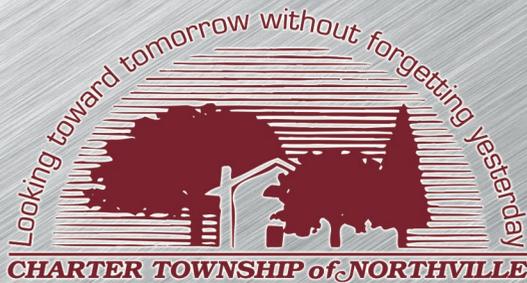
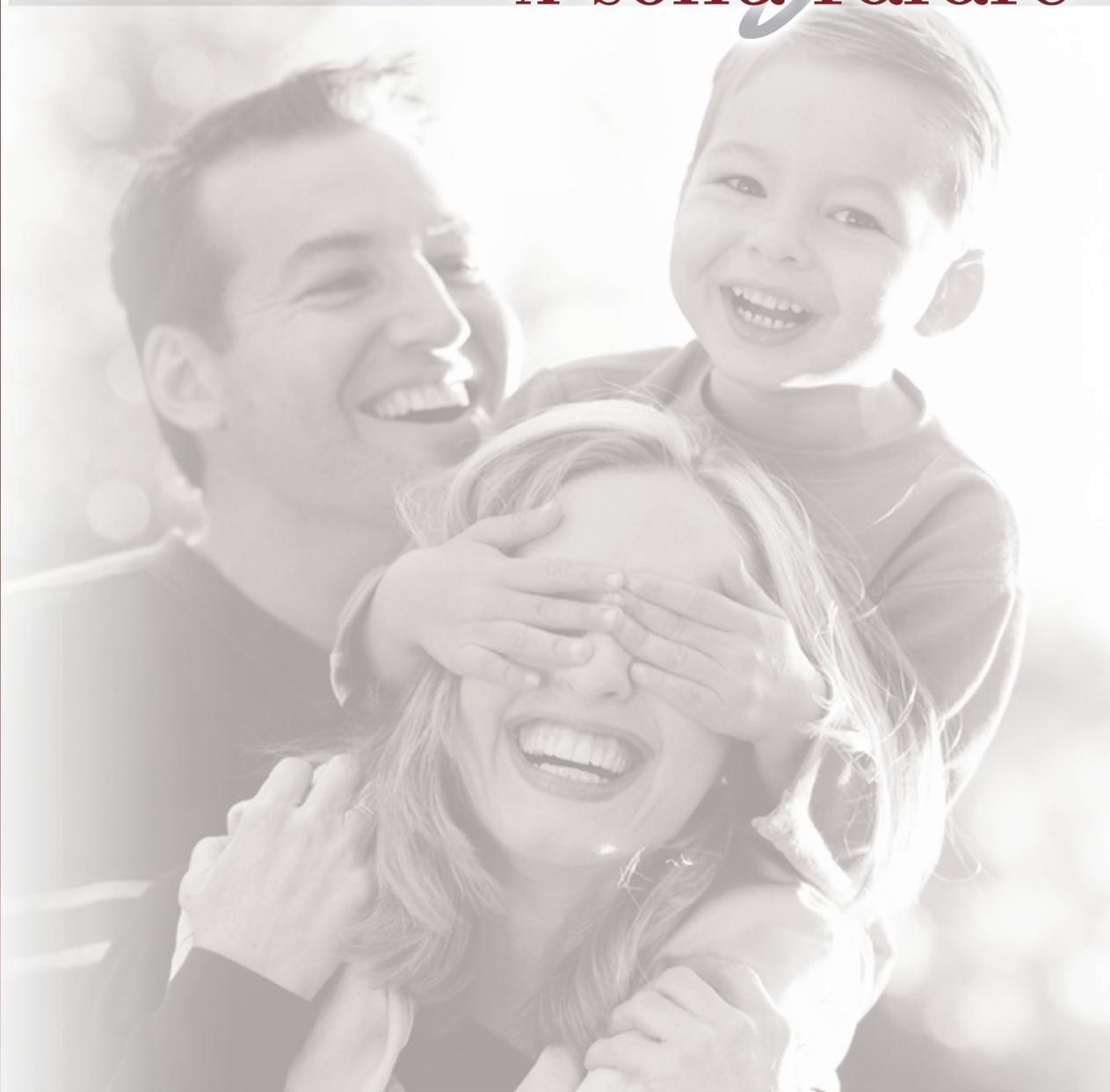


COURAGE • LEADERSHIP  
VISION • CITIZEN FOCUSED  
SUPPORT & INFRASTRUCTURE  
RELIABLE & RESPONSIBLE  
STABILITY • QUALITY OF LIFE  
EVENTS & RECREATION  
DESIRABLE COMMUNITY  
FUTURE GENERATIONS  
MANAGED GROWTH  
SAFETY & SECURITY  
COURAGE • LEADERSHIP  
VISION • CITIZEN FOCUSED  
SUPPORT & INFRASTRUCTURE  
RELIABLE & RESPONSIBLE  
STABILITY • QUALITY OF LIFE



# Building

A solid future



Having the **courage** to make  
**responsible** decisions for our  
**community** and **future generations**.

# *Citizen's Guide to the Budget*

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*Introduction: The purpose of this section is to explain to the reader the format and information presented in the 2014 budget document.*

The budget provides a financial plan to execute the Budget Program Strategies which are funded through the General Fund, Special Revenue Funds, Water & Sewer Fund and other sources; and includes payment of debt. A glossary of terms is included within the Appendices section with definitions for these and other budget and financial terms.

## ***Budget Document***

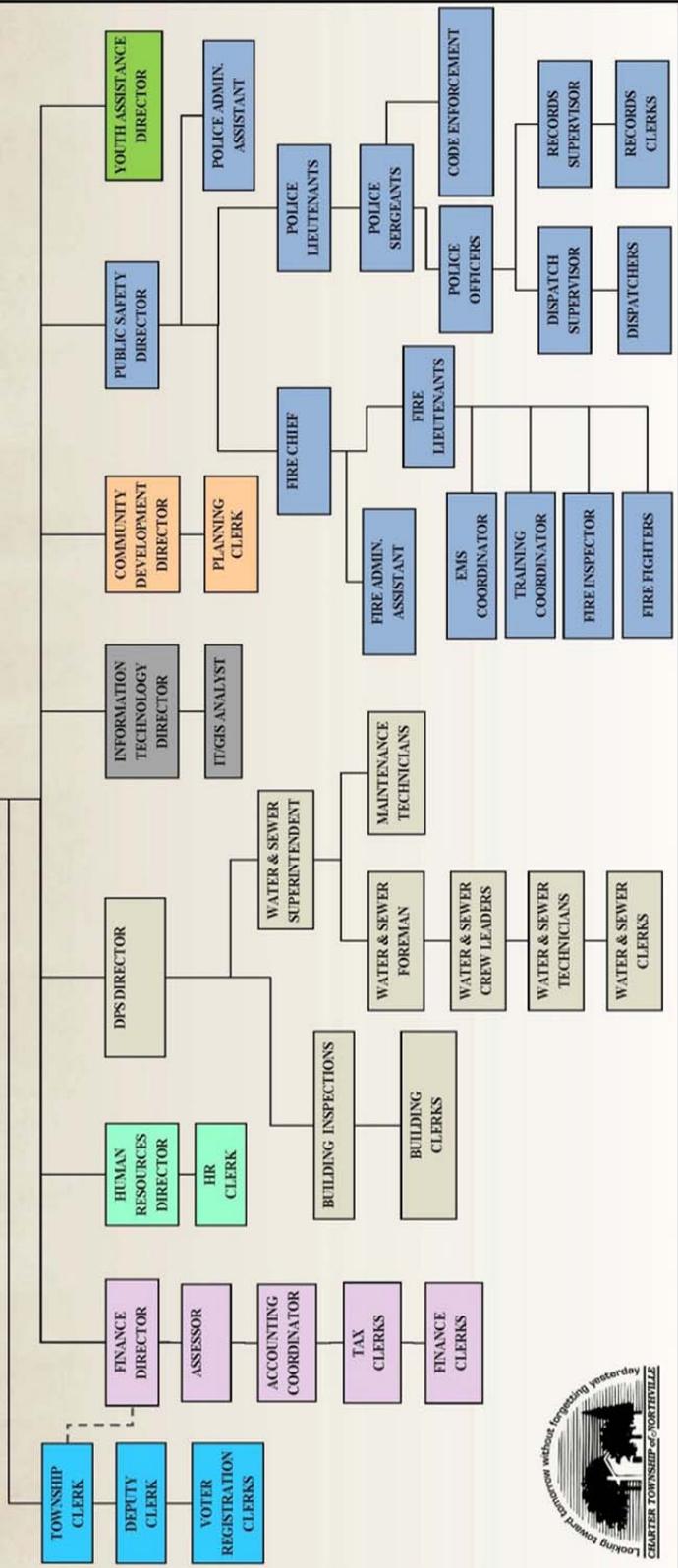
The budget document consists of the following sections:

- The **Township Manager's Budget Message** highlights the program strategies and budget plan priorities.
- The **Budget Overview** provides a summary of the budget including a Financial Overview and review of the Financial and Budget Policies.
- The **Multi-Year Budget** illustrates the Township's three-year budget plan.
- The **Budget Program Categories** section includes the following program categories: Public Safety and Fiscally-Responsible Government.
- The **Capital Improvements Program** section provides a listing of capital improvement projects for the upcoming fiscal year as well as for the next five years.
- The **Budget Summary** (General Fund, Special Revenue Funds, Debt Service, Capital Projects Fund, and Enterprise Funds) sections present the operating budgets for the Township's various departments. These presentations include an *Overview* of the department as well as 2013 *Significant Accomplishments*.
- The **Appendices** have been included to provide additional information pertaining to the Township of Northville that may be of interest to the reader of the budget document. Included in these sections are: Township Board Resolutions, Statistical information and a Glossary of budget and financial terms.

# CHARTER TOWNSHIP OF NORTHVILLE

## CITIZENS OF NORTHVILLE TOWNSHIP

- BOARD OF TRUSTEES
- TOWNSHIP MANAGER



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## **BOARD OF TRUSTEES**



Left to Right: Symantha Heath (Trustee), Marv Gans (Trustee), Marjorie Banner (Treasurer), Robert Nix II (Supervisor), Sue Hillebrand (Clerk), Mindy Herrmann (Trustee), Fred Shadko (Trustee)

<http://www.northvillemich.com/index.aspx>

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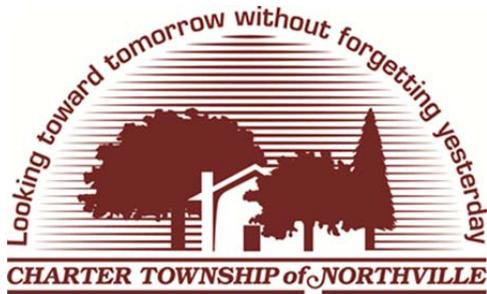
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**FISCAL YEAR 2014  
BUDGET MESSAGE**

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Honorable Supervisor Nix and Township Board Members:

Transmitted for your consideration is the 2014 annual budget for the Charter Township of Northville.

## **Building a Solid Future**

**Building a solid future** by having the **courage** to **make** responsible decisions for **our community** and **future generations**.

One key strategic change this year was to move from a single-year budget to a three-year rolling budget cycle, similar to what Oakland County has been doing for years. The impact of future economic conditions such as the federal healthcare program, federal reductions in local government support, the elimination of personal property tax as well as the impact of future taxable value projections are all key factors in developing the multi-year budget plan. As a result, the budget provides the long-range fiscal plan for the Township as well as identifies any projected operating shortfalls and proposes means to resolve those budgetary issues.

The Township remains fiscally prudent and is constantly seeking innovative ways to save money while continuing to provide the valuable services that the residents want and deserve. Recent cost saving initiatives include:

- Elimination of approximately \$60,000 annually in federal unemployment tax effective January 1, 2014.
- Savings of \$50,000 in the Township's general liability and property insurance premium renewal.
- Decrease of \$26,000 in professional services due to the elimination of retention fees.

As a result, 2014 General Fund expenditures will decrease overall by 9.8% and Public Safety increases only 2.4% which includes capital and equipment purchases from the amended 2013 budget.

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This budget also adopts a long-range planning approach to capital improvements by incorporating a Capital Improvement Plan to enable the Township to direct resources towards pathways, facility improvements, water & sewer projects as well as technology upgrades.

The Township's overall workforce was reduced by 15 full-time positions or 12% since 2008. The 2014 budget plan maintains staffing at this reduced level with 70% of the workforce dedicated to public safety. At the same time, demand for services continue to increase as population within our Township grows. According to the results of the 2010 census, the U. S. Census Bureau reports Northville Township ranked 21<sup>st</sup> in the State for the highest percentage increase in population out of approximately 1,530 communities.

The 2013 tax millage rate of 7.1074 assumes no increase from the current 2012 tax rate. The separate public safety, as well as the general voted and shared services millage are currently set to expire in 2013.

**Public Safety (multi-year budget)**

**The Township has a separately voted public safety millage dedicated for police and fire operations.** The Police and Fire Funds have budgeted expenditures in excess of revenues of \$1,204,330 in fiscal year 2014. To maintain current service levels including personnel, operating and capital costs, future years (beginning in 2015), assumes a Public Safety millage rate of 6 mills (current millage rate = 5 mills).

**Shared Services Fund (multi-year budget)**

**The Township has a separately voted shared services millage dedicated for parks and recreation as well as senior and youth assistance programs.** The fund balance for the Shared Services Fund is recommended to be within a minimum range of 16.7% of annual budgeted expenditures, since this fund is similar to the General Fund in terms of covering operations. This fund reports only one major source of revenue: special voted property tax millage. Looking ahead, this fund's reserves will fall below the minimum recommended levels by 2017. The Township will strive to establish all user charges and fees at a level considering the cost (operating, direct, indirect and capital) of providing the service.

All of the programs, activities and projects that we engage in today form the foundation for our Township's future. By maintaining a strong public safety program, a sound infrastructure plan, responsive internal systems and quality development standards, we will continue to make Northville Township's future strong and resilient.

The annual operating, capital budgets and multi-year budget plans could not have been prepared without the dedicated service of all of the Directors and staff members. Each and every individual who contributed to the process and production has my deepest appreciation.

**Charter Township of Northville, Michigan**  
**FISCAL YEAR 2014 BUDGET CALENDAR**

<u>Date/Deadline</u>	<u>Objective/Deliverable</u>
May 9, 2013	Transmittal of Capital Improvements Program (CIP) Preparation Manual to Departments
May 9, 2013	Transmittal of Budget Preparation Manual and mid-year fiscal 2013 Budget estimate material to departments
June 7, 2013	CIP submittals due from departments
June 14, 2013	Deadline for departments to provide revenue and expenditure estimates for fiscal 2013 through the remainder of the fiscal year (operations and capital)
July 1, 2013	Deadline for submission of fiscal 2014 departmental Operating Budget, Service Improvement Requests, Part-time & Seasonal Requests and Department Narratives and Significant Accomplishments
July 2 - 26, 2013	Finance staff review of Revenue and Expenditure estimates, Operating Budget, Service Improvement, Capital Outlay and Vehicle requests, and submittal to Township Manager's Office
September 24, 2013	Public hearing on Capital Improvements Program, Planning Commission and CIP adoption
August 2013	Township Manager's review of budget requests with the following departments:
August 5, 2013	Police/Fire
August 12, 2013	Water & Sewer/Solid Waste
August 15, 2013	Planning/Building Division/Maintenance
August 19, 2013	Human Resources/Treasurer's Office/Information Technology
August 21, 2013	Clerk's Office/Youth Assistance
September 2 - 27, 2013	Staff compiles draft budget and prepares Budget Transmittal Message and narrative for program budget sections
September 23, 2013	Township Manager submits Proposed Budget to Township Board
September 30, 2013	Executive Board meeting
October 9, 2013	Budget Study Session and Public Hearing
October 17, 2013	Public Hearing on Budget
October 17, 2013	Township Board adopts Budget and approves tax levy
November 29, 2013	Staff publishes final Adopted Budget document and CIP Program
December 19, 2013	Staff proposes and Township Board reviews and approves fiscal 2013 year-end 4th quarter budget amendment, if needed
January 1, 2014	Fiscal year 2014 begins

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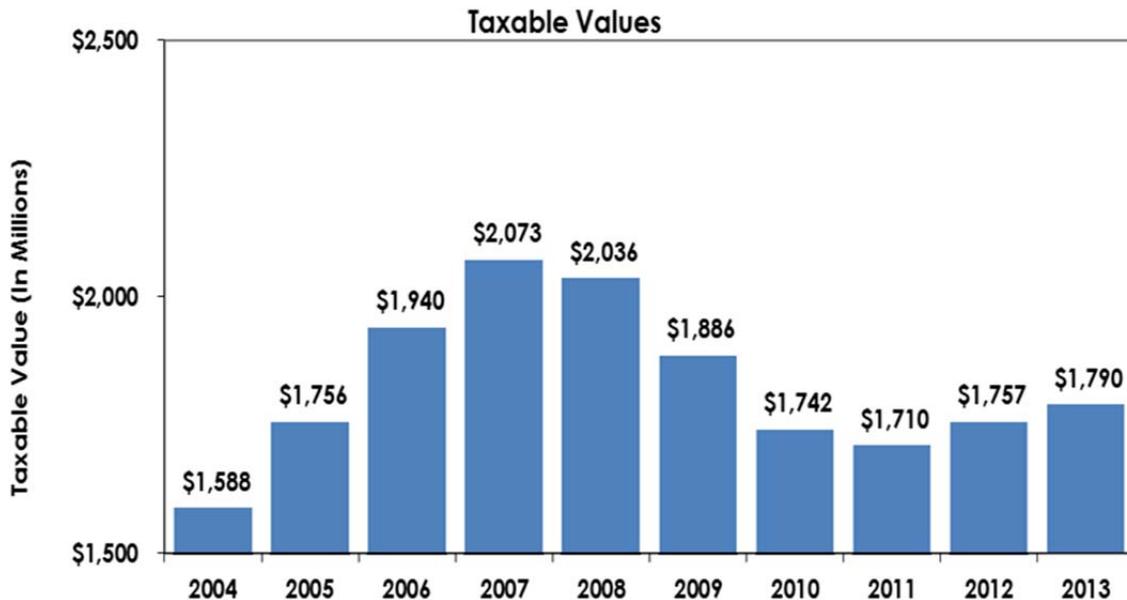
## *Revenue & Expenditures*

### Property Taxes

Property taxes are expressed in terms of millage with one mill being equal to \$1.00 per thousand dollars of taxable value. Assessing records maintain two values for each property in the Township. Prior to Proposal A, all property was taxed based on the State Equalized Value (S.E.V.), which represents 50% of true cash value. Proposal A limits the increase in value attributed to market change to the lower of 5% or the Inflation Rate Multiplier (previously referred to as Consumer Price Index). The one exception refers to properties changing ownership, which brings the taxable value back up to the S.E.V.

