacement | Local Streets Fund | 350,000 | 100% | | 350,000 | - | 350,000 | 175,000 | 175,000 | | | | |
| CAP2211 | 2022 Road Improvements (due to water main construction) | 141 | W&S Projects | Replacement | Local Streets Fund | 635,000 | 100% | | 635,000 | - | 635,000 | 317,500 | 317,500 | | | | |
| CAP2310 | 2023 Road Improvements (due to water main construction) | 141 | W & S Projects | Replacement | Local Streets Fund | 210,000 | 100% | | 210,000 | - | 210,000 | | 105,000 | 105,000 | | | |
| CAP2335 | 2023 Road Reconstruction Improvements | 132 | W&S Projects | Replacement | Local Streets Fund | 1,925,000 | 100% | | 1,925,000 | - | 1,925,000 | | 962,500 | 962,500 | | | |
| CAP2410 | 2024 Road Improvements (due to water main construction) | 141 | W & S Projects | Replacement | Local Streets Fund | 406,000 | 100% | | 406,000 | - | 406,000 | | 203,000 | 203,000 | | | |
| CAP2411 | 2024 Road Improvements (due to water main construction) | 141 | W & S Projects | Replacement | Local Streets Fund | 150,000 | 100% | | 150,000 | - | 150,000 | | 75,000 | 75,000 | | | |
| CAP2416 | 2024 Asphalt Resurfacing - Downtown Streets | 97 | N/A | Replacement | Local Streets Fund | 1,033,000 | 100% | | 1,033,000 | - | 1,033,000 | | 516,500 | 516,500 | | | |
| CAPXX01 | Concrete Pavement And Prepaid Sidewalk Improv.(City Wide)(CAP1901 - CAP2401) | 105 | W & S Projects/Sidewalk Imp. | Replacement | Local Streets Fund | 794,450 | 100% | | 794,450 | 512,450 | 282,000 | 47,000 | 47,000 | 47,000 | 47,000 | 47,000 | 47,000 |
| CAPXX05 | Millage Concrete Street Repairs (CAP2105 - CAP2405) | 125 | N/A | Replacement | Local Streets Fund | 8,917,940 | 100% | | 8,917,940 | 3,791,440 | 5,126,500 | 1,280,000 | 1,480,500 | 1,632,000 | 734,000 | | |
| CAPXX15 | Millage Asphalt Resurfacing (CAP2115 - CAP2415) | 130 | General fund | Replacement | Local Streets Fund | 13,914,600 | 100% | | 13,914,600 | 5,649,100 | 8,265,500 | 2,720,500 | 2,627,000 | 2,017,000 | 901,000 | | |
| CAPXX25 | Millage Joint Sealing (CAP2125 - CAP2425) | 121 | Major Street Joint Sealing | Replacement | Local Streets Fund | 430,000 | 100% | | 430,000 | 55,000 | 375,000 | 90,000 | 90,000 | 120,000 | 75,000 | | |
| | Local Street Improvements | | | | Subtotal | 31,483,990 | | - | 31,483,990 | 10,591,490 | 20,892,500 | 6,557,000 | 6,012,000 | 5,678,000 | 2,551,500 | 47,000 | 47,000 |
| Major Street Improvements | | | | | | | | | | | | | | | | | |
| CAP2008 | 2021 Crooks Road Resurfacing | 132 | W & S Projects | Rehabilitation | Major Streets Funds/Federal Funds | 2,796,711 | 31% | 1,930,586 | 866,125 | 545,300 | 320,825 | 320,825 | | | | | |
| CAP2041 | 2020 Traffic Signal Upgrade | 134 | N/A | Replacement | Major Streets Fund / CMAQ Grant / DDA funds | 2,048,725 | 50% | 1,030,000 | 1,018,725 | 567,600 | 451,125 | 451,125 | | | | | |
| CAP2109 | 2021 S Main Street Resurfacing | 107 | N/A | Rehabilitation | Major Streets Fund | 1,250,000 | 100% | | 1,250,000 | - | 1,250,000 | 625,000 | 625,000 | | | | |
| CAP2199 | 11 Mile Traffic Study | 89 | N/A | Study | Major Streets Fund | 15,000 | 100% | | 15,000 | - | 15,000 | 15,000 | | | | | |
| CAP2208 | 2022 Lincoln Ave Resurfacing | 107 | N/A | Rehabilitation | Major Streets Fund | 1,300,000 | 100% | | 1,300,000 | - | 1,300,000 | 650,000 | 650,000 | | | | |
| CAP2241 | 2022-23 Mast Arm Installation | 99 | N/A | New | Major Streets Fund | 250,000 | 100% | | 250,000 | - | 250,000 | 250,000 | | | | | |
| CAP2308 | 2022 Normandy Road Resurfacing | 107 | W & S Projects | Rehabilitation | Major Streets Fund | 2,735,000 | 100% | | 2,735,000 | - | 2,735,000 | | 1,367,500 | 1,367,500 | | | |
| CAP2309 | 2023 Lincoln Ave Resurfacing | 107 | n/a | Rehabilitation | Major Streets Fund | 750,000 | 100% | | 750,000 | - | 750,000 | | 375,000 | 375,000 | | | |
| CAP2408 | Rochester Road Resurfacing | 107 | N/A | Rehabilitation | Major Streets Fund | 885,000 | 100% | | 885,000 | - | 885,000 | | 442,500 | 442,500 | | | |
| CAP2409 | 11 Mile Road Gateway Project | 107 | W & S Projects | Rehabilitation | Major Streets Fund | 1,504,000 | 100% | | 1,504,000 | - | 1,504,000 | | 752,000 | 752,000 | | | |
| CAP2507 | Crooks Road Resurfacing | 107 | W & S Projects | Rehabilitation | Major Streets Fund | 3,220,000 | 100% | | 3,220,000 | - | 3,220,000 | | | | 1,610,000 | 1,610,000 | |
| CAP2508 | Gardenia Resurfacing | 107 | N/A | Rehabilitation | Major Streets Fund | 645,000 | 100% | | 645,000 | - | 645,000 | | | | 322,500 | 322,500 | |
| CAP2509 | 11 Mile Road Resurfacing | 107 | N/A | Rehabilitation | Major Streets Fund | 2,205,000 | 100% | | 2,205,000 | - | 2,205,000 | | | | 1,102,500 | 1,102,500 | |
| CAP2607 | Rochester Road Resurfacing | 107 | N/A | Rehabilitation | Major Streets Fund | 4,500,000 | 100% | - | 4,500,000 | - | 4,500,000 | | | | | 2,250,000 | 2,250,000 |
| CAP2608 | 11 Mile Road Resurfacing | 107 | N/A | Rehabilitation | Major Streets Fund | 2,100,000 | 100% | - | 2,100,000 | - | 2,100,000 | | | | | 1,050,000 | 1,050,000 |
| CAPXX25 | Annual Major Joint Seal Program (CAP2125 - CAP2425) | 121 | Local Streets | Rehabilitation | Major Streets Fund | 1,524,000 | 100% | - | 1,524,000 | | 1,524,000 | 251,000 | 148,000 | 328,000 | 297,000 | 250,000 | 250,000 |
| CAPXX60 | Mast Arm Inspections | 126 | N/A | Study | Major Streets Fund | 27,000 | 100% | - | 27,000 | - | 27,000 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 |
| | Major Street Improvements | | | | Subtotal | 27,756,436 | | 2,960,586 | 24,794,850 | 1,112,900 | 23,681,950 | 2,317,450 | 3,420,000 | 3,269,500 | 4,531,000 | 6,589,500 | 3,554,500 |
| City-Owned Facilities | | | | | | | | | | | | | | | | | |
| CAP1102 | Parking Meters | 76 | N/A | Replacement | Parking Fund | 300,000 | 100% | - | 300,000 | - | 300,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| tbd | Animal Shelter Drive | 56 | N/A | New | tbd | 45,000 | 100% | - | 45,000 | - | 45,000 | 45,000 | | | | | |
| tbd | Ice Arena Compressor (2) Units | 116 | N/A | Replacement | Ice Arena Fund | 20,000 | 100% | - | 20,000 | - | 20,000 | 20,000 | | | | | |
| tbd | Royal Oak Golf Course Clubhouse Reconstruction | 81 | N/A | Rehabilitation | tbd | 500,000 | 100% | | 500,000 | - | 500,000 | | | 100,000 | 400,000 | | |
| tbd | Royal Oak Golf Course Clubhouse Roof Replacement | 110 | N/A | Replacement | General Fund | 150,000 | 100% | | 150,000 | - | 150,000 | 150,000 | | | | | |
| tbd | DPS Fleet Garage Roof Replacement | 61 | N/A | Replacement | Motor Pool Fund | 500,000 | 100% | | 500,000 | -</ | | | | | | | |

| CIP # | PROJECT NAME | SUBMITTER RATING | PROJECT COORDINATION | PROJECT TYPE | POTENTIAL FUNDING SOURCE(S) | ESTIMATED TOTAL PROJECT COST | % CITY SHARE | NON CITY COST | TOTAL CITY COST | PRIOR YRS CITY COST | FUTURE CITY COST (2021-2027) | FISCAL YEAR 2021-22 CITY COST | FISCAL YEAR 2022-23 CITY COST | FISCAL YEAR 2023-24 CITY COST | FISCAL YEAR 2024-25 CITY COST | FISCAL YEAR 2025-26 CITY COST | FISCAL YEAR 2026-27 CITY COST |
|----------------------------------------------|---------------------------------------------------------------------------------|------------------|----------------------|----------------|------------------------------------------------------|------------------------------|--------------|---------------|-----------------|---------------------|------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| tbd | Court-LED Lighting Retro-Fit Project | 77 | N/A | New | General Fund | 18,550 | 100% | | 18,550 | - | 18,550 | 18,550 | | | | | |
| tbd | Farmers Market- Replacement of Resident Shop Enclosures | 92 | N/A | Replacement | Farmers Market Fund, potentially DDA | 14,750 | 100% | | 14,750 | - | 14,750 | 14,750 | | | | | |
| tbd | Farmers Market-Preservation and enhancement of Interior Walls | 92 | N/A | Rehabilitation | Farmers Market Fund, potentially DDA | 10,600 | 100% | | 10,600 | - | 10,600 | 10,600 | | | | | |
| tbd | Farmers Market-Electrical Upgrade | 103 | N/A | Rehabilitation | Farmers Market Fund | 16,150 | 100% | | 16,150 | - | 16,150 | 16,150 | | | | | |
| tbd | Library Roof Replacement | 73 | N/A | Replacement | Library Fund | 558,000 | 100% | - | 558,000 | - | 558,000 | 558,000 | | | | | |
| tbd | Salter Center Parking Lot Repaving | 91 | N/A | Replacement | General Fund | 125,000 | 100% | - | 125,000 | - | 125,000 | | 125,000 | | | | |
| tbd | Fire Station #1 HVAC System Replacement | 122 | N/A | Replacement | Public Safety Fund | 140,000 | 100% | - | 140,000 | - | 140,000 | 140,000 | | | | | |
| tbd | Fire Station #2 Apron Slab Repair | 85 | N/A | Replacement | Public Safety Fund | 60,000 | 100% | - | 60,000 | 20,000 | 40,000 | 40,000 | | | | | |
| tbd | Fire Station #1 Security Remodel | 86 | N/A | New | Public Safety Fund | 15,000 | 100% | - | 15,000 | - | 15,000 | 15,000 | | | | | |
| tbd | Fire Station #1 Roof Replacement | 97 | N/A | Replacement | Public Safety Fund | 310,000 | 100% | - | 310,000 | - | 310,000 | 310,000 | | | | | |
| tbd | Exhaust System Upgrade-Fire Stations 1, 2 & 3 | 107 | N/A | Rehabilitation | Public Safety Fund | 30,000 | 100% | - | 30,000 | - | 30,000 | 30,000 | | | | | |
| tbd | Center Street Garage-Electrical Upgrades | 61 | N/A | Replacement | Auto Parking Fund | 60,000 | 100% | - | 60,000 | - | 60,000 | 60,000 | | | | | |
| | City-Owned Facilities | | | | Subtotal | 3,483,050 | | - | 3,483,050 | 20,000 | 3,463,050 | 1,478,050 | 310,000 | 625,000 | 450,000 | 50,000 | 550,000 |
| Parks and Grounds | | | | | | | | | | | | | | | | | |
| CAPNOPK | Normandy Oaks Park Development | 145 | Oakland County | New | Sale of Normandy Oaks Assets/Oakland County | 4,100,000 | 100% | | 4,100,000 | 3,140,000 | 960,000 | 960,000 | | | | | |
| CAPCP18 | Centennial Commons Park and Connectivity | 79 | CAPPD18 | New | General Fund / DDA | 10,777,000 | 100% | - | | 10,154,800 | 622,200 | 622,200 | | | | | |
| tbd | Centennial Commons Park Bathroom and Water Feature | | N/A | New | General Fund | 665,000 | 100% | | 665,000 | - | 665,000 | 665,000 | | | | | |
| CAP1846 | Tree Planting | 110 | N/A | New | CDBG Fund | 750,000 | 100% | - | 750,000 | ** | 750,000 | 150,000 | 150,000 | 150,000 | 150,000 | 150,000 | |
| CAP1904 | Upton Park Soccer Field Development | 61 | N/A | New | tbd | 75,000 | 100% | - | 75,000 | - | 75,000 | | 75,000 | | | | |
| CAP1918 | Memorial Park Parking Lot Improvement | 101 | N/A | Replacement | General Fund | 125,000 | 100% | - | 125,000 | - | 125,000 | 125,000 | | | | | |
| tbd | Fernwood Park Improvements | 100 | N/A | Replacement | tbd | 450,000 | 100% | - | 450,000 | - | 450,000 | 450,000 | | | | | |
| tbd | Red Run and Exchange Park Pavilion and Restrooms | 82 | N/A | New | tbd / LWCF (Grant) | 300,000 | 100% | - | 300,000 | - | 300,000 | | | | | 300,000 | |
| tbd | Memorial and Worden Park Irrigation Systems | 80 | N/A | New | tbd / LWCF (Grant) / MNRTF (Grant) | 92,000 | 100% | - | 92,000 | - | 92,000 | | 92,000 | | | | |
| tbd | Miller Park Improvements | 100 | N/A | Replacement | CDBG Fund | 250,000 | 100% | - | 250,000 | - | 250,000 | 250,000 | | | | | |
| tbd | Baseball Infield Clay Replenishment Project | 96 | N/A | Rehabilitation | tbd | 90,000 | 100% | - | 90,000 | - | 90,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| tbd | Playground Equipment - Fall Zone Replacement Program | 97 | N/A | Replacement | tbd | 90,000 | 100% | - | 90,000 | - | 90,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 |
| tbd | Kenwood Park - Basketball/Tennis Court Improvements | 93 | N/A | New | tbd | 70,000 | 100% | - | 70,000 | - | 70,000 | 70,000 | | | | | |
| tbd | Memorial Park-Batting Cages | 69 | N/A | New | tbd | 35,000 | 100% | - | 35,000 | - | 35,000 | | 35,000 | | | | |
| tbd | Community Garden | 77 | N/A | New | tbd | 10,000 | 100% | - | 10,000 | - | 10,000 | 10,000 | | | | | |
| tbd | Hudson Park Upgrade | 103 | N/A | Rehabilitation | CDBG Fund | 500,000 | 100% | - | 500,000 | - | 500,000 | | 500,000 | | | | |
| tbd | Lockman Park Upgrade | 92 | N/A | Rehabilitation | CDBG Fund | 500,000 | 100% | - | 500,000 | - | 500,000 | 500,000 | | | | | |
| tbd | Park Bench Replacement | 75 | N/A | Replacement | tbd | 19,200 | 100% | - | 19,200 | - | 19,200 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 | 3,200 |
| tbd | Tennis Court Repair/Replacements | 97 | N/A | Rehabilitation | tbd | 180,000 | 100% | - | 180,000 | - | 180,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| tbd | Waterworks Park-Storage Area Screening | 38 | N/A | Replacement | Solid Waste Fund | 50,000 | 100% | - | 50,000 | - | 50,000 | 50,000 | | | | | |
| tbd | Worden Park-East Playground | 120 | N/A | Replacement | tbd | 300,000 | 100% | - | 300,000 | - | 300,000 | 300,000 | | | | | |
| tbd | Worden Park-Upgrade | 92 | N/A | Rehabilitation | CDBG Fund | 500,000 | 100% | - | 500,000 | - | 500,000 | 500,000 | | | | | |
| tbd | Clawson Park-Upgrade | 103 | N/A | Rehabilitation | CDBG Fund | 500,000 | 100% | - | 500,000 | - | 500,000 | | 500,000 | | | | |
| tbd | Elks Park-Upgrade | 126 | N/A | Rehabilitation | CDBG Fund | 420,000 | 100% | - | 420,000 | - | 420,000 | | 420,000 | | | | |
| CAP2115 | Golf Center and Starr Road Parking Areas (construct under road project CAP2115) | 130 | Local Streets | Rehabilitation | tbd | 420,000 | 100% | | 420,000 | 19,000 | 401,000 | 401,000 | | | | | |
| tbd | Skatepark | 72 | N/A | New | tbd | 500,000 | 100% | - | 500,000 | - | 500,000 | | 500,000 | | | | |
| | Parks & Grounds | | | | Subtotal | 21,768,200 | | - | 21,768,200 | 13,313,800 | 8,454,400 | 5,116,400 | 2,335,200 | 213,200 | 213,200 | 513,200 | 63,200 |
| Information Technology | | | | | | | | | | | | | | | | | |
| CAP1103 | Computer Replacement Program (ongoing) | 42 | N/A | Replacement | IT Fund / Internal Service Fund User Charges | 450,000 | 100% | - | 450,000 | ** | 450,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| CAP1104 | Office Software and Training Program | 37 | N/A | Replacement | IT Fund / Internal Service Fund User Charges | 288,000 | 100% | - | 288,000 | ** | 288,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 | 48,000 |
| CAP1105 | Server-Network-Cabling Infrastructure | 43 | N/A | Replacement | IT Fund / Internal Service Fund User Charges | 300,000 | 100% | - | 300,000 | ** | 300,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 |
| CAP1302 | GIS Integration | 39 | N/A | New | IT Fund / Internal Service Fund User Charges | 360,000 | 100% | - | 360,000 | ** | 360,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 | 60,000 |
| CAP1403 | Mobile Workforce | 37 | N/A | New | IT Fund / Internal Service Fund User Charges | 56,000 | 100% | - | 56,000 | ** | 56,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 16,000 |
| CAP1726 | Disaster Recovery Solution | 106 | N/A | New | IT Fund / Internal Service Fund User Charges | 450,000 | 100% | - | 450,000 | ** | 450,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 | 75,000 |
| tbd | DPS Mobilization | 77 | N/A | New | IT Fund / Internal Service Fund User Charges | 49,800 | 100% | - | 49,800 | - | 49,800 | 24,900 | | | | 24,900 | |
| tbd | DPS Security | 80 | N/A | Replacement | IT Fund / Internal Service Fund User Charges | 50,000 | 100% | - | 50,000 | - | 50,000 | 50,000 | | | | | |
| tbd | DPS WiFi | 44 | N/A | New | IT Fund / Internal Service Fund User Charges | 20,400 | 100% | - | 20,400 | - | 20,400 | 10,200 | | | | | 10,200 |
| tbd | Engineering Plotter | 73 | N/A | Replacement | IT Fund / Internal Service Fund User Charges | 11,000 | 100% | - | 11,000 | - | 11,000 | 11,000 | | | | | |
| tbd | Library Security | 67 | N/A | Replacement | IT Fund / Internal Service Fund User Charges | 12,000 | 100% | - | 12,000 | - | 12,000 | 12,000 | | | | | |
| tbd | DPS-Computerized Maintenance Management Software | 61 | N/A | New | IT Fund / Internal Service Fund User Charges | 100,000 | 100% | - | 100,000 | - | 100,000 | 100,000 | | | | | |
| tbd | Fuel Management System Upgrade | 43 | N/A | Replacement | IT Fund / Internal Service Fund User Charges | 30,000 | 100% | - | 30,000 | - | 30,000 | 30,000 | | | | | |
| | Information Technology | | | | Subtotal | 2,177,200 | | - | 2,177,200 | - | 2,177,200 | 554,100 | 316,000 | 316,000 | 316,000 | 340,900 | 334,200 |
| Vehicles / Equipment / Large Studies / Other | | | | | | | | | | | | | | | | | |
| tbd | Police Officer Technology (bodycams, storage, stun devices) | 105 | N/A | Replacement | General Fund / Public Safety Fund | 1,050,000 | 100% | - | 1,050,000 | ** | 1,050,000 | 175,000 | 175,000 | 175,000 | 175,000 | 175,000 | 175,000 |
| tbd | Uniform Garbage Bins (City-Wide) | 53 | N/A | New | Solid Waste Fund | 1,800,000 | 100% | - | 1,800,000 | - | 1,800,000 | 1,800,000 | | | | | |
| tbd | Senior Center Fitness Equipment | 44 | N/A | New | Senior Center Fund | 48,000 | 100% | - | 48,000 | - | 48,000 | 48,000 | | | | | |
| tbd | Ice Arena Padded Floor Mats | 100 | N/A | New | Ice Arena Fund | 15,000 | 100% | - | 15,000 | - | 15,000 | 15,000 | | | | | |
| tbd | EV Fleet Charging Infrastructure | 64 | N/A | New | Motor Pool Fund | 90,000 | 100% | - | 90,000 | - | 90,000 | 90,000 | | | | | |
| tbd | Senior Center Outdoor Fitness Equipment | 87 | N/A | New | Senior Center Fund/Roots/Fundraising/Grants | 65,000 | 100% | - | 65,000 | - | 65,000 | 65,000 | | | | | |
| tbd | Sewer Camera Hardware | 69 | N/A | Replacement | Water & Sewer Fund | 247,100 | 100% | - | 247,100 | - | 247,100 | 247,100 | | | | | |
| tbd | EMS Tablets | 106 | N/A | Replacement | Public Safety Fund | 25,000 | 100% | - | 25,000 | - | 25,000 | 25,000 | | | | | |
| tbd | Master Plan Update | | N/A | New | General Fund | 300,000 | 100% | - | 300,000 | - | 300,000 | 300,000 | | | | | |
| tbd | Department Organization Review | | N/A | New | State Construction Code Fund | 60,000 | 100% | - | 60,000 | - | 60,000 | 60,000 | | | | | |
| CAP1830 | Motor Pool Vehicle Replacement Plan | 125 | N/A | Replacement | Motor Pool Fund / Internal Service Fund User Charges | 12,247,486 | 100% | - | 12,247,486 | ** | 12,247,486 | 2,222,329 | 2,040,127 | 1,870,444 | 1,949,584 | 1,966,402 | 2,198,600 |
| | Vehicles / Equipment / Other | | | | Subtotal | 15,947,586 | | - | 15,947,586 | - | 15,947,586 | 5,047,429 | 2,215,127 | 2,045,444 | 2,124,584 | 2,141,402 | 2,373,600 |
| | GRAND TOTAL OF ALL CITY PROJECTS | | | | | 156,414,442 | | 3,333,586 | 153,080,856 | 30,012,610 | 123,068,246 | 30,544,789 | 23,389,527 | 20,592,144 | 18,813,784 | 17,449,502 | 12,278,500 |
| Projects Under Review | | | | | | | | | | | | | | | | | |
| tbd | City Recreation Center | 73 | N/A | New | tbd | 30,000,000 | 100% | | 30,000,000 | | 30,000,000 | - | - | 14,000,000 | 16,000,000 | - | |
| tbd | DPS Facility Renovation | 61 | N/A | Rehabilitation | tbd | 25,000,000 | 100% | | 25,000,000 | - | 25,000,000 | | | 25,000,000 | | | |
| tbd | Library Improvement (Phase 2) | | N/A | Rehabilitation | tbd | 249,000 | 100% | | 249,000 | | 249,000 | 249,000 | | | | | |
| ** | Indicates an ongoing annual city project | | | | | | | | | | | | | | | | |
| | Green = Modified Project | | | | | | | | | | | | | | | | |
| | Peach = New Project | | | | | | | | | | | | | | | | |

Enterprise Funds

Enterprise funds are established to finance and account for the acquisition, operation and maintenance of governmental facilities and services that are entirely or predominately self-supporting by user charges; or where the governing body has decided periodic determination of revenue earned, expenses incurred and/or net income is appropriate. The accrual basis of accounting is utilized for the internal service and enterprise funds budgets which are not officially adopted but included in this document. These funds are not legally appropriated; however, they are audited.

Arts, Beats and Eats Fund - 506

Farmers Market Fund - 551

Recreation Fund - 508

Water & Sewer Fund - 592

Auto Parking Fund - 516

Ice Arena Fund - 598

The purpose of the Arts, Beats & Eats cost center is to account for the city's personnel, contracted and supply costs of the festival. Personnel costs consist of police, fire and DPS employees.

Arts, Beats & Eats is held in downtown Royal Oak over the Labor Day weekend. The event was formerly held in downtown Pontiac.

Over one-quarter of a million visitors are expected to enjoy the 150 musical acts, 150 fine artists, and nearly 50 restaurants during the event..

Significant Revenue, Expenditure, Staff & Program Notes – Fiscal Year 2021-22:

Due to the COVID-19 pandemic, the 2020 festival was cancelled and replaced with smaller, socially distanced events. As a result, the city did not receive any revenues from parking and had minimal expenses incurred during fiscal year 2020-21, which related to allocated motor pool vehicle rental charges and a small amount of overtime for police officers who worked the smaller events.

Fiscal year 2021-22 assumes a return of the festival and patrons, however, due to the uncertain turnout for the event, the budget for fiscal year 2021-22 is based upon an average of the last three years of revenues (*prior to fiscal year 2020-21*), which may be optimistic. The future years' estimated budgets project that the use of fund balance will be needed as a revenue source in fiscal year 2020-21 and again by fiscal year 2024-2025, however due to the critically low fund balance and uncertainty of revenues, this may occur sooner.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets | 2,569 | 519 | 52,009 | 53,009 | 53,479 | 53,369 |
| Revenues and transfers from other funds | 0 | 255,000 | 256,280 | 257,560 | 258,850 | 260,140 |
| Expenditures and transfers to other funds | 2,050 | 203,510 | 255,280 | 257,090 | 258,960 | 260,870 |
| Net Change in Net Assets | (2,050) | 51,490 | 1,000 | 470 | (110) | (730) |
| Ending Unrestricted Net Assets | 519 | 52,009 | 53,009 | 53,479 | 53,369 | 52,639 |

Revenues

| 506.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|------------------------------------|-----------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 295,690 | 0 | 0 | 0 | 295,690 |
| 2018-2019 Actual | 0 | 0 | 231,320 | 0 | 0 | 0 | 231,320 |
| 2019-2020 Actual | 0 | 0 | 238,550 | 0 | 0 | 0 | 238,550 |
| 2020-2021 Original Budget | 0 | 0 | 257,000 | 0 | 0 | 0 | 257,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 257,000 | 0 | 0 | 0 | 257,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2021-2022 Dept Request | 0 | 0 | 255,000 | 0 | 0 | 0 | 255,000 |
| 2021-2022 Manager's Budget | 0 | 0 | 255,000 | 0 | 0 | 0 | 255,000 |
| 2021-2022 Approved Budget | 0 | 0 | 255,000 | 0 | 0 | 0 | 255,000 |
| 2022-2023 Projected Budget | 0 | 0 | 256,280 | 0 | 0 | 0 | 256,280 |
| 2023-2024 Projected Budget | 0 | 0 | 257,560 | 0 | 0 | 0 | 257,560 |
| 2024-2025 Projected Budget | 0 | 0 | 258,850 | 0 | 0 | 0 | 258,850 |
| 2025-2026 Projected Budget | 0 | 0 | 260,140 | 0 | 0 | 0 | 260,140 |

Expenditures

| 506.837 ARTS, BEATS, & EATS | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|----------------------------------------|---------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2017-2018 Actual | 64,780 | 62,880 | 0 | 65,510 | 100,000 | 0 | 293,170 |
| 2018-2019 Actual | 80,060 | 33,620 | 0 | 82,750 | 100,000 | 0 | 296,430 |
| 2019-2020 Actual | 65,360 | 11,500 | 0 | 76,070 | 85,000 | 0 | 237,930 |
| 2020-2021 Original Budget | 73,120 | 13,830 | 0 | 70,050 | 100,000 | 0 | 257,000 |
| 2020-2021 Adjusted Budget (Dec) | 73,120 | 13,830 | 0 | 70,050 | 100,000 | 0 | 257,000 |
| 2020-2021 Six Month Actual | 840 | 600 | 0 | 0 | 0 | 0 | 1,440 |
| 2020-2021 Estimated Year End | 840 | 1,210 | 0 | 0 | 0 | 0 | 2,050 |
| 2021-2022 Dept Request | 72,300 | 11,210 | 0 | 70,000 | 100,000 | 0 | 253,510 |
| 2021-2022 Manager's Budget | 72,300 | 11,210 | 0 | 70,000 | 100,000 | 0 | 253,510 |
| 2021-2022 Approved Budget | 72,300 | 11,210 | 0 | 70,000 | 50,000 | 0 | 203,510 |
| 2022-2023 Projected Budget | 74,050 | 11,230 | 0 | 70,000 | 100,000 | 0 | 255,280 |
| 2023-2024 Projected Budget | 75,840 | 11,250 | 0 | 70,000 | 100,000 | 0 | 257,090 |
| 2024-2025 Projected Budget | 77,680 | 11,280 | 0 | 70,000 | 100,000 | 0 | 258,960 |
| 2025-2026 Projected Budget | 79,560 | 11,310 | 0 | 70,000 | 100,000 | 0 | 260,870 |

The mission of the recreation department is to provide residents a variety of year-round recreation opportunities that are responsive to their needs, are enjoyable to their families and contribute to their physical and mental well-being.