The following shows recent history of taxable values and percentage change from prior year

Tax Year	Taxable Value (in millions)	% Change
2004	\$ 1,588	13.3%
2005	\$ 1,756	10.6%
2006	\$ 1,940	10.5%
2007	\$ 2,073	6.9%
2008	\$ 2,036	-1.8%
2009	\$ 1,886	-7.4%
2010	\$ 1,742	-7.6%
2011	\$ 1,710	-1.8%
2012	\$ 1,757	2.7%
2013	\$ 1,790	1.9%



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## Personal Property Tax Repeal

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The Legislature has adopted a multi-year package that will phase out the Personal Property Tax (PPT) on certain parcels beginning December 31, 2013. The repeal would:

- Exempt industrial and commercial personal property with a taxable value under \$40,000. Two bills recently passed by the Senate embody “technical changes” in the legislation passed last December.
- Beginning December 31, 2015, exempt eligible manufacturing personal property purchased after December 30, 2011. “Eligible Manufacturing” personal property is defined as all property used in industrial processing more than 50 percent of the time, as well as property used in direct support of manufacturing, such as warehouses, engineering, and quality control.
- Also beginning December 31, 2015, eligible manufacturing personal property that has been subject to the tax for ten years or more becomes exempt. This exemption will impact additional manufacturing personal property each year until 2021, at which point all manufacturing personal property will be exempt.
- The new exemptions will only go into effect if the statewide vote on using a portion of the Use Tax as the reimbursement revenue stream is successful.
- A new statewide Metropolitan Authority would be created and subject to a statewide vote in August of 2014, would levy a “metropolitan areas component” of the Use Tax. The statutory amount would be the projected amount necessary to cover 75% to 80% of the estimated loss for *qualified* communities. The state portion of the Use Tax would be reduced by a corresponding amount so that the Use Tax payers would continue to pay a total rate of 6%.

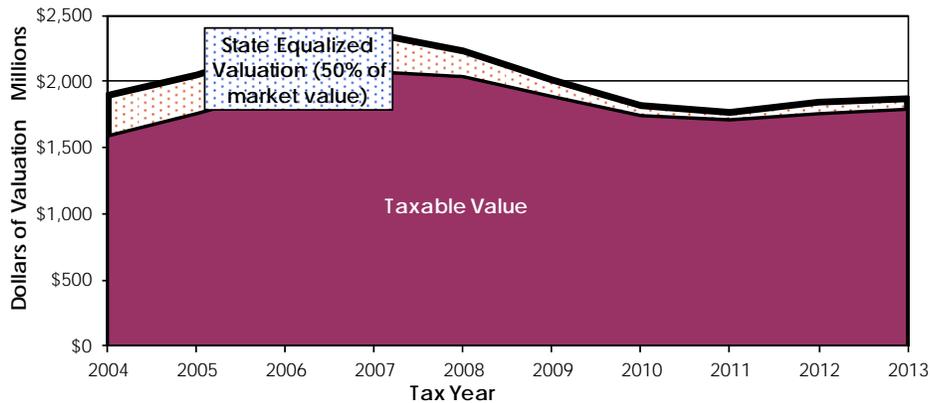
A summary of the expected impact to the Township is as follows:

- The projected loss of revenue for the Township beginning with fiscal year 2015 is estimated to be approximately \$20,000 based on an estimated reduction of \$3 million in taxable value for parcels with a taxable value under \$40,000.
- Beginning December 31, 2015, eligible manufacturing personal property that has been subject to the tax for ten years or more becomes exempt resulting in an estimated loss to the Township of approximately \$109,000 in property tax revenue per year. Of this loss, over 70% of the personal property tax reduction would directly affect the Township’s public safety operations.

## Ten Year Taxable Value Actual Compared to State Equalized Valuation (SEV)

Tax Liability Year	State Equalized Valuation (50% of market value)		Taxable Value		% Taxable Value of SEV
	Amount	% Change	Amount	% Change	
2004	\$1,888,120,907	10.4%	\$1,587,882,523	13.3%	84.1%
2005	\$2,051,770,547	8.7%	\$1,755,884,750	10.6%	85.6%
2006	\$2,254,275,696	9.9%	\$1,939,716,641	10.5%	86.0%
2007	\$2,356,196,789	4.5%	\$2,073,030,468	6.9%	88.0%
2008	\$2,227,724,000	-5.5%	\$2,036,479,322	-1.8%	91.4%
2009	\$2,006,440,913	-9.9%	\$1,886,033,923	-7.4%	94.0%
2010	\$1,817,710,850	-9.4%	\$1,742,126,090	-7.6%	95.8%
2011	\$1,764,076,740	-3.0%	\$1,710,015,057	-1.8%	96.9%
2012	\$1,836,113,250	4.1%	\$1,756,604,647	2.7%	95.7%
2013	\$1,867,281,729	1.7%	\$1,789,766,930	1.9%	95.8%

**Ten Year Taxable Value Compared to State Equalized Valuation - Northville Township, Michigan**



The 1994 SEV established the base for taxable value calculations beginning in 1995. In addition to SEV, a taxable value was determined for each property. Taxable value is the lower of either capped value or SEV. Capped value increases are limited to the lesser of 5% or the rate of inflation. Although SEV continues to be based on market conditions, taxable value is thus in place to control property tax increases. Additions or losses to a property will increase or reduce the taxable value of that property. In the year following a property transfer, the taxable value of that property will uncapped to the SEV. Northville Township's total taxable value rate of change moves larger than the SEV largely due to the uncapping of properties from sales and the addition of new construction. In the coming decades, as Northville Township reaches build-out and ages, under current rules, yearly increases in taxable value will be closer to capped consumer price index (termed Inflation Rate Multiplier by the State of Michigan).

## Headlee Amendment

The Headlee amendment of the State Constitution can reduce the amount of operating millages allowed by Township Law. This amendment limits the growth in property tax revenue from existing property to the rate of inflation. It accomplishes this by reducing millages proportionally by the amount that market changes exceed the State's inflation rate multiplier. The table on this page shows the millages, revenues, remaining capacities and the proportion of each funds' property tax revenue.

**CHARTER TOWNSHIP OF NORTHVILLE, MICHIGAN  
MILLAGE RATES, HEADLEE MAXIMUM RATES AND 2013 TAX LEVY**

OPERATING FUNDS	MAXIMUM LEVY	ADJUSTED MAXIMUM HEADLEE		2013 LEVY	REMAINING CAPACITY
		2012	2013		
GENERAL OPERATING	\$ 1.0000	\$ 0.6824	\$ 0.6824	\$ 0.6824	\$ -
PUBLIC SAFETY	5.0000	5.0000	5.0000	5.0000	\$ -
SHARED SERVICES	0.4574	0.4574	0.4574	0.4574	\$ -
GENERAL VOTED OPERATING	0.1176	0.1176	0.1176	0.1176	\$ -
<b>DEBT SERVICE FUNDS</b>					<b>Last Year of Payments</b>
SEVEN MILE PROPERTY DEBT SERVICE	0.9661	N/A	N/A	0.8500	2029
				<u>\$ 7.1074</u>	

OPERATING FUNDS	MILLAGE			REVENUE	REMAINING CAPACITY
	2012	2013	CHANGE		
GENERAL OPERATING	0.6824	0.6824	0.0000	\$ 1,191,000	\$ -
PUBLIC SAFETY	5.0000	5.0000	0.0000	8,724,000	\$ -
SHARED SERVICES	0.4574	0.4574	0.0000	798,000	\$ -
GENERAL VOTED OPERATING	0.1176	0.1176	0.0000	205,000	\$ -
	<u>6.2574</u>	<u>6.2574</u>	<u>0.0000</u>		
<b>DEBT SERVICE FUNDS</b>					
SEVEN MILE PROPERTY DEBT SERVICE	0.8500	0.8500	0.0000	1,483,000	
	<u>0.8500</u>	<u>0.8500</u>	<u>0.0000</u>		
<b>Total</b>	<u>7.1074</u>	<u>7.1074</u>	<u>0.0000</u>	<u>\$ 12,401,000</u>	

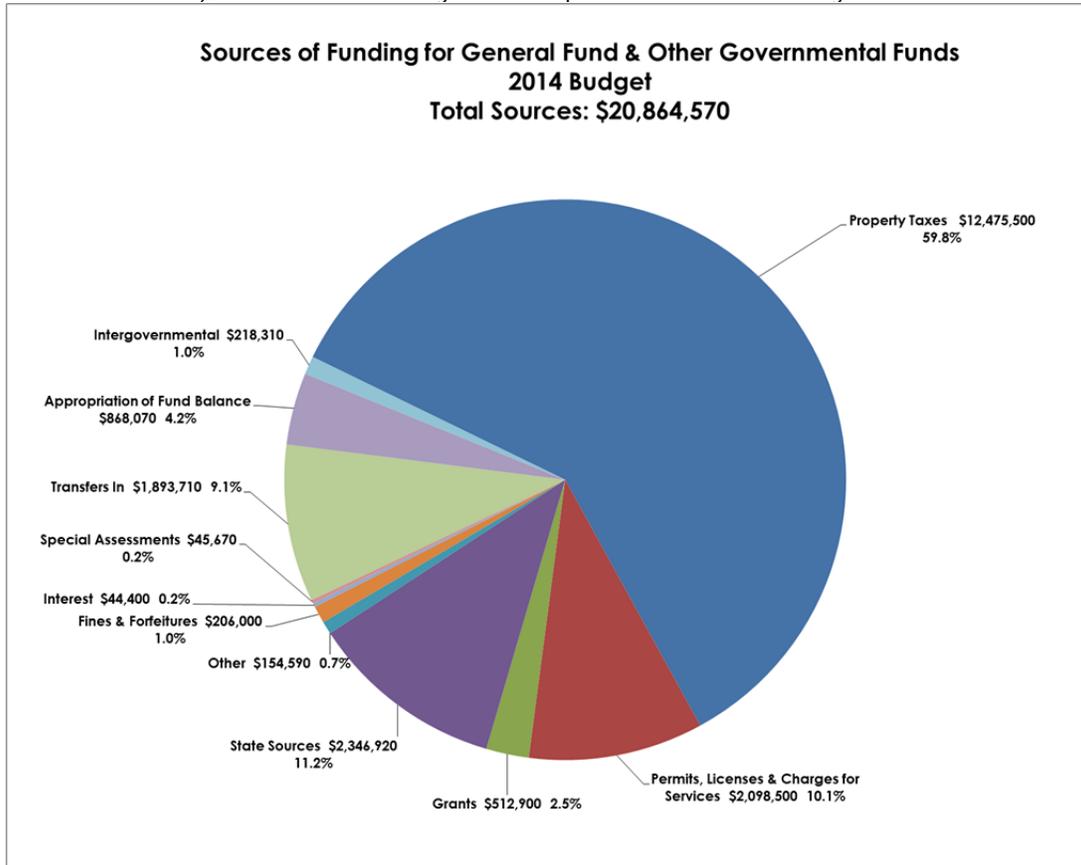
## Millage Rate

The tax impact on a home with a \$300,000 market value is easily computed. The State Equalized Value (S.E.V.) of a single family residence would be half of the market value of the home. For the example, we will assume the taxable value is equal to the S.E.V. of the residence, which would be \$150,000. The tax millage rates are equal to \$1 per \$1,000 of taxable value. To compute the amount of Township property taxes, the property owner could simply take the taxable value and divide it by 1,000 then multiply that by the tax millage rate. Below is an illustration of the computation for the amount of Township property taxes on a single family residence with a taxable value of \$150,000.

<i>Taxable Value Example (assumes a home with a \$150,000 taxable value):</i>				
	<u>2012</u>		<u>2013</u>	
	\$ 150,000		\$ 150,000	
	2012		2013	
	MILLS	TAXES	MILLS	TAXES
General Operating	0.6824	\$ 102.36	0.6824	\$ 102.36
Public Safety	5.0000	750.00	5.0000	750.00
Shared Services	0.4574	68.61	0.4574	68.61
General Voted	<u>0.1176</u>	<u>17.64</u>	<u>0.1176</u>	<u>17.64</u>
Total Operating:	6.2574	938.61	6.2574	938.61
Seven Mile Property Debt Service	<u>0.8500</u>	<u>127.50</u>	<u>0.8500</u>	<u>127.50</u>
Total	7.1074	\$ 1,066.11	7.1074	\$ 1,066.11
Anticipated change between 2012 and 2013				\$ -

## Revenue Summaries

The following represents Fiscal Year 2014 revenue estimates (General Fund and Other Governmental Funds), as well as a four-year comparison of revenue by fund:



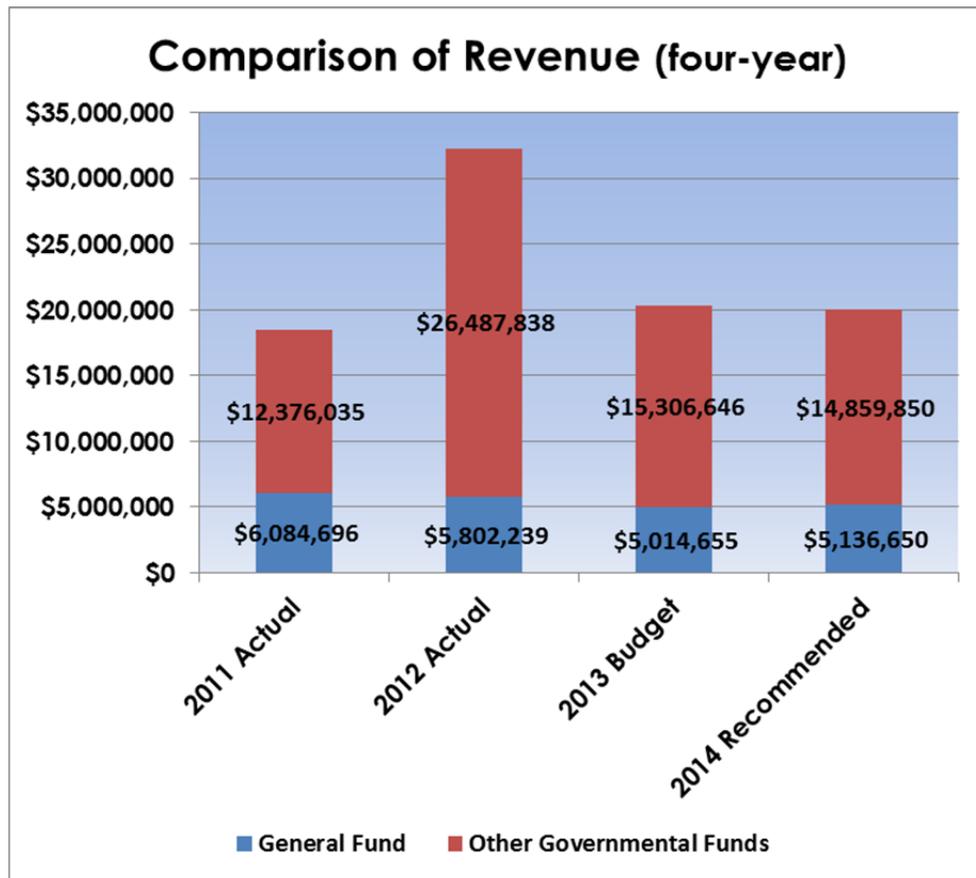
## Fiscal Year 2014 Budgeted Revenue (by category)

	GENERAL FUND	OTHER GOVERNMENTAL FUNDS	TOTAL REVENUE
<b>ESTIMATED REVENUE:</b>			
Property Taxes	\$ 1,470,500	\$ 11,005,000	\$ 12,475,500
Permits, Licenses & Charges for Services	\$ 1,456,450	\$ 642,050	\$ 2,098,500
Grants	\$ -	\$ 512,900	\$ 512,900
State Sources	\$ 2,147,720	\$ 199,200	\$ 2,346,920
Other	\$ 56,780	\$ 97,810	\$ 154,590
Fines & Forfeitures	\$ -	\$ 206,000	\$ 206,000
Interest	\$ 5,200	\$ 39,200	\$ 44,400
Special Assessments	\$ -	\$ 45,670	\$ 45,670
Transfers In	\$ -	\$ 1,893,710	\$ 1,893,710
Appropriation of Fund Balance	\$ -	\$ 868,070	\$ 868,070
Intergovernmental	\$ -	\$ 218,310	\$ 218,310
<b>TOTAL ESTIMATED REVENUE</b>	<b>\$ 5,136,650</b>	<b>\$ 15,727,920</b>	<b>\$ 20,864,570</b>

## Comparison of Revenue (Four-Year)

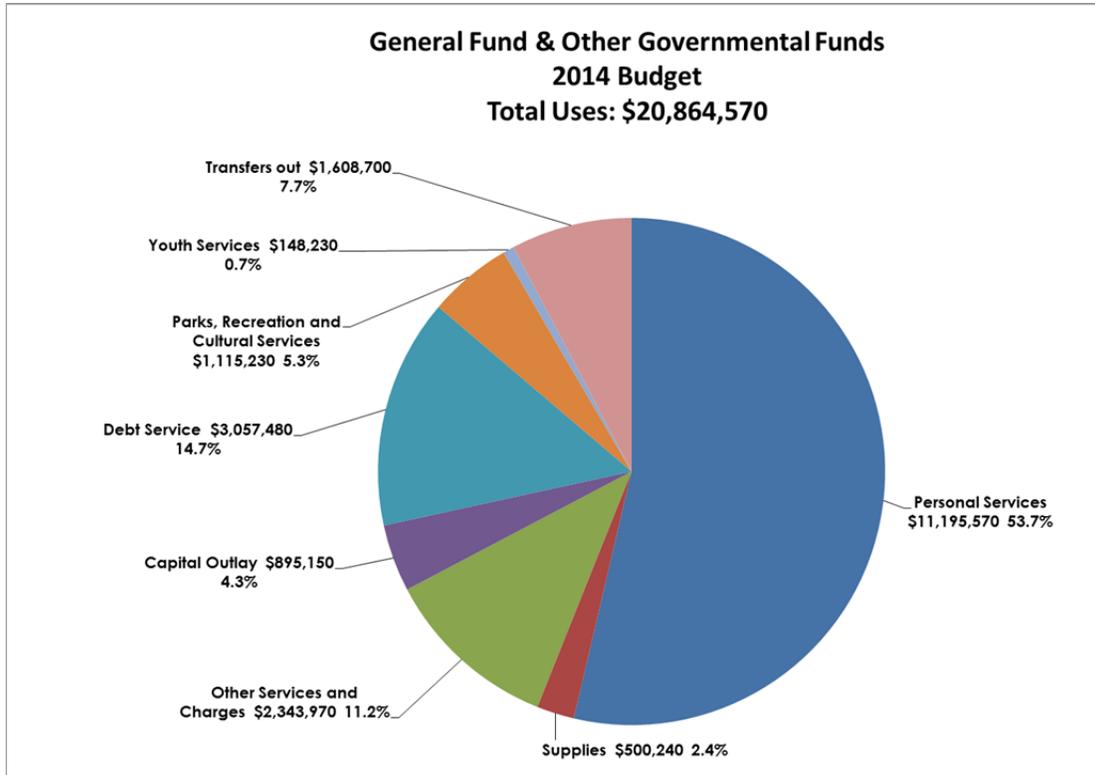
<u>FUND</u>	<u>2011 Actual</u>	<u>2012 Actual</u>	<u>2013 Budget</u>	<u>2014 Recommended</u>	<u>% Change from Budget 2013 to Budget 2014</u>
GENERAL FUND	\$ 6,084,696	\$ 5,802,239	\$ 5,014,655	\$ 5,136,650	2.4%
SPECIAL REVENUE FUNDS					
Public Safety	10,053,459	11,553,883	10,280,636	10,176,220	-1.0%
Special Operations Team	42,156	83,372	45,015	50,020	11.1%
Shared Services	785,366	810,166	806,771	799,500	-0.9%
Youth Assistance	224,176	183,236	105,346	115,210	9.4%
Community Development Block Grant	34,758	56,623	90,720	215,740	137.8%
DEBT SERVICE FUNDS					
2006 Refunding Bonds - Land Acquisition	-	300,256	281,988	274,430	-2.7%
2009 GO - Seven Mile Property Purchase	-	1,552,713	1,493,614	1,483,500	-0.7%
2003 GO - Building Authority Bonds	-	11,400,069	1,247,686	-	-100.0%
2012 Refunding Bonds - Building Authority	-	-	-	1,140,700	100.0%
2009 Special Assessment Limited Tax Bonds	-	58,170	79,870	52,530	-34.2%
CAPITAL PROJECT FUNDS					
Capital Projects	1,236,120	489,350	875,000	552,000	-36.9%
OTHER GOVERNMENTAL FUNDS	\$ 12,376,035	\$ 26,487,838	\$ 15,306,646	\$ 14,859,850	-2.9%
<b>TOTAL REVENUE</b>	<b>\$ 18,460,731</b>	<b>\$ 32,290,077</b>	<b>\$ 20,321,301</b>	<b>\$ 19,996,500</b>	<b>-1.6%</b>

The above 2014 revenue total does not include appropriation of fund balance in the amount of \$868,070.



## Expenditure Summaries

The following represents Fiscal Year 2014 expenditures (General Fund and Other Governmental Funds), as well as a four-year comparison of expenditures by fund.

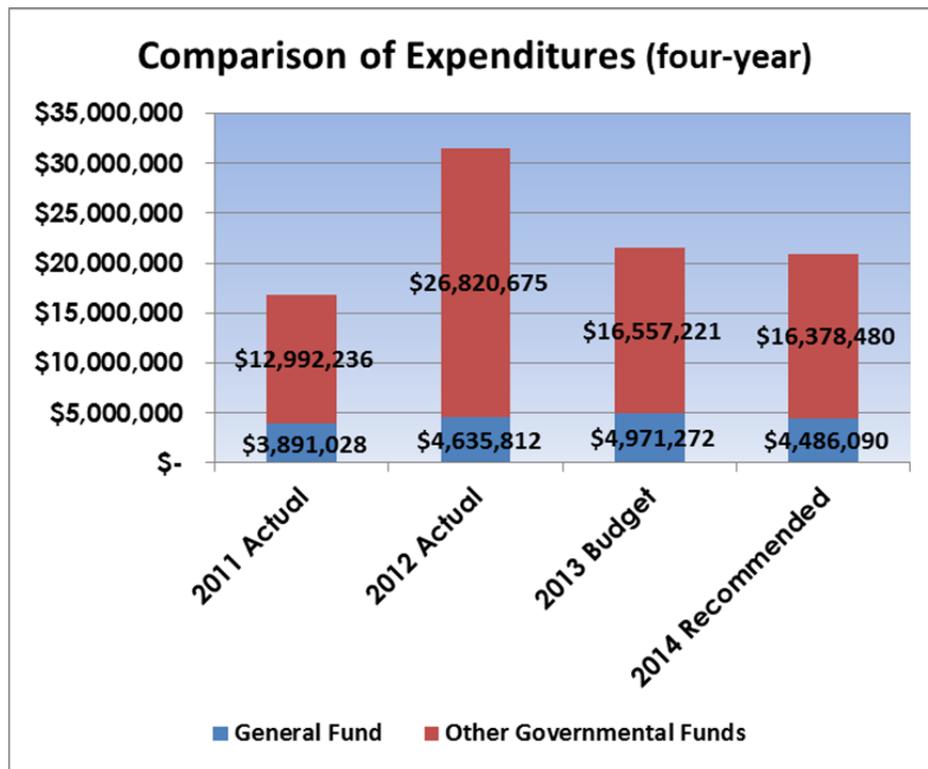


### Fiscal Year 2014 Expenditures

EXPENDITURES:	GENERAL FUND	OTHER GOVERNMENTAL FUNDS	TOTAL Expenditures
Personal Services	\$ 2,268,830	\$ 8,926,740	\$ 11,195,570
Supplies	\$ 102,510	\$ 397,730	\$ 500,240
Other Services and Charges	\$ 1,257,200	\$ 1,086,770	\$ 2,343,970
Capital Outlay	\$ 2,000	\$ 893,150	\$ 895,150
Debt Service	\$ -	\$ 3,057,480	\$ 3,057,480
Parks, Recreation and Cultural Services	\$ -	\$ 1,115,230	\$ 1,115,230
Youth Services	\$ -	\$ 148,230	\$ 148,230
Transfers out	\$ 855,550	\$ 753,150	\$ 1,608,700
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,486,090</b>	<b>\$ 16,378,480</b>	<b>\$ 20,864,570</b>

## Comparison of Expenditures (Four-Year)

FUND	2011 Actual	2012 Actual	2013 Budget	2014 Recommended	% Change from Budget 2013 to Budget 2014
GENERAL FUND	\$ 3,891,028	\$ 4,635,812	\$ 4,971,272	\$ 4,486,090	-9.8%
SPECIAL REVENUE FUNDS					
Public Safety:					
Police (includes drug forfeiture fund projects)	6,242,702	6,574,354	6,334,327	6,512,920	2.8%
Fire	3,885,706	4,635,788	4,842,950	4,927,630	1.7%
Special Operations Team	50,494	14,278	45,200	50,020	10.7%
Shared Services	853,127	1,342,553	1,104,333	1,115,230	1.0%
Youth Assistance	201,567	200,794	146,197	148,230	1.4%
Community Development Block Grant	60,846	30,535	90,720	215,740	137.8%
DEBT SERVICE FUNDS					
2006 Refunding Bonds - Land Acquisition	-	300,988	281,888	274,430	-2.6%
2009 GO - Seven Mile Property Purchase	-	1,544,845	1,596,370	1,582,220	-0.9%
2003 GO - Building Authority Bonds	-	11,400,069	1,247,686	-	-100.0%
2012 Refunding Bonds - Building Authority	-	-	-	1,140,700	100.0%
2009 Special Assessment Limited Tax Bonds	-	63,748	61,750	60,130	-2.6%
CAPITAL PROJECT FUNDS					
Capital Projects	1,697,794	712,723	805,800	351,230	-56.4%
OTHER GOVERNMENTAL FUNDS	\$ 12,992,236	\$ 26,820,675	\$ 16,557,221	\$ 16,378,480	-1.1%
TOTAL EXPENDITURES	\$ 16,883,264	\$ 31,456,487	\$ 21,528,493	\$ 20,864,570	-3.1%



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## Fund Balance

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The General Fund encompasses the Township's activities not required to be segregated in separate funds. The fund balance available can be appropriated as specified by the Township Board.

Other Governmental Funds which include Special Revenue Funds, Debt Service and Capital Projects are segregated since there are restrictions on the use of each fund's respective fund balance.

### FUND BALANCE PROJECTION

	GENERAL FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Balance January 1, 2012	\$ 5,642,114	\$ 8,304,501	\$ 13,946,615
Estimated 2013:			
Revenue	5,218,590	15,994,221	21,212,811
Expenditures	(4,646,850)	(17,070,846)	(21,717,696)
Revenues over/(under) expenditures	571,740	(1,076,625)	(504,885)
Projected Balance December 31, 2013	6,213,854	7,227,876	13,441,730
Estimated 2014:			
Revenue	5,136,650	14,859,850	19,996,500
Expenditures	(4,486,090)	(16,378,480)	(20,864,570)
Revenues over/(under) expenditures	650,560	(1,518,630)	(868,070)
Projected Balance December 31, 2014	\$ 6,864,414	\$ 5,709,246	\$ 12,573,660

## *Personnel Summary (full-time staff)*

The Township of Northville employs 113 full-time staff in various capacities. The costs for these employees are budgeted in the General Fund, Public Safety Fund, Youth Assistance and Water and Sewer Fund.

- The 2014 budget of 113 full-time staff is down 12% or 15 positions from 2008.
- The Township's total staffing levels increased from 2012 to 2013 by four positions due to the addition of four full-time firefighters hired under the Assistance to Firefighters Grant Program. This grant extends through 2014.

### GENERAL FUND

	2012 ACTUAL	2013 ACTUAL	2014 BUDGET	INCREASE (DECREASE)
<b>LEGISLATIVE</b>				
Township Manager	1	1	1	-
Director of Information Technology	1	1	1	-
Facilities Maintenance	2	2	2	-
	<u>4</u>	<u>4</u>	<u>4</u>	<u>-</u>
<b>TOWNSHIP CLERK</b>				
Township Clerk	1	1	1	-
Deputy Township Clerk	1	1	1	-
Clerical Staff	2	2	2	-
	<u>4</u>	<u>4</u>	<u>4</u>	<u>-</u>
<b>TREASURER</b>				
Finance Director	1	1	1	-
Director of Human Resources	1	1	1	-
Accounting Coordinator	1	1	1	-
Clerical Staff	4.5	4.5	5	0.5
	<u>7.5</u>	<u>7.5</u>	<u>8</u>	<u>0.5</u>
<b>BUILDING</b>				
Inspectors	3	3	3	-
Clerical Staff *	2	2	1.5	(0.5)
	<u>5</u>	<u>5</u>	<u>4.5</u>	<u>(0.5)</u>
<b>PLANNING</b>				
Community Development Director	1	1	1	-
Clerical Staff *	0.5	0.5	0.5	-
	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>	<u>-</u>
<b>TOTAL GENERAL FUND</b>				
	<u>22</u>	<u>22</u>	<u>22</u>	<u>-</u>

Planning and Building each share one full-time clerical employee.

**Personnel Summary (full-time staff)**  
*Continued*

<b>PUBLIC SAFETY FUND</b>				
	2012	2013	2014	INCREASE
	ACTUAL	ACTUAL	BUDGET	(DECREASE)
<b>DEPARTMENT OF PUBLIC SAFETY</b>				
Director of Public Safety	1	1	1	-
Deputy Director of Fire Services	1	1	1	-
Police Lieutenant	2	2	2	-
Police Sergeant	4	4	4	-
Dispatcher Supervisor	2	2	2	-
Dispatcher	10	10	10	-
Police Officer	23	23	23	-
Administrative Assistant/Clerical Staff	2	2	2	-
Fire Inspector	1	1	1	-
Firefighter	17	21	21	-
Fire Lieutenant	6	6	6	-
EMS Coordinator	1	1	1	-
Training Coordinator	1	1	1	-
Ordinance Officer	0.5	1	1	-
<b>TOTAL PUBLIC SAFETY FUND</b>	<b>71.5</b>	<b>76</b>	<b>76</b>	<b>-</b>
<b>YOUTH ASSISTANCE FUND</b>				
	2012	2013	2014	INCREASE
	ACTUAL	ACTUAL	BUDGET	(DECREASE)
Director of Youth Assistance	1	1	1	-
<b>WATER &amp; SEWER FUND</b>				
	2012	2013	2014	INCREASE
	ACTUAL	ACTUAL	BUDGET	(DECREASE)
Director of Public Services	1	1	1	-
Superintendent	1	1	1	-
Foreman	1	1	1	-
Crew Leader	4	4	4	-
Operator	3	3	3	-
Laborer	2	2	2	-
Clerical Staff	2	2	2	-
<b>TOTAL WATER AND SEWER FUND</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>-</b>
<b>TOTAL PERSONNEL FOR ALL FUNDS</b>	<b>109</b>	<b>113</b>	<b>113</b>	<b>-</b>

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## *Financial Policies*

The Township of Northville's financial policies, as compiled below, set forth the basic framework for the overall fiscal management of the Township. Operating independently of changing economic circumstances and conditions, these policies help the decision making process of the Township Board and administration. These policies provide guidelines for evaluating both current activities and proposals for future programs.

Most of the policies represent long-standing principles (i.e. traditions and practices) that have guided the Township in the past and have helped maintain financial stability.

The Township's financial policies serve the administration in the preparation of a balanced operating budget and management of the Township's financial affairs.

### **Operating Budget Policies**

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The Township will attempt to maintain current service levels for all priority and essential services and to fund them adequately.

- The Township will maintain a budgetary control system to ensure adherence to the budget and will prepare periodic reports comparing actual revenues and expenditures with budgeted amounts.
- The Township will emphasize efforts to reduce expenditures in major cost centers (i.e. energy, medical insurance premiums, pension cost and Worker's Compensation payments).
- The Water and Sewer and Solid Waste Funds will be self-supporting.
- The Township will protect against catastrophic losses through a combination of insurance and maintaining appropriate fund balance levels.

### **Fund Balance/Reserve Policies**

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The Township will adhere to the following fund balance/reserve policies:

- The Township will establish a reserve to pay for expenditures as a result of unforeseen emergencies or for shortfalls caused by revenue declines. The Township will seek to maintain a diversified and stable revenue system to shelter itself from short-run fluctuations in any one revenue source. The Township will attempt to obtain additional revenue sources to insure a balanced budget.
- The Township will strive to establish all user charges and fees at a level considering the cost (operating, direct, indirect and capital) of providing the service.
- The Township will establish reserves to comply with the terms and conditions of the debt instruments used to finance capital improvement projects.

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- The Township will review fund balance/reserves annually during the budget process.
  - In the event the level of expenditures exceeds the estimated appropriations, the Township will create a plan to replenish fund balance/reserves within a specified time period by controlling operating expenditures, adjusting operations and/or dedicating specific revenue sources.

## **General Fund**

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The Government Finance Officers Association (GFOA) recently updated its best practice on general fund balances to recommend that general purpose governments maintain at a minimum a general fund balance of no less than 2 months of regular general fund operating expenditures. This amounts to 16.7% of budgeted general fund operating expenditures.

For the General Fund, the reserve will be maintained at a minimum of 16.7% of the budgeted expenditures. In the event that circumstances arise causing the fund balance to fall below 16.7%, a plan will be put in place to replenish the balance during the subsequent budget year. Additional reserves can be designated for a specific purpose as identified by Township Board during the budget process. Fund balance will be established to:

- Provide a fund or reserve to meet emergency expenditures;
- Provide adequate cash flow to finance expenditures;
- Demonstrate financial stability and therefore preserve or enhance its bond rating,
- Accumulate sufficient assets to make designated purchases;
- Avoid short-term borrowing and associated interest costs.

As part of the budget process excess fund balance may be used to reduce liabilities or fund future capital improvements over the next fiscal period.

## **Special Revenue Funds**

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Resources in a fund other than the General Fund are either (1) required to be used for the purpose of the fund or (2) intended by the government to be used for that purpose. Special revenue funds report specific revenue sources that are limited to being used for a particular purpose.

### **Public Safety Fund**

The Township's fund balance for Public Safety will be established to be at least at the GFOA minimum recommended level of 16.7% to cover extraordinary events and contingencies for budgeted expenditures and projects. The revenue from the special voted property tax millage for this fund is used specifically to support only police and fire department expenditures.

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### **Shared Services Fund**

The fund balance for the Shared Services Fund will also be established within a minimum range of 16.7% of annual budgeted expenditures, since this fund is similar to the General Fund in terms of covering operations. This fund reports only one major source of revenue: special voted property tax millage.

### **Other Special Revenue Funds**

The fund balance for other special revenue funds (Special Operations, Youth Assistance and Community Development Block Grant Funds) will be used for appropriations based on the specific purpose of those funds.

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### **Capital Replacement Reserve Policy – Enterprise Funds**

The Township has established Capital Replacement Reserve accounts in its Water & Sewer Enterprise Fund.

The key Capital Replacement Funding principle is that the money is collected and segregated, over a period of time, to cover the repair or replacement cost of existing common elements; that is, capital assets already in existence (for example, water and sewer infrastructure systems, etc.). Capital Replacement Funds are part of a long-term financial plan, which helps:

- Strengthen the community's fiscal health
- Increase the market value of units
- Provides stability to avoid large future assessments or rate increases

User charges and fees will be computed based on current year operating expenses, debt service requirements and annual contribution/replenishment of the capital replacement reserve.

The Capital Replacement Reserve for the Water & Sewer Fund is targeted at 10-25% of the current fair market value of water and sewer infrastructure assets. The Township uses the overall national CPI to compute the fair market value of these assets. Cash and investment balances for operations will be computed based on a minimum of two months expenditures plus planned capital improvement projects for the year.

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### **Revenue Policies**

- The Township will estimate its annual revenue by a conservative, objective and analytical process.
- The Township will review fees and charges annually. It will attempt to design and/or modify revenue systems to include provisions that automatically allow charges to grow at a rate that keeps pace with the cost of providing the service.
- Non-recurring revenue will be used only to fund non-recurring expenditures.

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## Capital Improvement Policies

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- The Township will develop a multi-year plan for capital improvements and update it annually.
- The Township's plan includes large capital purchases and construction projects costing more than \$5,000. A Capital Improvement, as defined in this document, includes real property expenditures greater than \$5,000 that have a life expectancy of at least five years and personal property items costing more than \$5,000 with a life expectancy of at least one year.
- The Township will maintain its physical assets at a level adequate to protect the Township's capital investment and to reduce future maintenance and replacement costs. The budget will provide for the adequate maintenance and the orderly replacement of the capital plant and equipment from current revenues where possible.
- The Township will use the following criteria to evaluate the relative merit of each capital project:
  - Projects specifically included in an approved replacement schedule will receive priority consideration.
  - Projects will be evaluated as to the impact on the operating budget; those that reduce the cost of operations or energy consumption will receive priority consideration.

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## Debt Policies

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- The Township will confine long-term borrowing to capital improvements.
- When the Township finances capital projects by issuing debt, it will repay the debt within a period not to exceed the expected useful life of the project.
- When possible, the Township will use special assessment revenue, tax increment, or other self-supporting bonds.
- The Township will maintain a sound relationship with all bond-rating agencies and will keep them informed about our current capital projects.

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## Investment Policies

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- The Township's investment objectives in priority order are: Safety, Liquidity, and Yield.
- Disbursement, collection, and deposit of all funds will be managed to insure that all cash is invested promptly until needed.
- The Township will strive to maximize the return on the portfolio, with the primary objective of preserving capital by prudent investment practices.

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- For the Township's complete investment policies please contact the Finance Department.

### **Accounting, Auditing and Financial Reporting Policies**

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- An independent audit will be performed annually.
- The Township will produce annual financial reports following Generally Accepted Accounting Principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB).
- The Township will maintain strong internal audit controls.

### **Purchasing Policies**

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- Purchases will be made in accordance with federal, state and municipal requirements.
- Purchases will be made in an impartial, economic, competitive and efficient manner.
- For bid projects, the Township will work with the Michigan Intergovernmental Trade Network (MITN) a collaboration of public entities throughout the State that collectively advertises bid opportunities through a web site at [www.mitn.info](http://www.mitn.info). All bid openings will be public. All bids and/or written quotations and request for proposals are awarded by the Township Board.

### **Grant Policies**

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- The Township Manager's Office reviews and approves department requests to pursue grants.
- Completed applications requiring a local match are presented for approval to the Township Board. The approval includes financing mechanism and required matching funds.
- Upon notice of grant award, the Township Board approves budget and formal acceptance.
- The Treasurer's Department works with the initiating department for proper reporting and program monitoring as well as coordinates the Single Audit requirements for federal grant programs.

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# *Significant Budget and Accounting Policies*

The budgeting and accounting policies of the Township of Northville conform to (GAAP) as applicable to governmental units. The following is a summary of the significant budget and accounting policies:

## **Budgeting**

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All Governmental Funds, including the legally adopted General Fund and Special Revenue Funds, are budgeted for on a modified accrual basis. As an example, employee wages are budgeted to account for the number of days scheduled for each fiscal year.

## **Fund Structure of Approved Budget**

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Annual budgets are legally adopted for the General Fund and Special Revenue Funds as required by the State's Uniform Budgeting and Accounting Act. In addition, although not required by law, budgets are prepared for the Township's Debt Service, Capital Projects, and Enterprise Funds. These budgets are prepared for financial management and project control purposes.