The department is challenged to provide excellent leisure programs that stimulate the bodies and minds of the city residents and businesspersons of all ages, including toddlers, youth, adults, and seniors.

The recreation staff is responsible for marketing, registration, equipment, supplies, facilities, budget, and evaluation. All other staffing is part-time and/or contract personnel.

Programs are operated in the city's two community centers and throughout our 50 parks and playgrounds. Separately, the ice arena and senior citizen services programs are two companion activities that operate from their own individual funds.

Working with all city departments, the superintendent also produces the city's quarterly newsletter "The Insight".

The school district of the City of Royal Oak and the City of Royal Oak joined in the creation of a parks and recreation department in accordance with the provisions of Section 3 of Act 156, Public Acts for 1917.

Recreation is guided with the assistance of the parks and recreation advisory board to formulate an annual recreation program. The department of recreation and public service sponsor games, contests, exhibitions and other recreational events, and charges admission to any such events when deemed necessary and advisable to defray the expenses of the recreational program. In connection with all such events, the department rents concessions for the accommodation of patrons of such events.

The major responsibility of the recreation department is to offer a variety of leisure programs for toddlers, youth, adults, and seniors. The superintendent of recreation is the liaison between the city and school district for the implementation of the in-kind service agreement as it relates to recreational facility usage. The department also works with and oversees the contracts between the City of Royal Oak and Suburban Management Group at the Lindell Ice Arena, Royal Oak Golf Course, Royal Oak Golf Center, Grand Slam Batting Cages and Total Soccer.

Infant and Toddlers: Our Four Seasons Preschool is a state licensed preschool program; children participate in a 33-week curriculum at the Senior Community Center. Recently the department began to offer a seven-week summer program for returning and new students.

Youth Sports and Enrichment: Children can sign up for a 30-week dance program, sport camps, t-ball, golf, basketball, soccer, tennis, and lacrosse. Recently we have added art classes, young engineers, and story time with crafts.

Summer Day Camp: A nine-week, 50-hour camp. Children participate in sports, arts and crafts, swimming, special events and field trips. The camp will be held at Royal Oak High School with a camper to counselor ratio of one to ten.

Adult Sports Leagues/Programs: Softball, women's soccer, volleyball, pickle ball, and tennis.

Adult Enrichment: Programs include tai-chi, yoga, ballroom dance. In 2016, the department began offering cooking classes, Ravioli's, Cannoli's, Pierogi's.

Adult Fitness: Classes include aerobics, kickboxing, Pilates, abs, glutes, and thighs.

Cultural Events: The 50th Annual Royal Oak Art Fair will be held in July at Memorial Park (tentatively). One hundred artists from all

over the United States participate in this annual event.

In 2018, the City of Royal Oak was considered the pickleball destination of Michigan with 21 newer pickleball courts; eight at Whittier Park, seven at Upton Park and six indoor courts at the Salter Community Center. The department will continue to offer the adopt-a-park program that offer a private-public partnership with residents, community organizations, and businesses. The goal is to improve our parks system through beautification projects and donations for trees, benches, and park supplies.

The recreation department works with community youth athletic organizations to coordinate hundreds of games, practices, and the maintenance schedules for all soccer fields (18 fields spring and fall), baseball (20), softball (12), and a football field. It also coordinates all pavilion rentals at Memorial, VFW, and Starr/J.C. parks.

The recreation department oversees the contracts and works with the staff of the following recreational entities in the City of Royal Oak: Royal Oak Golf Courses, Royal Oak Golf Center, the Grand Slam Batting Training Center, Suburban Ice Management at the Lindell Ice Arena and Total Soccer.

GOALS

1. Infrastructure - to maintain, replace and enhance Royal Oak's infrastructure to promote efficient and sustainable delivery of beneficial services.
2. Operations – To perform all city operations as efficiently and effectively as possible.
3. Community – to preserve neighborhoods by encouraging community involvement and family activities.
4. Enhance the quality of life for residents by offering desirable leisure and social activities.
5. Make the execution of the parks & recreation master plan a top priority.

OBJECTIVES

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|-------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL1 Participants | | | | | | |
| Preschool – Senior Center | 72 | 0 | 0 | 0 | 72 | 72 |
| Youth Sports & Enrichment | 1,103 | 0 | 100 | 150 | 1,100 | 1,100 |
| Summer Day Camp | 340 | 0 | 0 | 0 | 350 | 350 |
| Adult Sports Leagues | 2,800 | 800 | 780 | 1,500 | 2,800 | 2,800 |
| Adult Enrichment | 271 | 88 | 0 | 100 | 270 | 270 |
| Adult Fitness | 1,352 | 360 | 182 | 350 | 1,350 | 1,350 |
| Cultural Events - Artists | 90 | 0 | 0 | 70 | 90 | 90 |
| GOAL1 Adult Sports League Teams | | | | | | |
| Softball | 99 | 40 | 0 | 60 | 99 | 99 |
| Soccer - Women | 6 | 0 | 0 | 6 | 6 | 6 |
| Volleyball | 32 | 0 | 0 | 0 | 32 | 32 |
| Pickle Ball registrations | 3,200 | 2,000 | 0 | 2,800 | 3,200 | 3,200 |
| GOAL2 Venues Scheduled | | | | | | |
| Soccer Fields (spring & fall) | 18 | 18 | 0 | 18 | 18 | 18 |
| Baseball Fields | 20 | 20 | 0 | 20 | 20 | 20 |
| Softball Fields | 12 | 12 | 0 | 12 | 12 | 12 |
| Football Fields | 1 | 1 | 0 | 1 | 1 | 1 |
| GOAL2 Indoor Rentals (in hours) | | | | | | |
| Indoor Rentals (in hours) | 705 | 0 | 145 | 145 | 705 | 705 |
| Outdoor Field Rentals | 350 | 108 | 108 | 218 | 350 | 350 |
| Pavilion Rentals – VFW and Starr/JC parks | 229 | 221 | 0 | 150 | 250 | 250 |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Outdoor facility rentals are budgeted to increase \$10,000 relative to fiscal year 2020-21 original budget due to an increase in outdoor activity anticipated and the add-on of Normandy Oaks Park pavilion during fiscal year 2021-22. The budgets for youth enrichment, youth sports charges, and adult enrichment program revenues are decreasing \$10,000, \$2,000, and \$2,500, respectively, relative to fiscal year 2020-21 original budget to conservatively budget for the return of participants and allow for proper health and safety distancing. Interest income is decreasing \$2,600 due to declining rates and use of net assets (cash) in 2021-22.

Contracted worker services are increasing \$5,000 relative to fiscal year 2020-21 original budget to add additional program offerings, such as art classes, in fiscal year 2021-22. Program supplies are increasing \$5,000 relative to the projected year-end due to the impact of the pandemic during fiscal year 2020-21 and resulting period of cancelled classes and programs during the year. Relative to fiscal year 2020-21 original budget, information system service charges are increasing \$4,210 due to a reduction in planned expenditures from the Information Technology fund due to necessary budget reductions during fiscal year 2020-21. Administrative charges/allocation are decreasing \$12,620 due to the recreation fund having a smaller overall percentage of expenditures during fiscal year 2019-20.

The estimated forecast demonstrates sustainability with only a modest use of assets (cash) each year, however these revenues are estimated conservatively in this fund (and lower than the performance measures suggest), relative to pre-COVID revenues and performance outputs.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|---------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| *Beginning Unrestricted Net Assets | 346,849 | 193,459 | 185,129 | 168,499 | 143,679 | 110,409 |
| Revenues and transfers from other funds | 227,230 | 530,900 | 530,900 | 530,900 | 530,900 | 530,900 |
| **Expenditures and transfers to other funds | 380,620 | 539,230 | 547,530 | 555,720 | 564,170 | 573,910 |
| Net Change in Net Assets | (153,390) | (8,330) | (16,630) | (24,820) | (33,270) | (43,010) |
| Ending Unrestricted Net Assets | 193,459 | 185,129 | 168,499 | 143,679 | 110,409 | 67,399 |

*adjusted for net pension and OPEB liability

**depreciation of approximately \$87,800 is removed from expenses

Revenues

| 508.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 577,290 | 2,880 | 0 | 0 | 580,170 |
| 2018-2019 Actual | 0 | 0 | 591,510 | 10,540 | 0 | 0 | 602,050 |
| 2019-2020 Actual | 0 | 0 | 315,120 | 7,490 | 0 | 0 | 322,610 |
| 2020-2021 Original Budget | 0 | 0 | 535,000 | 3,000 | 0 | 0 | 538,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 412,000 | 3,000 | 0 | 0 | 415,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 66,650 | 600 | 0 | 0 | 67,250 |
| 2020-2021 Estimated Year End | 0 | 0 | 226,530 | 700 | 0 | 0 | 227,230 |
| 2021-2022 Dept Request | 0 | 0 | 530,500 | 400 | 0 | 0 | 530,900 |
| 2021-2022 Manager's Budget | 0 | 0 | 530,500 | 400 | 0 | 0 | 530,900 |
| 2021-2022 Approved Budget | 0 | 0 | 530,500 | 400 | 0 | 0 | 530,900 |
| 2022-2023 Projected Budget | 0 | 0 | 530,500 | 400 | 0 | 0 | 530,900 |
| 2023-2024 Projected Budget | 0 | 0 | 530,500 | 400 | 0 | 0 | 530,900 |
| 2024-2025 Projected Budget | 0 | 0 | 530,500 | 400 | 0 | 0 | 530,900 |
| 2025-2026 Projected Budget | 0 | 0 | 530,500 | 400 | 0 | 0 | 530,900 |

Expenditures

| 508.751 RECREATION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 432,450 | 29,390 | 0 | 198,610 | 52,420 | 712,870 |
| 2018-2019 Actual | 282,690 | 18,560 | 0 | 212,360 | 47,240 | 560,850 |
| 2019-2020 Actual | 258,150 | 14,130 | 0 | 177,000 | 46,390 | 495,670 |
| 2020-2021 Original Budget | 228,020 | 21,000 | 0 | 205,630 | 94,500 | 549,150 |
| 2020-2021 Adjusted Budget (Dec) | 228,020 | 16,000 | 0 | 135,630 | 94,500 | 474,150 |
| 2020-2021 Six Month Actual | 67,280 | 3,390 | 0 | 41,120 | 0 | 111,790 |
| 2020-2021 Estimated Year End | 153,750 | 16,000 | 0 | 116,370 | 94,500 | 380,620 |
| 2021-2022 Dept Request | 220,390 | 21,000 | 0 | 203,240 | 94,600 | 539,230 |
| 2021-2022 Manager's Budget | 220,390 | 21,000 | 0 | 203,240 | 94,600 | 539,230 |
| 2021-2022 Approved Budget | 220,390 | 21,000 | 0 | 203,240 | 94,600 | 539,230 |
| 2022-2023 Projected Budget | 227,330 | 21,000 | 0 | 204,200 | 95,000 | 547,530 |
| 2023-2024 Projected Budget | 234,540 | 21,000 | 0 | 205,180 | 95,000 | 555,720 |
| 2024-2025 Projected Budget | 241,990 | 21,000 | 0 | 206,180 | 95,000 | 564,170 |
| 2025-2026 Projected Budget | 249,710 | 21,000 | 0 | 207,200 | 96,000 | 573,910 |

| 508.752 SALTER COMMUNITY CENTER | Personnel Services | Supplies | Capital | Other | Debt | Total |
|--------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 90,210 | 0 | 90,210 |
| 2018-2019 Actual | 0 | 0 | 0 | 85,530 | 0 | 85,530 |
| 2019-2020 Actual | 0 | 0 | 0 | 88,540 | 0 | 88,540 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 88,000 | 0 | 88,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 88,000 | 0 | 88,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 42,210 | 0 | 42,210 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 87,800 | 0 | 87,800 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 87,800 | 0 | 87,800 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 87,800 | 0 | 87,800 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 87,800 | 0 | 87,800 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 87,800 | 0 | 87,800 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 87,800 | 0 | 87,800 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 87,800 | 0 | 87,800 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 87,800 | 0 | 87,800 |

Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Recreation | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Director of Rec & Public Svc | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Superintendent - Recreation | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| CS III - Recreation | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Recreation - MC III | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Full-time total | | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |

The mission of the auto parking fund is to provide ample auto parking opportunity in the business and entertainment areas to support the demands.

The auto parking system builds and maintains the on- and off-street paid parking throughout the business area of the city, primarily in the central business district. The system's goal is to provide ample auto parking to encourage development. Parking must be easily accessible to our wide range of commercial establishments like offices, retail business, restaurants, and entertainment venues from morning to night. This enterprise fund charges parking fees in order to be self-supporting.

The city commission decides rates and the number of parking spots to allow based on recommendations from the Downtown

Development Authority. There are approximately 4,300 spaces managed overall. A new parking garage was opened in 2018 and another in 2019. The city utilizes a private contractor to operate the parking garages to improve service and reduce costs.

Parking rates were increased in late 2010 and multi-rate meters were installed. Spaces are metered on the street and in lots and metered or attended in parking decks. Monthly pass rates were increased in March 2018. Drivers can pay rates based on time spent or purchase monthly permits from the treasurer. In the Fall of 2020, the parking structure rate methodology changed.

Operations have two divisions: parking operations and enforcement.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Fiscal year 2021-22 revenues are budgeted nearly at the fiscal year 2018-19 (last full year without COVID pandemic impact) level with a few exceptions. The 11 Mile Road garage is budgeted to increase \$490,000 mostly due to increased utilization with the Henry Ford building opening. Williams Street lot meters budget decreased to zero as the last small lot is finally closed for the construction on Centennial Commons Park.

The transfer from the DDA TIFA fund is budgeted at \$581,000 to fund 50% of the Center Street debt payment.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-------------|-----------|-----------|-----------|-----------|-----------|
| *Beginning Unrestricted Net Assets | 3,357,733 | 2,030,923 | 2,731,733 | 3,910,983 | 5,070,223 | 6,210,073 |
| Revenues and transfers from other funds | 3,173,190 | 5,708,360 | 5,708,360 | 5,708,360 | 5,708,360 | 5,708,360 |
| Expenditures and transfers to other funds | 4,500,000 | 5,007,550 | 4,529,110 | 4,549,120 | 4,568,510 | 4,591,360 |
| Net Change in Net Assets | (1,326,810) | 700,810 | 1,179,250 | 1,159,240 | 1,139,850 | 1,117,000 |
| Ending Unrestricted Net Assets | 2,030,923 | 2,731,733 | 3,910,983 | 5,070,223 | 6,210,073 | 7,327,073 |

*adjusted for bond proceeds

**depreciation of approximately \$1.26M is included in expenses

Revenues

| 516.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 4,084,070 | 0 | 30,040 | 827,300 | 4,941,410 |
| 2018-2019 Actual | 0 | 0 | 4,905,630 | 0 | 53,370 | 580,790 | 5,539,790 |
| 2019-2020 Actual | 0 | 0 | 3,550,470 | 0 | 55,960 | 582,810 | 4,189,240 |
| 2020-2021 Original Budget | 0 | 0 | 4,368,300 | 0 | 36,670 | 583,780 | 4,988,750 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 4,368,300 | 0 | 36,670 | 808,580 | 5,213,550 |
| 2020-2021 Six Month Actual | 0 | 0 | 1,143,350 | 0 | 23,060 | 485,400 | 1,651,810 |
| 2020-2021 Estimated Year End | 0 | 0 | 2,348,390 | 0 | 41,020 | 783,780 | 3,173,190 |
| 2021-2022 Dept Request | 0 | 0 | 4,988,500 | 0 | 38,860 | 581,000 | 5,608,360 |
| 2021-2022 Manager's Budget | 0 | 0 | 4,988,500 | 0 | 38,860 | 581,000 | 5,608,360 |
| 2021-2022 Approved Budget | 0 | 0 | 5,088,500 | 0 | 38,860 | 581,000 | 5,708,360 |
| 2022-2023 Projected Budget | 0 | 0 | 5,088,500 | 0 | 38,860 | 581,000 | 5,708,360 |
| 2023-2024 Projected Budget | 0 | 0 | 5,088,500 | 0 | 38,860 | 581,000 | 5,708,360 |
| 2024-2025 Projected Budget | 0 | 0 | 5,088,500 | 0 | 38,860 | 581,000 | 5,708,360 |
| 2025-2026 Projected Budget | 0 | 0 | 5,088,500 | 0 | 38,860 | 581,000 | 5,708,360 |

The mission of the parking enforcement division is to encourage auto parking opportunity in the central business district by enforcing parking regulations.

In the parking fund, the police department budgets for its parking enforcement

division of 10 parking enforcement officers. These employees write tickets for expired meters and other parking violations.

In the general fund, the district court adjudicates the violations and collects the fines.

GOALS

1. Encourage compliance with all parking regulations to continue to enforce parking regulations.
2. Improve customer satisfaction.

OBJECTIVES

- Coordinate with the 44th district court to provide customers with alternative ways to resolve parking disputes.^{GOAL2}

Performance Indicators / Outcome Measures

| | <u>Actual 2018</u> | <u>Actual 2019</u> | <u>Actual 2020</u> | <u>Projected 2021</u> | <u>Projected 2022</u> | <u>Projected 2023</u> |
|-------------------|------------------------|------------------------|------------------------|---------------------------|---------------------------|---------------------------|
| Violations Issued | 56,869 | 66,663 | 36,166 | 60,000 | 60,000 | 60,000 |

Note: Performance indicators are reported on a calendar year basis as opposed to a fiscal year.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are increasing relative to fiscal year 2020-21 original budget, due to the city having higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22.

Budget Summary Expenditures

| 516.316 PARKING ENFORCEMENT | Personnel Services | Supplies | Capital | Other | Debt | Total |
|----------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 183,150 | 200 | 0 | 101,970 | 0 | 285,320 |
| 2018-2019 Actual | 223,950 | 5,120 | 0 | 28,910 | 0 | 257,980 |
| 2019-2020 Actual | 244,190 | 4,480 | 0 | 21,860 | 0 | 270,530 |
| 2020-2021 Original Budget | 208,460 | 5,000 | 0 | 35,680 | 0 | 249,140 |
| 2020-2021 Adjusted Budget (Dec) | 208,460 | 5,000 | 0 | 35,680 | 0 | 249,140 |
| 2020-2021 Six Month Actual | 86,020 | 610 | 0 | 12,950 | 0 | 99,580 |
| 2020-2021 Estimated Year End | 160,460 | 3,500 | 0 | 35,680 | 0 | 199,640 |
| 2021-2022 Dept Request | 216,080 | 5,000 | 0 | 35,270 | 0 | 256,350 |
| 2021-2022 Manager's Budget | 216,080 | 5,000 | 0 | 35,270 | 0 | 256,350 |
| 2021-2022 Approved Budget | 216,080 | 5,000 | 0 | 35,270 | 0 | 256,350 |
| 2022-2023 Projected Budget | 221,880 | 5,000 | 0 | 35,360 | 0 | 262,240 |
| 2023-2024 Projected Budget | 227,850 | 5,000 | 0 | 35,450 | 0 | 268,300 |
| 2024-2025 Projected Budget | 233,990 | 5,000 | 0 | 35,540 | 0 | 274,530 |
| 2025-2026 Projected Budget | 240,320 | 5,000 | 0 | 35,630 | 0 | 280,950 |

Cost Center Position Detail- Home Base Full & Part-Time Employees

| Parking Enforcement | | Fiscal Year | | | | | | | |
|-----------------------------------|-------|-------------|-------|-------|-------|-------|-------|-------|-------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Part-time total | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |

The mission of the parking operation cost center is to create and maintain auto parking spaces and meters and to collect the fees paid.

The department of public services (DPS) parking division builds and maintains all spaces and collects parking fees. DPS employs three full-time staff and various part-time staff. A parking contractor operates the three parking decks.

GOALS

1. To ensure that all meters are properly operating.
2. To promote the use of parking garages.
3. To integrate new parking technology where it makes business sense.
4. To improve public parking experience by updating and maintaining city assets.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Personnel costs are decreasing relative to the fiscal year 2020-21 original budget due to a slight decrease in the allocation of staff, such as the city electrician.

Repair to aging buildings and infrastructure budget includes \$400,000 for concrete, fire system doors, and elevator stairwell repairs at the Center Street garage. Miscellaneous contracted services include \$100,000 for electrical upgrades at Center Street garage and \$490,000 for parking garage management services. Transfers out are decreasing \$30,000 due to the one-time replacement of two personal electric stand up vehicles in 2020-21. Relative to the fiscal year 2020-21 estimated year-end budget, information system service charges are increasing \$3,150 due to a reduction in planned expenditures from the Information Technology fund during the prior fiscal year due to necessary budget reductions. Motor pool rental charges are increasing \$12,780 relative to fiscal year 2020-21 original budget due to the temporary suspension of the city's depreciation catch-up plan during 2020-21 and increased depreciation from recently replaced equipment.

Capital expenditures in this fund include \$50,000 for parking meters (per annual CIP plan).

Budget Summary Expenditures

| 516.570 AUTO PARKING | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| 2017-2018 Actual | 299,360 | 36,140 | 17,330 | 3,902,050 | 0 | 3,272,650 | 7,527,530 |
| 2018-2019 Actual | 622,490 | 37,180 | 55,350 | 2,249,940 | 275,000 | 2,469,710 | 5,709,670 |
| 2019-2020 Actual | 392,930 | 25,640 | 13,200 | 3,017,110 | 275,000 | 1,200,290 | 4,924,170 |
| 2020-2021 Original Budget | 383,780 | 40,150 | 67,000 | 3,061,180 | 30,000 | 1,157,500 | 4,739,610 |
| 2020-2021 Adjusted Budget (Dec) | 383,780 | 40,150 | 67,000 | 3,261,180 | 30,000 | 1,157,500 | 4,939,610 |
| 2020-2021 Six Month Actual | 161,760 | 13,960 | 0 | 1,159,760 | 0 | 295,270 | 1,630,750 |
| 2020-2021 Estimated Year End | 340,670 | 34,250 | 100,000 | 2,511,340 | 30,000 | 1,157,500 | 4,173,760 |
| 2021-2022 Dept Request | 373,330 | 430,500 | 50,000 | 2,825,870 | 0 | 1,071,500 | 4,751,200 |
| 2021-2022 Manager's Budget | 373,330 | 430,500 | 50,000 | 2,825,870 | 0 | 1,071,500 | 4,751,200 |
| 2021-2022 Approved Budget | 373,330 | 430,500 | 50,000 | 2,825,870 | 0 | 1,071,500 | 4,751,200 |
| 2022-2023 Projected Budget | 385,690 | 40,500 | 50,000 | 2,749,180 | 0 | 1,041,500 | 4,266,870 |
| 2023-2024 Projected Budget | 398,590 | 40,500 | 50,000 | 2,770,230 | 0 | 1,021,500 | 4,280,820 |
| 2024-2025 Projected Budget | 412,020 | 40,500 | 50,000 | 2,791,960 | 0 | 999,500 | 4,293,980 |
| 2025-2026 Projected Budget | 426,010 | 40,500 | 50,000 | 2,814,400 | 0 | 979,500 | 4,310,410 |

Cost Center Position Detail - Home Base Full & Part-Time Employees

| Auto Parking | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Traffic Service Supervisor | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Parking Meter Technician | | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| Full-time total | | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |

The mission of the auto parking construction cost center is to track and fund parking

projects included in the capital improvement plan.

GOALS

OBJECTIVES

1. Maintain a long-term auto parking program that maximizes funds to extend and enhance the life of the city's parking system.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

There are no construction projects budgeted for fiscal year 2021-22. Activity in fiscal year 2020-21 related to payments made for the 11 Mile Road parking structure, which was completed and opened during 2019.

Budget Summary Expenditures

| 516.901 CONSTRUCTION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-----------------------|----------|---------|---------|------|---------|
| 2017-2018 Actual | 0 | 0 | 0 | 0 | 0 | 0 |
| 2018-2019 Actual | 0 | 0 | 0 | 0 | 0 | 0 |
| 2019-2020 Actual | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 0 | 0 | 0 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 54,070 | 0 | 54,070 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 126,600 | 0 | 126,600 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 0 | 0 | 0 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |

The mission of the Royal Oak Farmers Market is to provide an excellent and economical facility providing a sustainable place to attract local merchants, shoppers, public and private rental events and showcase the Royal Oak downtown.

The Royal Oak Farmers Market sells locally grown produce and wares in a family-oriented venue. The farmers market is located in the civic center at the corner of 11 Mile Rd. and Troy St., across from the library and adjacent to the 44th District Court.

The farmers market is one of southeast Michigan's premium farm market venues. Farm producers sell on Friday during the farm season (May through Christmas) and Saturday all year round. During growing season farmers are only allowed to sell what they grow.

Residents of the City of Royal Oak and surrounding communities are attracted downtown to a first-class venue with ample parking. Beside its well-rounded farmers market, offering the best of the state's harvest, the building hosts a weekly, highly rated, long-running antiques and collectibles show, every Sunday all year round.

The enclosed building provides a great gathering place, in any weather conditions, for large group events such as the Memorial Day pancake breakfast and the city's holiday tree lighting ceremony.

Designed to make a profit (meaning generating enough revenue to exceed expenses to be self-sustaining), the market uses an enterprise fund with one cost center named market operations. Funds necessary to operate the farmers market are derived solely from revenues collected. Operation of the market does not put any burden on the general fund.

The farmers market is run by a contracted market management company, under direction of the director of recreation and public services.

Its operating costs include limited DPS personnel cost, depreciation for the building and equipment, advertising, general administration, utilities, supplies, repairs, and maintenance.

A concessionaire leases the kitchen, eliminating the concession cost center.

GOALS

1. Provide an exciting centerpiece for local economic activity.
2. Fully integrate with city planning to create a facility reflecting the needs and interests of the community.
3. Support community-based events.
4. Create and encourage special events to include local participants of all ages.

OBJECTIVES

- Create more community and family-driven events to help support the Farmers Market and Civic Center area. GOAL2,3,4
- Create programs to educate the community on the importance of locally grown and raised produce, meat, and eggs, to create a better understanding on the positive impact to personal health and the local economy. GOAL1

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Due to the Stay-at-Home initiative and reduced capacity of indoor gatherings orders issued by the State of Michigan in response to the COVID-19 pandemic, estimated year-end revenues for fiscal year 2020-21 significantly decreased, relative to the 2020-21 original budget. The estimated revenue loss was a result of the cancellation of all public and private events. Over thirty market rental events were cancelled in addition to the annual in-house Corn Roast and Senior Health Expo, and Food Truck Rallies. There was lost advertising revenue from selling ads in the Harvest Guide and cancelled sponsorship revenue from the loss of other in-house events. In addition, the Saturday and Sunday market vendor capacity had to be reduced due to social distancing requirements, leading to a loss of rental space revenue during fiscal year 2020-21.

However, with indoor capacity being increased by the State, the Farmer's Market fully expects to regain most of the lost revenues as bookings for private and public rental events for fiscal year 2021-22. With the opening of Centennial Commons Park in the Civic Center Area, the size of market events such as the Corn Roast and Health Expo will likely increase allowing for additional sponsorship revenue and create a focus on new community events including, but not limited to, artisan markets, festivals, and expos, and bring in additional revenue while supporting the Civic Center Area. In total, revenues for fiscal year 2021-22 are conservatively budgeted at a level slightly below fiscal year's 2020-21 original budget.

Contracted worker services are increasing \$30,000 relative to the estimated year-end, due to a reduction in staffing (which is charged by the market management company) during the pandemic in fiscal year 2020-21 due to the closures and cancelled events. Relative to fiscal year 2020-21 original budget, miscellaneous contracted services are decreasing \$5,000, miscellaneous building repair and maintenance services decreasing \$2,000, printing and document duplicating decreasing \$3,000, and electric decreasing \$8,000 to better reflect the historical activity/charges to these accounts in fiscal year 2021-22. Information system service charges are increasing \$3,150 due to a reduction in planned IT expenditures during fiscal year 2020-21. Depreciation charges are decreasing \$1,800 due to equipment that will become fully depreciated.

The following capital improvement projects budgeted in the fiscal year 2021-22 are as follows:

| | |
|----------------------------------------------------------------|--------------|
| • Electrical upgrades | \$16,150 |
| • Shop enclosure replacements | 14,750 |
| • Interior wall improvements | 10,600 |
| • Outdoor awning replacement (<i>carryover from fy20-21</i>) | <u>8,000</u> |
| FY 2021-22 total: | \$49,500 |

Future operating costs and savings related to the capital purchases have not been quantified by the requesting department.

The estimated future years' revenue and expense projections in the budget summary table illustrates those revenues are sufficient to sustain anticipated expenses. However, this fund's unrestricted use of net assets are estimated to decline by approximately \$300,000 due to expenses not being reduced to the same degree as revenues during the COVID pandemic.