## **Fund Accounting**

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The accounts of the Township are organized by funds and account groups, each of which is considered a separate accounting entity. Funds are established to segregate specific activities or objectives of a government in accordance with special regulations, restrictions or limitations. The various funds are grouped into generic fund types in three broad fund categories as follows:

### **Governmental Funds**

**General Fund:** The General Fund contains the records of the ordinary activities of the Township that are not accounted for in another fund. General Fund activities are financed by revenue from general property taxes, state-shared revenue and other sources.

**Special Revenue Funds:** Special Revenue Funds are used to account for the proceeds of earmarked revenues such as special voted property tax millage and activities requiring separate accounting because of legal or regulatory provisions.

**Debt Service Funds:** Debt Service Funds are used to account for the annual payment of principal and interest concerning certain long-term debt other than debt payable from the operations of an enterprise fund.

**Capital Projects Funds:** Capital Project Funds are used to account for the development of capital facilities other than those financed by the operations of the enterprise funds.

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## Proprietary Funds

**Enterprise Funds:** The Water and Sewer and Solid Waste Funds are used to account for the results of operations that provide a service to citizens financed by a user charge for the provision of that service.

## Fiduciary Funds

**Fiduciary Funds:** Fiduciary Funds are used to account for assets held by the Township in a trustee capacity. Agency funds are custodial in nature and do not involve the measurement of results of operations.

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## Basis of Accounting

The accrual basis of accounting is used by the Enterprise Funds. Revenues are recognized when earned and expenses are recognized in the period incurred.

All Governmental Funds and Agency Funds use the modified-accrual basis of accounting. Modified accrual basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported on the financial statements. Revenues are recognized when they become measurable and available as follows:

Property tax revenue that is both measurable and available for use to finance operations is recorded as revenue when earned. Other revenue is recorded when received. The Township's tax is levied and collectible beginning December 1<sup>st</sup>. These taxes are due without a penalty during the period December 1 through February 14 with a 3% penalty added after that date. After February 28, they are added to the county tax rolls. The County Tax Revolving Fund reimburses the Township for the real property portion of these taxes.

**Fixed Assets and Long-Term Liabilities:** Fixed assets used in governmental fund type operations are capitalized in the government-wide financial statements, rather than in the governmental funds. Depreciation is reported on a straight-line basis for such fixed assets. All fixed assets are recorded at cost or, if donated, at their estimated fair value on the date donated. Long-term liabilities expected to be financed from governmental funds are accounted for in the government-wide financial statements, not in the governmental funds.

Fixed assets and long-term liabilities relating to the Water and Sewer and Solid Waste Funds are accounted for in those funds. Depreciation on such fixed assets is charged as an expense against the operations of the fund on a straight-line basis.

**Cash Equivalents:** For purposes of the statement of cash flow, the Enterprise funds consider all highly liquid investments with an original maturity of three months or less to be cash equivalents. In addition, the statements of cash flow include both restricted and unrestricted cash and cash equivalents.

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**Inventories:** Inventories in the Enterprise funds are valued at cost, on a first in, first out basis, which approximates market value.

## **Investments**

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The Township is authorized by Michigan Public Act 20 of 1943 (as amended) to invest surplus monies in U.S. bonds and notes, certain commercial paper, U.S. government repurchase agreements, government agencies, Bankers' acceptances and mutual funds and investment pools that are composed of authorized vehicles.

To the extent that cash from various funds has been pooled, related investment income is allocated to each fund based on relative participation in the pool, except that investment earnings by the Agency Funds are allocated to the General Fund.

Funds of Northville Township will be invested in accordance with Michigan Public Act 20 of 1943 as amended and in accordance with the following objectives, procedures and policy.

A) Safety of Capital - Safety of principal will be the foremost objective of the Northville Township. Each investment transaction shall seek to first ensure that capital losses are avoided whether they are from defaults or erosion of market value.

B) Liquidity - The Township's investment portfolio will remain sufficiently liquid to enable the Township to meet all operating requirements that might be reasonably anticipated.

C) Return on Investment - The investment portfolio of the Township shall be designed in a manner to attain a market rate of return throughout budgetary and economic cycles while preserving and protecting capital.

D) Protection of Purchasing Power - Funds held for capital projects shall be invested so that they can reasonably be expected to produce enough income to offset inflationary construction cost increases. However, such funds shall never be exposed to risks that would jeopardize the assets capital value or be in conflict with state law.

E) Maintain the Public's Trust - All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investment officials shall recognize that the investment portfolio is subject to public review and evaluation. In addition, the overall investment program shall be designed and managed with a degree of professionalism worthy of the public trust. Investment officials shall also avoid any transaction that might knowingly impair public confidence in the Township's ability to govern effectively. Investment officers should have sufficient knowledge of financial markets and investment management.

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# *Budget Policies and Procedures*

## **Role of the Budget**

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The budget provides the annual financial plan for the management of the Township's affairs. The document compiles the financial data needed to support Northville's comprehensive decision making/policy development process. This Budget is based on the Township Multi-Year Budget Plan, the Capital Improvements Plan, and the Township's financial policies, Township Board direction, and Township Manager and departmental review of operations.

## **Budget Strategy**

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The current financial plan is governed by the stewardship of public funds and reflects the following principles:

- Priority and essential services will be maintained at least at current levels and will be funded adequately.
- Program costs will reflect a true picture of the cost of operations.
- Program services will be provided in the most efficient method while meeting the needs of the public.
- Necessary infrastructure improvements will be undertaken to meet needs.
- Revenue will be estimated at realistic levels.
- Reserves will be programmed at appropriate levels to protect the Township from future uncertainties.
- The budget will comply with provisions of the State Constitution, Township Charter, and sound fiscal policy.

## **Balanced Operating Budget**

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A balanced budget is a basic budgetary constraint intended to ensure that the Township does not spend beyond its means. The Township must function within the limits of the financial resources available and under normal circumstances, requires commitment to a balanced budget. The appropriated budget cannot exceed available resources, defined as revenues generated in the current period added to balances carried forward from prior years. Any deviation from a balanced operating budget requires disclosure when it occurs.

## **Impact of Capital Budget on the Operating Budget**

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As new policies and programs are approved, both the operating and capital budgets are impacted. For example, an increase in service levels approved as part of the operating budget would have long-term effects on the Capital

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Improvements Program. Conversely, a restrictive change to the use of long-term debt would slow capital programs.

Regardless of the difference between the operating and capital budgets, the two are interdependent. Budgetary policy states that all foreseeable operating costs related to capital projects be estimated and provided for as part of the review process associated with the Capital Improvements Program. In addition, departments are required to include costs associated with operating and maintaining capital projects that are requested for the upcoming year.

For additional information pertaining to the capital budget, please see the "Capital Improvements Program" section of this document.

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## **Budgeting Controls**

### **Internal Controls**

The annual adopted budget provides a basis of control over financial operations. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the approved budget. Activities of the General Fund and Special Revenue Funds are included in the annual approved budget. The level of budgetary control (that is the level at which expenditures cannot exceed the appropriated amount) is established by function within each individual fund.

### **Independent Audit**

State statutes and the Township Charter require an annual audit of all accounts of the Township by certified public accountants selected by the Township Board. Plante & Moran has fulfilled this requirement. The auditor's report is included in the Township's Comprehensive Annual Financial Report (CAFR) and is available to the public. The auditor's reports that relate specifically to the single audit are reported separately and are available to the public as well on the Township's website [www.twp.northville.mi.us](http://www.twp.northville.mi.us).

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## *Budget Process Overview*

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The Township's annual budget covers a twelve-month period beginning January 1<sup>st</sup> and ending December 31<sup>st</sup>. The budget is an ongoing process that includes phases of development, adoption, implementation and oversight throughout the year.

Several goals are associated with the preparation and development of the Township's annual budget document. First, the budget is a policy document. The document should help foster comprehensive community problem-solving and policy making. Second, the budget is a financial plan and management tool. The document should help staff in monitoring revenue and expenditures and in evaluating the effectiveness of Township programs and services. Third, the budget serves as an important reference document. It should provide the Township Board, the public and staff with extensive information on the nature and scope of municipal operations and services.

### **Departmental Requests**

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Particular attention is given to accurately completing all required forms and providing sufficient justification for budget requests.

### **Budget Review and Analysis**

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All departments meet with the Township Manager for review and evaluation of requests. The objectives of this phase are to:

- Ensure that the intent of all budget requests is understood and that budget requests are complete.
- Gain greater understanding of departmental objectives and standards of performance and operations for the upcoming fiscal year.
- Determine how proposed budgetary programs and associated changes are related to Township-wide goals and objectives.
- Develop comprehensive information and/or request further justification on budgeted items.
- Balance the needs of each department to total Township needs.

Various analytical techniques are used in evaluating department budget requests. Some of these include: analysis of workloads and levels of services, evaluation of historical expenditure patterns, projection of inflationary price increases, analysis of work methods, review of work force scheduling, and review of department operations.

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## **Building the Proposed Budget**

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Under the direction of the Township Manager, and with the assistance of other Department Heads and staff, the Finance Director prepares an initial projection of revenue for the next fiscal year. This projection is based on reasonable assumptions of revenue generated by estimated property values and current user fees, and the best available information from the State of Michigan.

Spending priorities are based on the Township's financial policies and mandated requirements, and focus on maintaining services, covering insurance and bond requirements, and the balancing of labor, supplies, and equipment.

## **Township Manager Review**

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Departmental review sessions are scheduled with the Township Manager. After these discussions, the Township Manager makes the final adjustments and works with the Finance Director and staff to prepare the draft of the Recommended Budget.

## **Township Board Adoption**

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After receiving the Recommended Budget, public meetings are conducted with the Township Board to familiarize members of the Board with its contents. A public hearing is also conducted to assure that all persons and organizations are provided an opportunity to be heard. The Township Board then adopts the budget for the next fiscal year.

## **Budget Amendment Process**

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After the budget is adopted, the primary responsibility for managing it falls to the individual departments. The Finance Department reviews the monthly budget reports concurrently with the departments. Management flexibility is given to each department of exceeding a line item if it can be compensated for within that same category.

If a category must be adjusted, a Budget Amendment Request (BAR) form is filed with the Finance Department. This form first directs the department to provide the coverage from another of its categories. The Township Manager reviews the request and if deemed appropriate a formal budget amendment is presented to the Township Board along with a report on the status of the respective fund's reserve balance. It takes a majority vote to amend the budget.

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## *Multi-Year Budget 2014 - 2017*

### **A Long-Range Fiscal Plan to Ensure a Solid Future**

Northville Township has long recognized the need for planning as well as the importance of providing quality services to its residents. An overriding goal for our Township is to apply business standards to what is a *municipal business*.

One strategic change for 2014 was to move from a single-year budget to a three-year rolling budget cycle, similar to what Oakland County has been doing for years. Given the long-term structural nature of costs and revenue streams like the elimination of personal property tax, a multi-year budget forecast can identify problems early in the process so they can be clearly analyzed and solutions developed.

Multi-year budgets, a best practice according to the Government Finance Officers Association, bring important benefits to communities such as:

- Decision makers gain more time to reduce or avoid deficits
- Elected and appointed leaders manage more proactively, increasing public confidence
- Local government can better predict and manage both downturns and growth by pushing out their financial horizons

Governments can no longer prepare a responsible budget by simply calculating a yearly average for each line item, relying solely on historical financial data. In today's economy, a good starting point is to gather relevant economic data that will allow the Township to recognize trends or indicators that can be used to effectively identify concerns with the Township's tax base or other financial issues.

### **The Multi-Year Budget Planning process combines financial forecasting with:**

- Analysis of the financial environment
- Linking to a strategic business plan
- Connecting strategic and business plan priorities to a financial plan
- Planned monitoring mechanisms, such as reporting quarterly operating results to identify key indicators of financial health

### **The multi-year budget process includes:**

assessing current core operations, defining multi-year operating priorities, determining performance outputs, financial planning and policy and funding decisions. The result will be a multi-year budget and operating plan to implement core and strategic business plan priorities.

## Factors affecting financial condition

In 2009, taxable values in the Township declined by 7.4% with a continued decline in 2010 of 7.6% and again in 2011 by an additional 1.8%. During this time, demand for services continued to increase as population continued to rise. According to the results of the 2010 census, the U. S. Census Bureau reports Northville Township ranked 21<sup>st</sup> in the State for the highest percentage increase in population out of approximately 1,530 communities.

### Population of Michigan Cities and Townships: 2000 and 2010

Area Name	Resident Population								
	2000				2010			Change from 2000-2010	
	Original Count	Revised Count	Percent of Total	Rank	Number of Persons	Percent of Total	Rank	Percent Change	Rank
Michigan	9,938,444	9,938,823	100.00%	--	9,883,640	100.00%	--	-0.6%	--
East Lansing city (pt.)	34	92	0.00%	1,516	1,969	0.02%	832	2040.2%	1
Richmond city (pt.)	1	1	0.00%	1,530	2	0.00%	1,529	100.0%	2
Fife Lake township	1,517	1,517	0.02%	990	2,791	0.03%	630	84.0%	3
Union charter township	7,615	7,611	0.08%	236	12,927	0.13%	151	69.8%	4
Marenisco township	1,051	1,051	0.01%	1,183	1,727	0.02%	920	64.3%	5
New Baltimore city	7,405	7,397	0.07%	246	12,084	0.12%	158	63.4%	6
Allendale charter township	13,042	13,042	0.13%	143	20,708	0.21%	93	58.8%	7
Macomb township	50,478	50,478	0.51%	30	79,580	0.81%	15	57.7%	8
Kochville township	3,241	3,243	0.03%	530	5,078	0.05%	347	56.6%	9
Bath charter township	7,541	7,541	0.08%	243	11,598	0.12%	166	53.8%	10
Marion township	6,757	6,744	0.07%	266	9,996	0.10%	193	48.2%	11
Milton township	2,646	2,646	0.03%	654	3,878	0.04%	453	46.6%	12
Saline township	1,302	1,298	0.01%	1,074	1,896	0.02%	859	46.1%	13
Oceola township	8,362	8,362	0.08%	216	11,936	0.12%	160	42.7%	14
Frankenlust township	2,530	2,530	0.03%	676	3,562	0.04%	493	40.8%	15
Augusta charter township	4,813	4,813	0.05%	359	6,745	0.07%	280	40.1%	16
Portland township	2,460	2,436	0.02%	704	3,404	0.03%	517	39.7%	17
Linden city	2,861	2,861	0.03%	608	3,991	0.04%	437	39.5%	18
Jamestown charter township	5,062	5,062	0.05%	336	7,034	0.07%	269	39.0%	19
Caledonia township	8,964	8,964	0.09%	202	12,332	0.12%	156	37.6%	20
Northville township	21,036	21,036	0.21%	88	28,497	0.29%	66	35.5%	21
Leighton township	3,652	3,652	0.04%	473	4,934	0.05%	357	35.1%	22
Texas charter township	10,919	10,919	0.11%	166	14,697	0.15%	128	34.6%	23
Wexford township	798	798	0.01%	1,297	1,072	0.01%	1,174	34.3%	24
Berlin charter township	6,924	6,924	0.07%	264	9,299	0.09%	209	34.3%	25
Bois Blanc township	71	71	0.00%	1,519	95	0.00%	1,515	33.8%	26
Hartland township	10,996	10,996	0.11%	165	14,663	0.15%	130	33.3%	27
Lima township	3,224	2,482	0.02%	690	3,307	0.03%	532	33.2%	28
Brownstown charter township	22,989	22,989	0.23%	75	30,627	0.31%	58	33.2%	29
Ada township	9,882	9,882	0.10%	188	13,142	0.13%	149	33.0%	30

**Source:** U.S. Census Bureau.

The 2010 Census reports Northville Township's population at 28,497, which represents a 35% increase from the 2000 Census population of 21,036. The 2010 Census data was required to be used for the Constitutional portion of State Shared Revenue distributions beginning mid-2011. A constitutional portion is distributed to cities, villages and townships based on a community's population and cannot be eliminated without a constitutional amendment. For the fiscal year ended December 31, 2012, Northville's revenue sharing payments represent 36% of total General Fund revenues or \$2,077,884.

Standard & Poor's, which provides credit ratings and other financial analysis, affirmed the Township of Northville's high quality rating on general obligation bonds as AA/Stable in 2012. Standard & Poor's defines the AA rating as "having



## Public Safety (multi-year budget)

The Township has a separately voted public safety millage dedicated for police and fire operations. The Police and Fire Funds have budgeted expenditures in excess of revenues of \$1,204,330 in fiscal year 2014 (see below). To maintain current service levels including personnel, operating and capital costs, future years (beginning in 2015), assumes a Public Safety millage rate of 6 mills (current millage rate = 5 mills).

Charter Township of Northville  
Multi-Year Budget Analysis 2012-17  
Public Safety Fund (Does not include Special Operations)

REVENUE						
DESCRIPTION	Actual	Estimated	Budget	Projected		
	2012	2013	2014	2015	2016	2017
Property Taxes	\$ 8,428,851	\$ 8,533,360	\$ 8,724,000	\$ 10,767,000	\$ 11,097,000	\$ 11,437,000
Licenses, Permits & Charges for Services	650,629	663,740	642,050	642,050	642,050	642,050
Federal Grants	79,912	296,630	297,160	-	-	-
State Sources	221,087	199,200	199,200	199,200	199,200	199,200
Fines & Forfeitures (does not include drug forfeitures)	195,695	288,190	206,000	214,000	214,000	214,000
Interest Income	40,658	11,530	10,000	10,000	10,000	10,000
Other Revenue	134,211	159,080	97,810	97,810	97,810	97,810
<b>Total revenue</b>	<b>\$ 9,751,043</b>	<b>\$ 10,151,730</b>	<b>\$ 10,176,220</b>	<b>\$ 11,930,060</b>	<b>\$ 12,260,060</b>	<b>\$ 12,600,060</b>
APPROPRIATIONS						
DESCRIPTION	Actual	Estimated	Budget	Projected		
	2012	2013	2014	2015	2016	2017
<b>Police</b>						
Personal Services	\$ 5,065,431	\$ 5,084,960	\$ 5,155,120	\$ 5,387,100	\$ 5,629,520	\$ 5,882,848
Supplies	248,277	238,500	247,730	248,970	250,220	251,480
Other Services and Charges	872,097	690,380	672,970	676,336	679,721	683,125
Capital Outlay	200,571	248,200	217,490	304,000	40,000	227,000
Transfers Out	187,978	160,200	159,610	159,350	157,660	156,130
Total police expenditures	\$ 6,574,354	\$ 6,422,240	\$ 6,452,920	\$ 6,775,756	\$ 6,757,121	\$ 7,200,583
<b>Fire:</b>						
Personal Services	\$ 3,206,816	\$ 3,606,390	\$ 3,771,620	\$ 3,941,340	\$ 4,118,700	\$ 4,304,040
Supplies	160,260	148,000	150,000	150,750	151,510	152,270
Other Services and Charges	466,806	445,450	413,800	415,870	417,950	420,040
Capital Outlay	425,950	34,000	273,000	205,000	495,000	33,000
Transfers Out	375,956	318,920	319,210	318,700	315,320	312,260
Total fire expenditures	\$ 4,635,788	\$ 4,552,760	\$ 4,927,630	\$ 5,031,660	\$ 5,498,480	\$ 5,221,610
<b>Total public safety expenditures</b>	<b>\$ 11,210,142</b>	<b>\$ 10,975,000</b>	<b>\$ 11,380,550</b>	<b>\$ 11,807,416</b>	<b>\$ 12,255,601</b>	<b>\$ 12,422,193</b>
Public Safety Fund-Fund Balance Summary						
	Actual	Estimated	Budget	Projected		
	2012	2013	2014	2015	2016	2017
Fund balance, unassigned beginning	\$ 3,109,346	\$ 3,453,087	\$ 2,668,167	\$ 1,463,837	\$ 1,586,481	\$ 1,590,940
Restricted for drug forfeitures	1,590,962	1,590,962	1,772,302	1,712,302	942,302	911,212
Transfer from SOT Fund	-	38,350	-	-	-	-
Fund balance, beginning	4,700,308	5,082,399	4,440,469	3,176,139	2,528,783	2,502,152
Annual Revenue	9,751,043	10,151,730	10,176,220	11,930,060	12,260,060	12,600,060
Annual Expenditures	(11,210,142)	(10,975,000)	(11,380,550)	(11,807,416)	(12,255,601)	(12,422,193)
Revenues over/(under) expenditures	(1,459,099)	(823,270)	(1,204,330)	122,644	4,459	177,867
<b>Ending Fund Balance:</b>	<b>\$ 3,241,209</b>	<b>\$ 4,259,129</b>	<b>\$ 3,236,139</b>	<b>\$ 3,298,783</b>	<b>\$ 2,533,242</b>	<b>\$ 2,680,019</b>
Planned Contribution/(Use) of Drug Forfeiture Funds	1,802,840	181,340	(60,000)	(770,000)	(31,090)	(441,000)
Estimated Ending Fund Balance	\$ 5,044,049	\$ 4,440,469	\$ 3,176,139	\$ 2,528,783	\$ 2,502,152	\$ 2,239,019
16.7% Target fund balance for contingencies				1,886,840	1,957,340	2,031,090
<b>Cumulative Amount Over/(Under) Reserve Levels</b>				\$641,943	\$544,812	\$207,929

## General Fund (multi-year budget)

The multi-year budget plan maintains General Fund reserves within the Government Finance Officers Association, recommended minimum levels of 16.7% of budgeted expenditures.

Charter Township of Northville Multi-Year Budget Analysis 2012-17 GENERAL FUND - Revenue						
DESCRIPTION	Actual	Estimated	Budget	Projected		
	2012	2013	2014	2015	2016	2017
<b>TAXES</b>						
Property Taxes	\$ 1,344,040	\$ 1,365,070	\$ 1,396,000	\$ 1,436,000	\$ 1,480,000	\$ 1,525,000
Tax Billing Services	60,335	60,440	60,500	60,330	60,330	60,330
Penalty and Interest	-	14,000	14,000	14,000	14,000	14,000
Taxes	<u>\$ 1,404,375</u>	<u>\$ 1,439,510</u>	<u>\$ 1,470,500</u>	<u>\$ 1,510,330</u>	<u>\$ 1,554,330</u>	<u>\$ 1,599,330</u>
<b>LICENSES, PERMITS &amp; CHARGES FOR SERVICES</b>						
Mechanical Permits	\$ 129,758	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Building Permits	692,573	600,000	500,000	500,000	500,000	500,000
Electrical Permits	114,977	80,000	80,000	80,000	80,000	80,000
Plumbing Permits	100,875	70,000	70,000	70,000	70,000	70,000
Building Miscellaneous	8,828	29,320	5,000	5,000	5,000	5,000
IT Contracted Services	-	8,000	10,000	10,000	10,000	10,000
Building Permit Consultants	13,923	5,000	5,000	5,000	5,000	5,000
Dog Licenses	4,136	2,510	2,500	4,000	4,000	4,000
ZBA fees	4,747	400	400	800	800	800
Planning Fees	29,424	45,000	45,000	45,000	45,000	45,000
Administrative Reimbursement	-	26,510	-	-	-	-
Duplicating/Reports	1,060	500	500	500	500	500
Election revenue	620	3,180	-	-	-	-
Business License Fees	1,900	1,300	1,300	1,300	1,300	1,300
Beautification Brick Paver Project	2,100	-	-	-	-	-
Administrative Services	220,834	232,110	236,750	241,490	246,320	251,250
Public Utility	466,036	400,000	400,000	400,000	400,000	400,000
Licenses, Permits & Charges for Services	<u>\$ 1,791,791</u>	<u>\$ 1,603,830</u>	<u>\$ 1,456,450</u>	<u>\$ 1,463,090</u>	<u>\$ 1,467,920</u>	<u>\$ 1,472,850</u>
<b>STATE SOURCES</b>						
State Revenue Sharing	<u>\$ 2,077,884</u>	<u>\$ 2,110,670</u>	<u>\$ 2,147,720</u>	<u>\$ 2,179,940</u>	<u>\$ 2,201,740</u>	<u>\$ 2,223,760</u>
<b>OTHER REVENUE</b>						
Forfeiture of Bonds	\$ 2,045	\$ 4,380	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Beautification Revenue	805	-	-	-	-	-
Donations	5,000	-	-	-	-	-
Special Assessment Collections	36,345	15,000	14,280	15,000	15,000	15,000
Miscellaneous Revenue	162,180	40,000	40,000	40,400	40,800	41,210
Other Revenue	<u>\$ 206,375</u>	<u>\$ 59,380</u>	<u>\$ 56,780</u>	<u>\$ 57,900</u>	<u>\$ 58,300</u>	<u>\$ 58,710</u>
<b>INTEREST INCOME</b>	<u>\$ 10,111</u>	<u>\$ 5,200</u>	<u>\$ 5,200</u>	<u>\$ 5,400</u>	<u>\$ 5,600</u>	<u>\$ 5,800</u>
<b>TRANSFERS IN</b>						
Transfer from Other Funds	311,703	-	-	-	-	-
Transfers In	<u>\$ 311,703</u>	<u>\$ -</u>				
<b>TOTAL REVENUE</b>	<u><u>\$ 5,802,239</u></u>	<u><u>\$ 5,218,590</u></u>	<u><u>\$ 5,136,650</u></u>	<u><u>\$ 5,216,660</u></u>	<u><u>\$ 5,287,890</u></u>	<u><u>\$ 5,360,450</u></u>

## General Fund (multi-year budget continued)

Charter Township of Northville  
Multi-Year Budget Analysis 2012-17  
GENERAL FUND - Appropriations

DESCRIPTION	Actual 2012	Estimated 2013	Budget 2014	Projected		
				2015	2016	2017
<b>LEGISLATIVE</b>						
Personal Services	\$ 598,606	\$ 510,020	\$ 576,830	\$ 602,790	\$ 629,920	\$ 658,270
Supplies	93,254	99,000	69,000	71,070	73,200	75,400
Other Services and Charges	890,235	639,800	735,350	757,410	780,130	803,530
Capital Outlay	33,748	25,760	-	-	-	-
	<u>\$ 1,615,843</u>	<u>\$ 1,274,580</u>	<u>\$ 1,381,180</u>	<u>\$ 1,431,270</u>	<u>\$ 1,483,250</u>	<u>\$ 1,537,200</u>
<b>TOWNSHIP CLERK'S OFFICE</b>						
Personal Services	\$ 389,521	\$ 329,600	\$ 392,400	\$ 380,060	\$ 397,160	\$ 385,030
Supplies	31,642	7,500	23,510	24,220	24,950	25,700
Other Services and Charges	17,590	17,000	21,000	21,630	22,280	22,950
Capital Outlay	-	-	2,000	-	-	-
	<u>\$ 438,753</u>	<u>\$ 354,100</u>	<u>\$ 438,910</u>	<u>\$ 425,910</u>	<u>\$ 444,390</u>	<u>\$ 433,680</u>
<b>TREASURER</b>						
Personal Services	\$ 665,831	\$ 655,230	\$ 705,340	\$ 737,080	\$ 770,250	\$ 804,910
Supplies	-	-	-	-	-	-
Other Services and Charges	318,825	313,700	300,850	309,880	319,180	328,760
Capital Outlay	-	-	-	-	-	-
	<u>\$ 984,656</u>	<u>\$ 968,930</u>	<u>\$ 1,006,190</u>	<u>\$ 1,046,960</u>	<u>\$ 1,089,430</u>	<u>\$ 1,133,670</u>
<b>BUILDING DEPARTMENT</b>						
Personal Services	\$ 332,500	\$ 414,060	\$ 418,890	\$ 437,740	\$ 457,440	\$ 478,020
Supplies	10,152	5,000	10,000	10,300	10,610	10,930
Other Services and Charges	139,803	134,000	149,500	153,990	158,610	163,370
Capital Outlay	-	-	-	-	-	-
	<u>\$ 482,455</u>	<u>\$ 553,060</u>	<u>\$ 578,390</u>	<u>\$ 602,030</u>	<u>\$ 626,660</u>	<u>\$ 652,320</u>
<b>PLANNING DEPARTMENT</b>						
Personal Services	\$ 159,970	\$ 163,250	\$ 175,370	\$ 183,260	\$ 191,510	\$ 200,130
Supplies	-	-	-	-	-	-
Other Services and Charges	5,202	4,610	50,500	52,020	53,580	55,190
Capital Outlay	-	-	-	-	-	-
	<u>\$ 165,172</u>	<u>\$ 167,860</u>	<u>\$ 225,870</u>	<u>\$ 235,280</u>	<u>\$ 245,090</u>	<u>\$ 255,320</u>
<b>TRANSFERS OUT</b>						
Debt Service Funds	\$ 563,933	\$ 478,320	\$ 376,220	\$ 375,610	\$ 371,630	\$ 368,020
Capital Projects	385,000	850,000	479,330	470,500	452,930	434,930
	<u>\$ 948,933</u>	<u>\$ 1,328,320</u>	<u>\$ 855,550</u>	<u>\$ 846,110</u>	<u>\$ 824,560</u>	<u>\$ 802,950</u>
<b>CONTINGENCIES</b>						
	<u>\$ -</u>					
<b>Capital Outlay and/or Non-Recurring Expenditures</b>						
Debt service payments (Build America Bonds)	\$ -	\$ -	\$ -	\$ 101,650	\$ 60,900	\$ 98,730
One-time capital items, service improvements, etc.**	-	-	-	152,000	297,000	85,000
<b>TOTAL APPROPRIATIONS/EXPENDITURES</b>	<u>\$ 4,635,812</u>	<u>\$ 4,646,850</u>	<u>\$ 4,486,090</u>	<u>\$ 4,739,560</u>	<u>\$ 5,010,380</u>	<u>\$ 4,900,140</u>

\*\*Includes CIP Requests for each respective year as identified in six year capital improvement plan.

## General Fund (multi-year budget continued)

### Multi-Year Budget Analysis 2012-17 GENERAL FUND - Fund Balance

DESCRIPTION	Actual	Estimated	Budget	Projected		
	2012	2013	2014	2015	2016	2017
<u>General Fund-Fund Balance Summary</u>						
Fund balance, unassigned beginning	\$ 3,127,521	\$ 4,429,642	\$ 5,197,227	\$ 5,991,045	\$ 6,611,403	\$ 7,032,171
Restricted for donations to Thayer School	-	5,000	-	-	-	-
Nonspendable fund balance	1,348,166 *	1,207,472 *	1,016,627	873,369	730,111	586,853
Fund balance, beginning, total	\$ 4,475,687	\$ 5,642,114	\$ 6,213,854	\$ 6,864,414	\$ 7,341,514	\$ 7,619,024
Annual Revenue	5,802,239	5,218,590	5,136,650	5,216,660	5,287,890	5,360,450
Annual Expenditures	(4,635,812)	(4,646,850)	(4,486,090)	(4,739,560)	(5,010,380)	(4,900,140)
Revenues over/(under) expenditures	1,166,427	571,740	650,560	477,100	277,510	460,310
Estimated Ending Fund Balance	\$ 5,642,114	\$ 6,213,854	\$ 6,864,414	\$ 7,341,514	\$ 7,619,024	\$ 8,079,334
Total Fund balance as a percentage of total annual expenditures	121.7%	133.7%	153.0%	154.9%	152.1%	164.9%
Fund Balance Ending (reserve 16.7% of current expenditures)			\$ 749,177	\$ 791,507	\$ 836,733	\$ 818,323

### *General Fund Capital Outlay and Non-Recurring Expenditures*

The annual expenditures include funding for various capital outlay projects which include pathways and non-motorized improvements (see Capital Projects Fund Budget and the Capital Improvement Plan located in this document for additional project information), as well as replacement of election equipment in 2016. Mechanical upgrades to Township Hall are also included as recommended in the Capital Improvement Plan.

The Township issued Build America Bonds back in 2009 for the purpose of financing the acquisition of the Seven Mile property. At that time, the Township received a direct pay interest credit from the United States Treasury equal to 35% of the annual interest on the bonds. As previously discussed, the interest cost for these bonds will now become more expensive given an 8.7% reduction in our current federal subsidy as expected under the federal sequestration order. In lieu of raising the debt millage, funding the increase in the debt service payments are recommended beginning in 2015 to come from the General Fund.

## Special Revenue Funds (multi-year budget)

The Special Operations Fund's purpose is to account for expenditures associated with the Western Wayne County Special Operations Team.

Charter Township of Northville  
Multi-Year Budget Analysis 2012-17  
Special Operations Fund

DESCRIPTION	REVENUE			Projected		
	Actual 2012	Estimated 2013	Budget 2014	2015	2016	2017
Interest Income	20	20	20	20	20	20
Other Revenue	83,352	50,000	50,000	50,000	50,000	50,000
Total revenue	<u>\$ 83,372</u>	<u>\$ 50,020</u>	<u>\$ 50,020</u>	<u>\$ 50,020</u>	<u>\$ 50,020</u>	<u>\$ 50,020</u>
DESCRIPTION	APPROPRIATIONS			Projected		
	Actual 2012	Estimated 2013	Budget 2014	2015	2016	2017
Capital Outlay	14,278	47,700	50,020	50,020	50,020	50,020
Transfer out	-	38,350				
Total expenditures	<u>\$ 14,278</u>	<u>\$ 86,050</u>	<u>\$ 50,020</u>	<u>\$ 50,020</u>	<u>\$ 50,020</u>	<u>\$ 50,020</u>
Fund Balance, Beginning	\$ 11,593	\$ 80,687	\$ 44,657	\$ 44,657	\$ 44,657	\$ 44,657
Revenues over/(under) expenditures	69,094	(36,030)	-	-	-	-
Ending Fund Balance	<u>\$ 80,687</u>	<u>\$ 44,657</u>	<u>\$ 44,657</u>	<u>\$ 44,657</u>	<u>\$ 44,657</u>	<u>\$ 44,657</u>

<b><i>Fund Balance Analysis - Special Operations Fund:</i></b>						
Fund Balance, January 1, 2013					\$ 80,687	
Transfer to Public Safety Fund					(38,350)	
Revised Beginning Fund Balance						\$ 42,337
Estimated 2013:						
Revenue					50,020	
Expenditures					(47,700)	
Projected Use of Fund Balance						2,320
2014 Budget:						
Revenue					50,020	
Expenditures					(50,020)	
Projected Use of Fund Balance						-
Projected Fund Balance, December 31, 2014						<u>\$ 44,657</u>

## Special Revenue Funds (multi-year budget continued)

Northville Parks and Recreation Commission is a shared service provided through an agreement between the City of Northville and the Charter Township of Northville.

### Charter Township of Northville Multi-Year Budget Analysis 2012-17 Shared Services Fund

DESCRIPTION	REVENUE					
	Actual	Estimated	Budget	Projected		
	2012	2013	2014	2015	2016	2017
Property Taxes	\$ 780,000	\$ 781,030	\$ 798,000	\$ 821,000	\$ 846,000	\$ 872,000
Interest Income	3,704	1,500	1,500	500	400	-
Other	26,462	-	-	-	-	-
<b>Total revenue</b>	<b>\$ 810,166</b>	<b>\$ 782,530</b>	<b>\$ 799,500</b>	<b>\$ 821,500</b>	<b>\$ 846,400</b>	<b>\$ 872,000</b>
DESCRIPTION	APPROPRIATIONS					
	Actual	Estimated	Budget	Projected		
	2012	2013	2014	2015	2016	2017
Recreation and culture	\$ 1,342,553	\$ 1,108,470	\$ 1,115,230	\$ 1,100,230	\$ 1,102,000	\$ 1,103,830
<b>Total expenditures</b>	<b>\$ 1,342,553</b>	<b>\$ 1,108,470</b>	<b>\$ 1,115,230</b>	<b>\$ 1,100,230</b>	<b>\$ 1,102,000</b>	<b>\$ 1,103,830</b>
Fund Balance, Beginning	\$ 1,972,012	\$ 1,439,625	\$ 1,113,685	\$ 797,955	\$ 519,225	\$ 263,625
Revenues over/(under) expenditures	(532,387)	(325,940)	(315,730)	(278,730)	(255,600)	(231,830)
<b>Ending Fund Balance</b>	<b>\$ 1,439,625</b>	<b>\$ 1,113,685</b>	<b>\$ 797,955</b>	<b>\$ 519,225</b>	<b>\$ 263,625</b>	<b>\$ 31,795</b>
Fund Balance Ending (minimum 16.7%)				224,206	185,114	186,243
<i>Funds in excess/or (shortfall) of reserve amount</i>				\$ 295,019	\$ 78,511	\$ (154,448)

<b>Fund Balance Analysis - Shared Services Fund:</b>						
Fund Balance, January 1, 2013						\$ 1,439,625
Estimated 2013:						
Revenue				782,530		
Expenditures				(1,108,470)		
Projected Use of Fund Balance					(325,940)	
2014 Budget:						
Revenue				799,500		
Expenditures				(1,115,230)		
Projected Use of Fund Balance					(315,730)	
Projected Fund Balance, December 31, 2014						\$ 797,955

## Special Revenue Funds (multi-year budget continued)

Northville Youth Assistance (NYA) was established in December 1986 as part of the Shared Services Agreement between the Charter Township of Northville and the City of Northville, with the cooperation of the Northville Public Schools.

### Charter Township of Northville Multi-Year Budget Analysis 2012-17 Youth Assistance Fund

DESCRIPTION	REVENUE					
	Actual	Estimated	Budget	Projected		
	2012	2013	2014	2015	2016	2017
County sources	\$ 6,533	\$ 5,550	\$ 6,860	\$ 6,860	\$ 6,860	\$ 6,860
Interest Income	114	100	100	100	100	100
Conrad Charitable Foundation Donations *	81,305	80,000	-	-	-	-
Northville Township contributions	78,216	88,370	90,930	92,700	94,530	94,530
Northville City contributions	15,107	17,000	17,320	17,660	18,010	18,010
Other Donations	1,961	1,600	-	-	-	-
<b>Total revenue</b>	<b>\$ 183,236</b>	<b>\$ 192,620</b>	<b>\$ 115,210</b>	<b>\$ 117,320</b>	<b>\$ 119,500</b>	<b>\$ 119,500</b>

DESCRIPTION	APPROPRIATIONS					
	Actual	Estimated	Budget	Projected		
	2012	2013	2014	2015	2016	2017
Personal Services	\$ 78,103	\$ 80,560	\$ 82,700	\$ 85,180	\$ 87,740	\$ 90,370
Supplies	1,584	1,750	1,750	1,760	1,770	1,780
Other Services & Charges	22,206	23,400	28,330	30,140	23,400	23,515
Conrad Charitable Foundation *	67,104	80,000	-	-	-	-
Program Expenditures	31,797	41,000	35,450	32,000	32,000	32,000
<b>Total expenditures</b>	<b>\$ 200,794</b>	<b>\$ 226,710</b>	<b>\$ 148,230</b>	<b>\$ 149,079</b>	<b>\$ 144,910</b>	<b>\$ 147,665</b>

\*These donations are restricted for specific purposes.