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|----------------------------------------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| GOAL ¹ Customer Attendance Rate Saturday and Sunday Combined | 5,500 | 3,500 | 3,000 | 3,500 | 4,500 | 5,000 |
| GOAL ¹ Facility Rentals | 120 | 105 | 13 | 55 | 120 | 120 |
| GOAL ¹ Average Vendor Occupancy Rate | | | | | | |
| Saturday Farm Market | 99% | 75% | 80% | 85% | 95% | 99% |
| Average Sunday Antique Market | 99% | 60% | 70% | 75% | 90% | 90% |

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|--------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Beginning Unrestricted Net Assets | 528,557 | 333,727 | 223,347 | 224,497 | 228,287 | 224,567 |
| Revenues and transfers from other funds | 240,450 | 420,750 | 490,000 | 500,000 | 500,000 | 500,000 |
| *Expenditures and transfers to other funds | 435,280 | 531,130 | 488,850 | 496,210 | 503,720 | 511,390 |
| Net Change in Net Assets | (194,830) | (110,380) | 1,150 | 3,790 | (3,720) | (11,390) |
| Ending Unrestricted Net Assets | 333,727 | 223,347 | 224,497 | 228,287 | 224,567 | 213,177 |

*depreciation of approximately \$72,200 is removed from expenses

Revenues

| 551.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 563,950 | 4,590 | 9,460 | 0 | 578,000 |
| 2018-2019 Actual | 0 | 0 | 475,660 | 14,970 | 3,730 | 0 | 494,360 |
| 2019-2020 Actual | 0 | 0 | 320,130 | 9,020 | 5,000 | 0 | 334,150 |
| 2020-2021 Original Budget | 0 | 0 | 454,500 | 4,000 | 4,000 | 0 | 462,500 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 314,500 | 4,000 | 4,000 | 0 | 322,500 |
| 2020-2021 Six Month Actual | 0 | 0 | 152,190 | 1,020 | 2,360 | 0 | 155,570 |
| 2020-2021 Estimated Year End | 0 | 0 | 235,450 | 1,000 | 4,000 | 0 | 240,450 |
| 2021-2022 Dept Request | 0 | 0 | 416,000 | 750 | 4,000 | 0 | 420,750 |
| 2021-2022 Manager's Budget | 0 | 0 | 416,000 | 750 | 4,000 | 0 | 420,750 |
| 2021-2022 Approved Budget | 0 | 0 | 416,000 | 750 | 4,000 | 0 | 420,750 |
| 2022-2023 Projected Budget | 0 | 0 | 481,000 | 5,000 | 4,000 | 0 | 490,000 |
| 2023-2024 Projected Budget | 0 | 0 | 491,000 | 5,000 | 4,000 | 0 | 500,000 |
| 2024-2025 Projected Budget | 0 | 0 | 491,000 | 5,000 | 4,000 | 0 | 500,000 |
| 2025-2026 Projected Budget | 0 | 0 | 491,000 | 5,000 | 4,000 | 0 | 500,000 |

Expenditures

| 551.545 FARMERS MARKET | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 5,180 | 8,520 | 13,390 | 524,430 | 0 | 551,520 |
| 2018-2019 Actual | 9,750 | 5,670 | 23,120 | 549,650 | 0 | 588,190 |
| 2019-2020 Actual | 6,340 | 7,920 | 8,200 | 538,760 | 0 | 561,220 |
| 2020-2021 Original Budget | 6,930 | 9,500 | 30,000 | 613,160 | 0 | 659,590 |
| 2020-2021 Adjusted Budget (Dec) | 6,930 | 9,500 | 30,000 | 593,160 | 0 | 639,590 |
| 2020-2021 Six Month Actual | 2,170 | 2,660 | 0 | 234,580 | 0 | 239,410 |
| 2020-2021 Estimated Year End | 4,720 | 7,500 | 5,200 | 490,090 | 0 | 507,510 |
| 2021-2022 Dept Request | 7,200 | 9,500 | 49,500 | 537,130 | 0 | 603,330 |
| 2021-2022 Manager's Budget | 7,200 | 9,500 | 49,500 | 537,130 | 0 | 603,330 |
| 2021-2022 Approved Budget | 7,200 | 9,500 | 49,500 | 537,130 | 0 | 603,330 |
| 2022-2023 Projected Budget | 7,390 | 9,500 | 0 | 544,160 | 0 | 561,050 |
| 2023-2024 Projected Budget | 7,590 | 9,500 | 0 | 551,320 | 0 | 568,410 |
| 2024-2025 Projected Budget | 7,790 | 9,500 | 0 | 558,630 | 0 | 575,920 |
| 2025-2026 Projected Budget | 8,000 | 9,500 | 0 | 566,090 | 0 | 583,590 |

The mission of the water & sewer fund is to provide the City of Royal Oak residents and businesses with water supply and sewage disposal services that support a high quality of life.

The City of Royal Oak purchases water from the Southeastern Oakland County Water Authority (SOCWA) and pays the Oakland County Water Resources Commission for the treatment of sewage. Both in turn, contract with the Great Lakes Water Authority (GLWA) which first provides treated water from the Great Lakes and later treats our sewerage before returning it downstream.

The water and sewer fund uses numerous cost centers to categorize its activities: engineering, administration, water billing, water maintenance, meter services, sewer maintenance and construction.

Most of the revenues for these operations are generated based upon the amount of water used by Royal Oak's residential and commercial/industrial customers.

Most revenue is generated through two-tiered user charges. The water/sewer combined commodity rate is budgeted to increase by 1.8%. SOCWA is increasing the water rate to the city by 1.5%. Oakland County Water Resources Commission is increasing its sanitary/sewer rates (combined) by 0.5%. Fiscal year 2021-22 is the fourth year of the drain debt levy budgeted at 0.8220 mills (a decrease from the prior year) to pay the chapter 20 drain debt, as this was formerly collected in the sewer commodity charge. The flat billing rate is budgeted to increase \$1 from \$13.00 to \$14.00 per quarter for the purpose of recouping the city's water billing costs.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|--------------------------------------------|-------------|------------|------------|-------------|-------------|-------------|
| Beginning Unrestricted Net Assets | 1,919,442 | 51,472 | (594,238) | (608,218) | (2,334,868) | (6,074,878) |
| Revenues and transfers from other funds | 30,849,370 | 33,135,000 | 33,881,580 | 34,646,820 | 35,431,190 | 36,235,170 |
| *Expenditures and transfers to other funds | 32,717,340 | 33,780,710 | 33,895,560 | 36,373,470 | 39,171,200 | 38,945,170 |
| Net Change in Net Assets | (1,867,970) | (645,710) | (13,980) | (1,726,650) | (3,740,010) | (2,710,000) |
| Ending Unrestricted Net Assets | 51,472 | (594,238) | (608,218) | (2,334,868) | (6,074,878) | (8,784,878) |

*expenditures above INCLUDE depreciation of \$3,100,000

Revenues

| 592.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 31,097,570 | 29,240 | 139,500 | 122,780 | 31,389,090 |
| 2018-2019 Actual | 2,849,310 | 0 | 26,540,660 | 116,190 | 177,590 | 38,900 | 29,722,650 |
| 2019-2020 Actual | 2,889,840 | 0 | 26,661,810 | 135,740 | 108,220 | 37,130 | 29,832,740 |
| 2020-2021 Original Budget | 2,809,000 | 0 | 30,307,000 | 66,000 | 351,500 | 196,100 | 33,729,600 |
| 2020-2021 Adjusted Budget (Dec) | 2,809,000 | 0 | 30,307,000 | 66,000 | 351,500 | 206,600 | 33,740,100 |
| 2020-2021 Six Month Actual | 1,354,290 | 0 | 16,330,550 | 38,190 | 77,000 | 0 | 17,800,030 |
| 2020-2021 Estimated Year End | 2,805,000 | 0 | 27,884,000 | 39,270 | 121,100 | 0 | 30,849,370 |
| 2021-2022 Dept Request | 2,429,000 | 0 | 30,563,000 | 37,000 | 106,000 | 0 | 33,135,000 |
| 2021-2022 Manager's Budget | 2,429,000 | 0 | 30,563,000 | 37,000 | 106,000 | 0 | 33,135,000 |
| 2021-2022 Approved Budget | 2,429,000 | 0 | 30,563,000 | 37,000 | 106,000 | 0 | 33,135,000 |
| 2022-2023 Projected Budget | 2,429,000 | 0 | 31,309,580 | 37,000 | 106,000 | 0 | 33,881,580 |
| 2023-2024 Projected Budget | 2,429,000 | 0 | 32,074,820 | 37,000 | 106,000 | 0 | 34,646,820 |
| 2024-2025 Projected Budget | 2,429,000 | 0 | 32,859,190 | 37,000 | 106,000 | 0 | 35,431,190 |
| 2025-2026 Projected Budget | 2,429,000 | 0 | 33,663,170 | 37,000 | 106,000 | 0 | 36,235,170 |

The mission of the engineering cost center of the water & sewer fund is to provide for general water and sewer engineering services that are related to projects.

The engineering department evaluates water main and sewer problems throughout the year then coordinates rehabilitation or replacements where failures are threatened or occurring, or where street repairs are planned. These costs usually are charged to

specific projects and capitalized. Any non-project costs for engineering services are charged here. This would include asset management plans, ordinance review and updates, stormwater analysis and attending meetings that are not project specific.

The engineering division often utilizes consultants to assist with the engineering activities described.

GOALS

1. Infrastructure – rehabilitate or replace and enhance Royal Oak’s infrastructure including water/sewer.
2. Continue to program water main improvements outlined in the city’s most recent water reliability study and general plan.

3.

OBJECTIVES

- Continue development a stormwater utility for city commission consideration. GOAL1
- Replace all remaining 4-inch diameter water mains by 2025. GOAL1

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

There is an increase in personnel costs relative to the fiscal year 2020-21 original budget due to a higher allocation of engineering staff for increased amount of work on general water and sewer geographic information systems (GIS) projects. The increase is also due to the city having a higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22.

Budget Summary Expenditures

| 592.447 ENGINEERING | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 54,590 | 0 | 0 | 109,070 | 0 | 163,660 |
| 2018-2019 Actual | 51,400 | 0 | 0 | 860 | 0 | 52,260 |
| 2019-2020 Actual | 54,140 | 0 | 0 | 7,550 | 0 | 61,690 |
| 2020-2021 Original Budget | 41,850 | 0 | 0 | 0 | 0 | 41,850 |
| 2020-2021 Adjusted Budget (Dec) | 41,850 | 0 | 0 | 0 | 0 | 41,850 |
| 2020-2021 Six Month Actual | 35,650 | 0 | 0 | 0 | 0 | 35,650 |
| 2020-2021 Estimated Year End | 65,570 | 0 | 0 | 0 | 0 | 65,570 |
| 2021-2022 Dept Request | 77,480 | 0 | 0 | 0 | 0 | 77,480 |
| 2021-2022 Manager's Budget | 77,480 | 0 | 0 | 0 | 0 | 77,480 |
| 2021-2022 Approved Budget | 77,480 | 0 | 0 | 0 | 0 | 77,480 |
| 2022-2023 Projected Budget | 80,030 | 0 | 0 | 0 | 0 | 80,030 |
| 2023-2024 Projected Budget | 82,700 | 0 | 0 | 0 | 0 | 82,700 |
| 2024-2025 Projected Budget | 85,460 | 0 | 0 | 0 | 0 | 85,460 |
| 2025-2026 Projected Budget | 88,330 | 0 | 0 | 0 | 0 | 88,330 |

The function of the administration cost center of the water & sewer fund is to pay all administrative costs including debt service.

The director of public services is responsible for the overall direction of this fund. The administration budget pays a portion of personnel services for the DPS director and the front office staff, debt service and related administrative expenses.

Debt service is a large component of the budget. Depreciation expense must provide sufficient cash flow to pay debt principal. Other costs include general administration, information service, insurance, and auditing cost.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Beginning in fiscal year 2020-21 the water purchases costs (from SOCWA) are being accounted for in the water maintenance cost center (592-538) of the water & sewer fund causing this cost center to significantly decline relative to the 2020-21 original budget..

Depreciation is budgeted to increase by \$100,000 relative to the fiscal year 2020-21 estimated budget due to increased capital projects to depreciate. Administrative charges are decreasing \$11,190 due to the water and sewer fund having a smaller percentage of overall expenditures (during fiscal year 2019-20), while information system service charges are increasing \$21,010 due to a reduction in planned expenditures from the Information Technology fund due to necessary budget reductions required in fiscal year 2020-21. \$40,000 has been budgeted as a transfer out to the information systems fund for the water and sewer fund's portion of computerized maintenance management system in fiscal year 2021-22. The small transfer out to the publicity tax fund has increased \$1,000 and the budgets related to debt payments have decreased in total \$65,580 relative to fiscal year 2020-21 original budget.

Budget Summary

Expenditures

| 592.536 WATER & SEWER ADMINISTRATION | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|---------------------------------------------------------|-------------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| | | | | | | | |
| 2017-2018 Actual | 0 | 0 | 0 | 8,117,710 | 4,000 | 961,220 | 9,082,930 |
| 2018-2019 Actual | 0 | 0 | 0 | 8,199,020 | 3,000 | 844,110 | 9,046,130 |
| 2019-2020 Actual | 0 | 0 | 0 | 8,073,900 | 2,000 | 770,610 | 8,846,510 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 8,119,250 | 3,000 | 1,161,300 | 9,283,550 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 3,894,250 | 3,000 | 851,300 | 4,748,550 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 3,866,770 | 0 | 103,010 | 3,969,780 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 3,869,300 | 3,000 | 1,161,520 | 5,033,820 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 4,029,030 | 44,000 | 1,102,220 | 5,175,250 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 4,029,030 | 44,000 | 1,102,220 | 5,175,250 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 4,029,030 | 44,000 | 1,102,220 | 5,175,250 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 4,141,930 | 4,000 | 1,259,220 | 5,405,150 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 4,239,440 | 4,000 | 1,186,720 | 5,430,160 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 4,338,630 | 4,000 | 1,112,220 | 5,454,850 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 4,438,570 | 4,000 | 1,056,220 | 5,498,790 |

The mission of the water billing cost center in the water and sewer fund is to provide quality customer service along with efficient billing and collection services.

The water billing function is housed in the treasury department in city hall. This assists customers when they personally pay bills, by keeping the collection point in one place.

Billing staff solve water and sewer problems for customers by answering their questions and taking customer requests for service. They work daily with the department of public works (DPS) staff at the public service building to resolve these issues.

The treasury billing staff is the primary answer point to deal with setting up new accounts, meter reading, billing, and collecting process, setting up “final” meter reads and preparing courtesy bills, and investigating water leaks and basement backups.

Utility accounts are billed four times annually. There are 13 billing cycles, and 1,500 to 2,000 bills are mailed out weekly. Payment on bills is typically due on Monday; three weeks after the bills are mailed.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Years 2021-22:

Personnel costs are increasing due to the partial allocation of an additional treasury staff to this cost center during fiscal year 2021-22 and to allow for newer employees (who are not at the top of their pay range) to potentially receive merit wage increases. Relative to fiscal 2020-21 estimated year-end, postage and mailing services are increasing \$3,000 and printing and document duplicating costs are anticipated to increase \$1,000 due to a planned increase in customer educational mailings on billings, payments and water usage planned for fiscal year 2021-22.

Budget Summary Expenditures

| 592.537 WATER BILLING | Personnel Services | Supplies | Capital | Other | Debt | Total |
|----------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 117,200 | 0 | 0 | 47,350 | 0 | 164,550 |
| 2018-2019 Actual | 162,680 | 180 | 0 | 53,180 | 0 | 216,040 |
| 2019-2020 Actual | 77,750 | 50 | 0 | 52,050 | 0 | 129,850 |
| 2020-2021 Original Budget | 60,340 | 200 | 0 | 61,000 | 0 | 121,540 |
| 2020-2021 Adjusted Budget (Dec) | 60,340 | 200 | 0 | 61,000 | 0 | 121,540 |
| 2020-2021 Six Month Actual | 27,210 | 0 | 0 | 13,180 | 0 | 40,390 |
| 2020-2021 Estimated Year End | 60,140 | 0 | 0 | 58,500 | 0 | 118,640 |
| 2021-2022 Dept Request | 99,470 | 0 | 0 | 62,500 | 0 | 161,970 |
| 2021-2022 Manager's Budget | 99,470 | 0 | 0 | 62,500 | 0 | 161,970 |
| 2021-2022 Approved Budget | 99,470 | 0 | 0 | 62,500 | 0 | 161,970 |
| 2022-2023 Projected Budget | 102,630 | 0 | 0 | 64,380 | 0 | 167,010 |
| 2023-2024 Projected Budget | 105,900 | 0 | 0 | 66,310 | 0 | 172,210 |
| 2024-2025 Projected Budget | 109,290 | 0 | 0 | 68,300 | 0 | 177,590 |
| 2025-2026 Projected Budget | 112,810 | 0 | 0 | 70,350 | 0 | 183,160 |

Cost Center Position FTE Detail Full & Part-Time Employees

| Water Billing | | Fiscal Year | | | | | | | | |
|------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| Full-Time Positions | | | | | | | | | | |
| Water Service – MC III | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Water Billing - MC I / MC II | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Utility Billing Specialist | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Full-time total | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 1.0 | 1.0 | 1.0 |
| Part-Time Positions (FTEs) | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 1.0 | 1.0 | 1.0 |

The mission of the water maintenance division of the water and sewer fund is to provide a clean, constant supply of water to homes and businesses, and to provide a sufficient pressure supply of water for fire protection. This cost center also records the purchases of potable water.

The water service division of the department of public services has three full-time employees and one supervisor, who oversee both the water service, water purchases, water maintenance and sewer activities.

Potable water is our largest single water expense. The city is a member of S.O.C.W.A., the Southeast Oakland County Water Authority. SOCWA is the regional intergovernmental agency that transports clean water from the Great Lakes Water Authority system to its member cities.

The water maintenance activity is responsible for the maintenance of approximately 200 miles of water main throughout the community. There are many water conveyances it must maintain.

Water mains are the pressurized pipes that transmit water to the user. They are made of several materials, the most common being cast iron. They are subject to leaks and breaks due to stress, corrosion, and changes in water pressure because of seasonal demand. These breaks and leaks must be pinpointed, dug up, and repaired. A new material, ductile iron, shows great promise in eliminating such problems.

Valves (or gates) are strategically located in various points throughout the transmission system. Usually spaced one or two blocks apart, they are used to isolate certain areas for repair or construction. These are subject to corrosion of bolts and packing and must be periodically dug up and repaired.

Royal Oak has over 1,400 hydrants of different ages and brands located strategically throughout the city. These suffer from vandalism, automobile accidents, and aging and must be repaired or dug up and replaced. The fire department also monitors their condition, and reports malfunctions to the water maintenance division.

GOALS

4. Infrastructure – rehabilitate or replace and enhance Royal Oak’s infrastructure including water/sewer.

OBJECTIVES

- Update the city’s inventory of lead and copper service lines, assess their status, and identify total costs for replacement.

GOAL1

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Beginning in fiscal year 2020-21, water purchases (from SOCWA), which were formerly budgeted through the administrative cost center (592-536) of the water & sewer fund, are now being accounted for as part of the water maintenance cost center. The SOCWA rate to member communities is increasing 1.5% for fiscal year 2021-22.

\$500,000 has been budgeted in miscellaneous contracted services for private water lead related work in fiscal year 2021-22 and \$300,000 has been budgeted for service line material verification as needed (under SOCWA contract). Motor pool rental charges, which are allocated to this cost center based on service truck hours, are projected to decrease for fiscal year 2021-22 by \$29,750 relative to the fiscal year 2020-21 projected year-end.

**Budget Summary
Expenditures**

| 592.538 WATER MAINTENANCE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|--------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 1,775,390 | 89,090 | 4,000 | 611,630 | 0 | 2,480,110 |
| 2018-2019 Actual | 1,435,450 | 119,140 | 49,880 | 663,370 | 0 | 2,267,840 |
| 2019-2020 Actual | 1,321,440 | 77,310 | 10 | 541,360 | 0 | 1,940,120 |
| 2020-2021 Original Budget | 1,046,900 | 130,200 | 0 | 1,238,300 | 0 | 2,415,400 |
| 2020-2021 Adjusted Budget (Dec) | 1,046,900 | 130,200 | 0 | 5,463,300 | 0 | 6,640,400 |
| 2020-2021 Six Month Actual | 445,280 | 47,000 | 0 | 352,270 | 0 | 844,550 |
| 2020-2021 Estimated Year End | 947,920 | 134,070 | 0 | 4,906,450 | 0 | 5,988,440 |
| 2021-2022 Dept Request | 1,048,270 | 130,600 | 0 | 5,593,900 | 0 | 6,772,770 |
| 2021-2022 Manager's Budget | 1,048,270 | 130,600 | 0 | 5,593,900 | 0 | 6,772,770 |
| 2021-2022 Approved Budget | 1,048,270 | 130,600 | 0 | 5,593,900 | 0 | 6,772,770 |
| 2022-2023 Projected Budget | 1,081,760 | 130,600 | 0 | 5,645,370 | 0 | 6,857,730 |
| 2023-2024 Projected Budget | 1,116,620 | 130,600 | 0 | 5,764,290 | 0 | 7,011,510 |
| 2024-2025 Projected Budget | 1,152,890 | 130,600 | 0 | 5,886,130 | 0 | 7,169,620 |
| 2025-2026 Projected Budget | 1,190,640 | 130,600 | 0 | 5,710,980 | 0 | 7,032,220 |

Cost Center Position FTE Detail
Full & Part-Time Employees

| Water Maintenance | | Fiscal Year | | | | | | | | |
|-----------------------------|-------|-------------|-------|-------|-------|-------|-------|-------|-------|--|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 | |
| Full-Time Positions | | | | | | | | | | |
| Water Service - MC III | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | |
| Water Maintenance Worker II | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | |
| Maintenance Worker II | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | |
| Water Maintenance Worker | 2.0 | 2.0 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 | |
| Full-time total | 7.0 | 7.0 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | |
| Part-Time Positions (FTEs) | | | | | | | | | | |
| Part-time positions | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | |
| Cost center total | 7.0 | 7.0 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | 7.5 | |

The mission of the water service division is to maintain the water connection between the city's water main and water customers' meters. In addition to installing and repairing water meters and related equipment, water service division employees respond to consumer concerns, investigate leaks, and assist in the administration of the city's lead service line replacement program. The city's residential and commercial cross connection control programs are also included in this cost center.

The water service division of the department of public services oversees the water service, water maintenance and sewer divisions.

There are approximately 24,100 water meters within the Royal Oak water system for which this division is responsible.

The water service division is responsible for the reading of water meters for billing, performing investigations on high water bills, 24-hour emergency call-out for leaking water

meters, installing new water meters, investigating possible water service leaks, and cross connection inspections.

Water services are the private lines that supply water from the city's water main to a house or business. Service lines also are made of different materials with copper being far superior. Copper services require little, if any, maintenance. Galvanized iron services eventually rust out and must be replaced. Services made of lead are a health hazard and should be replaced.

The water service division also has a meter testing and replacement program. The division is presently in the process of installing the radio reading devices where possible. There is no additional direct cost to the homeowner for the installation of these meters.

The water service division is also presently converting older style remote readers over to a newer type.

GOALS

1. Maintain meters that are up to date to keep billing rates low.
2. Proactively locate potential water leaks to minimize loss and/or large customer bills.
3. Locate and eliminate cross connections to the system to protect all users.

OBJECTIVES

- Develop a comprehensive inventory of all water service line materials throughout the city. ^{GOAL1}
- Replace 7% of lead/galvanized water services per year. ^{GOAL2}

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The adopted fiscal year 2021-22 budget includes the addition of a full-time DPS supervisor whose costs have been partially allocated between this cost center and sewer maintenance (592.540) of the water & sewer fund.

Relative to fiscal year 2020-21 original budget, water meters and meter parts are decreasing \$25,000 to better reflect activity in this account over the past fiscal year. Contracted worker services are increasing \$5,000 due to an increase in coverage for incidentals related to cross connections.

**Budget Summary
Expenditures**

| 592.539 METER SERVICES | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 799,390 | 350,210 | 0 | 74,690 | 0 | 1,224,290 |
| 2018-2019 Actual | 639,720 | 478,850 | 0 | 133,060 | 0 | 1,251,630 |
| 2019-2020 Actual | 559,250 | 349,130 | 0 | 154,440 | 0 | 1,062,820 |
| 2020-2021 Original Budget | 452,260 | 402,900 | 0 | 152,370 | 0 | 1,007,530 |
| 2020-2021 Adjusted Budget (Dec) | 452,260 | 402,900 | 0 | 152,370 | 0 | 1,007,530 |
| 2020-2021 Six Month Actual | 194,250 | 124,100 | 0 | 75,960 | 0 | 394,310 |
| 2020-2021 Estimated Year End | 404,490 | 379,400 | 0 | 167,020 | 0 | 950,910 |
| 2021-2022 Dept Request | 472,860 | 378,400 | 0 | 157,190 | 0 | 1,008,450 |
| 2021-2022 Manager's Budget | 472,860 | 378,400 | 0 | 157,190 | 0 | 1,008,450 |
| 2021-2022 Approved Budget | 472,860 | 378,400 | 0 | 157,190 | 0 | 1,008,450 |
| 2022-2023 Projected Budget | 486,850 | 378,400 | 0 | 157,680 | 0 | 1,022,930 |
| 2023-2024 Projected Budget | 501,410 | 378,400 | 0 | 158,180 | 0 | 1,037,990 |
| 2024-2025 Projected Budget | 516,570 | 378,400 | 0 | 158,690 | 0 | 1,053,660 |
| 2025-2026 Projected Budget | 532,350 | 378,400 | 0 | 159,210 | 0 | 1,069,960 |

Cost Center Position FTE Detail
Full & Part-Time Employees

| Meter Services | Fiscal Year | | | | | | | | | |
|--------------------------------|--------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 20-21 | 21-22 |
| Full-Time Positions | | | | | | | | | | |
| DPS Supervisor - Water | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Water Service Worker | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Superintendent - Water & Sewer | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Full-time total | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |

The mission of the sewer maintenance cost center of the water & sewer fund is to keep sewer lines in top repair to minimize basement water conditions, and to respond quickly to calls for service if backups do occur.

The sewer maintenance division of the department of public service is responsible for the maintenance of approximately 300 miles of sewers throughout the City of Royal Oak. The city has a combined sanitary and storm system.

Over 85 percent of the amounts budgeted here are for contractual sewage disposal charges from the Oakland County Water Resources Commissioner. Our sewage passes through the George W. Kuhn Sewage Disposal System (GWKSDS). Next it gets transported by the City of Detroit system then treated and returned to the Great Lakes system. The other 15 percent of costs are local costs.

Sanitary sewer cleaning is designed to clean all sanitary sewers within the city by sewer jetting and eliminating most of the sewer back-up problems in the city's lines.

The city provides 24 hours a day, seven days a week, response to any basement water calls.

Maintenance and normal repairs are scheduled starting in the spring on catch basins, manholes and any sewer lines that have had problems. This work continues if weather permits. During the winter, the sewer personnel clean the tops of catch basins and inspect all the sewer structures for repair. From this program, a repair list is made up for the construction repair season.

During severe snowstorms, the sewer division supports the highway division with equipment and manpower for the plowing of city streets. Also, during the winter months, the sewer division uses a power-rodding machine to rod or clean city sewer lines that have root growth problems. This power rod is in operation until our construction season begins.

The sewer division also handles all Miss Dig requests. This is a program set up by all utilities for the staking of utility lines before any digging occurs. This division stakes or paints all City of Royal Oak sewer mains and laterals, water mains, sewer service tie-in locations, and water curb shut offs.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The adopted fiscal year 2021-22 budget includes the addition of a new full-time DPS supervisor, whose costs have been allocated here and partially to the meter services (592.539) cost center of the water & sewer fund. The increase is partially offset by a smaller allocation of DPS, and engineering staff charged to this cost center as it is expected that work will not be as high as budgeted for in the fiscal year 2020-21 original budget and better reflects activity during 2020-21 based on anticipated workload.

Motor pool rental charges are decreasing \$72,170 relative to fiscal year 2020-21 due to decreased utilization. Sewage disposal service costs are budgeted to increase 0.5 percent from the Oakland County Water Resources commission. \$600,000 is budgeted for sewer televising and root control work, \$75,000 for an aerial flyover of the city for stormwater GIS mapping and \$8,000 for a controlled burn of raingardens in miscellaneous contracted services for fiscal year 2021-22. Tools and hardware are increasing \$10,000 relative to fiscal year 2020-21 due to budgeting for a sewer push camera for small diameter pipe inspections. Capital expenditures budgeted in fiscal year 2021-22 include \$247,100 for sewer camera hardware to replace aged equipment.