Fund balance, unassigned beginning	\$ 180,810	\$ 149,746	\$ 115,656	\$ 82,636	\$ 50,877	\$ 25,467
Restricted for Conrad Charitable Trust	-	13,506	13,506	13,506	13,506	13,506
Fund balance, beginning, total	180,810	163,252	129,162	96,142	64,383	38,973
Revenues over/(under) expenditures	(17,558)	(34,090)	(33,020)	(31,759)	(25,410)	(28,165)
<b>Estimated Ending Fund Balance</b>	<b>\$ 163,252</b>	<b>\$ 129,162</b>	<b>\$ 96,142</b>	<b>\$ 64,383</b>	<b>\$ 38,973</b>	<b>\$ 10,808</b>

<b>Fund Balance Analysis - Youth Assistance Fund:</b>						
			<b>Youth Assistance</b>	<b>Conrad Charitable</b>	<b>Total</b>	
Fund Balance, January 1, 2013			\$ 149,746	\$ 13,506	\$ 163,252	
Estimated 2013:						
Revenue			112,620	80,000	192,620	
Expenditures			(146,710)	(80,000)	(226,710)	
Projected Use of Fund Balance			(34,090)	-	(34,090)	
2014 Budget:						
Revenue			115,210	-	115,210	
Expenditures			(148,230)	-	(148,230)	
Projected Use of Fund Balance			(33,020)	-	(33,020)	
Projected Fund Balance, December 31, 2014			\$ 82,636	\$ 13,506	\$ 96,142	

## Special Revenue Funds (multi-year budget continued)

The Community Development Block Grant Fund is used to account for federal grants and related expenditures in accordance with regulations of the U.S. Department of Housing and Urban Development (HUD) to develop viable communities.

Charter Township of Northville  
Multi-Year Budget Analysis 2012-17  
Community Development Block Grant Fund

DESCRIPTION	REVENUE					
	Actual 2012	Estimated 2013	Budget 2014	Projected		
				2015	2016	2017
Federal Grants	56,623	13,050	215,740	-	-	-
Total revenue	<u>\$ 56,623</u>	<u>\$ 13,050</u>	<u>\$ 215,740</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DESCRIPTION	APPROPRIATIONS					
	Actual 2012	Estimated 2013	Budget 2014	Projected		
				2015	2016	2017
Senior Service Transportation Services	\$ 13,729	\$ 7,031	\$ -	\$ -	\$ -	\$ -
Senior Center Attendant	2,478	6,019	-	-	-	-
Housing Rehabilitation	14,328	-	-	-	-	-
Seven Mile Property Master Plan	-	-	-	-	-	-
Seven Mile Property Building Demolition	-	-	215,740	-	-	-
Total expenditures	<u>\$ 30,535</u>	<u>\$ 13,050</u>	<u>\$ 215,740</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balance, Beginning	\$ (26,088)	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues over/(under) expenditures	26,088	-	-	-	-	-
Estimated Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<b><i>Fund Balance Analysis - Community Development Block Grant Fund:</i></b>						
Fund Balance, January 1, 2013						\$ -
Estimated 2013:						
Revenue				13,050		
Expenditures				(13,050)		
Projected Use of Fund Balance						-
2014 Budget:						
Revenue				215,740		
Expenditures				(215,740)		
Projected Use of Fund Balance						-
Projected Fund Balance, December 31, 2014						<u>\$ -</u>

## Capital Projects Fund (multi-year budget)

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of capital or infrastructure improvements.

### Charter Township of Northville Multi-Year Budget Analysis 2012-17 Capital Projects Fund

DESCRIPTION	REVENUE					
	Actual	Estimated	Budget	Projected		
	2012	2013	2014	2015	2016	2017
Special assessment collections	\$ 21,573	\$ 13,500	\$ 12,170	\$ 12,170	\$ 12,170	\$ 12,170
Interest on special assessments	7,623	7,400	7,300	6,700	6,090	5,480
Transfers in	385,000	850,000	479,330	470,500	452,930	434,930
Other	75,154	25,000	53,200	-	-	-
<b>Total revenue</b>	<b>\$ 489,350</b>	<b>\$ 895,900</b>	<b>\$ 552,000</b>	<b>\$ 489,370</b>	<b>\$ 471,190</b>	<b>\$ 452,580</b>
DESCRIPTION	APPROPRIATIONS					
	Actual	Estimated	Budget	Projected		
	2012	2013	2014	2015	2016	2017
Capital Outlay	\$ 412,573	\$ 423,700	\$ 23,700	\$ 23,700	\$ 23,700	\$ 23,800
Pathways and non-motorized improvements	-	125,000	53,200	312,500	258,500	172,000
Transfers out	300,150	281,888	274,330	266,130	252,930	294,930
<b>Total expenditures</b>	<b>\$ 712,723</b>	<b>\$ 830,588</b>	<b>\$ 351,230</b>	<b>\$ 602,330</b>	<b>\$ 535,130</b>	<b>\$ 490,730</b>
Fund Balance Beginning	\$ 621,151	\$ 397,778	\$ 463,090	\$ 663,860	\$ 550,900	\$ 486,960
Revenues over/(under) expenditures	(223,373)	65,312	200,770	(112,960)	(63,940)	(38,150)
Ending Fund Balance - Available for future projects, etc.	<b>\$ 397,778</b>	<b>\$ 463,090</b>	<b>\$ 663,860</b>	<b>\$ 550,900</b>	<b>\$ 486,960</b>	<b>\$ 448,810</b>

<b>Fund Balance Analysis - Capital Projects Fund:</b>						
Fund Balance, January 1, 2013						\$ 397,778
Estimated 2013:						
Revenue				895,900		
Expenditures				(830,588)		
Projected Use of Fund Balance					65,312	
2014 Budget:						
Revenue				552,000		
Expenditures				(351,230)		
Projected Use of Fund Balance					200,770	
Projected Fund Balance, December 31, 2014						\$ 663,860

## Debt Service Funds (multi-year budget continued)

The purpose of a debt service fund is to account for the accumulation of resources for the payment of interest as well as the principal on debt instruments that have been issued by the Township.

Charter Township of Northville  
Multi-Year Budget Analysis 2012-17  
**2006 REFUNDING BONDS - LAND ACQUISITION**

DESCRIPTION	REVENUE					
	Actual 2012	Estimated 2013	Budget 2014	2015	Projected 2016	2017
Transfers in	\$ 300,150	\$ 281,888	\$ 274,330	\$ 266,130	\$ 252,930	\$ 294,930
Interest Income	106	100	100	100	100	100
Total revenue	<u>\$ 300,256</u>	<u>\$ 281,988</u>	<u>\$ 274,430</u>	<u>\$ 266,230</u>	<u>\$ 253,030</u>	<u>\$ 295,030</u>
DESCRIPTION	APPROPRIATIONS					
	Actual 2012	Estimated 2013	Budget 2014	2015	Projected 2016	2017
Principal	\$ 215,000	\$ 205,000	\$ 205,000	\$ 205,000	\$ 200,000	\$ 250,000
Interest expense	84,950	76,890	69,200	61,000	52,800	44,800
Paying agent fees	1,038	230	230	230	230	230
Total expenditures	<u>\$ 300,988</u>	<u>\$ 282,120</u>	<u>\$ 274,430</u>	<u>\$ 266,230</u>	<u>\$ 253,030</u>	<u>\$ 295,030</u>

**2009 GENERAL OBLIGATION UNLIMITED TAX - SEVEN MILE PROPERTY PURCHASE**  
(Build America Bonds)

DESCRIPTION	REVENUE					
	Actual 2012	Estimated 2013	Budget 2014	2015	Projected 2016	2017
Current property taxes	\$ 1,522,256	\$ 1,446,000	\$ 1,483,000	\$ 1,525,000	\$ 1,525,000	\$ 1,525,000
Interest income	457	500	500	500	500	500
Tranfers in	-	-	-	101,650	60,900	98,730
Appropriation - fund balance	-	-	98,720	-	-	-
Total revenue	<u>\$ 1,522,713</u>	<u>\$ 1,446,500</u>	<u>\$ 1,582,220</u>	<u>\$ 1,627,150</u>	<u>\$ 1,586,400</u>	<u>\$ 1,624,230</u>
DESCRIPTION	APPROPRIATIONS					
	Actual 2012	Estimated 2013	Budget 2014	2015	Projected 2016	2017
Principal	\$ 745,000	\$ 820,000	\$ 810,000	\$ 885,000	\$ 880,000	\$ 955,000
Interest expense	799,295	785,970	771,670	741,600	705,850	668,680
Paying agent fees	550	550	550	550	550	550
Total expenditures	<u>\$ 1,544,845</u>	<u>\$ 1,606,520</u>	<u>\$ 1,582,220</u>	<u>\$ 1,627,150</u>	<u>\$ 1,586,400</u>	<u>\$ 1,624,230</u>

**2003 GENERAL OBLIGATION LIMITED TAX - BUILDING AUTHORITY**

DESCRIPTION	REVENUE					
	Actual 2012	Estimated 2013	Budget 2014	2015	Projected 2016	2017
Transfers in	\$ 1,441,163	\$ 832,000	\$ -	\$ -	\$ -	\$ -
Refunding bonds issued	9,115,000	-	-	-	-	-
Premium on refunding bonds	843,254	-	-	-	-	-
Interest income	652	243	-	-	-	-
Total revenue	<u>\$ 11,400,069</u>	<u>\$ 832,243</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
DESCRIPTION	APPROPRIATIONS					
	Actual 2012	Estimated 2013	Budget 2014	2015	Projected 2016	2017
Principal	\$ 775,000	\$ 800,000	\$ -	\$ -	\$ -	\$ -
Bond issuance costs	132,600	-	-	-	-	-
Payment to refunded bond escrow agent	9,826,007	-	-	-	-	-
Interest expense	478,186	32,000	-	-	-	-
Transfers out	-	740,730	-	-	-	-
Paying agent fees	250	250	-	-	-	-
Total expenditures	<u>\$ 11,212,043</u>	<u>\$ 1,572,980</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

## Debt Service Funds (multi-year budget continued)

Charter Township of Northville  
Multi-Year Budget Analysis 2012-17  
**2012 REFUNDING BONDS - BUILDING AUTHORITY**

DESCRIPTION	REVENUE					
	Actual 2012	Estimated 2013	Budget 2014	Projected		- 2017
Transfers in	\$ -	\$ 305,950	\$ 1,140,050	\$ 1,138,200	\$ 1,126,150	\$ 1,115,200
Interest income	-	-	650	650	650	650
Transfer from closed debt service fund	-	740,730	-	-	-	-
<b>Total revenue</b>	<b>\$ -</b>	<b>\$ 1,046,680</b>	<b>\$ 1,140,700</b>	<b>\$ 1,138,850</b>	<b>\$ 1,126,800</b>	<b>\$ 1,115,850</b>

DESCRIPTION	APPROPRIATIONS					
	Actual 2012	Estimated 2013	Budget 2014	Projected		- 2017
Principal	\$ -	\$ -	\$ 835,000	\$ 850,000	\$ 855,000	\$ 870,000
Interest expense	-	305,960	305,450	288,600	271,550	245,600
Paying agent fees	-	250	250	250	250	250
<b>Total expenditures</b>	<b>\$ -</b>	<b>\$ 306,210</b>	<b>\$ 1,140,700</b>	<b>\$ 1,138,850</b>	<b>\$ 1,126,800</b>	<b>\$ 1,115,850</b>

**2009 SPECIAL ASSESSMENT LIMITED TAX BONDS**

DESCRIPTION	REVENUE					
	Actual 2012	Estimated 2013	Budget 2014	Projected		- 2017
Special assessment collections	\$ 34,689	\$ 47,550	\$ 33,500	\$ 33,500	\$ 33,500	\$ 33,500
Interest on special assessments	23,481	32,320	19,030	17,120	15,220	13,320
Appropriation - fund balance	-	-	7,600	8,220	13,630	13,810
<b>Total revenue</b>	<b>\$ 58,170</b>	<b>\$ 79,870</b>	<b>\$ 60,130</b>	<b>\$ 58,840</b>	<b>\$ 62,350</b>	<b>\$ 60,630</b>

DESCRIPTION	APPROPRIATIONS					
	Actual 2012	Estimated 2013	Budget 2014	Projected		- 2017
Principal	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 45,000	\$ 45,000
Interest expense	23,648	21,650	20,030	18,740	17,250	15,530
Paying agent fees	100	100	100	100	100	100
<b>Total expenditures</b>	<b>\$ 63,748</b>	<b>\$ 61,750</b>	<b>\$ 60,130</b>	<b>\$ 58,840</b>	<b>\$ 62,350</b>	<b>\$ 60,630</b>

# *Public Safety*

## Public Safety Demographics

The Northville Township Police Department's authorized strength is 30 sworn officers. This report reflects 28 officers serving during the 2012 calendar year. The following figures are based on the officers serving as of December 31, 2012.

All officers are full-time paid police officers certified by the **Michigan Commission on Law Enforcement Standards (MCOLES)**.

The Northville Township Fire Department's authorized strength is 31 sworn firefighters. This report reflects 31 firefighters serving during the 2012 calendar year. The following figures are based on the firefighters serving as of December 31, 2012.

All firefighters are full-time certified by the **Michigan Firefighter Training Council** as Firefighter I & II, EMT, Paramedic and Hazmat operations.

## Tenure

The following chart indicates the length of service of the Police, Fire and Communication department employees. The average tenure of sworn police officers is more than 14 years (14.13); the average tenure of a sworn firefighter is 9 years (9.95), while the average tenure of communications personnel is more than 12 years (12.20).

Tenure	Fire	Patrol	Administrative	Communications	Total
0-1 year	5	2	0	1	8
1-5 years	2	0	2	1	5
5-10 years	11	7	0	2	20
10-15 years	7	9	1	5	22
15-20 years	5	4	0	2	11
20+ years	0	7	1	2	10
<b>Total</b>	<b>30</b>	<b>29</b>	<b>4</b>	<b>13</b>	<b>76</b>

## Administrative Division



John E. Werth  
Director

The Administrative Division establishes Department strategy, prepares and manages the budget and performs other administrative functions, including performance measurement and statistical reports. The Administrative Division is also responsible for community relations programs, state and federal grant acquisition and policy and procedure updates. Further, the Administrative Division coordinates the departmental training by sending our officers and firefighters to the



Richard Marinucci  
Deputy Director

most up-to-date training classes locally, nationally and by hosting on-site training classes conducted by the Northville Township Department of Public Safety staff as well as various outside agencies.

## Communications

The Northville Township Department of Public Safety Communications Division is made up of 8 full-time dispatchers, 1 part-time dispatcher and a Dispatch Supervisor. The center is operational 24 hours a day, seven days a week. Communications Division personnel are specially trained in expediting emergency response through the use of sophisticated call taking and computer-aided-dispatch equipment.



Kelly Pigeon  
Dispatch Supervisor

The Dispatchers are the first of the “first responders” and have been trained as Emergency Medical Dispatchers. They have been trained to provide potentially life-saving advice, such as the applications of CPR or choking-victim techniques, via telephone, to callers before the arrival of emergency units. This training requires dispatchers to ask mandated questions designed by Doctors to determine what type of call for service they are sending the Fire Department on and when possible the Dispatcher will give pre-arrival instructions to help the caller assist the patient. This does NOT delay response from the Fire Department it allows Dispatch to assist the caller with helping the patient.

The Communications Division answered 54,264 calls during calendar year 2012. These calls are a combination of 911 and business lines for both Northville Township and Northville City Police and Fire Departments.

During calendar year 2012 the Communications Division dispatched Police and Fire on the following number of calls for service:

Description	2012
Northville Township Police	16,324
Northville Township Fire	2,351
Northville City Police	4,695
Northville City Fire	565
<b>Total Calls for Service</b>	<b>23,935</b>



## Records Unit

There are two Dispatcher/Clerks currently assigned to the Records Bureau of the Department of Public Safety, as well as a Records Bureau Supervisor.

Business hours are Monday-Friday, 8 a.m. - 4 p.m. Some of the responsibilities of the Records Bureau include statistical reporting,



Ellen Putman  
Records Supervisor

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Freedom of Information Requests, Sex Offender Registration, Solicitor Permits and Purchase Permits for Firearms. The Records Bureau works directly with the public, the courts, prosecution and defense attorneys, insurance companies and the State of Michigan. The Records Bureau is responsible for compiling and maintaining police records within the Records Management System, state retention and the digital media that is utilized within the Northville Township Department of Public Safety.

## **Uniform Patrol Division**

The Uniform Patrol Division is responsible for the 24-hour, seven day-a-week patrols of the Township, and is the largest division within the police department. Officers within this division respond to calls for service and conduct proactive patrols in order to protect life, property and prevent unlawful activity. In 2012 the patrol division responded to 16,327 calls for service which included 822 adult arrests, 52 juvenile arrests and 68 driving while intoxicated arrests. Officers within this division also assist other divisions with special events, departmental tours and group presentations (educating citizens on safety).



The Uniform Patrol Division contains specialized work units referred to as special services. These work units are the SWAT Team, Bicycle Squad, Traffic Squad, School Resource Officer (SRO) Program and DARE program.

## **Investigative Division**

The Criminal Investigative Division is primarily responsible for conducting follow-up investigations of all criminal incidents reported to the Northville Township Police Department. Detectives identify and apprehend offenders; recover, identify, preserve property and evidence; prepare assigned cases for prosecution in court; and present cases to the State, Local and Federal prosecutors. In 2012 the detective bureau handled 797 cases. The detectives maintain intelligence files on crimes occurring in the Township. The Investigative Division works in conjunction with other local, state and federal agencies on various cases. Detectives attend monthly meeting groups, which networks all investigating agencies in Western Wayne County and the adjoining areas.

## **Fire Suppression**

Fire suppression includes the response to fires and the other preparation needed to be ready and capable, including training and equipment maintenance. The Fire Department also responds to all calls for emergency medical services and rescue situations using vehicles that have been equipped with Basic and Advanced Life Support (ALS) capabilities. Fire Fighter/Paramedics respond and provide ALS on the scene and transport the patient, if necessary, to the hospital.

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## Fire Prevention

Fire prevention includes inspection, plan review, public safety education and fire investigation. The code enforcement functions are coordinated with other appropriate departments of the Township to create and maintain safe conditions in buildings and during events.

## Consortium Concept

The Northville Township Department of Public Safety is a member in several area consortiums. The department has been instrumental in the development of several consortiums over the past two decades. The consortium concept was developed as a means to provide investigative and emergency resources to local departments who cannot afford to staff and equip stand-alone units within their own agencies.

Several police agencies in the Western Wayne County area have teamed up with the Michigan State Police and the Wayne County Sheriff's Department to provide the benefit of regional units in return for their monetary contribution and/or contribution of officers from their own agencies. The Northville Township Police Department is currently a member of the following consortiums:

- **Western Wayne Special Operations Team**

The SWAT team was formed in 1987 to provide resources and specialized expertise in resolving critical or high-risk situations. The team also provides dignitary support when requested. This team trains extensively to maintain a state of readiness. Members of the team are required to maintain above average physical fitness standards and marksmanship skills.

- **Western Wayne Community Response Team**

The unit was developed to respond to criminal activity in the community, is comprised of officers from several area departments, along with the Michigan State Police. The team conducts surveillances and criminal investigations; it also is available to assist local agencies when a major crime occurs.

The Northville Township Fire Department is currently a member of the Western Wayne County Mutual Aid Group, an association that consists of 22 area fire departments including the Wayne County Airport Authority and has developed the following consortiums:

- **Western Wayne County Haz-Mat Team**

The Hazardous Incident Response Team was created to provide an emergency response of trained Firefighters to an incident that involves hazardous materials. The purpose of this response team is to respond to releases or potential releases of hazardous materials for the purpose of control or stabilization consistent with nationally recognized practices.

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- **Western Wayne County Technical Rescue Team**

A newly developed Technical Rescue Team is currently in the training stages. This team will specialize in confined space, trench, structural collapse, and rope rescue operations. Currently the team has a total of 36 members, 3 from Northville Township.