Budget Summary Expenditures

| 592.540 SEWER MAINTENANCE | Personnel Services | Supplies | Capital | Other | Debt | Total |
|--------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 1,272,670 | 61,490 | 0 | 13,682,150 | 0 | 15,016,310 |
| 2018-2019 Actual | 936,700 | 57,680 | 0 | 13,864,550 | 0 | 14,858,930 |
| 2019-2020 Actual | 957,060 | 61,810 | 0 | 14,175,400 | 0 | 15,194,270 |
| 2020-2021 Original Budget | 692,390 | 57,710 | 0 | 14,433,070 | 0 | 15,183,170 |
| 2020-2021 Adjusted Budget (Dec) | 692,390 | 57,710 | 0 | 14,443,570 | 0 | 15,193,670 |
| 2020-2021 Six Month Actual | 340,520 | 45,690 | 0 | 6,133,790 | 0 | 6,520,000 |
| 2020-2021 Estimated Year End | 651,050 | 78,660 | 0 | 14,450,750 | 0 | 15,180,460 |
| 2021-2022 Dept Request | 724,000 | 72,760 | 247,100 | 14,670,950 | 0 | 15,714,810 |
| 2021-2022 Manager's Budget | 724,000 | 72,760 | 247,100 | 14,670,950 | 0 | 15,714,810 |
| 2021-2022 Approved Budget | 724,000 | 72,760 | 247,100 | 14,670,950 | 0 | 15,714,810 |
| 2022-2023 Projected Budget | 747,940 | 72,760 | 0 | 15,051,510 | 0 | 15,872,210 |
| 2023-2024 Projected Budget | 772,830 | 72,760 | 0 | 15,512,200 | 0 | 16,357,790 |
| 2024-2025 Projected Budget | 798,720 | 72,760 | 0 | 16,069,990 | 0 | 16,941,470 |
| 2025-2026 Projected Budget | 825,650 | 72,760 | 0 | 16,455,670 | 0 | 17,354,080 |

Cost Center Position FTE Detail Full & Part-Time Employees

| Sewer Maintenance | | Fiscal Year | | | | | | | | |
|---------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| Full-Time Positions | | | | | | | | | | |
| DPS Supervisor – Sewer | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 |
| Sewer Maintenance Worker II | | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Sewer Maintenance Worker | | 4.0 | 4.0 | 4.0 | 4.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| Sewer Maintenance Worker (Temp) | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Full-time total | | 7.0 | 7.0 | 7.0 | 7.0 | 9.0 | 9.0 | 9.0 | 9.0 | 10.0 |
| Part-Time Positions (FTEs) | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | | 7.0 | 7.0 | 7.0 | 7.0 | 9.0 | 9.0 | 9.0 | 9.0 | 10.0 |

The mission of the water and sewer construction cost center is to track and fund water and sewer related projects.

GOALS

1. Develop a sustainable plan to maintain and enhance Royal Oak's infrastructure including water/sewer and roads.
2. Ramp up the expenditure on water main improvements to complete the CIP public water system master plan improvements by 2025 based on the most recent water system reliability study.

OBJECTIVES

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The fiscal year 2021-22 budget includes \$1,500 to purchase GPS locators for GIS mapping of water/sewer assets.

The following capital improvement projects related to water and sewer for fiscal year 2021-22 are as follows:

| | |
|--------------------------------------------------------------------|----------------|
| • CAP1999 quality control review of water/sewer GIS database | \$62,000 |
| • CAP2001 concrete pavement and prepaid sidewalk imp. 2020 | 423,000 |
| • CAP2008 water main improvements (Crooks Rd resurfacing) | 196,560 |
| • CAP2040 stormwater mitigation | 30,800 |
| • CAP2110 water main improvements 2021 | 2,260,000* |
| • CAP2135 water main imp. in coordination with road reconstruction | 45,000 |
| • CAP2155 special assessment water main improvements | 33,000 |
| • CAP2185 sewer lining improvements | 776,000 |
| • CAP2195 spot sewer repairs | 600,000 |
| • CAP2240 sewer and green infrastructure improvements | <u>300,000</u> |
| FY2021-22 total: | \$4,726,360 |

*Project deviates from the estimated cost listed in the FY 2021-22 CIP document due to revised cost estimates provided after the CIP was prepared.

Future operating costs and savings related to the capital purchases have not been quantified by the requesting department.

Budget Summary Expenditures

| 592.901 CONSTRUCTION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 9,510 | 60 | 38,150 | 0 | 0 | 47,720 |
| 2018-2019 Actual | 42,190 | 430 | 465,540 | 7,060 | 0 | 515,220 |
| 2019-2020 Actual | 39,510 | 0 | 79,330 | 0 | 0 | 118,840 |
| 2020-2021 Original Budget | 212,540 | 3,500 | 5,460,520 | 0 | 0 | 5,676,560 |
| 2020-2021 Adjusted Budget (Dec) | 212,540 | 3,500 | 5,460,520 | 0 | 0 | 5,676,560 |
| 2020-2021 Six Month Actual | 116,730 | 280 | 2,709,800 | 0 | 0 | 2,826,810 |
| 2020-2021 Estimated Year End | 0 | 3,500 | 5,376,000 | 0 | 0 | 5,379,500 |
| 2021-2022 Dept Request | 125,970 | 1,500 | 4,742,510 | 0 | 0 | 4,869,980 |
| 2021-2022 Manager's Budget | 125,970 | 1,500 | 4,742,510 | 0 | 0 | 4,869,980 |
| 2021-2022 Approved Budget | 125,970 | 1,500 | 4,742,510 | 0 | 0 | 4,869,980 |
| 2022-2023 Projected Budget | 129,650 | 1,500 | 4,359,350 | 0 | 0 | 4,490,500 |
| 2023-2024 Projected Budget | 133,460 | 1,500 | 6,146,150 | 0 | 0 | 6,281,110 |
| 2024-2025 Projected Budget | 137,400 | 1,500 | 8,149,650 | 0 | 0 | 8,288,550 |
| 2025-2026 Projected Budget | 141,480 | 1,500 | 7,575,650 | 0 | 0 | 7,718,630 |

The mission of the ice arena is to provide to both resident and regional skaters of all ages outstanding recreation programs on ice that are financially self-supporting.

A full menu of programs for ice skating and hockey are provided at the John Lindell Ice Arena. Skaters can enjoy open skating times, drop-in hockey, and freestyle sessions.

Whether you are a beginner looking for open public skating or an advanced figure skater or hockey player, programs are available for all ages. Programs are offered all year long.

A skating instructor might be a current Olympic-class athlete or coach because of the strength of skating training the Metro Detroit region.

The annual ice show is a crowd pleaser, providing friends and families a chance to see young skaters show off their skill.

Lindell Arena is the home arena for many teams and clubs: Royal Oak Hockey Club, Eagles Travel Hockey, New Edge Figure Skating Club, Royal Oak High School Figure Skating Club, Royal Oak Ravens High School Hockey, Shrine Knights High School Hockey, Far Flyers Hockey Team, TOT² Women's Hockey Team Division Five, TOT Women's Hockey Team Division Six, Detroit Women's Hockey League, Royal Oak Senior Hockey League.

Program offerings include:

Open public skating: times are available daily throughout the year for skaters of all ages.

Learn to skate program: the learn to skate program offers a wide range of classes to suit everyone's needs from ages three to adult. The program is a place to learn basic skating skills and is a stepping-stone for hockey as well as freestyle, synchronized, and recreational skating.

Freestyle program: skaters must be members of the New Edge Figure Skating Club or a USFS member. Sessions are limited to the first 24 skaters signed in and paid.

Drop-in hockey: players are required to be at least 18 years of age and wear full equipment with a helmet.

High school varsity hockey: home to two varsity hockey programs, Royal Oak High School Ravens, and Shrine Catholic High School Knights. Both are pay-to-play programs.

Royal Oak adult hockey league: the fall/winter league has 18 teams in three divisions and spring/ summer league has 20-24 teams in three divisions.

Tournaments: The ice arena hosts multiple tournaments each year. Two Compuware-Honeybaked AAA tournaments are hosted in September and October, The Warrior AAA tournament is in mid-October, The Bauer World Invite Girls Tier I tournament is in mid-November, and a Selects Hockey Tier II boy's tournament is held over Thanksgiving weekend. However, due to the pandemic only one tournament was hosted during fiscal year 2020-21.

Ice show: the annual ice show showcases the talents of New Edge Figure Skating Club skaters.

The ice arena operations are contracted out to Suburban Ice Management. The \$1.35 million budget also pays all operational and building maintenance costs.

Most revenue to fund programs comes from rink rental fees. The bulk of the remaining receipts come from other fees: e.g., lessons, open freestyle, and open skating fees.

GOALS

1. To provide excellent customer service.
2. To provide quality ice surfaces.
3. To provide and run programming to efficiently utilize ice available time.

OBJECTIVES**Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:**

Projected year-end revenues for fiscal year 2020-21 are significantly lower due to the COVID-19 pandemic that resulted in periods of facility closure. Revenues for fiscal year 2021-22 are budgeted at nearly the fiscal year 2020-21 original budget as programs and operations are assumed to return to nearly pre-pandemic levels. Interest income is projected to decrease \$6,250, relative to fiscal year 2020-21 original budget, due to declining rates and net assets.

Program supplies are decreasing \$5,000, advertising expenses decreasing \$2,000, and ice show expenses decreasing \$4,500, relative to fiscal year 2020-21 original budget, due to the related decrease in revenues projected for fiscal year 2021-22. Heating and cooling repair and maintenance services are decreasing \$5,000 due to a large one-time repair during 2020-21. Contracted worker services are increasing \$250,000 relative to fiscal year 2020-21 estimated year-end due to the impact of the closure from the pandemic.

Motor pool rental charges are increasing \$7,810 due to the temporary suspension of the city's depreciation catch-up plan in 2020-21, and information system service charges are increasing \$9,470 due to a reduction in planned expenditures from the Information Technology fund because of necessary budget reductions that were made during fiscal year 2020-21. Administrative charges are decreasing \$2,240, relative to fiscal year 2020-21 original budget, due to this fund having a smaller percentage of overall expenditures in fiscal year 2019-20. The transfer out to the publicity tax fund has increased \$1,000.

The following capital improvement projects budgeted for fiscal year 2021-22 are as follows:

| | |
|--------------------------------------------------------|---------------|
| • compressor units (2) | \$20,000 |
| • padded floor mat replacements (fy 2020-21 carryover) | <u>15,000</u> |
| FY2021-22 total: | \$35,000 |

The estimated future budget for fiscal year 2022-23 includes a capital expenditure of \$135,000 to restore a section of the ice arena's modular roof. Future operating costs and savings related to the capital purchases have not been quantified by the requesting department.

The budget fund forecast is currently projecting a negative unrestricted net position for fiscal year 2020-21 due to having a \$816,470 roof replacement and significantly lower revenue as a result of the COVID-19 pandemic. A transfer in from the general fund may be necessary to keep this fund from a deficit position as of June 30, 2021. This would be reflected in the final 2020-21 budget amendment.

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|--------------------------------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| Learn to Skate Participants | 931 | 545 | 0 | 440 | 935 | 1000 |
| Number of Scheduled Hours Used Weekly (September – March) | 250 / 100% | 250 / 100% | 100 / 40% | 170 / 68% | 250 / 100% | 250 / 100% |

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|---------------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| *Beginning Unrestricted Net Assets | 857,149 | (103,461) | (4,301) | (22,941) | 75,049 | 154,269 |
| Revenues and transfers from other funds | 710,300 | 1,350,550 | 1,350,550 | 1,350,550 | 1,350,550 | 1,350,550 |
| **Expenditures and transfers to other funds | 1,670,910 | 1,251,390 | 1,369,190 | 1,252,560 | 1,271,330 | 1,290,500 |
| Net Change in Net Assets | (960,610) | 99,160 | (18,640) | 97,990 | 79,220 | 60,050 |
| Ending Unrestricted Net Assets | (103,461) | (4,301) | (22,941) | 75,049 | 154,269 | 214,319 |

*adjusted for net pension and OPEB liability

**depreciation is not included in expenditures above

NOTE: FY2020-21 expenditures include \$816,470 for the East rink roof, which will be a capitalized asset.

Revenues

| 598.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 1,465,220 | 1,050 | 13,100 | 0 | 1,479,370 |
| 2018-2019 Actual | 0 | 0 | 1,444,460 | 6,250 | 11,450 | 0 | 1,462,160 |
| 2019-2020 Actual | 0 | 0 | 1,104,870 | 0 | 2,400 | 0 | 1,107,270 |
| 2020-2021 Original Budget | 0 | 0 | 1,434,500 | 3,000 | 5,500 | 0 | 1,443,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 967,840 | 3,000 | 4,300 | 0 | 975,140 |
| 2020-2021 Six Month Actual | 0 | 0 | 293,970 | 120 | 190 | 0 | 294,280 |
| 2020-2021 Estimated Year End | 0 | 0 | 698,350 | 3,000 | 8,950 | 0 | 710,300 |
| 2021-2022 Dept Request | 0 | 0 | 1,342,550 | 2,500 | 5,500 | 0 | 1,350,550 |
| 2021-2022 Manager's Budget | 0 | 0 | 1,342,550 | 2,500 | 5,500 | 0 | 1,350,550 |
| 2021-2022 Approved Budget | 0 | 0 | 1,342,550 | 2,500 | 5,500 | 0 | 1,350,550 |
| 2022-2023 Projected Budget | 0 | 0 | 1,342,550 | 2,500 | 5,500 | 0 | 1,350,550 |
| 2023-2024 Projected Budget | 0 | 0 | 1,342,550 | 2,500 | 5,500 | 0 | 1,350,550 |
| 2024-2025 Projected Budget | 0 | 0 | 1,342,550 | 2,500 | 5,500 | 0 | 1,350,550 |
| 2025-2026 Projected Budget | 0 | 0 | 1,342,550 | 2,500 | 5,500 | 0 | 1,350,550 |

Expenditures

| 598.758 ICE ARENA | Personnel Services | Supplies | Capital | Other | Transfers | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|------------------|-------------|--------------|
| | | | | | | | |
| 2017-2018 Actual | 57,720 | 90,930 | 243,800 | 1,319,520 | 4,000 | 10,480 | 1,726,450 |
| 2018-2019 Actual | 15,430 | 69,400 | 0 | 1,264,330 | 3,000 | 9,450 | 1,361,610 |
| 2019-2020 Actual | 12,240 | 44,710 | 0 | 1,204,300 | 2,000 | 9,280 | 1,272,530 |
| 2020-2021 Original Budget | 12,210 | 75,600 | 835,000 | 1,201,890 | 3,000 | 18,800 | 2,146,500 |
| 2020-2021 Adjusted Budget (Dec) | 12,210 | 69,100 | 835,000 | 1,156,290 | 3,000 | 18,800 | 2,094,400 |
| 2020-2021 Six Month Actual | 5,310 | 3,670 | 816,470 | 357,430 | 0 | 2,310 | 1,185,190 |
| 2020-2021 Estimated Year End | 11,020 | 49,880 | 816,470 | 876,570 | 3,000 | 18,800 | 1,775,740 |
| 2021-2022 Dept Request | 13,320 | 70,600 | 35,000 | 1,214,350 | 4,000 | 19,000 | 1,356,270 |
| 2021-2022 Manager's Budget | 13,320 | 70,600 | 35,000 | 1,214,350 | 4,000 | 19,000 | 1,356,270 |
| 2021-2022 Approved Budget | 13,320 | 70,600 | 35,000 | 1,214,350 | 4,000 | 19,000 | 1,356,270 |
| 2022-2023 Projected Budget | 13,740 | 70,600 | 135,000 | 1,265,930 | 4,000 | 18,800 | 1,508,070 |
| 2023-2024 Projected Budget | 14,170 | 70,600 | 0 | 1,283,870 | 4,000 | 18,800 | 1,391,440 |
| 2024-2025 Projected Budget | 14,620 | 70,600 | 0 | 1,302,190 | 4,000 | 18,800 | 1,410,210 |
| 2025-2026 Projected Budget | 15,080 | 70,600 | 0 | 1,320,900 | 4,000 | 18,800 | 1,429,380 |



Internal Service Funds

Internal service funds are established to finance and account for services and commodities furnished by a designated department or agency to other departments within a single government unit or to other governmental units. The accrual basis of accounting is utilized for the internal service and enterprise funds budgets which are not officially adopted but included in this document. These funds are not legally appropriated; however, they are audited.

Information Technology Fund -
636

Health Care Fund - 678

Motor Pool Fund - 661

General Liability and Property
Insurance Fund - 679

Workers Compensation Insurance
Fund – 677

The mission of the information technology department is to provide computer, telecommunications, software, security and other technology tools and services in support of the city's operational goals in the most efficient manner possible.

The information technology (IT) department researches, supports, and coordinates technological solutions to keep the city's information technology functioning and performing consistently at expected levels. The IT staff continually strives to meet productivity gains and address the city's technology challenges.

Technology plays a critical support role in the city's ability to provide government services. The IT department is the city's central control center where proactively securing and managing the city's technology and data is a top priority. The job gets more complicated daily as new threats to security emerge and as information technology become more integrated across multiple platforms and networks. The department oversees application integration between the city and county, state and federal organizations and is responsible for the infrastructure that ties it all together.

The department manages a nearly \$2.6 million technology budget and is responsible for servicing all city departments and the 44th District Court. The I.T. department is responsible for procurement and maintenance of more than 800 devices including networking switches and routers, servers, computers, printers, telephones, smart/cell phones, pagers, faxes, scanners, cameras, and other computer equipment and communication devices. Email, document storage and retrieval systems are maintained for approximately 400 user accounts and over 120 computer software applications at 14 different municipal locations, most of which are connected via the city's wide area network. The IT staff provides daily support in the following areas: help desk, hardware and network issues, data and document

management, project management, data and voice communications, and specialized application software.

In 2020, the city's website served over 350,000 page requests from more than 180,000 visits. The most frequently accessed areas of the city's website are: Royal Oak Animal Shelter, 44th District Court, Water Billing, Royal Oak Public Library, Snow Emergency Information and Online Payments. The top site search keywords are: "certificate of birth", "water bill", "free calendar", "marijuana", "snow emergency", "dog license" and "taxes". The most utilized devices to access the city's website are desktop, smartphone and then tablet. The most utilized browsers are: Chrome, Mobile Safari, Internet Explorer, Chrome Mobile, Safari and Firefox. The most common locations the site receives visitors from are: Royal Oak, Detroit, Troy, Madison Heights, Southfield, Novi, Clio, Sterling Heights then Rochester.

Information technology is an internal service fund that uses cost allocation to expense all computer applications, licensing, software and hardware support and maintenance, and print shop costs to each user department/cost center.

The information technology plan is an ongoing and evolving strategy. It is a challenge to develop a technology plan that has enough foresight to envision the future. The plan needs to anticipate what new technology will be available and applicable to the city's needs, and to provide an adequate outline that presents an overview for decision making and allocation of funding for these improvements. It is important to review the plan periodically and to make it flexible enough to adapt to changes along the way. The plan is designed to address the levels of technology support for city-wide efficiency and assignment of priority to the targeted projects over a three to five-year period.

GOALS

1. To maintain appropriate levels of network security to protect the city's critical business systems from security threats and respond to security threats in a prompt and effective manner.
2. To provide the city with cost-effective, dependable, and accurate information services, which support both current and future business needs.
3. To provide city departments with strategic project planning and assistance as it relates to technology.
4. To enhance and maintain an effective communications network for city operations.
5. Infrastructure – to sustain, replace and enhance Royal Oak's infrastructure to promote efficient delivery of beneficial services.

OBJECTIVES

- Deploy remote assistance software to allow for more timely support from vendors and IT staff. GOALS1-4
- Continue to deliver additional Office 365 features and services to city employees. GOALS1-4
- Enhance existing GIS applications, continue to deliver new GIS capabilities, and integrate select functionalities with the new city website. GOALS 2-4
- Continue PC replacement program and expansion of mobile device use. GOALS 2-4
- Expand employee network to utilize Wi-Fi at the new city hall, police station and other city facilities, as necessary. GOAL5
- Work to build certain redundancies in the police station and city hall for disaster recovery purposes. GOAL1

Performance Indicators / Outcome Measures

| | <u>Actual FY18-19</u> | <u>Actual FY19-20</u> | <u>Dec 31 2020</u> | <u>Projected FY20-21</u> | <u>Projected FY21-22</u> | <u>Projected FY22-23</u> |
|----------------------------------------|---------------------------|---------------------------|------------------------|------------------------------|------------------------------|------------------------------|
| Network Connections | | | | | | |
| Building Locations | 13 | 13 | 14 | 14 | 14 | 14 |
| PC's | 447 | 466 | 466 | 466 | 466 | 466 |
| LAN Services | 14 | 14 | 15 | 15 | 15 | 15 |
| AD, Email, Social Media Service | | | | | | |
| User accounts | 557 | 526 | 526 | 526 | 526 | 526 |
| Group accounts | 95 | 107 | 107 | 107 | 107 | 107 |
| Social Media Accounts | 17 | 17 | 17 | 19 | 22 | 25 |
| Device Installs and upgrades | | | | | | |
| PC's | 72 | 20 | 125 | 125 | 100 | 100 |
| Printers | 2 | 1 | 3 | 5 | 5 | 5 |
| Other | 20 | 8 | 27 | 50 | 50 | 50 |
| Telecommunications | | | | | | |
| Telephones – VOiP | 357 | 395 | 395 | 395 | 395 | 395 |
| SIP/Channels | 55 | 55 | 55 | 55 | 55 | 55 |
| TDM Pri/Channels | 1/23 | 1/23 | 1/23 | 1/23 | 1/23 | 1/23 |
| Point to Point T1's/Channels | 0 | 0 | 0 | 0 | 0 | 0 |
| Adds, moves, changes | 50 | 100 | 100 | 100 | 25 | 25 |
| Voicemail accounts | 287 | 295 | 295 | 295 | 295 | 295 |
| Cell Phone Accounts | 190 | 190 | 196 | 197 | 230 | 235 |
| General | | | | | | |
| # of PC Virus outbreaks | 0 | 0 | 0 | 0 | 0 | 0 |

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-2022:

Personnel costs are increasing over fiscal year 2020-21 original budget, due to the city having higher annual required and recommended retirement contributions for pension and retiree healthcare in fiscal year 2021-22 and to allow employees (who are not at the top of their pay range) to potentially receive merit increases. Personnel costs were low during fiscal year 2020-21 due to an unfilled vacancy for a security analyst that has not yet been filled due to recruiting challenges.

Computer supplies and parts are increasing \$210,500 relative to fiscal year 2020-21 original budget to cover the PC replacements that were skipped in FY 2020-2021 due to the impact of the COVID-19 pandemic and budget reductions. This budget includes adding point of sale devices at the senior center, installing WiFi at Memorial Park, upgrading the firewalls at Eagle Plaza and Mark Twain Dog Park, increasing back-up capacity for city servers, and implementing a tele-conferencing system in the police department's emergency operations center. Miscellaneous contracted services are increasing \$197,470 relative to fiscal year 2020-21 original budget, primarily from increases in cost of services and due to the licensing for new technologies added at the new city hall, replacement software for human resources, and police department including training and policy tracking system replacements, smartboards, and a passive optical Local Area Network.

The following capital improvement projects budgeted for FY2021-22 are as follows:

| | |
|----------------------------------------------|---------------|
| • Office software and training | \$48,000 |
| • GIS integration | 60,000 |
| • Server-Network-Cabling infrastructure | 50,000 |
| • Disaster recovery | 75,000 |
| • DPS/Workforce mobilization | 32,900 |
| • DPS security system | 50,000 |
| • DPS WiFi | 10,200 |
| • Engineering plotter | 11,000 |
| • Library security system | 12,000 |
| • DPS computerized maintenance mgmt software | 100,000 |
| • Fuel management system upgrade | <u>30,000</u> |
| FY2021-22 total: | \$479,100 |

Future operating costs and savings related to the capital purchases have not been quantified by the requesting department.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|--------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets | 2,282,550 | 2,189,300 | 1,862,160 | 1,741,730 | 1,636,740 | 1,546,990 |
| Revenues and transfers from other funds | 1,735,480 | 2,214,990 | 2,157,140 | 2,200,130 | 2,243,980 | 2,288,710 |
| *Expenditures and transfers to other funds | 1,621,210 | 2,542,130 | 2,277,570 | 2,305,120 | 2,333,730 | 2,388,340 |
| Net Change in Net Assets | 114,270 | (327,140) | (120,430) | (104,990) | (89,750) | (99,630) |
| Ending Unrestricted Net Assets | 2,189,300 | 1,862,160 | 1,741,730 | 1,636,740 | 1,546,990 | 1,447,360 |

*depreciation of approximately \$89,000 is removed from expenses

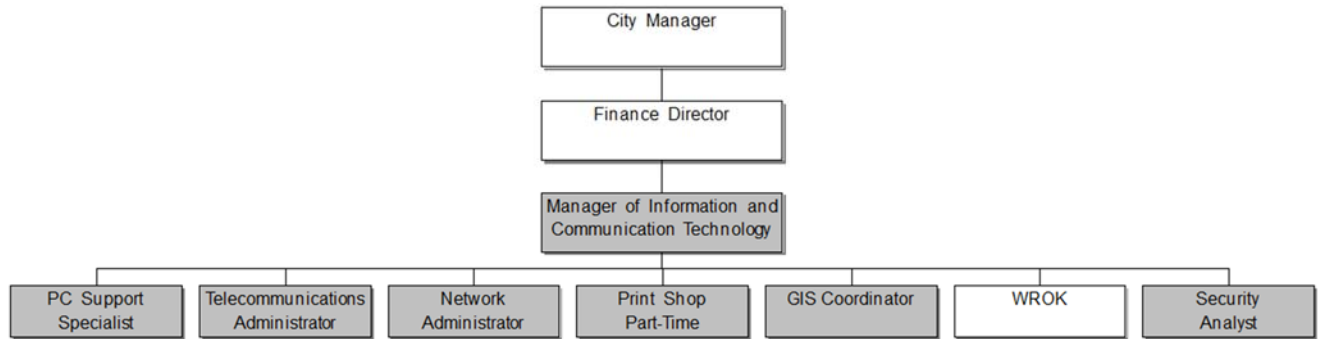
Revenues

| 636.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 18,130 | 1,745,230 | 0 | 1,763,360 |
| 2018-2019 Actual | 0 | 0 | 0 | 60,660 | 1,829,330 | 0 | 1,889,990 |
| 2019-2020 Actual | 0 | 0 | 0 | 52,680 | 1,803,590 | 0 | 1,856,270 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 25,000 | 1,720,130 | 0 | 1,745,130 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 25,000 | 1,720,130 | 0 | 1,745,130 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 8,660 | 861,130 | 0 | 869,790 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 10,000 | 1,725,480 | 0 | 1,735,480 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 7,500 | 2,107,490 | 100,000 | 2,214,990 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 7,500 | 2,107,490 | 100,000 | 2,214,990 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 7,500 | 2,107,490 | 100,000 | 2,214,990 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 7,500 | 2,149,640 | 0 | 2,157,140 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 7,500 | 2,192,630 | 0 | 2,200,130 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 7,500 | 2,236,480 | 0 | 2,243,980 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 7,500 | 2,281,210 | 0 | 2,288,710 |

Expenditures

| 636.258 INFORMATION SYSTEMS | Personnel Services | Supplies | Capital | Other | Debt | Total |
|----------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 614,530 | 71,810 | 23,190 | 714,340 | 41,920 | 1,465,790 |
| 2018-2019 Actual | 699,120 | 95,650 | 101,130 | 812,000 | 37,800 | 1,745,700 |
| 2019-2020 Actual | 691,850 | 128,780 | 26,470 | 532,800 | 37,110 | 1,417,010 |
| 2020-2021 Original Budget | 666,000 | 91,000 | 110,000 | 883,900 | 75,500 | 1,826,400 |
| 2020-2021 Adjusted Budget (Dec) | 666,000 | 91,000 | 110,000 | 883,900 | 75,500 | 1,826,400 |
| 2020-2021 Six Month Actual | 283,390 | 14,990 | 75,500 | 403,130 | 9,240 | 786,250 |
| 2020-2021 Estimated Year End | 582,640 | 90,900 | 75,500 | 870,040 | 75,500 | 1,694,580 |
| 2021-2022 Dept Request | 682,700 | 301,700 | 479,100 | 1,091,630 | 76,000 | 2,631,130 |
| 2021-2022 Manager's Budget | 682,700 | 301,700 | 479,100 | 1,091,630 | 76,000 | 2,631,130 |
| 2021-2022 Approved Budget | 682,700 | 301,700 | 479,100 | 1,091,630 | 76,000 | 2,631,130 |
| 2022-2023 Projected Budget | 707,230 | 301,700 | 241,000 | 1,040,640 | 76,000 | 2,366,570 |
| 2023-2024 Projected Budget | 732,700 | 301,700 | 241,000 | 1,042,720 | 76,000 | 2,394,120 |
| 2024-2025 Projected Budget | 759,150 | 301,700 | 241,000 | 1,044,880 | 76,000 | 2,422,730 |
| 2025-2026 Projected Budget | 786,620 | 301,700 | 265,900 | 1,047,120 | 76,000 | 2,477,340 |

Departmental Organization Chart



Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Info Tech | | Fiscal Year | | | | | | | | |
|-----------------------------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Manager of Information and Communication Technology | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Data Base Administrator | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Network Administrator | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| PC Support Specialist | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| GIS Coordinator | | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Telecommunications Administrator | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Info Tech - MC II | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Security Analyst | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Network Engineer | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Full-time total | | 4.0 | 4.0 | 4.0 | 5.0 | 5.0 | 7.0 | 6.0 | 6.0 | 6.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | | 4.0 | 4.0 | 4.0 | 5.0 | 5.0 | 7.0 | 6.0 | 6.0 | 6.0 |

The mission of the motor pool is to provide a central location of accountability for the acquisition and maintenance of safe and efficient machinery, equipment, and vehicles for city operations.

The motor pool division of the department of public service (DPS) is an internal citywide service unit responsible for fleet maintenance, repairs, fueling and vehicle / equipment acquisition, to keep citywide departments operational. The motor pool division ensures that the city-owned fleet of machinery, equipment and vehicles remain in a safe and proper functioning condition. Scheduled preventative maintenance is performed.

Vehicle condition and criteria for replacement are also closely monitored to optimize long-term cost. The motor pool maintains its own computerized records and inventory. Gasoline, diesel fuel, auto and truck parts are inventoried and charged to the various departments when used.

Internal city departments are charged monthly or hourly user fees that include a replacement charge ensuring that funds will be available when replacement is due.

The motor pool manages over \$18 million in machinery, equipment, and vehicles, consisting of approximately eight fire trucks, four ambulance units, 132 cars, vans, and pickup trucks, 15 dump-trucks, 28 heavy construction vehicles and seven trailers and specialty vehicles.

The division continually analyzes city-wide vehicle and equipment utilization; recommends, develops, and refines specifications maximizing vehicle life cycle; and analyzes fleet composition in order to "right size" the fleet with a focus on reducing the total number of vehicles and equipment to the number that would provide the lowest overall fleet cost.

GOALS

1. Provide each department quality service.
2. Complete repairs in a timely manner by prioritizing each repair according to need and importance.
3. To maintain the fleet in a safe and proper functioning condition by providing a preventive maintenance program consistent with manufacturing recommendations.
4. To maintain an adequate level of parts and supplies while minimizing inventory costs.

OBJECTIVES

- Schedule appropriate safety training to ensure fleet maintenance is provided in a safe and proper environment. GOALS1-3
- Begin transition of light duty gasoline vehicles to electric vehicles. GOAL1
- Upgrade the fuel management software system. GOAL1

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Motor pool charges include fees for the catch-up plan to collect depreciation that was not collected numerous years ago during an intentional depreciation (collection) vacation. This catch-up is intended to help to provide the proper accumulation of funds that will be sufficient for the motor pool's future replacements. Due to the impact of the recent COVID-19 pandemic and budget reductions, this program was suspended for fiscal year 2020-21. Fiscal year 2021-22 will be the third year of the ten-year catch-up plan. As a result, the revenue budget in this fund for vehicle rental charges has increased \$77,980 relative to the fiscal year 2020-21 projected year-end.

Relative to fiscal year 2020-21 projected year-end, interest income is expected to decrease \$5,000 due to declining interest rates, while revenue from gasoline charges to Royal Oak school district are budgeted to increase \$25,000 due to the pandemic and related stay-at-home orders that led to a significant decline in this revenue during 2020-21. A decrease of approximately \$119,810 is attributed to insurance settlements/refunds and gains from the sale of fixed assets which are not budgeted for. Additionally, there were \$397,000 in transfers in from other funds during fiscal year 2020-21 for the purchase of new (non-replacement) equipment.

Personnel costs are increasing relative to the 2020-21 original budget to allow for newer employees (who are not at the top of their pay range) to potentially receive merit wage increases. Fiscal year 2020-21 projected year-end activity is low due to a position that became vacant during the year. The unfilled position is included in the fiscal year 2021-22 budget and is expected to be filled soon.

Relative to the fiscal year 2020-21 original budget, collision and damage repair services are increasing \$12,000 to better reflect the historical usage of this account, however, activity is not expected to be as high as 2020-21 due to a large vehicle repair. Miscellaneous building repair and maintenance services are increasing \$4,000 for an electrical panel replacement, and the budget for trees, shrubs, and plants is increasing \$1,000 for facility landscape improvements. Training and education costs are decreasing \$3,500 due to the changing need for various staff training. Capital projects in fiscal year 2021-22 include \$90,000 to install a dedicated charging infrastructure in preparation of converting some of the city's vehicle fleet to full electric vehicles. Future operating costs and savings related to the capital purchases have not been quantified by the requesting department.

The following replacement vehicles for fiscal year 2021-22 will be funded with the cash on-hand in the motor pool fund that accumulated by way of charging user departments for replacement costs:

| Auto Parking | | Parks & Forestry | |
|-------------------|----------|-----------------------------------------------|---------|
| Sweeper | \$47,520 | Tractor | 36,960 |
| Building Maint. | | Gator | 30,000 |
| Pick-up truck | 44,000 | Police Department | |
| Fire Department | | 10 SUV's | 481,260 |
| Pick-up truck | 43,140 | Car | 35,000 |
| *E-1 Pumper | 720,000 | Sewer | |
| Ambulance | 250,000 | Pick-up truck | 37,300 |
| Highway | | Van | 47,940 |
| Skid steer loader | 150,800 | Water Maintenance | |
| Inspection | | Light tower | 19,800 |
| Three SUV's | 132,000 | Van | 27,600 |
| Motor Pool | | Fiscal year 2021-22 total: \$2,160,000 | |
| Rotary mower | 56,680 | | |

**deviates from CIP due to updated cost estimate received after final CIP was prepared*

Budget Summary

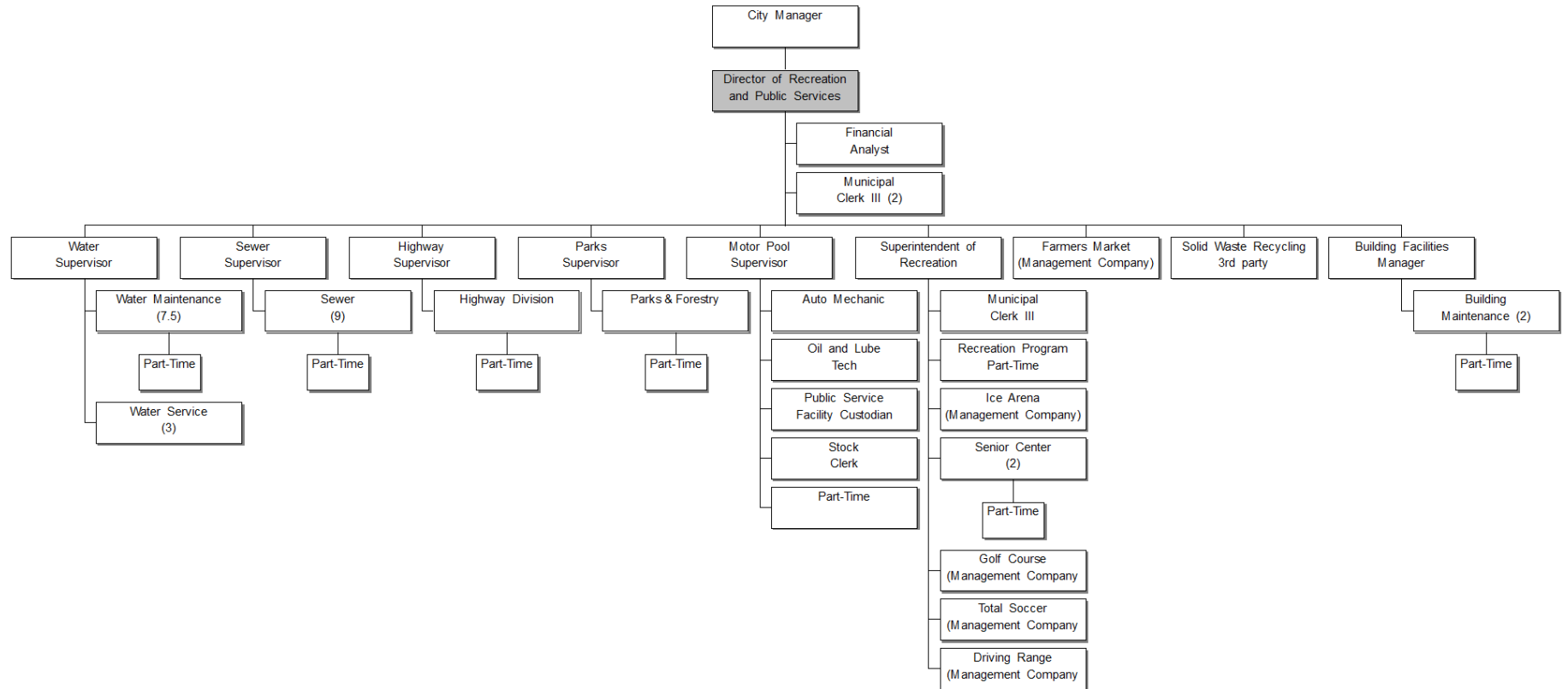
| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|--------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets | 4,149,823 | 3,548,339 | 3,151,829 | 2,996,520 | 3,073,254 | 3,131,451 |
| Revenues and transfers from other funds | 5,222,920 | 4,803,040 | 4,897,480 | 4,993,810 | 5,092,070 | 5,192,290 |
| *Expenditures and transfers to other funds | 5,290,570 | 5,199,550 | 5,052,789 | 4,917,076 | 5,033,873 | 5,092,355 |
| Net Change in Net Assets | (67,650) | (396,510) | (155,309) | 76,734 | 58,197 | 99,935 |
| Ending Unrestricted Net Assets | 3,548,339 | 3,151,829 | 2,996,520 | 3,073,254 | 3,131,451 | 3,231,386 |

*depreciation of approximately \$1.3M is removed from expenses

Revenues

| 661.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|-------|--------|-----------------------------------|-------------------------------|-----------|-----------|-----------|
| 2017-2018 Actual | 0 | 0 | 0 | 72,870 | 4,813,970 | 255,340 | 5,142,180 |
| 2018-2019 Actual | 0 | 0 | 0 | 237,130 | 5,348,350 | 0 | 5,585,480 |
| 2019-2020 Actual | 0 | 0 | 0 | 188,830 | 4,799,010 | 36,000 | 5,023,840 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 90,000 | 4,926,060 | 254,000 | 5,270,060 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 90,000 | 4,926,060 | 254,000 | 5,270,060 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 28,530 | 2,438,340 | 0 | 2,466,870 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 26,000 | 4,799,420 | 397,500 | 5,222,920 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 21,000 | 4,782,040 | 0 | 4,803,040 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 21,000 | 4,782,040 | 0 | 4,803,040 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 21,000 | 4,782,040 | 0 | 4,803,040 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 21,000 | 4,876,480 | 0 | 4,897,480 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 21,000 | 4,972,810 | 0 | 4,993,810 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 21,000 | 5,071,070 | 0 | 5,092,070 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 21,000 | 5,171,290 | 0 | 5,192,290 |

Department Organization Chart



Expenditures

| 661.442 MOTOR POOL | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 2,106,390 | 716,060 | 74,060 | 1,850,360 | 316,340 | 5,063,210 |
| 2018-2019 Actual | 1,215,990 | 808,100 | 197,810 | 1,845,090 | 279,470 | 4,346,460 |
| 2019-2020 Actual | 1,111,420 | 685,630 | 636,890 | 1,622,210 | 266,090 | 4,322,240 |
| 2020-2021 Original Budget | 1,013,990 | 869,770 | 2,275,090 | 1,819,520 | 522,100 | 6,500,470 |
| 2020-2021 Adjusted Budget (Dec) | 1,013,990 | 869,770 | 2,275,090 | 1,848,920 | 522,100 | 6,529,870 |
| 2020-2021 Six Month Actual | 476,770 | 290,280 | (291,000) | 842,590 | 65,070 | 1,383,710 |
| 2020-2021 Estimated Year End | 963,630 | 779,770 | 2,505,450 | 1,722,220 | 519,500 | 6,490,570 |
| 2021-2022 Dept Request | 1,022,100 | 876,270 | 2,250,000 | 1,830,430 | 520,750 | 6,499,550 |
| 2021-2022 Manager's Budget | 1,022,100 | 876,270 | 2,250,000 | 1,830,430 | 520,750 | 6,499,550 |
| 2021-2022 Approved Budget | 1,022,100 | 876,270 | 2,250,000 | 1,830,430 | 520,750 | 6,499,550 |
| 2022-2023 Projected Budget | 1,055,040 | 876,270 | 2,040,127 | 1,835,790 | 545,562 | 6,352,789 |
| 2023-2024 Projected Budget | 1,089,280 | 876,270 | 1,870,444 | 1,841,320 | 539,762 | 6,217,076 |
| 2024-2025 Projected Budget | 1,124,880 | 876,270 | 1,949,584 | 1,847,040 | 536,099 | 6,333,873 |
| 2025-2026 Projected Budget | 1,161,890 | 876,270 | 1,966,402 | 1,852,960 | 534,833 | 6,392,355 |

Cost Center Position Detail - Home Base

Full & Part-Time Employees

| Motor Pool | | Fiscal Year | | | | | | | | |
|-----------------------------------|--|-------------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | 13-14 | 14-15 | 15-16 | 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | 21-22 |
| <u>Full-Time Positions</u> | | | | | | | | | | |
| Superintendent - Motor Pool | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Motor Pool Supervisor | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Budget Analyst | | 0.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Automotive Mechanic | | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Communications Maintenance Tech | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Stock Clerk | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Oil and Lube Tech | | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Public Service Facility Custodian | | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 | 1.0 |
| Motor Pool - MC III | | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Full-time total | | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 |
| <u>Part-Time Positions (FTEs)</u> | | | | | | | | | | |
| Part-time positions | | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cost center total | | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 |

The mission of the worker's compensation fund is to account for all costs of worker's compensation claims.

The city is responsible for paying the costs of eligible worker's compensation claims from employees. It has elected to be "self-insured," bearing the burden of normal costs.

Reinsurance is purchased to limit losses by individual case and, annually, in the aggregate.

The human resources department receives and forwards employee claims from departments to an independent claim's

processor for professional case management.

This fund pays the eligible costs of training, lost time, medical and indemnity, claims processor, reinsurance, and legal fees, if any.

Funds and departments are charged a user charge based on worker's compensation insurance principals to fund this activity.

The city currently has a self-insured specific retention of \$600,000 with an employer's limit of \$1,000,000. The aggregate policy limit is \$5 million.

GOALS

1. Minimize worker's compensation claims through proper hiring, screening, and employee safety training.
2. Provide supervisors with safety training so that, when accidents occur, they protect the injured employee and record all pertinent circumstances regarding any potential claim.
3. Vigorously oppose lawsuits arising from ineligible worker's compensation claims.
4. Create equitable worker's compensation charge rates to other funds to maintain sufficient funding.

OBJECTIVES

- To resurrect the safety committee in an effort to improve upon the safety of the city's work force.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The workers' compensation fund is budgeted to decrease slightly relative to the projected fiscal year 2020-21 expenses as future claim/settlements are unknown. A small use of fund balance is budgeted.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets | 1,300,447 | 1,234,177 | 1,181,807 | 1,129,437 | 1,077,067 | 1,024,697 |
| Revenues and transfers from other funds | 378,300 | 390,820 | 390,820 | 390,820 | 390,820 | 390,820 |
| Expenditures and transfers to other funds | 444,570 | 443,190 | 443,190 | 443,190 | 443,190 | 443,190 |
| Net Change in Net Assets | (66,270) | (52,370) | (52,370) | (52,370) | (52,370) | (52,370) |
| Ending Unrestricted Net Assets | 1,234,177 | 1,181,807 | 1,129,437 | 1,077,067 | 1,024,697 | 972,327 |

Revenues

| 677.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|-------|--------|-----------------------------------|-------------------------------|---------|-----------|---------|
| 2017-2018 Actual | 0 | 0 | 354,700 | 15,100 | 0 | 0 | 369,800 |
| 2018-2019 Actual | 0 | 0 | 329,860 | 43,980 | 132,870 | 0 | 506,710 |
| 2019-2020 Actual | 0 | 0 | 368,510 | 28,560 | 0 | 0 | 397,070 |
| 2020-2021 Original Budget | 0 | 0 | 387,070 | 15,000 | 0 | 0 | 402,070 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 387,070 | 15,000 | 0 | 0 | 402,070 |
| 2020-2021 Six Month Actual | 0 | 0 | 184,320 | 4,380 | 0 | 0 | 188,700 |
| 2020-2021 Estimated Year End | 0 | 0 | 373,300 | 5,000 | 0 | 0 | 378,300 |
| 2021-2022 Dept Request | 0 | 0 | 387,070 | 3,750 | 0 | 0 | 390,820 |
| 2021-2022 Manager's Budget | 0 | 0 | 387,070 | 3,750 | 0 | 0 | 390,820 |
| 2021-2022 Approved Budget | 0 | 0 | 387,070 | 3,750 | 0 | 0 | 390,820 |
| 2022-2023 Projected Budget | 0 | 0 | 387,070 | 3,750 | 0 | 0 | 390,820 |
| 2023-2024 Projected Budget | 0 | 0 | 387,070 | 3,750 | 0 | 0 | 390,820 |
| 2024-2025 Projected Budget | 0 | 0 | 387,070 | 3,750 | 0 | 0 | 390,820 |
| 2025-2026 Projected Budget | 0 | 0 | 387,070 | 3,750 | 0 | 0 | 390,820 |

Expenditures

| 677.871 WORKERS COMPENSATION | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-----------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 219,160 | 0 | 0 | 122,800 | 0 | 341,960 |
| 2018-2019 Actual | 488,110 | 0 | 0 | 138,390 | 0 | 626,500 |
| 2019-2020 Actual | 360,410 | 0 | 0 | 47,680 | 0 | 408,090 |
| 2020-2021 Original Budget | 280,000 | 0 | 0 | 143,370 | 0 | 423,370 |
| 2020-2021 Adjusted Budget (Dec) | 280,000 | 0 | 0 | 143,370 | 0 | 423,370 |
| 2020-2021 Six Month Actual | 176,580 | 0 | 0 | 107,300 | 0 | 283,880 |
| 2020-2021 Estimated Year End | 300,000 | 0 | 0 | 144,570 | 0 | 444,570 |
| 2021-2022 Dept Request | 300,000 | 0 | 0 | 143,190 | 0 | 443,190 |
| 2021-2022 Manager's Budget | 300,000 | 0 | 0 | 143,190 | 0 | 443,190 |
| 2021-2022 Approved Budget | 300,000 | 0 | 0 | 143,190 | 0 | 443,190 |
| 2022-2023 Projected Budget | 300,000 | 0 | 0 | 143,190 | 0 | 443,190 |
| 2023-2024 Projected Budget | 300,000 | 0 | 0 | 143,190 | 0 | 443,190 |
| 2024-2025 Projected Budget | 300,000 | 0 | 0 | 143,190 | 0 | 443,190 |
| 2025-2026 Projected Budget | 300,000 | 0 | 0 | 143,190 | 0 | 443,190 |

The mission of the health care fund is to account for all employee and retiree self-insured health care costs.

Effective April 2010, the city transitioned from an experienced rated contract to an administrative services contract (ASC) with Blue Cross Blue Shield (BCBS) of Michigan for healthcare for its employees and retirees. Under an ASC the city operates under a self-insured funded arrangement making the city responsible for claims, fixed administrative fees and stop loss insurance. The city

carries (medical only) \$150,000 stop loss protection, administered on a per contract basis, rather than per family member. For certain retirees, the city continues to pay HAP insurance premiums as opposed to being self-insured. Fiscal year 19-20 was the beginning of budgeting for all full-time employees (that are not receiving a medical coverage buy-out) to contribute 10 percent of the BCBS illustrative rates into this fund, down from 20 percent in prior years. Retiree do not contribute toward the BCBS illustrative rate or HAP premium.

GOALS

1. Manage city health related risks as efficiently and effectively as possible.

OBJECTIVES

- To resurrect the wellness committee in an effort to reduce risks as it relates to the city's healthcare costs.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

Blue Cross Blue Shield illustrative rates are budgeted to remain flat for employees and retirees with BCBS. The HAP fully insured rate for retirees is increasing 3 percent. The BCBS stop loss rate is increasing by 90 percent. The BCBS administration fee is increasing 1 percent. Approximately 60% of the medical budget in this fund is for retiree coverage.

\$15,000 is budgeted for the health & wellness committee's future initiatives and \$225,000 is budgeted for the collaborative health center.

This self-insurance funds has a healthy fund balance and is projected to continue however the nature of this activity can be very unpredictable.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|------------|------------|------------|------------|------------|------------|
| Beginning Unrestricted Net Assets | 6,265,762 | 7,803,112 | 7,603,142 | 7,393,752 | 7,153,752 | 6,916,742 |
| Revenues and transfers from other funds | 10,795,850 | 11,297,630 | 11,792,310 | 12,308,940 | 12,848,510 | 13,412,050 |
| Expenditures and transfers to other funds | 9,258,500 | 11,497,600 | 12,001,700 | 12,548,940 | 13,085,520 | 13,652,710 |
| Net Change in Net Assets | 1,537,350 | (199,970) | (209,390) | (240,000) | (237,010) | (240,660) |
| Ending Unrestricted Net Assets | 7,803,112 | 7,603,142 | 7,393,752 | 7,153,752 | 6,916,742 | 6,676,082 |

Revenues

| 678.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 10,643,920 | 0 | 0 | 10,643,920 |
| 2018-2019 Actual | 0 | 0 | 0 | 10,790,090 | 0 | 0 | 10,790,090 |
| 2019-2020 Actual | 0 | 0 | 0 | 10,402,160 | 0 | 0 | 10,402,160 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 11,203,500 | 0 | 0 | 11,203,500 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 11,203,500 | 0 | 0 | 11,203,500 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 5,206,930 | 0 | 0 | 5,206,930 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 10,795,850 | 0 | 0 | 10,795,850 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 11,297,630 | 0 | 0 | 11,297,630 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 11,297,630 | 0 | 0 | 11,297,630 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 11,297,630 | 0 | 0 | 11,297,630 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 11,792,310 | 0 | 0 | 11,792,310 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 12,308,940 | 0 | 0 | 12,308,940 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 12,848,510 | 0 | 0 | 12,848,510 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 13,412,050 | 0 | 0 | 13,412,050 |

Expenditures

| 678.851 Medical | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 9,940,520 | 0 | 9,940,520 |
| 2018-2019 Actual | 0 | 0 | 0 | 10,530,030 | 0 | 10,530,030 |
| 2019-2020 Actual | 0 | 0 | 0 | 9,697,800 | 0 | 9,697,800 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 11,203,500 | 0 | 11,203,500 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 11,203,500 | 0 | 11,203,500 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 3,945,430 | 0 | 3,945,430 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 9,258,500 | 0 | 9,258,500 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 11,497,600 | 0 | 11,497,600 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 11,497,600 | 0 | 11,497,600 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 11,497,600 | 0 | 11,497,600 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 12,001,700 | 0 | 12,001,700 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 12,548,940 | 0 | 12,548,940 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 13,085,520 | 0 | 13,085,520 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 13,652,710 | 0 | 13,652,710 |

The mission of the general liability & property insurance fund is to account for all of the city's general liability and property insurance coverage activity.

In a collaborative effort, the city is a member of the Michigan Municipal Risk Management Authority (MMRMA), a pooled organization under the laws of the State of Michigan to assist with risk management services and self-insurance protection from general liability, property coverage and crime loss.

The city has been a member of the pool since 1985. The city is bound by all the provisions of the MMRMA's joint powers agreement, coverage documents, MMRMA rules, regulations, and administrative procedures.

The city currently has a self-insured retention (SIR) of \$500,000 for general liability, \$15,000 for vehicle damage and \$250,000 for limited sewage system overflow. Vehicle physical damage and property/crime and EMS/Fire replacement have a \$1,000 deductible.

The city has a stop loss of \$750,000. This limits the city's payments during the year for those costs falling within the city's SIR. The stop loss only responds to cumulative city SIR payments, including damages, indemnification, and allocated loss adjustment expenses within one year (June 1 to May 31).

Over the past fourteen years, the city has received nearly \$6.1 million in net asset distributions from the MMRMA.

GOALS

1. To minimize general liability and property losses.

OBJECTIVES

- Coordinate the development of a loss prevention committee to help to reduce losses related to property and general liability.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

The budget assumes a \$300,000 net asset distribution (NAD) from the MMRMA. The 2021-22 budget includes a 4% premium increase and a contribution of \$300,000 to the city's retention fund.

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Unrestricted Net Assets | 737,519 | 964,079 | 835,579 | 725,839 | 636,929 | 571,049 |
| Revenues and transfers from other funds | 1,992,000 | 1,702,000 | 1,772,000 | 1,845,500 | 1,922,680 | 2,003,710 |
| Expenditures and transfers to other funds | 1,765,440 | 1,830,500 | 1,881,740 | 1,934,410 | 1,988,560 | 2,044,230 |
| Net Change in Net Assets | 226,560 | (128,500) | (109,740) | (88,910) | (65,880) | (40,520) |
| Ending Unrestricted Net Assets | 964,079 | 835,579 | 725,839 | 636,929 | 571,049 | 530,529 |

Revenues

| 679.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|-------|--------|-----------------------------------|-------------------------------|-------|-----------|-----------|
| 2017-2018 Actual | 0 | 0 | 0 | 1,071,970 | 0 | 0 | 1,071,970 |
| 2018-2019 Actual | 0 | 0 | 0 | 1,992,730 | 0 | 0 | 1,992,730 |
| 2019-2020 Actual | 0 | 0 | 0 | 1,608,340 | 0 | 0 | 1,608,340 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 1,275,000 | 0 | 0 | 1,275,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 1,275,000 | 0 | 0 | 1,275,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 1,660,860 | 0 | 0 | 1,660,860 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 1,992,000 | 0 | 0 | 1,992,000 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 1,702,000 | 0 | 0 | 1,702,000 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 1,702,000 | 0 | 0 | 1,702,000 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 1,702,000 | 0 | 0 | 1,702,000 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 1,772,000 | 0 | 0 | 1,772,000 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 1,845,500 | 0 | 0 | 1,845,500 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 1,922,680 | 0 | 0 | 1,922,680 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 2,003,710 | 0 | 0 | 2,003,710 |

Expenditures

| 679.881 General Liability and Property | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| | | | | | | |
| 2017-2018 Actual | 0 | 0 | 0 | 1,962,320 | 0 | 1,962,320 |
| 2018-2019 Actual | 0 | 0 | 0 | 1,283,450 | 0 | 1,283,450 |
| 2019-2020 Actual | 0 | 0 | 0 | 1,392,210 | 0 | 1,392,210 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 1,298,200 | 0 | 1,298,200 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 1,298,200 | 0 | 1,298,200 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 1,658,220 | 0 | 1,658,220 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 1,765,440 | 0 | 1,765,440 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 1,830,500 | 0 | 1,830,500 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 1,830,500 | 0 | 1,830,500 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 1,830,500 | 0 | 1,830,500 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 1,881,740 | 0 | 1,881,740 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 1,934,410 | 0 | 1,934,410 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 1,988,560 | 0 | 1,988,560 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 2,044,230 | 0 | 2,044,230 |

Fiduciary Funds

A fiduciary fund is any fund held by a governmental unit in a fiduciary capacity. The accrual basis of accounting is utilized for the internal service, enterprise and fiduciary funds budgets which are not officially adopted but included in this document. These funds are not legally appropriated; however, they are audited.

Retirement (Pension) Fund - 731

Retiree Health Care Fund - 736

The funding objective of the retirement (pension trust) fund is to actuarially determine and receive contributions which will accumulate as assets during members' time of employment that will be sufficient to finance retirement pension benefits throughout the members (and beneficiaries) retirement years. In February 2017, the city closed on a \$20.57 million pension bond issuance. This was intended to eliminate the general employee unfunded actuarial accrued liability (UAAL). The UAAL for

police and fire was not bonded as the plan is an open plan and in accordance with Michigan legislation an open plan cannot bond it's UAAL. Then in November 2018, the retirement board modified some of the assumptions used for the annual actuarial reports, the most impactful change was the lowering of the average investment rate of return to 7.25 percent. Lower rate of return helped to cause the fund to once again have an unfunded accrued liability.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

As of the last actuarial report dated June 30, 2020, the required employer contribution is \$8,615,365, an increase of approximately \$356,000. The full ARC contribution is budgeted as required by law.