## **Community Policing Programs**

### **Bicycle Safety**

Officers conduct programs with youth targeted at bicycle safety. Laws applicable to bicyclists are discussed, and bicycle inspections are performed.

### **Police Department Tours**

Departmental tours are provided free to the public upon request. Scouts of all ages, church groups and civic organizations take advantage of this service.

### **Ride-A-Long Program**

The Northville Township Police Department allows members of the community who have an interest in law enforcement to ride with commissioned officers. Observers are able to see first-hand the duties performed by law enforcement personnel.

### **Reserve Officer Program**

The Northville Township Police Department currently has 15 reserve officers. The reserve officers provide assistance to the Police Department during special events such as parades, the Fourth of July Celebration, etc. Reserve officers work at least 16 hours each month for the Northville Township Police Department.

## **Community Fire Programs**

### **CPR Classes**

The Fire Department offers CPR classes for the community. Our American Red Cross certified instructors will teach you the correct techniques, in adult CPR, Infant/child CPR, airway emergencies, and Blood-Borne Pathogens. Classes can also be arranged to teach students how to operate Automated External Defibrillators (AED's), or even basic first aid.

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**File of Life**

Residents with severe medical problems, seniors, and other interested citizens are provided a FREE File of Life packet. The packet consists of a program door decal, a File of Life Information Card and a vinyl cardholder for placement on your refrigerator door. The File of Life information card has areas to record personal information concerning medical conditions, drug allergies, emergency contact numbers for friends and family members, doctors information, prescription information and any special circumstances Rescue personnel should know.

**Child Safety Seat Inspection**

Child Passenger safety technicians assist you in making sure your child seats are installed correctly.

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# *Fiscally-Responsible Government*

## **Building a Financially Resilient Government through Long-Range Fiscal Planning**

Fiscal health measures a local unit's overall ability to maintain services and respond to an emergent situation. There are generally four agreed upon measures of fiscal health. They are (a) cash solvency, (b) budget solvency, (c) long-run solvency and (d) service level-solvency and are defined as follows:

**Cash solvency** measures a local government's liquidity, effective cash management and its ability to pay current liabilities.

**Budgetary solvency** refers to the ability of the government to generate sufficient revenue to fund its current or desired service levels.

**Long-run solvency** refers to the impact of existing long-term obligations on future resources.

**Service level solvency** refers to the ability of the government to provide and sustain a service level that citizens require and desire.

## **EXTERNAL FISCAL HEALTH ASSESSMENT**

The Michigan Department of Treasury commissioned the Institute for Public Policy and Social Research at Michigan State University to develop fiscal indicators to measure the financial condition of local governments. These scoring measures were recently updated based on the work of the Michigan Government Finance Officers Association. These measures are now available through **Munetrix**, a Michigan based online firm that provides financial benchmarking to local governments. The "**Munetrix**" fiscal scores represent a look at how a community is faring fiscally considering changing economic climates. **The lower the score the more fiscally stable**; as the score increases, the probability for fiscal stress increases.

The *Institute of Ethics and Emerging Technologies* identifies the following essential characteristics of a resilient government:

- **Transparency.** Promote transparency in key areas like goals and objectives, forecast assumptions and reserve standards.
- **Collaboration.** Working together to become stronger. Sharing information and reporting key indicators of financial condition.
- **Redundancy.** Avoid having only one path of escape or rescue. Reserves must be taken seriously by all to prohibit unsustainable uses of fund balance to fund recurring expenditures.
- **Flexibility.** Recognize changing conditions and maintain flexibility and focus on reaching goals to develop a solid future.
- **Foresight.** You can't predict the future, but you can hear its footsteps approaching. Develop effective forecasting techniques to identify emerging patterns within which to develop and execute effective strategies.

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## 2011 Community Overview for Northville Township



Northville Township's 2011 fiscal score was: 2 – based on results of operations for the fiscal year ended December 31, 2012 we expect our score to improve to a: 1 – local units that score in this category are deemed to be managing its financial circumstances appropriately.

### LONG-RANGE FINANCIAL PLANNING AND RESILIENCY

Developing and adopting budgets that support strategic goals without exceeding available resources is always a challenge. In 2008, the Government Finance Officers Association's executive board approved a best practice on long-term financial planning. It says: "*Long-term financial planning is the process of aligning financial resources with long-term service objectives. Financial planning uses forecasts to provide insight into future financial issues so that strategies can be developed to achieve long-term sustainability in light of the government's service objectives and financial challenges.*"

Northville Township's approach to long-range financial planning goes well beyond managing sustainability. Our goal is to strive towards achieving financial resiliency to **build a solid future** by having the **courage** to **make** responsible decisions for **our community** and **future generations**. The Township engages in long-range fiscal planning to ensure:

- reserves aren't used for ongoing expenses
- strategic long-term policy decisions are properly identified
- capital improvement projects are carefully planned and funded
- departments are actively engaged in determining demand for services
- flexibility and collaboration when responding to program revenue shortfalls
- elected officials and decision makers incorporate prioritization into the resource allocation process
- full program cost recovery is identified for purposes of establishing recreational user fees

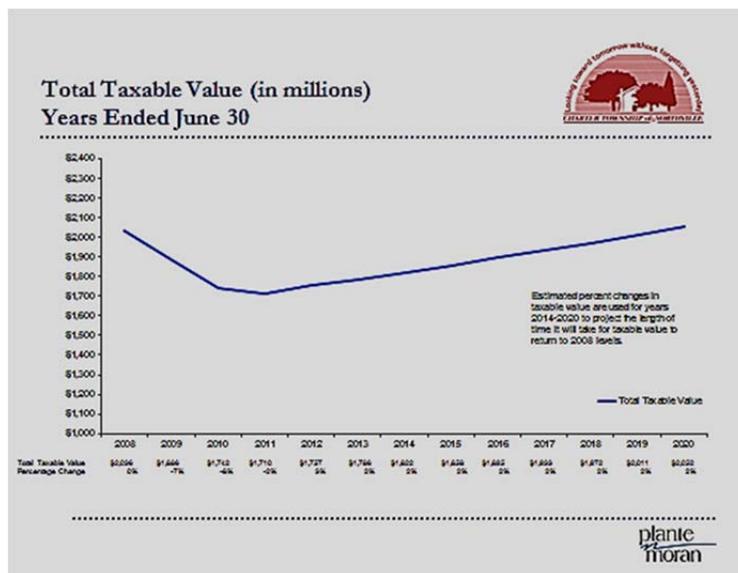
## FISCALLY SOUND AUDIT RESULTS

- Northville Township in the top 3.6% of the State for its excellence in financial reporting** – the Township of Northville’s 2012 fiscal year-end audit report shows a job well done by the Board of Trustees and staff.

Along with a fiscally sound nod, the Township received high praise for completing a Comprehensive Annual Financial Report (CAFR) for the first time in its history. This work was undertaken to present a thorough and detailed presentation of the Township’s financial condition and places Northville Township in an elite class of Michigan communities for its excellence in financial reporting.

After auditing the December 31, 2012 fiscal year-end financial reports and accounting records of the Township, staff of the certified public accounting firm Plante & Moran, LLC said there were no inconsistencies nor were there any deficiencies with the Township’s records resulting in an unqualified opinion from the auditors. It is the highest report a municipality may receive from an external auditor.

According to audit documents, one of the largest sources of revenue for the Township remains property taxes. The Township’s taxable value began to decrease in 2008 and **decreased a total of 13.8% between 2008 and 2012**. Based on future estimated percent changes in taxable value as indicated in the graph below, it is anticipated that it will take until the year 2020 to return to 2008 values.



## Program Highlights

- The Government Finance Officers Association recommends a minimum fund balance reserve of 16.7% of budgeted expenditures.
- The Township will strive to establish all user charges and fees at a level considering the cost (operating, direct, indirect and capital) of providing the service.

### PERFORMANCE MEASUREMENT

#### Outcomes:

- Internal and external customers have the financial information they need to make informed decisions.

Program: Financial Planning & Operations	2012 Actual	2013 Target	2013 Actual	2013 Target Met or Exceeded	2014 Target
<i>Earn GFOA Distinguished Budget Award</i>	n/a	n/a	n/a	n/a	Yes
<i>Complete a comprehensive annual financial report and apply for the Certificate of Achievement in Financial Reporting</i>	100%	100%	100%	Met	100%
<i>Implementation and maintenance of GASB 65 and all required accounting standard policies</i>	100%	100%	100%	Met	100%
<i>Maintain bond rating – Moody's/S&amp;P</i>	AA	AA	AA	Met	AAA
<i>Average no. of days to close quarter in financial system</i>	n/a	10	10	Met	10

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# *Capital Improvements Program*

Township of Northville, Michigan  
2014-2019

## **Overview**

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The Township of Northville's Capital Improvements Program (CIP) is a planning tool, with a goal to identify capital improvement needs over a six-year period from 2014-2019. The CIP is an opportunity to formulate strategic long-term policy decisions that extends beyond the current 2013 budget year. The CIP helps track multi-year projects that may require planning, design, land acquisition and construction. The projects identified in the CIP represent the Township of Northville's plan to serve residents and anticipate the needs of a growing and dynamic community. The following documents were considered in preparation of the CIP:

- Land Use Master Plan(adopted August 16, 2007)
- Pathway Gap Analysis (prepared August 2012)

## **Definition of a Capital Improvement**

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A capital improvement is defined as any new equipment, construction, acquisition or improvement to public lands, buildings or structures in excess of \$5,000 with a minimum life expectancy of one year. Maintenance-oriented, operational or continuous expenditures are not considered to be capital improvements.

The CIP allows for responsible and thoughtful planning of future major expenditures that are not necessarily financed or automatically included in the annual budgeting process. All capital projects, however, as they pertain to the definition of capital improvements above should be part of this CIP. Specifically, the purpose of the CIP is to:

- Identify and evaluate the needs for public facilities.
- Determine cost estimates for each capital project submitted.
- Determine if there will be future operating costs for such projects.
- Determine potential sources of funding for such projects.
- Adopt policies for implementing capital improvement construction.
- Anticipate and pre-plan projects with an emphasis on seizing opportunities for partnerships and alternative funding.

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## **Impact of Capital Budget on the Operating Budget**

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As new policies and programs are approved, both the operating and capital budgets are impacted. For example, an increase in service levels approved as part of the operating budget would have long-term effects on the Capital Improvements Program. Conversely, a restrictive change to the use of long-term debt would slow capital programs.

Regardless of the difference between the operating and capital budgets, the two are interdependent. Budgetary policy states that all foreseeable operating costs related to capital projects be estimated and provided for as part of the review process associated with the Capital Improvements Program. In addition, departments are required to include costs associated with operating and maintaining capital projects that are requested for the upcoming year.

## **Legal Basis of the Capital Improvements Program**

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The development and the adoption of a CIP is driven by a statutory requirement at the State level. The State of Michigan has set forth the requirement of a CIP under the Michigan Planning Enabling Act, Act 33 of 2008. The following excerpt from the Act sets for the requirement:

*"... (2) Any township may prepare and adopt a capital improvement program. However, subsection (1) is only mandatory for a township if the township alone or jointly with one or more other local units of government, owns or operates a water supply or sewage disposal system."*

## **Planning and Benefits of the Capital Improvements Program**

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The CIP is first and foremost, a planning tool. It can be quite useful as a primary guide in implementing the Master Plan. With thoughtful foresight and review as a result of a CIP, the many outstanding capital projects that communities are faced with implementing every year, can be viewed as one package, rather than as small, fragmented groups or lists, with no unified sense of focus and direction.

When capital improvements begin with careful planning and study, the Township of Northville's chances for receiving state and federal grants are greatly enhanced. Some grants require the inclusion of a CIP with their application. Formulation of a CIP assists those involved to look at alternative funding mechanisms that might not have been considered before. Instead of relying on local revenue sources alone, the CIP allows the Township to think more creatively to fulfill Master Plan goals and policies. The CIP often avoids reactive planning, and instead replaces it with balanced growth initiatives.

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## **Program Funding**

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There are multiple methods available to local governments for financing capital improvement projects. Since capital improvements require large outlays of capital for any given project, it is often necessary to pursue multiple solutions for financing projects.

The Capital Improvement Plan is simply that – a plan. As such, projects are subject to change based on new or shifting service needs, special financing opportunities, or emerging needs. Because priorities can change, projects included in outward planning years are not guaranteed for funding.

### **General Obligation (G.O.) Bonds**

These types of bonds are especially useful for financing large municipal projects such as infrastructure improvements. They require voter approval and usually are used for projects that will benefit the residents of the entire community.

When the Township sells G.O. Bonds, the purchaser is basically lending money to the Township. The amount of the bond, plus interest is repaid through property taxes that the Township, as the issuing authority, has the power to levy at the level necessary and within state guidelines to retire the debt.

A variation of the G.O. Bonds is the G.O. Limited Tax Bonds which can be repaid through tax millage. The interest rate for this type if issue is slightly higher than for the G.O. Bonds, and though voter approval is not required, a referendum period is afforded to the citizenry to challenge the proposed bond resolution.

### **Revenue Bonds**

These bonds are generally sold as a means for constructing revenue-producing facilities such as water and sewer systems, and other such facilities that produce tolls, fees, rental charges, etc. Security for and payment of revenue bonds are typically based upon the revenue-producing facility or activity rather than the economic or taxpaying base.

### **Federal Grants**

Funding is made available to cities through Federal grants and programs. Grants are usually subject-specific, and require application by the local government for consideration. Amounts of grants vary, and are determined by the grantor through criteria-based processes. The availability of grants is usually a competitive process, so creative and effective grant writing is crucial to receiving funding for capital improvement projects.

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## **Building Authority**

The Township of Northville has a Building Authority that functions as a mechanism to facilitate the selling of bonds to finance public improvements. These bonds can be used as funding for buildings and recreational uses. Though voter approval is not required, a referendum period is afforded to the citizenry to challenge the proposed bond resolution. This is the mechanism used in the construction of the Township Hall.

## **Enterprise Funds**

Enterprise funds are typically established for services such as water, sewer, recreation, and housing. Revenues are generated primarily through user charges and connection fees from those who benefit from the improvements.

## **Developer Contributions**

Developers as part of subdivision and site planning requirements may provide infrastructure, open space and recreational facilities. Developers may contribute a share of funds to the government entity, or install the facilities themselves as local need arises, and/or during the construction process. Once completed, the local government entity may agree to maintain the facilities.

## **Special Assessments**

Special assessment financing allows local government to collect special taxes from owners of property directly benefiting from capital improvements. These types of improvements often include streets and sidewalks, sanitary sewer, storm drainage, and water distribution systems.

## **Millage**

Property taxes are based upon the local millage rate. Revenue received from property taxes may be used for capital improvements, but such improvements are usually smaller scale and less expensive.

## **Miscellaneous Funding Options**

There are additional methods that are suitable for funding capital improvements. Examples of alternative funding methods are Tax Increment Financing (TIF), Facility User Fees, etc.

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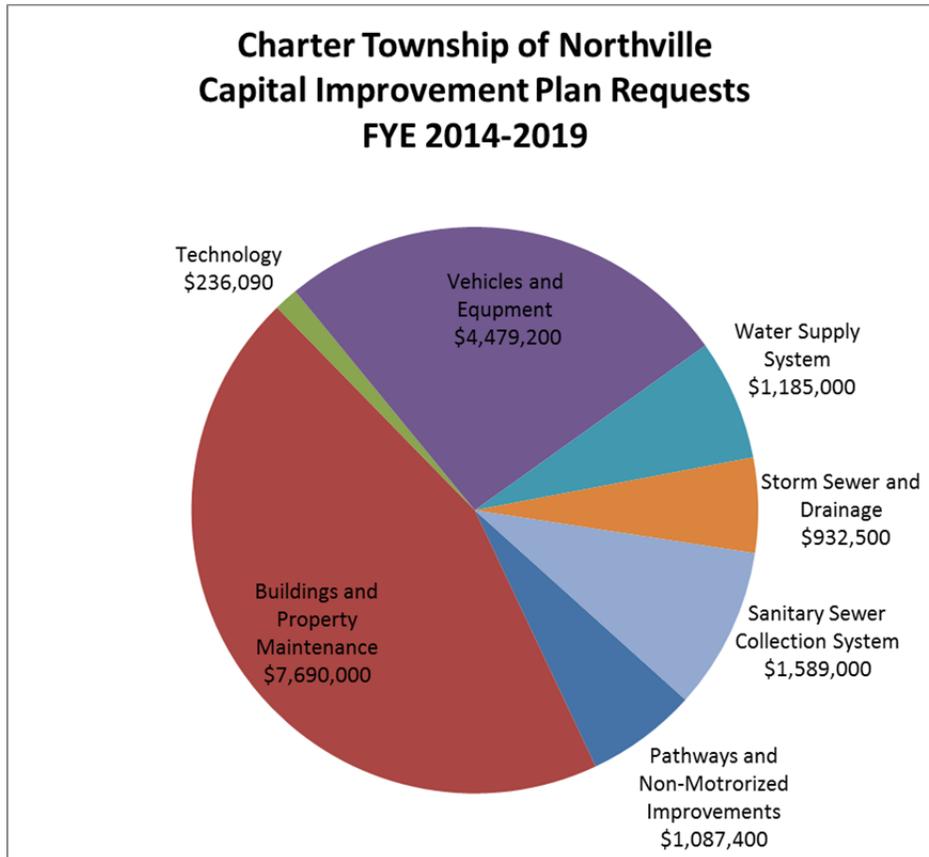
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## Project Summary

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The following tables include project summaries with estimated costs over the six-year period. The first column identifies an item number and the tables are followed by a numeric Project Description.

The projects listed in the graph below represent all projects that have been submitted, and are not reflective of any approved budget amounts.



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## 2014-2019 Project Descriptions

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### Pathways and non-motorized improvements

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- 1. 5' wide non-motorized pathway (6 Mile Road, east of Beck)**  
.2 miles (943 linear feet) of 5' wide concrete pathway on the north side of Six Mile Road, east of Beck. The project also includes approximately 23 street trees to be planted between the pathway and 6 Mile Road. The Township will purchase the trees if the adjacent homeowners will accept the maintenance responsibility for them. The project was identified as a 2013 project but with the opportunity to do the 8 Mile/Beck pathways as part of the Oakland County Road project, this project was deferred. The pathway is a high priority

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project based on the pathway matrix gap analysis. The required road right of way to complete the project exists. The pathway will provide access from the Hills of Crestwood subdivision to the high school, Millennium Park and a significant portion of the Township's non-motorized pathway system. The project will fill in two small gaps and complete the section of path on the north side of 6 Mile, between Sheldon and Beck. The Township will purchase the street trees with funds from the Woodland Fund. The pathway will require maintenance and repair in the future.

**2. 5' wide non-motorized pathway (6 Mile Road)**

.1 miles (600 linear feet) of 5' wide concrete pathway on the north side of 6 Mile, west of Beck. The project also includes approximately 15 street trees to be planted between the pathway and 6 Mile Road. The Township will purchase the trees if the adjacent homeowners will accept the maintenance responsibility for them. The project was identified as a 2013 project but with the opportunity to do the 8 Mile/Beck pathways as part of the Oakland County Road project, this project was deferred. The project will provide access to a significant portion of the Township's non-motorized pathway system for the residents of Stonewater. The project will fill a small gap and complete the section of pathway on the north side of 6 Mile, between Beck and Ridge. The Township will purchase the street trees with funds from the Woodland Fund. The pathway will require maintenance and repair in the future.