The retirement system has a ratio of over two retirees/beneficiaries to one employee member. The complete actuarial report is on the city's website at <https://www.romi.gov/981/Actuarial-Valuations>

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Beginning Unrestricted Net Assets | 149,943,938 | 171,209,218 | 172,511,918 | 173,964,588 | 175,590,398 | 177,414,848 |
| Revenues and transfers from other funds | 41,658,630 | 22,239,030 | 23,180,750 | 24,179,430 | 25,238,900 | 26,363,270 |
| Expenditures and transfers to other funds | 20,393,350 | 20,936,330 | 21,728,080 | 22,553,620 | 23,414,450 | 24,312,150 |
| Net Change in Net Assets | 21,265,280 | 1,302,700 | 1,452,670 | 1,625,810 | 1,824,450 | 2,051,120 |
| Ending Unrestricted Net Assets | 171,209,218 | 172,511,918 | 173,964,588 | 175,590,398 | 177,414,848 | 179,465,968 |

Revenues

| 731.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|--------------------------------------------|---------------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 19,320,640 | 4,160 | 0 | 19,324,800 |
| 2018-2019 Actual | 0 | 0 | 0 | 16,182,860 | 18,610 | 289,000 | 16,490,470 |
| 2019-2020 Actual | 0 | 0 | 0 | 14,895,380 | 1,320 | 0 | 14,896,700 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 20,354,530 | 0 | 0 | 20,354,530 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 20,354,530 | 0 | 0 | 20,354,530 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 34,423,010 | 660 | 0 | 34,423,670 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 41,657,820 | 810 | 0 | 41,658,630 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 22,239,030 | 0 | 0 | 22,239,030 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 22,239,030 | 0 | 0 | 22,239,030 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 22,239,030 | 0 | 0 | 22,239,030 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 23,180,750 | 0 | 0 | 23,180,750 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 24,179,430 | 0 | 0 | 24,179,430 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 25,238,900 | 0 | 0 | 25,238,900 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 26,363,270 | 0 | 0 | 26,363,270 |

Expenditures

| 731.237 RETIREMENT | Personnel Services | Supplies | Capital | Other | Debt | Total |
|---------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 42,470 | 0 | 0 | 18,054,600 | 0 | 18,097,070 |
| 2018-2019 Actual | 32,820 | 0 | 0 | 18,350,680 | 0 | 18,383,500 |
| 2019-2020 Actual | 30,550 | 0 | 0 | 19,227,790 | 0 | 19,258,340 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 20,354,530 | 0 | 20,354,530 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 20,354,530 | 0 | 20,354,530 |
| 2020-2021 Six Month Actual | (120) | 0 | 0 | 10,217,070 | 0 | 10,216,950 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 20,393,350 | 0 | 20,393,350 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 20,936,330 | 0 | 20,936,330 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 20,936,330 | 0 | 20,936,330 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 20,936,330 | 0 | 20,936,330 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 21,728,080 | 0 | 21,728,080 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 22,553,620 | 0 | 22,553,620 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 23,414,450 | 0 | 23,414,450 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 24,312,150 | 0 | 24,312,150 |

The funding objective of the retiree healthcare trust fund is to actuarially determine and receive contributions which will accumulate as assets during members' time of employment that will be sufficient to finance retirement healthcare benefits throughout the members (and beneficiaries) retirement years. The city currently is making the entire annual contribution. In February 2017, the city closed on a \$106.04 million OPEB bond issuance. This was

intended to eliminate the general, and police and fire employees' current unfunded actuarial accrued liability, which it temporarily eliminated. In November 2018, the board of trustees modified some of the assumptions used for the bi-annual actuarial reports; the most impactful change was the lowering of the average investment rate of return. Lower rate of return caused the fund to once again have an unfunded accrued liability.

Significant Revenue, Expenditure, Staff & Program Notes - Fiscal Year 2021-22:

As of the last bi-annual actuarial valuation report dated June 30, 2020, the annual recommended contribution (ARC) for fiscal year beginning July 1, 2021, is \$1,498,791, an increase of \$557,812. The full ARC is budgeted to be contributed.

The complete actuarial report is on the city's website at <https://www.romi.gov/981/Actuarial-Valuations>

Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Beginning Unrestricted Net Assets | 127,228,877 | 144,973,657 | 149,301,377 | 153,971,487 | 159,032,017 | 164,503,777 |
| Revenues and transfers from other funds | 26,115,750 | 12,920,370 | 13,559,660 | 14,243,700 | 14,975,720 | 15,759,150 |
| Expenditures and transfers to other funds | 8,370,970 | 8,592,650 | 8,889,550 | 9,183,170 | 9,503,960 | 9,837,400 |
| Net Change in Net Assets | 17,744,780 | 4,327,720 | 4,670,110 | 5,060,530 | 5,471,760 | 5,921,750 |
| Ending Unrestricted Net Assets | 144,973,657 | 149,301,377 | 153,971,487 | 159,032,017 | 164,503,777 | 170,425,527 |

Revenues

| 736.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|--------------|---------------|------------------------------------|-----------------------------------|--------------|------------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 7,636,580 | 716,490 | 0 | 8,353,070 |
| 2018-2019 Actual | 0 | 0 | 0 | 6,879,880 | 695,840 | 47,800 | 7,623,520 |
| 2019-2020 Actual | 0 | 0 | 0 | 1,271,310 | 1,086,470 | 0 | 2,357,780 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 9,902,500 | 997,620 | 0 | 10,900,120 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 9,902,500 | 997,620 | 0 | 10,900,120 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 22,151,940 | 556,020 | 0 | 22,707,960 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 25,162,700 | 953,050 | 0 | 26,115,750 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 11,406,000 | 1,514,370 | 0 | 12,920,370 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 11,406,000 | 1,514,370 | 0 | 12,920,370 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 11,406,000 | 1,514,370 | 0 | 12,920,370 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 12,015,000 | 1,544,660 | 0 | 13,559,660 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 12,668,150 | 1,575,550 | 0 | 14,243,700 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 13,368,660 | 1,607,060 | 0 | 14,975,720 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 14,119,950 | 1,639,200 | 0 | 15,759,150 |

Expenditures

| 736.860 RETIREE INSURANCE BENEFITS | Personnel Services | Supplies | Capital | Other | Debt | Total |
|-------------------------------------------|---------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 7,929,130 | 0 | 7,929,130 |
| 2018-2019 Actual | 0 | 0 | 0 | 7,629,000 | 0 | 7,629,000 |
| 2019-2020 Actual | 0 | 0 | 0 | 7,871,080 | 0 | 7,871,080 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 10,900,120 | 0 | 10,900,120 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 10,900,120 | 0 | 10,900,120 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 4,164,360 | 0 | 4,164,360 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 8,370,970 | 0 | 8,370,970 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 8,592,650 | 0 | 8,592,650 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 8,592,650 | 0 | 8,592,650 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 8,592,650 | 0 | 8,592,650 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 8,889,550 | 0 | 8,889,550 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 9,183,170 | 0 | 9,183,170 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 9,503,960 | 0 | 9,503,960 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 9,837,400 | 0 | 9,837,400 |



Supplemental Information

Building Authorities

- Fire

Biographies

- Elected Officials
- Management

City Property

Glossary

Principal Employers and
Taxpayers

SEMCOG Community Profile

Fire Building Authority Budget Summary

| | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 | 2025-2026 |
|-------------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Beginning Fund Balance | 0 | 0 | 0 | 0 | 0 | 0 |
| Revenues and transfers from other funds | 633,000 | 629,300 | 0 | 0 | 0 | 0 |
| Expenditures and transfers to other funds | 633,000 | 629,300 | 0 | 0 | 0 | 0 |
| Net Change in Fund Balance | 0 | 0 | 0 | 0 | 0 | 0 |
| Ending Fund Balance | 0 | 0 | 0 | 0 | 0 | 0 |

Fire Building Authority Revenues

| 573.000 REVENUE | Taxes | Grants | Licenses, Charges and Fines | Interest and Contributions | Other | Transfers | Total |
|---------------------------------|-------|--------|-----------------------------------|-------------------------------|---------|-----------|---------|
| 2017-2018 Actual | 0 | 0 | 0 | 0 | 629,600 | 0 | 629,600 |
| 2018-2019 Actual | 0 | 0 | 0 | 0 | 628,070 | 0 | 628,070 |
| 2019-2020 Actual | 0 | 0 | 0 | 0 | 630,820 | 0 | 630,820 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 0 | 633,000 | 0 | 633,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 0 | 633,000 | 0 | 633,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 0 | 623,670 | 0 | 623,670 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 0 | 633,000 | 0 | 633,000 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 0 | 629,300 | 0 | 629,300 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 0 | 629,300 | 0 | 629,300 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 0 | 629,300 | 0 | 629,300 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Fire Building Authority Expenditures

| 573.336 FIRE BUILDING AUTHORITY | Personnel Services | Supplies | Capital | Other | Debt | Total |
|--------------------------------------------|-------------------------------|-----------------|----------------|--------------|-------------|--------------|
| 2017-2018 Actual | 0 | 0 | 0 | 0 | 629,600 | 629,600 |
| 2018-2019 Actual | 0 | 0 | 0 | 0 | 628,070 | 628,070 |
| 2019-2020 Actual | 0 | 0 | 0 | 0 | 630,820 | 630,820 |
| 2020-2021 Original Budget | 0 | 0 | 0 | 0 | 633,000 | 633,000 |
| 2020-2021 Adjusted Budget (Dec) | 0 | 0 | 0 | 0 | 633,000 | 633,000 |
| 2020-2021 Six Month Actual | 0 | 0 | 0 | 0 | 623,670 | 623,670 |
| 2020-2021 Estimated Year End | 0 | 0 | 0 | 0 | 633,000 | 633,000 |
| 2021-2022 Dept Request | 0 | 0 | 0 | 0 | 629,300 | 629,300 |
| 2021-2022 Manager's Budget | 0 | 0 | 0 | 0 | 629,300 | 629,300 |
| 2021-2022 Approved Budget | 0 | 0 | 0 | 0 | 629,300 | 629,300 |
| 2022-2023 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2023-2024 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2024-2025 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |
| 2025-2026 Projected Budget | 0 | 0 | 0 | 0 | 0 | 0 |

Elected Officials

Mayor Michael Fournier

Mr. Fournier became Royal Oak's 24th Mayor in December 2016. Mr. Fournier was first elected to the city commission in November of 2011. He holds a BA from Michigan State University and an MBA from the University of Notre Dame. He has spent most of his professional career in financial and operational leadership roles.

Commissioner Kyle DuBuc

Mr. DuBuc was first elected to the city commission in November of 2011 and has lived in the city since 2003. He has extensive public policy experience and currently works as the Executive Director of Public Policy, Advocacy and Communications at United Way of Southeast Michigan. Kyle earned a BA in community relations from Michigan State University.

Commissioner Sharlan Douglas

Ms. Douglas was elected to the city commission in 2013. She is retired from a career in public relations and association management, largely in the community and economic development sectors. She received a bachelor's degree in from Michigan State University. She is a past, present, and current board member of the Michigan Association of Planning and a 15-year member of the Royal Oak Planning Commission.

Commissioner Pat Paruch

Ms. Paruch was sworn into office on Nov. 10, 2014. A 14-year veteran of the city commission, Ms. Paruch was previously the Mayor of the City of Royal Oak (1989-1993), a city commissioner (1979-1989) and mayor pro-tem for two years. Ms. Paruch graduated with a bachelor's degree from the University of Detroit (1972) and a Juris Doctor from Wayne State University (1992). A shareholder at the

Kemp Klein Law Firm in Troy, her practice areas include municipal and environmental law.

Commissioner Melanie Macey

Ms. Macey was first elected to the city commission in November of 2017. Ms. Macey holds a M.S. in computer science and engineering from the University of Michigan and a Juris Doctor from the University of Michigan Law School. She is currently an attorney-counselor for the University of Michigan Law School's Office of Career Planning. She is also a board member for the Royal Oak Public Library.

Commissioner Brandon Kolo

Mr. Kolo was appointed to the city commission on September 08, 2020. He is a small business owner with a professional background in facility services and corporate environmental sustainability. His community experience includes library board activity as vice president, and positions as chair of the Oakland County Zoological Authority, one of the Detroit Zoological Society Board of Directors, and an organizer with the Lawson Road Neighborhood Association. Mr. Kolo holds a bachelor's degree from Michigan State University. He and his wife, Carly, have two young children and have lived in Royal Oak since 2012.

Commissioner Monica Hunt

Ms. Hunt was appointed to the city commission on December 01, 2020. She is an attorney, experienced in employment, labor, contract, and constitutional law. She is also a member of the Foster Care Review Board for the State of Michigan. Ms. Hunt holds a bachelor's degree from Michigan State university's Eli Broad College of Business (2001) and a juris

Doctor from Wayne State university Law School (2005). She has lived in Royal Oak since 2007.

University and his law degree from Wayne State University.

Management

44th District Court Judge Derek Meinecke

The honorable Judge Meinecke was elected 44th District Court Judge in November 2012 with his term beginning in January 2013. In May 2013, Judge Meinecke was awarded the Public Service Leadership Award by the area agency on Aging 1-B. Prior to taking the bench, he spent over a decade as an assistant prosecuting attorney with the Oakland County Prosecutor's Office. Judge Meinecke served on the special victim's unit, prosecuting sexual assault, domestic violence, elder abuse, and child abuse cases. Before joining the prosecutor's office, Judge Meinecke served as the law clerk to long-time 44th District Court Judge, Daniel Sawicki while completing his law degree at Wayne State University, where he graduated with honors. Judge Meinecke completed his undergraduate studies at Northwestern University where he majored in political science and history.

44th District Court Judge Jamie Wittenberg

The honorable Judge Jamie Wittenberg was first elected to the bench in November of 2008 and re-elected in November of 2014. Judge Wittenberg has spent his entire legal career as a public servant. After law school he worked as an Assistant Wayne County Prosecutor under both Mike Duggan and Kym Worthy, and most recently as an Assistant Macomb County Prosecutor under Eric Smith. As a prosecutor, he handled a number of high-profile homicide cases. Prior to attending law school, Judge Wittenberg opened his own retail/wholesale bakery business and later worked as a district manager for Elaine's Bagels. Judge Wittenberg received his undergraduate degree in public affairs from Indiana

City Manager Paul J. Brake

Paul Brake began as City Manager of the City of Royal Oak in May 2020. Paul has over twenty-years executive level experience working as chief administrator for public sector agencies. Prior to Royal Oak, Paul was the City Manager (2017 to 2020) for Morgantown, West Virginia. Morgantown is the home of West Virginia University, WVU's Health Science Center as well as national headquarters and offices of federal agencies of the US government. During his time in West Virginia, Paul was selected as recipient of the highly competitive and prestigious scholarship program (2019) from the International City Management Association that enabled him to attend the Harvard Kennedy School of Government's Senior Executives in State and Local Government program.

Prior to working in West Virginia, much of his career was spent in Michigan. Paul worked in the private sector for SAFEbuilt, a Colorado based company, as the Director of State Operations – Michigan. From 2011 to 2015, he was the City Manager of the City of Grand Blanc. Prior to Grand Blanc, Paul was employed for thirteen years (1998 to 2011) as the Assistant Township Manager for Meridian Charter Township, a suburban community near East Lansing, Michigan. From 1994 to 1998, Paul served as the first chief administrative and fiscal officer for Shiawassee County, Michigan.

Paul is a Credentialed Manager (ICMA-CM) through the International City/County Management Association. Paul has also earned the designation of

Certified Economic Developer (CEcD), a national recognition that denotes a mastery of principal skills in economic development. Paul holds a bachelor's degree from Grand Valley State University and Master of Public Administration degree from Western Michigan University. He attended the Senior Executive Institute through the University of Virginia.

Director of Finance Julie Jenuwine Rudd

Ms. Rudd was hired in December 2009 as the city's chief financial officer. She has nearly 30 years of municipal finance and operational experience. She was with the City of Sterling Heights for more than ten years in numerous fiscal positions and served eight years with the City of Rochester Hills, including five years as the director of finance. She earned a Bachelor of Science degree in accounting from Oakland University and a Master of Science in taxation from Walsh College.

Assistant Finance Director Anthony DeCamp

Mr. DeCamp was selected to be the controller for the Royal Oak Finance Department in January 2008. He previously worked as a senior auditor for the Rehmann Group, where his assignments included auditing the City of Royal Oak. Tony is a C.P.A. and holds a bachelor's degree in professional accounting from Saginaw Valley State University.

44th District Court Administrator Tami Boné

Ms. Boné was appointed court administrator in January 2020. She previously served as court administrator at 45A District Court in Berkley, prior to both courts merging in 2015. She began her career as a probation officer and after 20 years, she moved into administration. She graduated from Eastern Michigan University with a Bachelor of Science degree in Criminal Justice. She also completed the Certified Court Manager

program through the National Center for State Courts.

Human Resource Director

Dennis Van de Laar

Mr. Van de Laar was promoted to Human Resources Director in April of 2017. He was hired as a City Management Graduate Intern in the summer of 2012 and was also assigned to a role of part-time specialist in 2013, before moving into a full-time position with Human Resources later that year. Prior to arriving in Royal Oak, he worked for the Southern Illinois Airport Authority and was assigned to a variety of operational and capital funding projects. He also worked as a Manager of Regulatory Affairs for the National Air Transport Association in Washington DC. Dennis holds a Bachelor of Science degree in Aviation Management, with a minor in Organizational Psychology, and a master's degree in Public Administration with a concentration in HR and International Relations from Southern Illinois University.

Director of Recreation and Public Service

Aaron Filipski

Mr. Filipski was hired in October 2019 to serve as the director of public services and recreation. He has over 15 years of municipal public works experience, having previously served as the public services manager for the city of Birmingham, and in various field positions for the city of Sterling Heights. He holds a Bachelor of Arts in Public Relations from Wayne State University, and a Master of Science in Administration from Central Michigan University. He maintains an S-1 water distribution system operator license and currently serves as chairperson of the Southeast Oakland County Public Works Association (SOCPWA).

Fire Chief David Cummins

Mr. Cummins has been serving as fire chief since March 2017. He was hired by the fire department in August of 1992 and has held the positions of firefighter/paramedic, sergeant, and lieutenant. He was the president of the Royal Oak Professional Firefighters Association from November 2005 through January 2009. He received a B.A. in philosophy from the University of Michigan-Dearborn.

Assistant City Manager / Police Chief

Corrigan O'Donohue

Chief O'Donohue was named the interim police chief in March 2011. He has also served as a deputy chief, lieutenant, sergeant, and patrol officer with the Royal Oak Police Department. He is a graduate of Eastern Michigan University's Staff and Command School, the FBI National Academy and has a bachelor's degree in criminal justice from Eastern Michigan University. He is currently pursuing a master's degree in public administration from Eastern Michigan University. Prior to joining the Royal Oak Police Department, he served in the United States Marine Corps.

City Treasurer Jaynmarie C. Hubanks

Ms. Hubanks was hired in August 2017. She has 40 years of financial and human resource management experience working for non-profits, governments, and small businesses. She spent 24 years at the City of Ferndale as the finance director, treasurer, and assistant city manager, and six years at University of Detroit as a loan specialist, financial analyst, then assistant controller. She received degrees in marketing and small business management at Ferris State College (now University), and a MBA from University of Detroit-Mercy.

City Clerk Melanie Halas

Ms. Halas is a Royal Oak native who was hired as a clerk in August of 1995. Her dedication and hard work earned her a promotion to deputy city clerk in February 2000. In March of 2005 she obtained her Municipal Clerk Certification (CMC); in April of 2012 she received her Master Municipal Clerk Certification (MMC); and in April of 2014 she received her Certified Michigan Municipal Clerk Certification (CMMC). She is currently serving as President of the Oakland County Clerk's Association; In May of 2008 Ms. Halas was appointed to the city clerk's position with the full consensus of the city commission.

Director of Community Development

Timothy Thwing

Mr. Thwing was promoted to director of planning in August 2001 after serving as deputy director of planning since October of 1996. He was first employed by the City of Royal Oak in October 1991 as a planner III. He earned his Bachelor of Science degree in urban planning from Michigan State University. Tim's previous experience with the City of Monroe, Monroe County and the City of Jackson ranged from assistant planner, associate planner, planner, and principal planner to acting director of planning.

Assistant Director of Planning / Building

Official Jason Craig

Appointed in July 2006, Mr. Craig came to the City of Royal Oak after serving for four years as the deputy building official for the Township of Canton. Jason possesses a Bachelor of Science degree in construction engineering from Eastern Michigan University.

City Engineer Holly Donoghue, P.E.

Ms. Donoghue was hired by the City of Royal Oak as a civil engineer III in 2014 and was ultimately hired as the city engineer in 2020. She holds a Bachelor of Science degree in civil and environmental engineering from the University of Michigan and a master's degree in geotechnical engineering from the University of Michigan. She has a Professional Engineer (P.E.) license and is a member of the American Society of Civil Engineers.

Superintendent of Recreation John Fedele

Mr. Fedele was appointed the superintendent of recreation in February 2018. John graduated from the University of Florida with a bachelor's degree in sport management and minor in business administration. Previously, he was the Athletic Director for the City of Newberry, Florida where he operated multiple sport complexes and activities.

Manager of Information & Communication Technology Mike Kirby

Mr. Kirby was hired as the manager of information and communication technology in July 2015. He earned his Bachelor of Science degree in electrical engineering and computer science from the University of Michigan. Mike has over 20 years of experience in the technology field including software development, enterprise system and application architecture, datacenter and infrastructure administration, project management and program management.

Supplemental Information – City Owned Property

| | | |
|-------------------------------------|----------------------------------|--------------------------------|
| Parking Structure - 11 Mile Rd. | Lot - Farmers Mkt | Park - Marais-Dickie Putnam |
| Parking Structure - 4th & Lafayette | Lot - Troy St. | Park - Mark Twain |
| 5th & Williams Properties | Lot - Woodward at Harrison | Park - Marks |
| 6th & Lafayette Parking Deck | Lot - Woodward S. of Harrison | Park - Maudlin |
| Animal Shelter | Mahany/Meininger Center | Park - Meininger |
| Barricade Storage Building | Memorial Park-Concession Bldg | Park - Memorial |
| Center St Parking Structure | Memorial Park-Press Box | Park - Miller |
| City Buildings | Memorial Park-Press Box | Park - Pioneer |
| City Hall - 203 S. Williams | Memorial Park-Press Box | Park - Quickstad |
| Courthouse - Bldg | Memorial Park-Restroom Bldg | Park - Reactor |
| Courthouse - Land | Memorial Park-Restroom Bldg | Park - Red Run |
| Dept Of Public Service Bldg | Memorial Park-Storage Bldg | Park - Rotary |
| Eagle Plaza | Orson Starr House | Park - Starr-Jaycee |
| Farmers Mkt - Bldg | Orson Starr House Garage | Park - Sullivan |
| Farmers Mkt - Land | Park – 13 & Main (Not Dedicated) | Park - Upton |
| Fire Station #1 (Renovations) | Park - Barton North | Park - VFW |
| Fire Station #1 (Troy St) | Park - Barton South | Park - Wagner |
| Fire Station #2 (Museum) (Webster) | Park - Bassett | Park - Waterworks |
| Fire Station #3 (Rochester) | Park - Beachwood | Park - Wendland |
| Fire Station #4 (Woodward) | Park - Clawson | Park - Westwood |
| Fire Station #4 (Storage Bldg) | Park - Cummingston | Park - Whittier |
| Golf Course - Cart Storage Facility | Park - Dickinson | Park - Woodsboro |
| Golf Course - Clubhouse | Park - Dondero | Park - Worden |
| Golf Course - Pump House #1 | Park - Elks | Parking Deck - 2nd & Center |
| Golf Course - Pump House #2 | Park - Exchange | Parking Deck - 4th & Lafayette |
| Ice Arena - Bldg (East Rink) | Park - Fernwood | Parking Deck - 5th & Lafayette |
| Ice Arena - Bldg (West Rink) | Park - Franklin | Police Station |
| Ice Arena - Land | Park - Fred Pieper Optimist | RO Club Maintenance Bldg |
| Land - 600 Fernwood | Park - Fulton | Rr R/W Forestdale & Cedar Hill |
| Land (For 606 Lloyd Property) | Park - Grant | Rr R/W Woodsboro Park |
| Land Under Roadways | Park - Gunn Dyer | Salt Shed |
| Land - Normandy Oaks | Park - Hudson | Salter Community Center |
| Library | Park - Huntington Woods | Soccer Dome |
| Lot - 11 Mile & Troy | Park - Kenwood | Vacant - Woodward & Hunter |
| Lot - 3rd & Williams | Park - Lawson | Vacant/Closed Street - Batavia |
| Lot - 600 S. Main | Park - Lockman | |
| Lot - Crooks & Main | Park - Maddock | |

Supplemental Information – Principal Employers and Taxpayers

Principal Employers

| Company Name | Product/Service | 2011 | | | 2020 | | |
|---------------------------------|---------------------------|---------------|------|---------------------|---------------|------|---------------------|
| | | Employees | Rank | Percentage of Total | Employees | Rank | Percentage of Total |
| William Beaumont Hospital | Hospital | 9,602 | 1 | 29.22% | 9,039 | 1 | 25.94% |
| Royal Oak Public Schools | Education | 397 | 3 | 1.21% | 677 | 2 | 1.94% |
| City of Royal Oak | Municipality | 427 | 2 | 1.30% | 482 | 3 | 1.38% |
| Consumers Energy | Utility | 265 | 8 | 0.81% | 375 | 4 | 1.08% |
| Flex-n-Gate | Automotive supplier | 374 | 4 | 1.14% | 346 | 5 | 0.99% |
| Holiday Market | Retailer/grocery store | 270 | 7 | 0.82% | 295 | 6 | 0.85% |
| Detroit Zoo | Zoo | 189 | 9 | 0.58% | 292 | 7 | 0.84% |
| Kroger | Retailer/grocery store | | | | 290 | 8 | 0.83% |
| Meijer | Retailer/grocery store | 327 | 6 | 1.00% | 234 | 9 | 0.67% |
| RPM Logistics | Automotive transportation | | | | 152 | 10 | 0.44% |
| HHI - Form Tech Industries, LLC | Automotive supplier | 340 | 5 | 1.03% | n/a | | |
| Oakland Community College | Education | 187 | 10 | 0.57% | n/a | | |
| Total | | <u>12,378</u> | | <u>37.67%</u> | <u>12,182</u> | | <u>34.96%</u> |

Principal Taxpayers

| Taxpayer | Assessment Year 2011 | | | Assessment Year 2020 | | |
|----------------------------------------------|-------------------------|------|---------------------|-------------------------|------|---------------------|
| | Taxable Value | Rank | Percentage of Total | Taxable Value | Rank | Percentage of Total |
| Consumers Energy Company | \$ 13,938,460 | 5 | 100.00% | \$ 35,118,190 | 1 | 100.00% |
| DTE Electric Company | 21,293,550 | 1 | 152.77% | 28,936,890 | 2 | 82.40% |
| Trailhead RO, LLC | | | | 19,242,630 | 3 | 46.06% |
| WM Beaumont Hospital | 16,994,750 | 2 | 121.93% | 16,174,670 | 4 | 54.79% |
| Woodward Corners by Beaumont | | | | 12,948,040 | 5 | 36.87% |
| Meijer Inc. | | | | 7,746,260 | 6 | 22.06% |
| Midtown Pointe, LLC | | | | 6,828,620 | 7 | 19.44% |
| H2 Royal Oak, LLC | | | | 6,535,600 | 8 | 18.61% |
| Etkin Acquisition RO, LLC | | | | 6,500,000 | 9 | 18.51% |
| Garber Family Partnership | | | | 6,392,300 | 10 | 18.20% |
| Flex-n-Gate | 15,677,130 | 3 | 112.47% | | | |
| Sprint Holdings / Form Tech | 14,301,530 | 4 | 102.60% | | | |
| Amber Equities, LLC | 11,889,300 | 6 | 85.30% | | | |
| Sears Holding | 10,763,790 | 7 | 77.22% | | | |
| H2 Royal Oak, LLC | 9,261,160 | 8 | 66.44% | | | |
| New Par / Verizon | 8,899,820 | 9 | 63.85% | | | |
| CH Royal Oak, LLC | 7,768,990 | 10 | 55.74% | | | |
| Total taxable value of ten largest taxpayers | 130,788,480 | | 5.77% | 146,423,200 | | 4.85% |
| Total taxable value of all other taxpayers | <u>2,137,592,470</u> | | <u>94.23%</u> | <u>2,872,868,650</u> | | <u>95.15%</u> |
| Total taxable value of all taxpayers | <u>\$ 2,268,380,950</u> | | <u>100.00%</u> | <u>\$3,019,291,850</u> | | <u>100.00%</u> |

Glossary

Accrual basis: Accrual basis accounting recognizes transactions when they occur, regardless of the timing of related cash flows. The application of accrual accounting techniques prevents distortions in financial statement representations due to shifts in the timing of cash flows and related underlying economic events near the end of a fiscal period.

Activity: Specific and distinguishable service performed by one or more organizational components of the city to accomplish a function for which the City is responsible.

Adjacent Generational Exchange (A.G.E.): The A.G.E. budget, using a Beaumont Hospital grant, funds a Volunteer Coordinator to recruit, train, and place volunteers to serve senior citizen needs. The volunteers assist City staff with programming at both Community Centers. In the community, volunteers provide senior citizens with meals, assistance, and transportation.

Americans with Disabilities Act (ADA): A law to provide a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities, to ensure the facilities, policies, and programs of public entities and their accommodations are equally accessible to the disabled.

Agency fund: A fund used to account for assets held by the city as an agent for individuals, private organizations, other governments and/or other funds.

Appropriation: An authorization granted by a legislative body to incur obligations and to expend public funds for a stated purpose.

Appropriation budget: The official resolution by the city commission establishing the legal authority for the city to incur obligations and to expend public funds for a stated purpose.

Annual Required Contribution (ARC): Term used in connection with defined benefit pension and other postemployment benefit

plans to describe the amount an independent actuary has determined the employer should contribute in a given year.

Assessed Value (AV): The basic value of property assigned by an assessor. It is used for an individual parcel and in the aggregate for the city as whole. Pursuant to Michigan's laws and regulations, assessed value is 50% of market value at December 31st.

Balanced budget: A budget in which estimated revenues, transfers-in and use of fund balance are equal to or greater than estimated expenditures and transfers-out.

Bargaining Units for Full-Time Employees: *Executive Department Heads* (city assessor, city treasurer, city clerk, police chief, fire chief, plus directors of finance, recreation & public service, human resource, and arena operations) are not represented.

The *Department Head and Deputy Department Head Association* is the local bargaining association including department heads not included above deputy department heads, managers and superintendents.

The *Professional and Technical Employees Association* (Pro-Tech) is the local bargaining association representing certain professional, specialist and supervisory employees.

The *American Federation of State, County and Municipal Employees* (AFSCME) Local #2396 of Michigan Council #25 is the union representing certain inspectors, officers, librarians, and all clerical employees except confidential secretaries.

The *Professional Fire Fighters Local #431*, affiliated with the Michigan Professional Firefighters Union and the International Association of Fire Fighters AFL-CIO, includes all uniformed firefighting and fire prevention personnel.

The *Royal Oak Police Command Officers Association* (ROCOA) is the local bargaining association, represented by the Police Officer's Labor Council, including sergeant and lieutenant ranks.

The *Royal Oak Police Officers Association* (ROPOA) is the local bargaining association representing police officers, police service aides and part-time parking enforcement officers.

The *Royal Oak Detectives' Association*, represented by the Labor Council Michigan Fraternal Order of Police, includes all employees with the rank of Detective. The *Foreman and Supervisors' Association* is the local bargain association representing public works supervisors.

The *Service Employees' International Union* AFL-CIO Local 517M (SEIU) is the union representing hourly employees of the department of recreation and public service.

Brownfield: The site(s) or legally defined area(s) meeting the eligibility requirements of the Brownfield Development Act as environmentally contaminated, functionally obsolete, or blighted areas.

Brownfield Development Authority (BRA): The board to investigate potential brownfield sites and plan and finance their redevelopment. BRAs may use tax increment financing (TIF), per Public Act 381 of 196 as amended, to capture local property taxes and school taxes if approved.

Business-type activity: Business-type activities are financed in whole or in part by fees charged to external parties for goods and services. These activities are usually reported in enterprise funds which follow essentially the same accounting rules as a private enterprise.

Capital assets: Capital assets are tangible and intangible assets that will be of use for three or more years and have a cost greater than \$10,000. Typical examples are land, buildings, building improvements, streets,

water and sewer lines, vehicles, machinery, equipment, and easements.

Capital projects fund: A fund to account for the development of municipal capital facilities.

Capital improvement budget: A capital improvement budget plans and prioritizes acquisition of or major repair to long-lived assets, such as infrastructure. This budget typically has a long-term outlook where a project can span a several year period. (see Operating Budget)

Community Development Block Grant (CDBG): This is a federally funded program to assist communities in the expansion and improvement of community services, to develop and improve neighborhoods, and to restore and preserve property values. In Royal Oak, CDBG money pays for most of our senior citizen programs.

Contingency: An estimated amount of funds needed for contingent or emergency purposes.

Debt service fund: A fund to account for the accumulation of resources for and the payment of general long-term debt principal and interest.

Defeasance: In financial reporting, the netting of outstanding liabilities and related assets on the statement of position. Defeased debt is no longer reported as a liability on the face of the statement of position. Most refundings result in the defeasance of the refunded debt.

Deficit: An excess of liabilities and reserves of a fund over its assets.

Depreciation: Depreciation is the accrual accounting concept using various methods to expense the capitalized cost of an asset over its estimated useful life.

Downtown Development Authority (DDA): The City Commission created the Downtown Development District and the DDA board (also the Authority) to administer it on November 1,

1976. The DDA Act (P.A. 57 of 2018, as amended) is designed to resist blight and be a catalyst in the development of a downtown.

DDAs have a variety of funding options. Royal Oak's DDA primarily uses development bonds and tax increment financing (TIF) to fund its development plan. It levies a district tax millage for its staffing operations. Projects to date include downtown marketing, streetscape improvements, public parking, the district court building, and other public infrastructure improvements.

Downtown Development District (DDD): The legal area created on November 1, 1976 by the city commission, originally bounded by 11 Mile Rd. and Troy, Lincoln, and West Streets. The district has been amended three times.

Emergency Medical Service (EMS): The fire department provides advanced and basic emergency medical services typically with a rescue unit or ambulance.

Enterprise fund: A fund established to account for operations that are financed and operated in a manner similar to a private business, i.e., the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Water & sewer is an example of an enterprise fund.

Expenditure: The cost of goods delivered, and services rendered whether paid or unpaid.

Expenditure object: An expenditure object is a specific classification of expenditure accounts which includes a number of related accounts determined by the type of goods and services to be purchased. For example, the personnel services expenditure object includes the wages account as well as all fringe benefit accounts. Expenditure objects include personnel services, supplies, other charges, capital outlays, debt service, and transfers out.

Final Average Compensation (FAC): An average of an employee's annual wages used in the calculation of their retirement benefit.

Fiscal Year (FY): The 12-month period, July 1 to June 30, to which the annual operating budget applies and, at the end of which, financial position and the results of operations are determined.

Full-Time Equivalent (FTE): A method to convert part-time hours worked to that of a full-time worker in a like position based on 2080 hours per year.

Function: Groups of related activities aimed at accomplishing a major service or regulatory program for which the city is responsible.

Fund: Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions, activities or objectives with special regulations, restrictions, or limitations. (e.g., Major Street Fund). A fund is a self-balancing set of accounts recording financial resources with all related liabilities resulting in equities or balances. The accounts of the city are organized on the basis of funds and account groups in order to report on its financial position and results of its operations.

Fund balance: The difference between assets and liabilities reported in a governmental fund.

Generally Accepted Accounting Principles (GAAP): Conventions, rules and procedures that serve as the norm for the fair presentation of financial statements.

General fund: The city's major operating fund to account for all financial resources except those accounted for in another fund.

Government-type activities: Activities typically supported by taxes, intergovernmental revenues, or other non-exchange revenue. The general, special revenue, debt service, capital project, internal service and permanent funds are governmental activities.

Government Finance Officers Association (GFOA): The GFOA of the United States and Canada is a professional organization of public officials united to enhance and promote the professional management of governmental financial resources by identifying, developing, and advancing fiscal strategies, policies, and practices for public benefit.

Industrial Facilities Tax (IFT): An exemption from property tax allowed to eligible industrial facilities in Michigan.

Infrastructure: Long-lived capital assets that normally are stationary in nature and normally can be preserved for significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, and lighting systems.

Interfund transfers: Flows of assets (such as cash or goods) between funds and blended components of the primary government without equivalent flows of assets in return or without a requirement for payment.

Internal service funds: Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the governmental unit on a cost reimbursement basis. These funds use the flow of economic resources for measurement purposes and the full accrual basis of accounting. Included in this category are the information technology, motor pool and worker's compensation funds.

Industrial Waste Charge (IWC): A surcharge placed by the City of Detroit on certain non-residential sewer accounts to pay to remove the level of waste (e.g., grease from restaurants) above normal residential use.

Line-item budget: A budget which emphasizes allocations of resources to given organizational units for expenditures, such as, salaries, supplies services, and equipment.

Line-item budgets may be organized to provide accountability at varying levels, such as on department, division, or agency levels. The City of Royal Oak adopts budgets on a "function" level.

Modified accrual accounting: This basis of accounting recognizes revenues in the accounting period in which they are both measurable and available to finance expenditures. Expenditures are generally recognized in the accounting period in which they are both measurable and incurred.

Michigan Municipal Risk Management Authority (MMRMA): A risk pool program providing a risk-sharing management program for local units of government in Michigan. Member premiums are used to purchase excess property/casualty insurance coverage and to establish a member's loss fund. The loss fund is used to pay self-insured retention portion of the member's claims.

Net assets: The difference between assets and liabilities of assets and liabilities of proprietary funds. Net assets may be further divided into unrestricted and restricted amounts like constraints of legislation or external parties, trust amounts for pensions or pools, or other purposes like invested in capital assets, net of related debt.

Object (of expenditure): In the context of the classification of expenditures, the article purchased, or the service obtained, rather than the purpose for which the article or service was purchased or obtained (e.g., personal services, contractual services, materials, and supplies).

Operating budget: The operating budget is the authorized revenues and expenditures for on-going municipal services and is the primary means by which government is controlled. The life span of an operating budget typically is one year. Personnel costs, supplies, and other charges are found in an operating budget. A capital budget typically has a long-term outlook where a project can span a several year period.

Occupational Safety and Health Administration (OSHA): The agencies in state and federal government that oversee the workplace environment to ensure it is safe for workers.

Other Postemployment Benefits (OPEB): Other postemployment benefits (OPEB) include postemployment benefits provided separately from a pension plan, especially retiree healthcare benefits.

Other charges: An expenditure object within an activity which includes professional services, utilities, rents, and training for example.

Personnel services: An expenditure object within an activity which includes payroll and all fringe benefits.

Revenue: The income of the city used to fund operations. Typical revenue examples are taxation, licenses, and permits, intergovernmental (e.g., state grants), charges for goods and services, fines and forfeitures, contributions and donations, reimbursements, interest and rents, and gains on the sale of investments or disposal of capital assets.

Refunding: Issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose (a current refunding), or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time (an advance refunding).

Royal Oak Civic Center Project (ROCC): A new development project to build a new city hall, police station and downtown park. The project will transform the downtown area to a gathering place for the entire city as well as provide necessary updates to building designed more than 60 years ago.

Royal Oak Opportunity to Serve (ROOTS): A city committee formed to receive any money or property deemed by donor for city use.

Royal Oak Senior Essential Services (R.O.S.E.S.): R.O.S.E.S. is a local program providing contract workers to provide home chores, minor home repairs and personal care to senior citizens, age 60 and over, and permanently handicapped adults. Low-income senior citizens may be able to qualify for a CDBG subsidy. Administrative fees from clients, donations and CDBG grants pay for R.O.S.E.S. aides.

State Equalized Value (SEV): It is the function of the Michigan State Tax Commission to establish and maintain uniformity between counties by establishing the value of the total of each classification in each county. The State Equalized Valuation of an individual parcel of real property is that parcel's final value in the assessment process. Normally SEV equals Assessed Value (AV) when measurement and professional standards are properly applied. (see AV, TV)

Southeastern Oakland County Resource Recovery Authority (SOCRRA): The intergovernmental organization, serving 12 municipalities in the southeastern region of Oakland County, that provides for collection and disposal of solid waste as well as the handling of yard waste, and compost and recyclables.

Southeastern Oakland County Water Authority (SOCWA): The intergovernmental organization, serving 11 communities in the southeastern region of Oakland County, that purchases water from the Detroit Water and Sewerage Department and stores and/or pumps it to each member unit.

Special assessment: Amounts levied against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special revenue fund: A fund to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The library fund, the

major street fund and the local street fund are examples of special revenue funds.

Supplies: An expenditure object within an activity which includes all goods that have a useful life of less than three years and cost less than \$2,500.

Surplus: An excess of the assets of a fund over its liabilities and reserves.

Transmittal letter: A concise written policy and financial overview of the city as usually presented by the city manager. It notes the major changes in priorities or service levels from the current year and the factors leading to those changes. It articulates the priorities and key issues for the new budget period. It identifies and summarizes major financial factors and trends affecting the budget, such as economic factors; long-range outlook; significant changes in revenue collections, tax rates, or other changes; current and future debt obligations; and significant use of or increase in fund balance or retained earnings.

Transfers-in/out: A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

Trust & agency fund: Trust & agency funds are used to account for assets held by the city in a trustee capacity or as an agent for individuals, organizations, other governments, or other funds. These include the Employees' Retirement System and the agency funds.

Tax Increment Financing (TIF): Financing secured by the anticipated incremental

increase in tax revenue, resulting from the redevelopment of an area, or the funding on a current basis of pay-as-you-go improvements or operations. The TIF Authority (TIFA) board creates the TIF plan, carries out the projects and collects the incremental taxes to pay its costs. TIFAs may capture local taxes but not school taxes.

Tax millage rate: Tax millage rates are expressed in dollars per thousand dollars of taxable value. A tax rate of 10 mills means \$10/1,000 or \$0.010 x Taxable Value. (see TV)

Taxable Value (TV): Taxable Value is the base for calculating a taxable parcel's property tax in Michigan. Property tax equals Taxable Value multiplied by the tax millage rate. Taxable Value is calculated to limit growth in property taxes to a parcel's State Equalized Value or to 5 percent a year or less depending on inflation. Michigan's 1994 Proposal A Constitutional amendment and related legislation govern its application. (see AV and SEV)

Unreserved fund balance: The balance of net financial resources that is spendable or available for appropriation, or the portion of funds balance that is not legally restricted.

Water & sewer fund: This enterprise fund accounts for the operation of a combined water & sewer system. The revenues consist of charges for services from city businesses and residences which are used to pay for all water and sewer related expenses.

Community Profiles

YOU ARE VIEWING DATA FOR:

City of Royal Oak

203 S Troy St
Royal Oak, MI 48067-
2634
<http://www.romi.gov>



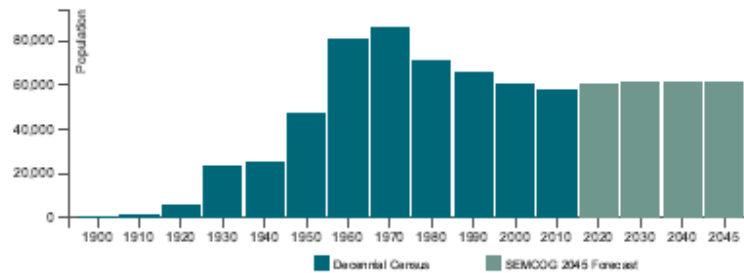
Census 2010 Population:
57,236
Area: 11.8 square miles

VIEW COMMUNITY EXPLORER MAP

Population and Households

Link to American Community Survey (ACS) Profiles: **Select a Year** 2015-2019 **Social | Demographic**
Population and Household Estimates for Southeast Michigan, 2020

Population Forecast



Note for City of Royal Oak : Incorporated in 1927 from Village of Royal Oak. Population numbers prior to 1927 are of the village.

Population and Households

| Population and Households | Census 2010 | Change 2000-2010 | Pct Change 2000-2010 | SEMCOG Jul 2020 | SEMCOG 2045 |
|------------------------------------|-------------|------------------|----------------------|-----------------|-------------|
| Total Population | 57,236 | -2,826 | -4.7% | 59,621 | 61,612 |
| Group Quarters Population | 404 | -102 | -20.2% | 247 | 331 |
| Household Population | 56,832 | -2,724 | -4.6% | 59,374 | 61,281 |
| Housing Units | 30,207 | 265 | 0.9% | 30,904 | - |
| Households (Occupied Units) | 28,063 | -817 | -2.8% | 28,932 | 29,386 |
| Residential Vacancy Rate | 7.1% | 3.6% | - | 6.4% | - |
| Average Household Size | 2.03 | -0.04 | - | 2.05 | 2.09 |

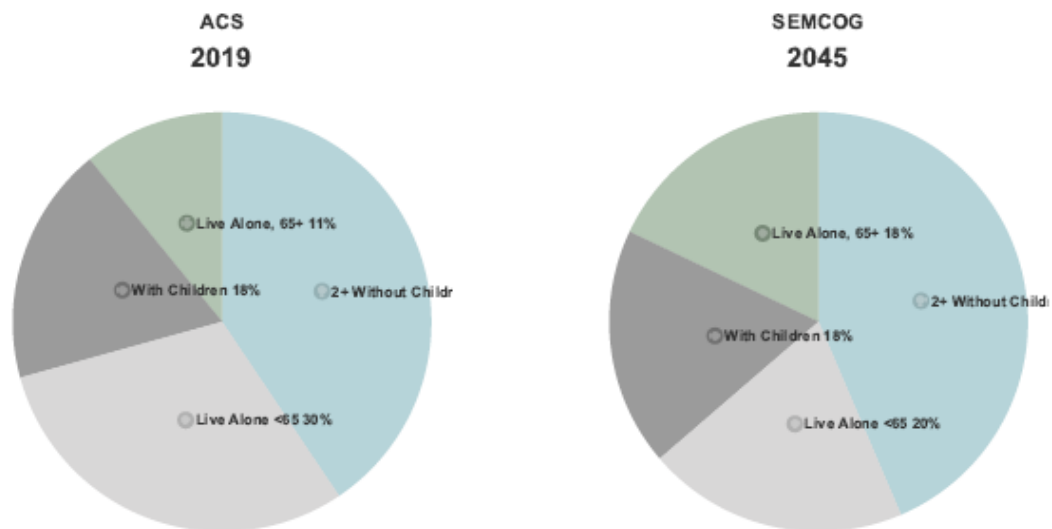
Source: U.S. Census Bureau, SEMCOG Population and Household Estimates, and SEMCOG 2045 Regional Development Forecast

Components of Population Change

| Components of Population Change | 2000-2005 Avg. | 2006-2010 Avg. | 2011-2018 Avg. |
|-------------------------------------------------------------|----------------|----------------|----------------|
| Natural Increase (Births - Deaths) | 256 | 252 | 288 |
| Births | 906 | 770 | 751 |
| Deaths | 650 | 518 | 463 |
| Net Migration (Movement In - Movement Out) | -1,063 | -10 | 177 |
| Population Change (Natural Increase + Net Migration) | -807 | 242 | 465 |

Source: Michigan Department of Community Health Vital Statistics, U.S. Census Bureau, and SEMCOG

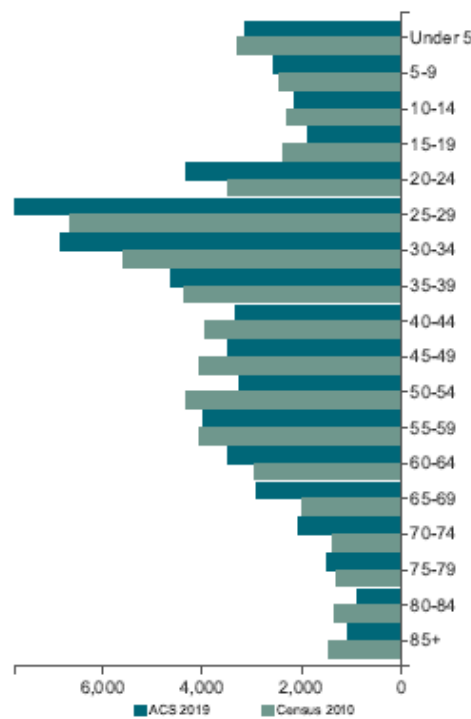
Household Types



| Household Types | Census 2010 | ACS 2019 | Change 2010-2019 | Pct Change 2010-2019 | SEMCOG 2045 |
|-------------------------------------|-------------|----------|------------------|----------------------|-------------|
| With Seniors 65+ | 5,732 | 6,275 | 543 | 9.5% | 11,743 |
| Without Seniors | 22,331 | 22,453 | 122 | 0.5% | 17,643 |
| Live Alone, 65+ | 2,999 | 3,134 | 135 | 4.5% | 5,270 |
| Live Alone, <65 | 8,620 | 8,657 | 37 | 0.4% | 5,915 |
| 2+ Persons, With children | 5,620 | 5,281 | -339 | -6% | 5,399 |
| 2+ Persons, Without children | 10,824 | 11,656 | 832 | 7.7% | 12,802 |
| Total Households | 28,063 | 28,728 | 665 | 2.4% | 29,386 |

Source: U.S. Census Bureau, Decennial Census, 2015-2019 American Community Survey 5-Year Estimates, and SEMCOG 2045 Regional Development Forecast

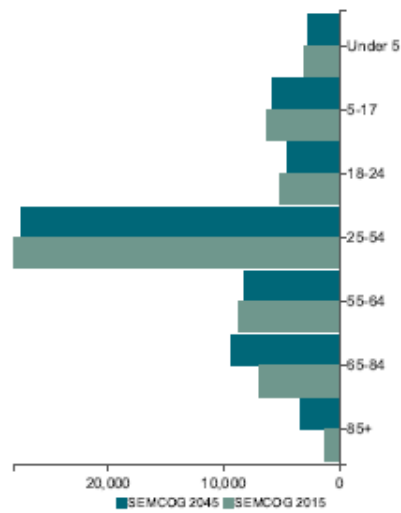
Population Change by Age, 2010-2019



| Age Group | Census 2010 | Change 2000-2010 | ACS 2019 | Change 2010-2019 |
|-------------------|---------------|------------------|---------------|------------------|
| Under 5 | 3,292 | 164 | 3,139 | -153 |
| 5-9 | 2,433 | -286 | 2,562 | 129 |
| 10-14 | 2,294 | -702 | 2,130 | -164 |
| 15-19 | 2,387 | -602 | 1,875 | -512 |
| 20-24 | 3,462 | 120 | 4,308 | 846 |
| 25-29 | 6,670 | 201 | 7,779 | 1,109 |
| 30-34 | 5,578 | -711 | 6,844 | 1,266 |
| 35-39 | 4,356 | -1,001 | 4,632 | 276 |
| 40-44 | 3,949 | -1,263 | 3,320 | -629 |
| 45-49 | 4,057 | -576 | 3,495 | -562 |
| 50-54 | 4,310 | 761 | 3,245 | -1,065 |
| 55-59 | 4,042 | 1,451 | 3,961 | -81 |
| 60-64 | 2,936 | 1,106 | 3,490 | 554 |
| 65-69 | 1,993 | 152 | 2,908 | 915 |
| 70-74 | 1,394 | -764 | 2,071 | 677 |
| 75-79 | 1,289 | -1,003 | 1,475 | 186 |
| 80-84 | 1,334 | -173 | 892 | -442 |
| 85+ | 1,460 | 300 | 1,069 | -391 |
| Total | 57,236 | -2,826 | 59,195 | 1,959 |
| Median Age | 37.8 | 0.9 | 35.8 | -2 |

Source: U.S. Census Bureau, Decennial Census, and 2015-2019 American Community Survey 5-Year Estimates

Forecasted Population Change 2015-2045



| Age Group | 2015 | 2020 | 2025 | 2030 | 2035 | 2040 | 2045 | Change 2015 - 2045 | Pct Change 2015 - 2045 |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------------|------------------------|
| Under 5 | 3,044 | 2,886 | 2,967 | 2,987 | 2,848 | 2,714 | 2,686 | -358 | -11.8% |
| 5-17 | 6,267 | 5,746 | 5,634 | 5,762 | 5,773 | 5,906 | 5,870 | -397 | -6.3% |
| 18-24 | 5,177 | 5,156 | 4,877 | 4,558 | 4,436 | 4,429 | 4,534 | -643 | -12.4% |
| 25-54 | 28,124 | 26,632 | 26,762 | 26,801 | 26,864 | 27,057 | 27,482 | -642 | -2.3% |
| 55-64 | 8,730 | 9,927 | 9,349 | 8,673 | 8,056 | 8,022 | 8,282 | -448 | -5.1% |
| 65-84 | 6,959 | 8,196 | 9,294 | 9,868 | 9,965 | 10,012 | 9,380 | 2,421 | 34.8% |
| 85+ | 1,209 | 1,387 | 1,673 | 2,189 | 2,723 | 2,972 | 3,378 | 2,169 | 179.4% |
| Total | 59,510 | 59,930 | 60,556 | 60,838 | 60,665 | 61,112 | 61,612 | 2,102 | 3.5% |

Source: SEMCOG 2045 Regional Development Forecast

Older Adults and Youth Populations

| Older Adults and Youth Population | Census 2010 | ACS 2019 | Change 2010-2019 | Pct Change 2010-2019 | SEMCOG 2045 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------|------------------|----------------------|-------------|
| 60 and over | 10,406 | 11,905 | 1,499 | 14.4% | 16,814 |
| 65 and over | 7,470 | 8,415 | 945 | 12.7% | 12,758 |
| 65 to 84 | 6,010 | 7,346 | 1,336 | 22.2% | 9,380 |
| 85 and Over | 1,460 | 1,069 | -391 | -26.8% | 3,378 |
| Under 18 | 9,555 | 9,083 | -472 | -4.9% | 8,556 |
| 5 to 17 | 6,263 | 5,944 | -319 | -5.1% | 5,870 |
| Under 5 | 3,292 | 3,139 | -153 | -4.6% | 2,686 |
| Note: Population by age changes over time because of the aging of people into older age groups, the movement of people, and the occurrence of births and deaths. | | | | | |

Source: U.S. Census Bureau, Decennial Census, 2015-2019 American Community Survey 5-Year Estimates, and SEMCOG 2045 Regional Development Forecast

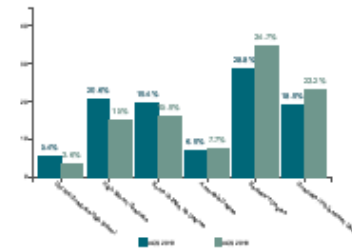
Race and Hispanic Origin

| Race and Hispanic Origin | Census 2010 | Percent of Population 2010 | ACS 2019 | Percent of Population 2019 | Percentage Point Change 2010-2019 |
|--------------------------|-------------|----------------------------|----------|----------------------------|-----------------------------------|
| Non-Hispanic | 55,896 | 97.7% | 57,209 | 96.6% | -1% |
| White | 50,975 | 89.1% | 51,550 | 87.1% | -2% |
| Black | 2,399 | 4.2% | 2,184 | 3.7% | -0.5% |
| Asian | 1,339 | 2.3% | 2,415 | 4.1% | 1.7% |
| Multi-Racial | 969 | 1.7% | 965 | 1.6% | -0.1% |
| Other | 214 | 0.4% | 95 | 0.2% | -0.2% |
| Hispanic | 1,340 | 2.3% | 1,986 | 3.4% | 1% |
| Total | 57,236 | 100% | 59,195 | 100% | 0% |

Source: U.S. Census Bureau, Decennial Census, and 2015-2019 American Community Survey 5-Year Estimates

Highest Level of Education

| Highest Level of Education* | ACS 2010 | ACS 2019 | Percentage Point Chg 2010-2019 |
|--------------------------------|----------|----------|--------------------------------|
| Did Not Graduate High School | 5.4% | 3.6% | -1.8% |
| High School Graduate | 20.6% | 15% | -5.7% |
| Some College, No Degree | 19.4% | 15.9% | -3.5% |
| Associate Degree | 6.9% | 7.7% | 0.8% |
| Bachelor's Degree | 28.8% | 34.7% | 5.9% |
| Graduate / Professional Degree | 18.9% | 23.2% | 4.4% |
| * Population age 25 and over | | | |



Source: U.S. Census Bureau, 2006-2010 and 2015-2019 American Community Survey 5-Year Estimates

Economy & Jobs

Link to American Community Survey (ACS) Profiles: **Select a Year** 2015-2019 **Economic**

Forecasted Jobs



Source: SEMCOG 2045 Regional Development Forecast

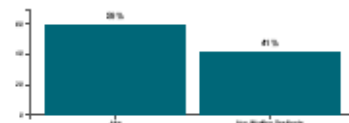
Forecasted Jobs by Industry Sector

| Forecasted Jobs By Industry Sector | 2015 | 2020 | 2025 | 2030 | 2035 | 2040 | 2045 | Change 2015-2045 | Pct Change 2015-2045 |
|---------------------------------------------------------------|--------|--------|--------|--------|--------|--------|--------|---------------------|-------------------------|
| Natural Resources, Mining, & Construction | 1,559 | 1,791 | 1,706 | 1,688 | 1,718 | 1,739 | 1,761 | 202 | 13% |
| Manufacturing | 1,607 | 1,443 | 1,355 | 1,248 | 1,179 | 1,123 | 1,059 | -548 | -34.1% |
| Wholesale Trade | 832 | 859 | 859 | 849 | 849 | 847 | 841 | 9 | 1.1% |
| Retail Trade | 3,384 | 3,471 | 3,318 | 3,106 | 3,098 | 3,015 | 2,921 | -463 | -13.7% |
| Transportation, Warehousing, & Utilities | 893 | 906 | 908 | 878 | 868 | 865 | 869 | -24 | -2.7% |
| Information & Financial Activities | 4,624 | 4,636 | 4,515 | 4,396 | 4,384 | 4,402 | 4,395 | -229 | -5% |
| Professional and Technical Services & Corporate HQ | 3,216 | 3,565 | 3,800 | 3,958 | 4,220 | 4,475 | 4,646 | 1,430 | 44.5% |
| Administrative, Support, & Waste Services | 2,993 | 3,080 | 3,116 | 3,132 | 3,198 | 3,269 | 3,312 | 319 | 10.7% |
| Education Services | 1,153 | 1,156 | 1,150 | 1,145 | 1,159 | 1,175 | 1,186 | 33 | 2.9% |
| Healthcare Services | 11,614 | 12,071 | 12,301 | 12,285 | 12,564 | 12,906 | 13,045 | 1,431 | 12.3% |
| Leisure & Hospitality | 4,480 | 4,665 | 4,670 | 4,659 | 4,730 | 4,998 | 5,002 | 522 | 11.7% |
| Other Services | 2,089 | 2,151 | 2,101 | 2,066 | 2,060 | 2,046 | 2,019 | -70 | -3.4% |
| Public Administration | 363 | 358 | 356 | 356 | 355 | 355 | 355 | -8 | -2.2% |
| Total Employment Numbers | 38,807 | 40,152 | 40,155 | 39,766 | 40,382 | 41,215 | 41,411 | 2,604 | 6.7% |

Source: SEMCOG 2045 Regional Development Forecast

Daytime Population

| Daytime Population | ACS 2016 |
|-----------------------|----------|
| Jobs | 33,183 |
| Non-Working Residents | 22,897 |
| Age 15 and under | 8,208 |
| Not in labor force | 13,072 |
| Unemployed | 1,617 |
| Daytime Population | 56,080 |



Source: 2012-2016 American Community Survey 5-Year Estimates and 2012-2016 Census Transportation Planning Products Program (CTPP). For additional information, visit SEMCOG's Interactive Commuting Patterns Map

Note: The number of residents attending school outside Southeast Michigan is not available. Likewise, the number of students commuting into Southeast Michigan to attend school is also not known.

Where Workers Commute From 2016

| Rank | Where Workers Commute From * | Workers | Percent |
|--------------------------------------------------|------------------------------|---------|---------|
| 1 | Royal Oak | 6,241 | 18.8% |
| 2 | Detroit | 1,925 | 5.8% |
| 3 | Troy | 1,867 | 5.6% |
| 4 | Warren | 1,683 | 5.1% |
| 5 | Sterling Heights | 1,530 | 4.6% |
| 6 | Madison Heights | 1,046 | 3.2% |
| 7 | Out of the Region, Instate | 950 | 2.9% |
| 8 | Berkley | 866 | 2.6% |
| 9 | Ferndale | 845 | 2.5% |
| 10 | Southfield | 822 | 2.5% |
| - | Elsewhere | 15,408 | 46.4% |
| * Workers, age 16 and over employed in Royal Oak | | 33,183 | 100% |

Source: U.S. Census Bureau - 2012-2016 CTPP/ACS Commuting Data and **Commuting Patterns in Southeast Michigan**

Where Residents Work 2016

| Rank | Where Residents Work * | Workers | Percent |
|--------------------------------------------------|------------------------|---------|---------|
| 1 | Royal Oak | 6,241 | 17.3% |
| 2 | Detroit | 4,242 | 11.8% |
| 3 | Troy | 3,810 | 10.6% |
| 4 | Southfield | 2,544 | 7.1% |
| 5 | Birmingham | 1,669 | 4.6% |
| 6 | Auburn Hills | 1,435 | 4% |
| 7 | Warren | 1,336 | 3.7% |
| 8 | Farmington Hills | 1,087 | 3% |
| 9 | Dearborn | 945 | 2.6% |
| 10 | Madison Heights | 836 | 2.3% |
| - | Elsewhere | 11,911 | 33% |
| * Workers, age 16 and over residing in Royal Oak | | 36,056 | 100% |

Source: U.S. Census Bureau - 2012-2016 CTPP/ACS Commuting Data and **Commuting Patterns in Southeast Michigan**

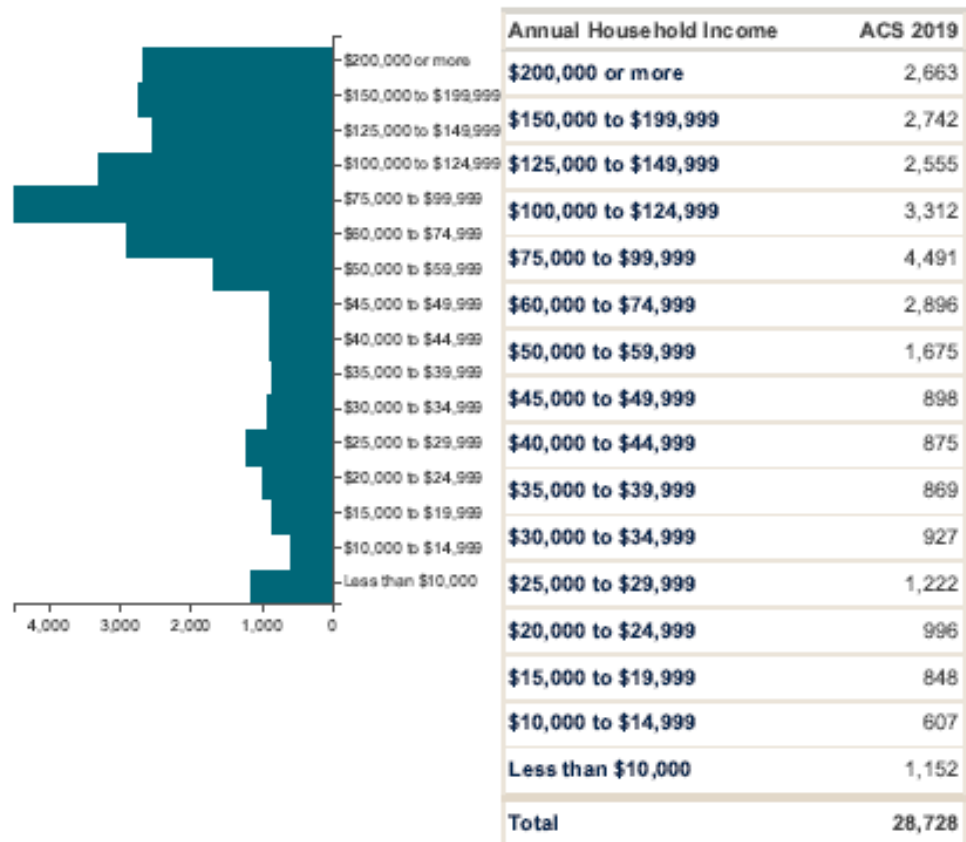
Supplemental Information – SEMCOG Community Profile

Household Income

| Income (in 2019 dollars) | ACS 2010 | ACS 2019 | Change 2010-2019 | Percent Change 2010-2019 |
|--------------------------------|----------|----------|------------------|--------------------------|
| Median Household Income | \$70,562 | \$81,665 | \$11,103 | 15.7% |
| Per Capita Income | \$43,492 | \$50,527 | \$7,035 | 16.2% |

Source: U.S. Census Bureau, 2006-2010 and 2015-2019 American Community Survey 5-Year Estimates

Annual Household Income



Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates

Poverty

| Poverty | ACS 2010 | % of Total (2010) | ACS 2019 | % of Total (2019) | % Point Chg 2010-2019 |
|------------------------------|----------|-------------------|----------|-------------------|-----------------------|
| Persons in Poverty | 3,893 | 6.8% | 3,856 | 6.6% | -0.3% |
| Households in Poverty | 2,156 | 7.6% | 1,959 | 6.8% | -0.8% |

Source: U.S. Census Bureau, 2006-2010 and 2015-2019 American Community Survey 5-Year Estimates

Housing

Link to American Community Survey (ACS) Profiles: **Select a Year** 2015-2019 ▾ **Housing**

Building Permits 2000 - 2021

| Year | Single Family | Two Family | Attach Condo | Multi Family | Total Units | Total Demos | Net Total |
|----------------------------|---------------|------------|--------------|--------------|--------------|-------------|--------------|
| 2000 | 12 | 0 | 0 | 0 | 12 | 15 | -3 |
| 2001 | 17 | 0 | 6 | 0 | 23 | 8 | 15 |
| 2002 | 18 | 0 | 7 | 0 | 25 | 14 | 11 |
| 2003 | 37 | 0 | 5 | 8 | 50 | 20 | 30 |
| 2004 | 43 | 0 | 89 | 183 | 315 | 31 | 284 |
| 2005 | 97 | 0 | 0 | 42 | 139 | 38 | 101 |
| 2006 | 26 | 4 | 19 | 0 | 49 | 30 | 19 |
| 2007 | 22 | 0 | 0 | 0 | 22 | 11 | 11 |
| 2008 | 20 | 0 | 0 | 0 | 20 | 15 | 5 |
| 2009 | 4 | 0 | 0 | 42 | 46 | 10 | 36 |
| 2010 | 11 | 0 | 0 | 37 | 48 | 5 | 43 |
| 2011 | 29 | 0 | 0 | 36 | 65 | 14 | 51 |
| 2012 | 88 | 0 | 0 | 0 | 88 | 40 | 48 |
| 2013 | 133 | 0 | 0 | 24 | 157 | 55 | 102 |
| 2014 | 126 | 0 | 0 | 12 | 138 | 82 | 56 |
| 2015 | 134 | 0 | 0 | 160 | 294 | 91 | 203 |
| 2016 | 84 | 0 | 0 | 55 | 139 | 70 | 69 |
| 2017 | 101 | 2 | 40 | 78 | 221 | 82 | 139 |
| 2018 | 95 | 0 | 60 | 452 | 607 | 77 | 530 |
| 2019 | 86 | 0 | 26 | 235 | 347 | 77 | 270 |
| 2020 | 61 | 0 | 20 | 69 | 150 | 83 | 67 |
| 2021 | 11 | 0 | 0 | 0 | 11 | 7 | 4 |
| 2000 to 2021 totals | 1,255 | 6 | 272 | 1,433 | 2,966 | 875 | 2,091 |

Source: SEMCOG Development

Note: Permit data for most recent years may be incomplete and is updated monthly.

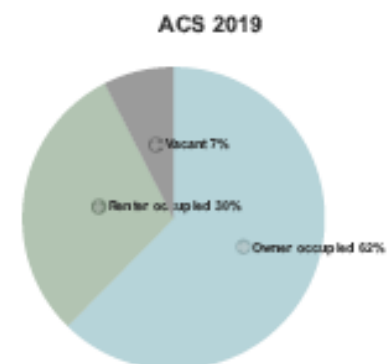
Housing Types

| Housing Type | ACS 2010 | ACS 2019 | Change 2010-2019 | New Units Permitted Since 2018 |
|------------------------------------------------|----------|----------|------------------|--------------------------------|
| Single Unit | 20,701 | 21,054 | 353 | 253 |
| Multi-Unit | 9,700 | 9,917 | 217 | 862 |
| Mobile Homes or Other | 162 | 83 | -79 | 0 |
| Total | 30,563 | 31,054 | 491 | 1,115 |
| Units Demolished | | | | -244 |
| Net (Total Permitted Units - Units Demolished) | | | | 871 |

Source: U.S. Census Bureau, 2006-2010 and 2015-2019 American Community Survey 5-Year Estimates, SEMCOG Development

Housing Tenure

| Housing Tenure | Census 2010 | ACS 2019 | Change 2010-2019 |
|----------------------------|-------------|----------|------------------|
| Owner occupied | 18,995 | 19,368 | 373 |
| Renter occupied | 9,068 | 9,360 | 292 |
| Vacant | 2,144 | 2,326 | 182 |
| Seasonal/migrant | 126 | 126 | 0 |
| Other vacant units | 2,018 | 2,200 | 182 |
| Total Housing Units | 30,207 | 31,054 | 847 |



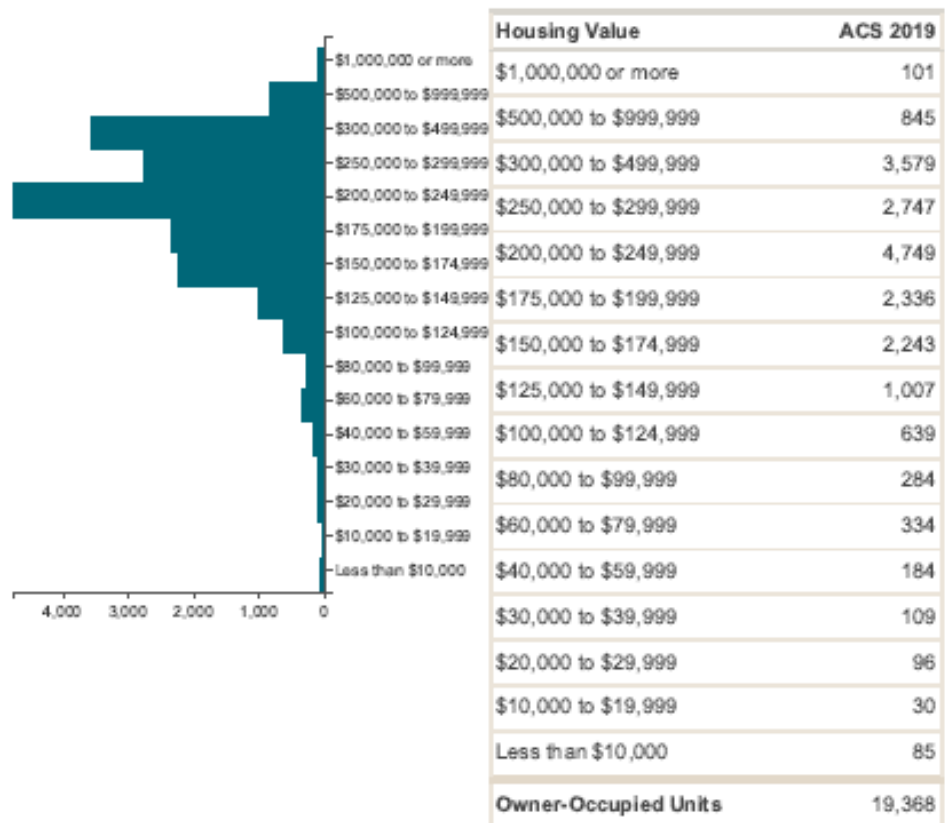
Source: U.S. Census Bureau, 2006-2010 and 2015-2019 American Community Survey 5-Year Estimates

Housing Value and Rent

| Housing Value (in 2019 dollars) | ACS 2010 | ACS 2019 | Change 2010-2019 | Percent Change 2010-2019 |
|---------------------------------|-----------|-----------|------------------|--------------------------|
| Median housing value | \$218,044 | \$224,600 | \$6,556 | 3% |
| Median gross rent | \$974 | \$1,079 | \$105 | 10.8% |

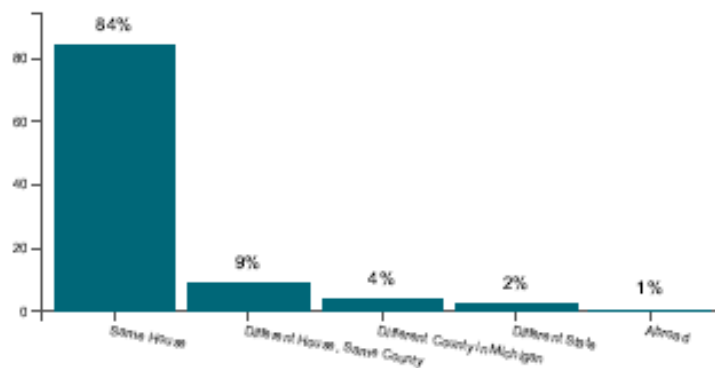
Source: U.S. Census Bureau, Census 2000, 2006-2010 and 2015-2019 American Community Survey 5-Year Estimates

Housing Value



Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates

Residence One Year Ago *



* This table represents persons, age 1 and over, living in City of Royal Oak from 2015-2019. The table does not represent person who moved out of City of Royal Oak from 2015-2019.

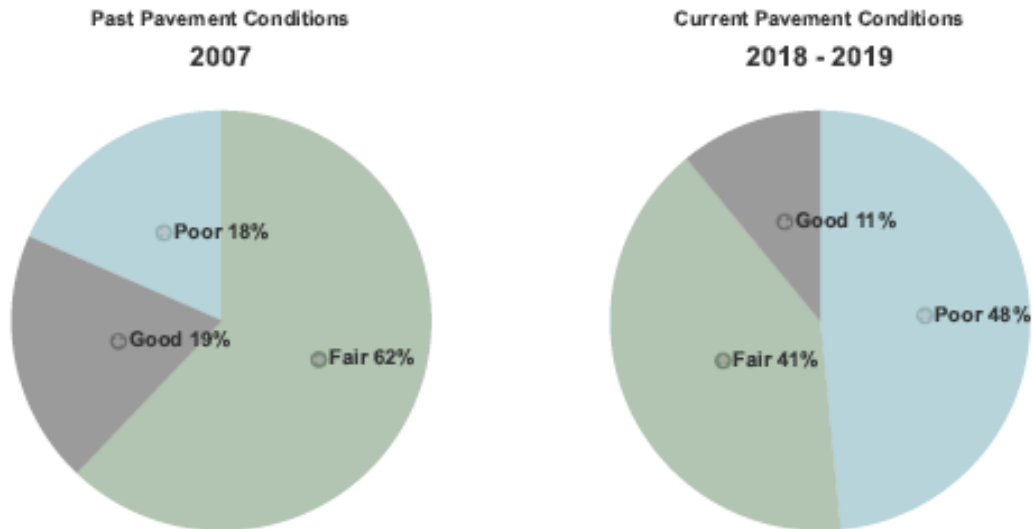
Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates

Transportation

Miles of public road (including boundary roads): 241

Source: Michigan Geographic Framework

Pavement Condition (in Lane Miles)



Note: Poor pavements are generally in need of rehabilitation or full reconstruction to return to good condition. Fair pavements are in need of capital preventive maintenance to avoid deteriorating to the poor classification. Good pavements generally receive only routine maintenance, such as street sweeping and snow removal, until they deteriorate to the fair condition.

Source: SEMCOG

Bridge Status

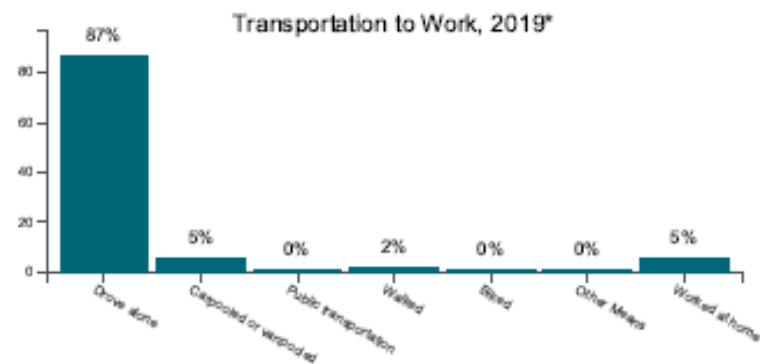
| Bridge Status | 2008 | 2008 (%) | 2009 | 2009 (%) | 2010 | 2010 (%) | Percent Point Chg 2008-2010 |
|------------------------|------|----------|------|----------|------|----------|-----------------------------|
| Open | 23 | 100% | 23 | 100% | 42 | 100% | 0% |
| Open with Restrictions | 0 | 0% | 0 | 0% | 0 | 0% | 0% |
| Closed* | 0 | 0% | 0 | 0% | 0 | 0% | 0% |
| Total Bridges | 23 | 100.0% | 23 | 100.0% | 42 | 100.0% | 0.0% |
| Deficient Bridges | 7 | 30.4% | 11 | 47.8% | 12 | 28.6% | -1.9% |

* Bridges may be closed because of new construction or failed condition.

Note: A bridge is considered deficient if it is structurally deficient (in poor shape and unable to carry the load for which it was designed) or functionally obsolete (in good physical condition but unable to support current or future demands, for example, being too narrow to accommodate truck traffic).

Source: Michigan Structure Inventory and Appraisal Database

Detailed Intersection & Road Data



* Resident workers age 16 and over

Transportation to Work

| Transportation to Work | ACS 2010 | % of Total (ACS 2010) | ACS 2019 | % of Total (ACS 2019) | % Point Chg 2010-2019 |
|----------------------------------|----------|-----------------------|----------|-----------------------|-----------------------|
| Drove alone | 29,047 | 88.6% | 31,509 | 86.8% | -1.8% |
| Carpooled or vanpooled | 1,643 | 5% | 1,921 | 5.3% | 0.3% |
| Public transportation | 207 | 0.6% | 161 | 0.4% | -0.2% |
| Walked | 641 | 2% | 563 | 1.6% | -0.4% |
| Biked | 164 | 0.5% | 116 | 0.3% | -0.2% |
| Other Means | 74 | 0.2% | 163 | 0.4% | 0.2% |
| Worked at home | 1,025 | 3.1% | 1,871 | 5.2% | 2.1% |
| Resident workers age 16 and over | 32,801 | 100.0% | 36,304 | 100.0% | 0.0% |

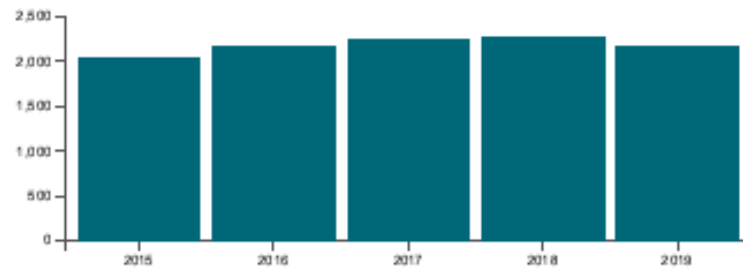
Source: U.S. Census Bureau, 2006-2010 and 2015-2019 American Community Survey 5-Year Estimates

Mean Travel Time to Work

| Mean Travel Time To Work | ACS 2010 | ACS 2019 | Change 2010-2019 |
|-----------------------------------------------------------|--------------|--------------|------------------|
| For residents age 16 and over who worked outside the home | 22.5 minutes | 23.6 minutes | 1.2 minutes |

Source: U.S. Census Bureau, 2006-2010 and 2015-2019 American Community Survey 5-Year Estimates

Crashes, 2015-2019



Source: Michigan Department of State Police with the Criminal Justice Information Center and SEMCOG

Note: Crash data shown is for the entire city.

Crash Severity

| Crash Severity | 2015 | 2016 | 2017 | 2018 | 2019 | Percent of Crashes 2015 - 2019 |
|-----------------------------|-------|-------|-------|-------|-------|--------------------------------|
| <u>Fatal</u> | 1 | 1 | 5 | 2 | 1 | 0.1% |
| <u>Serious Injury</u> | 18 | 11 | 21 | 17 | 17 | 0.8% |
| <u>Other Injury</u> | 403 | 450 | 465 | 479 | 372 | 20% |
| <u>Property Damage Only</u> | 1,601 | 1,691 | 1,747 | 1,778 | 1,776 | 79.2% |
| <u>Total Crashes</u> | 2,023 | 2,153 | 2,238 | 2,276 | 2,166 | 100% |

Crashes by Type

| Crashes by Type | 2015 | 2016 | 2017 | 2018 | 2019 | Percent of Crashes 2015 - 2019 |
|-----------------------------------|-------|-------|-------|-------|------|--------------------------------|
| <u>Head-on</u> | 16 | 12 | 14 | 15 | 12 | 0.6% |
| <u>Angle or Head-on/Left-turn</u> | 355 | 375 | 410 | 417 | 433 | 18.3% |
| <u>Rear-End</u> | 1,013 | 1,055 | 1,126 | 1,118 | 970 | 48.7% |
| <u>Sideswipe</u> | 343 | 400 | 364 | 429 | 443 | 18.2% |
| <u>Single Vehicle</u> | 197 | 180 | 174 | 163 | 140 | 7.9% |
| <u>Backing</u> | 0 | 12 | 44 | 36 | 49 | 1.3% |
| <u>Other or Unknown</u> | 99 | 119 | 106 | 98 | 119 | 5% |

Crashes by Involvement

| Crashes by Involvement | 2015 | 2016 | 2017 | 2018 | 2019 | Percent of Crashes 2015 - 2019 |
|------------------------------------|------|------|------|------|------|--------------------------------|
| <u>Red-light Running</u> | 52 | 67 | 63 | 62 | 79 | 3% |
| <u>Lane Departure</u> | 170 | 177 | 171 | 175 | 172 | 8% |
| <u>Alcohol</u> | 90 | 71 | 75 | 76 | 67 | 3.5% |
| <u>Drugs</u> | 17 | 13 | 23 | 24 | 9 | 0.8% |
| <u>Deer</u> | 6 | 6 | 8 | 1 | 5 | 0.2% |
| <u>Train</u> | 0 | 0 | 1 | 0 | 0 | 0% |
| <u>Commercial Truck/Bus</u> | 74 | 84 | 103 | 110 | 116 | 4.5% |
| <u>School Bus</u> | 1 | 5 | 5 | 5 | 4 | 0.2% |
| <u>Emergency Vehicle</u> | 8 | 10 | 9 | 13 | 11 | 0.5% |
| <u>Motorcycle</u> | 14 | 8 | 19 | 13 | 15 | 0.6% |
| <u>Intersection</u> | 597 | 584 | 594 | 529 | 539 | 26.2% |
| <u>Work Zone</u> | 10 | 38 | 35 | 51 | 134 | 2.5% |
| <u>Pedestrian</u> | 15 | 14 | 12 | 18 | 23 | 0.8% |
| <u>Bicyclist</u> | 26 | 16 | 18 | 17 | 15 | 0.8% |
| <u>Distracted Driver</u> | 0 | 126 | 199 | 173 | 173 | 6.2% |
| <u>Older Driver (65 and older)</u> | 351 | 376 | 369 | 413 | 438 | 17.9% |
| <u>Young Driver (16 to 24)</u> | 750 | 720 | 751 | 728 | 702 | 33.6% |

High Frequency Intersection Crash Rankings

| Local Rank | County Rank | Region Rank | Intersection | Annual Avg 2015-2019 |
|------------|-------------|-------------|----------------------------------------|----------------------|
| 1 | 49 | 121 | <u>14 Mile Rd W @ Crooks Rd</u> | 32.6 |
| 2 | 100 | 265 | <u>11 Mile Rd E @ Stephenson Hwy N</u> | 25 |
| 3 | 119 | 322 | <u>14 Mile Rd E @ Rochester Rd</u> | 23.2 |
| 4 | 126 | 344 | <u>12 Mile Rd W @ Stephenson Hwy</u> | 22.4 |
| 5 | 141 | 383 | <u>13 Mile Rd W @ Greenfield Rd</u> | 21.2 |
| 6 | 157 | 442 | <u>13 Mile Rd W @ Woodward Ave</u> | 19.8 |
| 7 | 160 | 448 | <u>12 Mile Rd E @ Campbell Rd</u> | 19.6 |
| 8 | 165 | 463 | <u>Woodward Ave @ 11 Mile Rd</u> | 19.4 |
| 9 | 196 | 555 | <u>14 Mile Rd E @ Woodward Ave</u> | 18 |
| 10 | 209 | 609 | <u>14 Mile Rd W @ Coolidge Rd</u> | 17.2 |

Note: Intersections are ranked by the number of reported crashes, which does not take into account traffic volume. Crashes reported occurred within 150 feet of the intersection.

Source: Michigan Department of State Police with the Criminal Justice Information Center and SEMCOG

High Frequency Road Segment Crash Rankings

| Local Rank | County Rank | Region Rank | Segment | From Road - To Road | Annual Avg 2015-2019 |
|------------|-------------|-------------|---------------------|------------------------------------------------------------|----------------------|
| 1 | 20 | 51 | <u>E I 696</u> | E I 696/Hilton Campbell Ramp - Bermuda Mohawk/E I 696 Ramp | 65.4 |
| 2 | 71 | 186 | <u>13 Mile Rd W</u> | Woodward Ave - Greenfield Rd | 46.6 |
| 3 | 77 | 196 | <u>E I 696</u> | Campbell Rd S - E I 696/I 75 Ramp | 45.8 |
| 4 | 96 | 231 | <u>Woodward Ave</u> | Coolidge Hwy - 12 Mile Rd W | 43.8 |
| 5 | 152 | 380 | <u>Woodward Ave</u> | Coolidge Rd - Webster Rd W | 35.4 |
| 6 | 165 | 422 | <u>Woodward Ave</u> | Catalpa Dr - 11 Mile Rd | 33.6 |
| 7 | 253 | 641 | <u>E I 696</u> | S Chrysler/S Stephenson Ramp - E I 696/N I 75 Ramp | 28.6 |
| 8 | 275 | 685 | <u>S I 75</u> | 11 Mile/S I 75 Ramp - 11 Mile Rd E | 27.8 |
| 9 | 286 | 714 | <u>N I 75</u> | N I 75/11 Mile Ramp - 11 Mile Rd E | 27.2 |
| 10 | 286 | 714 | <u>N I 75</u> | 11 Mile/N I 75 Ramp - Gardenia | 27.2 |

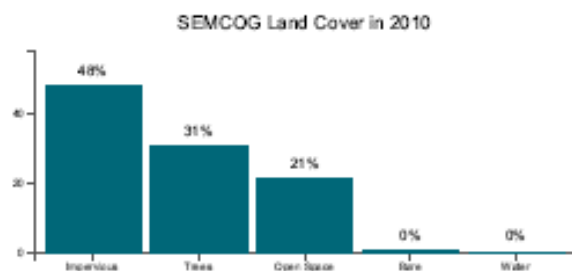
Note: Segments are ranked by the number of reported crashes, which does not take into account traffic volume.

SEMCOG 2015 Land Use

| SEMCOG 2015 Land Use | Acres | Percent |
|---------------------------|---------|---------|
| Single-Family Residential | 3,519.9 | 46.5% |
| Multi-Family Residential | 397.1 | 5.2% |
| Retail | 187.3 | 2.5% |
| Office | 109.2 | 1.4% |
| Hospitality | 38.2 | 0.5% |
| Medical | 144.8 | 1.9% |
| Institutional | 298 | 3.9% |
| Industrial | 137.1 | 1.8% |
| Agricultural | 5 | 0.1% |
| Recreation / Open Space | 577.2 | 7.6% |
| Cemetery | 104.2 | 1.4% |
| Parking | 47.7 | 0.6% |
| Extractive | 0 | 0% |
| TCU | 1,911.1 | 25.3% |
| Vacant | 82.6 | 1.1% |
| Water | 9.2 | 0.1% |
| Total | 7,568.6 | 100% |

Note: Land Cover was derived from SEMCOG's 2010 Leaf off Imagery.

Source: **SEMCOG**



Source Data
SEMCOG - Detailed Data

| Type | Description | Acres | Percent |
|-------------------|--------------------------------------------|---------|---------|
| Impervious | buildings, roads, driveways, parking lots | 3,620.5 | 47.8% |
| Trees | woody vegetation, trees | 2,309.8 | 30.5% |
| Open Space | agricultural fields, grasslands, turfgrass | 1,595.7 | 21.1% |
| Bare | soil, aggregate piles, unplanted fields | 33.4 | 0.4% |
| Water | rivers, lakes, drains, ponds | 9.2 | 0.1% |
| Total Acres | | 7,568.6 | |