**3. 10' wide non-motorized pathway (6 Mile Road)**

1.32 miles (6,957 linear feet) of 10' wide asphalt pathway on the south side of 6 Mile Road, between Northville Road and Abby Circle. The project also includes approximately 165 street trees to be planted between the pathway and 6 Mile Road. The Township will purchase the trees if the adjacent homeowners will accept the maintenance responsibility for them. The pathway is a high priority based on the pathway matrix gap analysis and the required RIGHT OF WAY exists. The pathway will provide access to Meads Mill, Hines Park and a significant portion of the Township's non-motorized pathway system for residents of Northville Commons and Northville Colony Estates. The project is scheduled to coincide with Wayne County's 6 Mile Road reconstruction project. A lesser amount of projects were specified for 2014 in order to consider this larger project. The pathway will complete a large section of the pathway on the south side of 6 Mile Road. The Township will purchase the street trees with funds from the Woodland Replacement Fund. The pathway will require maintenance and repair in the future.

**4. 5' wide non-motorized pathway (Silver Springs Drive)**

.61 miles (3,209 linear feet) of 5' wide concrete pathway on the east side of Silver Springs Drive, between 7 and 8 Mile Roads. The pathway is a high priority project based on the pathway matrix gap analysis. The required road right of way to complete the project exists. The project is scheduled to coincide with the timing of Silver Spring Road reconstruction project. The pathway will complete the section of pathway between 7 and 8 Mile Roads. The pathway will require maintenance and repair in the future.

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5. **.78 miles (4,100 linear feet) of 10' wide asphalt pathway along the south side of 7 Mile Road**

The project will also include approximately 100 street trees to be planted between the pathway and 7 Mile Road. The project is consistent with the adopted 7 Mile Road Master Plan and is a start to the future development of the site and to provide visible improvements along 7 Mile. Will require routine maintenance of the path and street trees.

6. **10' wide non-motorized pathway (Bradner Road)**

.74 miles (3,895 linear feet) of 10' wide asphalt pathway on the east and west sides of Bradner Drive (from Ladywood to Norham on the east side and in front of Whisperwood Subdivision on the west side), between 5 and 6 Mile Roads. The project also includes approximately 86 street trees to be planted between the pathway and Bradner Drive. The Township will purchase the trees if the adjacent homeowners will accept the maintenance responsibility for them. The pathway is a high priority based on the pathway matrix gap analysis. With the exception of a parcel located on the west side of the road, the required right of way exists to complete this project. A non-motorized pathway in this location will provide an off road route for many kids who walk to Meads Mill School and will serve several hundreds of households within subdivisions along Bradner. Bradner Road is not on any county plans for improvement in the near future and the area is already developed so it will not be done as part of a land development project. However, the full RIGHT OF WAY is available for all but a fraction of the project area and as a result the project can be accomplished without being removed in the future. The Township will purchase the street trees with funds from the Woodland Replacement Fund. The pathway will require maintenance and repair in the future.

7. **10' wide non-motorized pathway (Ridge Road)**

.32 miles (1,693 linear feet) of 10' wide asphalt pathway on the east side of Ridge Road, south of 7 Mile Road. The project also includes approximately 42 street trees to be planted between the pathway and Ridge Road. The Township will purchase the trees if the adjacent homeowners will accept the maintenance responsibility for them. The pathway is a high priority based on the pathway matrix gap analysis. The project will fill in two gaps and complete the section of pathway on the east side of Ridge Road, between 6 and 7 Mile Roads. The pathway will also provide a connection into Maybury State Park on the south side of the park and access to a significant portion of the Township's pathway system for many residents residing on the western edge of the Township. The pathway will require maintenance and repair in the future.

8. **10' wide non-motorized pathway (8 Mile Road)**

.76 miles (4,012 linear feet) of 10' wide asphalt pathway on the south side of 8 Mile Road, from Silver Springs to Spring Lane. The project also includes approximately 100 street trees to be planted between the pathway and 8 Mile Road. The Township will purchase the trees if the adjacent homeowners will accept the maintenance responsibility for them. The pathway is a mid-range priority based on the pathway matrix gap analysis. The project will

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complete a significant segment along 8 Mile and tie into the I-275 pathway. The project is scheduled to coincide with Wane County's road construction project and the Township will have an \$80,000 escrow deposit from Meadowbrook Country Club to contribute toward the project. The Township will purchase the street trees with funds from the Woodland Replacement Fund. The pathway will require maintenance and repair in the future.

**9. 5' wide non-motorized pathway (5 Mile Road)**

.13 miles (687 linear feet) of 5' wide concrete pathway on the north side of 5 Mile Road, west of Haggerty. The project also includes approximately 15 street trees to be planted between the pathway and 5 Mile Road. The Township will purchase the trees if the adjacent homeowners will accept the maintenance responsibility for them. The pathway is a mid-range priority based on the pathway matrix gap analysis. The project will extend the pathway further west from the 5 Mile Road intersection. The project is scheduled to coincide with Wayne County's road improvement project. The Township will purchase the street trees with funds from the Woodland Replacement Fund. The pathway will require maintenance and repair in the future.

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## **Buildings and Property Improvements**

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**10. Replace thermostatic control system at Township Hall**

Replace thermostatic control system at Township Hall with computer controlled system assessment done by W.J. O'Neil. Maintain current service levels and adequately maintain Township property. Proper environmental conditions need to be met within the facility. Will allow more efficient handling of building climate. Replacement equipment will result in reduced utility cost.

**11. Replace air conditioner units at Police (\$30,000) and Fire Station (\$3,000)**

Replace air conditioner units at Police and Fire Stations per assessment done by W.J. O'Neil. Maintain current service levels and adequately maintain Township property. Proper environmental conditions need to be met within the facility during hot weather.

**12. Concrete floor for new pole barn**

Install new 6" thick concrete floor in pole barn number 2 which was part of the former Scott Prison property. This includes the placement of 4,200 square feet of 6" wire reinforced concrete. The Pole Barn currently has a dirt floor and a concrete floor would provide a good surface so that the pole barn can be used for storage. It will also prevent animals from getting inside the facility.

**13. Replace boiler controls at Township Hall**

Replace boiler controls at Township Hall per assessment done by W.J. O'Neil. Maintain current service levels and adequately maintain Township property and the proper environmental conditions necessary within the facility during hot and cold weather.

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- 14. Replace thermostatic control system at Fire Station**  
Replace thermostatic control system at Fire Station with computer controlled system per assessment done by W.J. O'Neil. Maintain current service levels and adequately maintain Township property. Proper environmental conditions need to be met within the facility during hot and cold weather. Will allow more efficient handling of the building climate. Replacement equipment will result in reduced utility cost.
  - 15. Jail Cell Renovation**  
\$25,000 to start the project with architect. Construction cost estimate \$600,000.
  - 16. Replace air handlers at Township Hall**  
Replace some of the air handlers at Township Hall per assessment done by W.J. O'Neil. Maintain current service levels and adequately maintain Township property. Proper environmental conditions need to be met within the facility.
  - 17. Replace air handlers and duct work at Police Station**  
Replace some of the air handlers and duct work at the Police Station per assessment done by W.J. O'Neil. Maintain current service levels and adequately maintain Township property. Proper environmental conditions need to be met within the facility during hot weather.
  - 18. Replace portions of roof at Township Hall**  
Replace portions of the roof at Township Hall. Maintain current service levels and adequately maintain Township property. Flat sections of roof are leaking and a leaking roof can compromise the integrity of the building. Maintenance costs to be reduced on properly maintained property.
  - 19. Replace windows at Police Station**  
Replace windows throughout Police Station. Maintain current service levels and adequately maintain Township property. Proper environmental conditions need to be met within the facility, which will help to reduce utility costs.
  - 20. Furnish and install generator at Township Hall**  
Furnish and install a generator at Township Hall that can power portions of the facility during power outages. The site would need some basic electrical service in a power outage to keep the computer system running.
  - 21. Twenty 21 Plan – construction of sledding/tubing hill along 7 Mile**  
The project is consistent with the adopted 7 Mile Road Master Plan. As a start to the future development of the site, construction of the sledding/tubing hill will provide visible improvements along 7 Mile. The timing of this improvement shall coincide with the demolition of the large hospital building. This improvement will require routine maintenance.
  - 22. Replace air handlers at Township Hall**  
Replace some of the air handlers at Township Hall per assessment done by W.J. O'Neil. Maintain current service levels and adequately maintain

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- Township property. Proper environmental conditions need to be met within the facility.
- 23. Replace air conditioner units at Fire Station**  
Replace air conditioner unit at Fire Station per assessment done by W.J. O'Neil. Proper environmental conditions need to be met within the facility during hot weather.
  - 24. Replace air handlers and duct work at Police Station**  
Replace some of the air handlers and duct work at Police Station per assessment done by W.J. O'Neil. Proper environmental conditions need to be met within the facility.
  - 25. Replace roof at 16225 Beck Road**  
Replace the existing roof at 16225 Beck Road. Maintain current service levels and adequately maintain Township owned property. The existing roof is 20+ years old and numerous roof leaks have occurred. The shingle roof life expectancy is typically 20 to 25 years. Maintenance costs to be reduced and properly maintain property.
  - 26. Resurface and restripe parking lot at Township Hall**  
Resurface and restripe the parking lot at Township Hall. Parking lot is at the end of its useful life.
  - 27. Replace sections of roof at Fire Station**  
Replace sections of the roof area at the Fire Station. Failure to do so will result in leaks that will compromise the building structure.
  - 28. Twenty 21 Plan-7 Mile Road frontage and gateway improvements**  
7 Mile Road frontage and gateway improvements (landscape, decorative wall/features, botanical gardens, signage). The project is consistent with the adopted 7 Mile Road Master Plan.
  - 29. Beck Road Boulevard Enhancements**  
Design and installation of a landscape plan for the Beck Road median. The timing of the project will coincide with the development of the Township property on the northwest corner of 5 Mile & Beck road and create an enhancement to the Township gateway. Metro Act funds could be used for a portion of the project. The project will require on-going annual maintenance.
  - 30. Replace some of the air conditioner units at Township Hall**  
Replace some of the air conditioner units at Township Hall per assessment done by W.J. O'Neil. Maintain current service levels and adequately maintain Township property.
  - 31. Replace air conditioner and duct work at Police Station**  
Replace some of the air conditioner units and duct work at Police Station per assessment done by W.J. O'Neil.

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- 32. Replace air conditioner units and air handlers at Fire Station**  
Replace air conditioner units and air handlers at Fire Station per assessment done by W.J. O'Neil.
  - 33. Resurface and restripe parking lot at Police Station**  
Resurface and restripe the parking lot at the Police Station. Parking lot is at the end of its useful life.
  - 34. Replace air conditioner units at Township Hall**  
Replace air conditioner units at Township Hall per assessment done by W.J. O'Neil.
  - 35. Replace air conditioner units and air handlers at Fire Station**  
Install and replace air conditioner units and air handlers at the Fire Station per assessment done by W.J. O'Neil.
  - 36. Replace boiler and last air conditioner unit at Police Station**  
Replace boiler and the last air conditioner unit at Police Station per assessment done by W.J. O'Neil.
  - 37. Architectural/Engineering services-Fire Station #2**  
Architectural/Engineering services to initiate construction of a second fire station. Station is necessary to improve response times to the northeast area of the community. Currently the road system and travel distance does not allow easy or timely access to a part of the community. There are also operational issues that will be addressed.
  - 38. Fire Station #2 (serve northeast area of the community)**  
Station is necessary to improve response times to the northeast area of the community. Currently, the road system and travel distance does not allow easy or timely access to a part of the community. There are also operational issues that will also be addressed.

## Technology

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- 39. Replace GPS equipment**  
Purchase new GPS equipment to replace the aging GPS equipment. Maintain current service levels. The existing equipment has exceeded its life expectancy and continues to break down and not operate correctly. Each fix is over \$1,000 and is a replacement piece of equipment.
- 40. Replace plotter equipment**  
Purchase new plotter equipment to replace our old plotter equipment. Our existing equipment has exceeded its life expectancy. It continues to break down and not operate correctly. This is a replacement piece of equipment.
- 41. Server replacement**  
The server replacement project would include the purchase of two virtual HP

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servers and two redundant SAN storage devices. This project would ensure a more reliable server environment and keep the Township current with technology. Staying current with server infrastructure is critical for the continued advancement of Township technology. In 2010, the Township purchased five new HP servers to accommodate the major change over to BS&A.NET. These servers have a useful life expectancy of 5-7 years. The Township also has three other servers, purchased around 2007, that will have exceeded their useful life expectancy. It is vital to replace these servers on a routine schedule to keep up with the Township's technology needs. This server project will not generate any revenue. There will also be additional consultant assistance and software costs associated with the project on top of the cost of the servers and SAN

**42. Replace in-car police computers**

The FY15 police in-car computers will replace all current laptop computers in the police cars. The make/model of laptops purchased will be based on the recommended specs from CLEMIS.

**43. Replace Police L3Mobile Server**

FY16 the Police L3Mobile Server will be replaced by an HP server that will meet the recommended specs provided by L3Mobile. The current L3Mobile will be at the end of its 5-7 year life expectancy. The current server will no longer be supported and the costs and frequency of repairs will increase.

**44. Replace multi-function printer**

Purchase new multi-function printer to replace the current equipment purchased in 2010. The existing equipment will have exceeded its life expectancy. Multi-function printers cut down on print costs by providing an inexpensive cost preprint that includes toner and maintenance. This is a replacement piece of equipment.

**45. Replace multi-function printer**

Purchase new multi-function printer to replace the current equipment purchased in 2010. The existing equipment will have exceeded its life expectancy. Multi-function printers cut down on print costs by providing an inexpensive cost preprint that includes toner and maintenance. This is a replacement piece of equipment.

## **Vehicles and Equipment**

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**46. Replace command vehicle**

The Command vehicle is approaching the end of its reliable service life. Initially, the department should realize a reduction in maintenance costs as the vehicle will be more reliable and under warranty. Costs include vehicle marking, emergency lights and siren, radio installation, and equipment storage system. The vehicle will serve as a command vehicle and will be staffed by a Command Officer (Lieutenant). This vehicle will be used for daily details, emergencies, and on a limited basis, will be deployed on non-emergency public service calls.

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- 47. Replace self-contained breathing apparatus (SCBA)**  
The SCBA is approaching the end of its expected service life. The department is requesting 30 complete air packs, 10 spare masks and 30 replacement bottles and has applied for Fire Act Grant.
- 48. VHF radio control stations**  
Three VHF radio control stations are approaching the end of their reliable service life. Initially, the department should realize a reduction in maintenance costs as the consoles will be more reliable and under warranty. The control stations handle tornado sirens, paging fire departments, and inner city radio. The original system was purchased in 1995.
- 49. Replace four patrol vehicles**  
In FY14, per contract, the police departments will need to replace (4) four patrol units used for road patrol. The oldest (4) four vehicles will be taken out of service. The (4) four vehicles will be replaced with (4) four 2014 Ford Police Interceptor sedans.
- 50. Detective bureau vehicle lease**  
The police department will need to replace one (1) leased vehicle per year for the next five years due to expiring leases. The vehicles are currently assigned to the Detective Bureau and are used for a variety of purposes that include; surveillances, undercover work by road patrol officers and daily duties performed by the detectives.
- 51. Water & Sewer 4x4 vehicle - Superintendent**  
Purchase a 2014 Ford-Escape 4x4 to replace the 2008 Explorer used by the Water & Sewer Department Superintendent. Mileage on the 2008 model is at 90,000. The current condition of the vehicle is good both body and mechanical. The high mileage vehicle will be transferred to the Building Department. The W&S Superintendent is responsible for the operation of the Township's sewer and water system and must have dependable transportation for 24 hour emergency circumstances.
- 52. Water & Sewer Dump Box for existing truck**  
Replace rusted utility box with new dump box on Ford F-550. The utility box is rusted and in need of replacement.
- 53. Ford Escape for Building Department**  
This is a replacement vehicle for the Building Department and this vehicle is used by Building Officials to complete building inspections. It will replace a 2003 Ford Explorer with over 70,000 miles and replaces an existing 12 year old vehicle that needs repair. Industry recommendations are that vehicles should be replaced at 100,000 miles or 10 years old.
- 54. Replace thermal imaging cameras**  
Thermal imaging cameras will be at the end of its service life.

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**55. Replace utility vehicle and Fire Chief vehicle**

The vehicles will serve as utility vehicles and will be staffed by a fire inspector and the fire chief. These vehicles will be used for daily details, emergencies and, on a limited basis, will be deployed for non-emergency public service calls.

**56. Replace personal protective equipment**

Turnout gear (PPE) will be at the end of its service life. The Fire Department is contractually bound to supply fire fighter protective clothing (turnout gear) for all sworn Fire Department personnel. The turnout gear is essential to protect the fire fighters and allow them to properly perform their duties. The purchase is important at this time for the following reasons:

- Federal Standards require that personal protective gear be in compliance with the National Fire Protection Agency Standard 1971.
- Current gear is reaching the end of its normal life cycle.
- Gear must be fit to each fire fighter for proper safety.
- Current gear can be used as emergency backup in the event the new turnout gear is in need of cleaning or repair.
- Turnout gear is worn on virtually all incidents and during training.
- Replacing every member's set is prudent for consistency and continuity as well as maintaining compliance with the NFPA requirements.

**57. Replace radios**

Radios are approaching the end of their reliable service life. Initially the Department should realize a reduction in maintenance costs as the radios will be more reliable and under warranty.

**58. Replace five power 911 intelligent workstations**

Five Power 911 Intelligent Workstation Features are approaching the end of their reliable service life. Initially the Department should realize a reduction in maintenance costs as the consoles will be more reliable and under warranty.

**59. Water and Sewer pick-up truck**

A 2015 Ford-F350 pick-up is being requested to be used by the Water and Sewer Department to continue to provide the current service level. This vehicle will replace a 2001 Ford F350 Standard Cab pick-up truck with 55,000 miles. The truck is 14 years old, the bed is rusty and the overall vehicle condition is poor.

**60. Water and Sewer radio read tower and equipment**

Design and construct radio read tower and equipment so that all meters can be read from two locations within the Township. This will allow more efficient use of staff and will reduce the time to read meters. Requires additional equipment.

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**61. Election equipment**

In 2005, the Township, in conjunction with the State of Michigan, received a Federal Grant HAVA (\*Help America Vote Act Grant) to purchase Optical Scan Voting Tabulators and an Election Management system for all of the Township's existing precincts, in the amount of \$117,472. An additional grant was received in the amount to \$54,336 to purchase the ADA compliant AutoMARK Voter Assist Terminals. The State is currently evaluating the possibility of up-grading the voting systems in Michigan and has informed local clerks that there may not be sufficient Federal Grant money available to replace each community's existing election equipment. Presently, the township has 22 M100 Tabulators, one UNITY computer based program, eight AutoMARKS and an inventory of 270 voting booths. State of Michigan, or Wayne County will select the vendor for replacement election equipment and the township, most likely, will need to provide the funding or pay a substantial portion of the costs to replace the existing election systems. The impact to the operating budget may be approximately \$200,000, without any assistance or grant opportunities from the State of Michigan. If grant opportunities are available, the township will meet the qualifications necessary to secure the maximum percentage of funding, or reimbursement, that would be available.

**62. Replace engine 1**

Vehicle is approaching the end of its reliable service life. Initially the department should realize a reduction in maintenance costs as the vehicle will be more reliable and under warranty.

**63. Water and Sewer pick-up truck**

Purchase new F350 Ford pick-up truck. This vehicle will replace a 2004 F350 Ford Extended Cab pick-up truck with over 100,000 miles. The truck condition is poor with considerable rust, including holes in the truck bed. The equipment is 12 years old.

**64. Bullet proof vests**

The Police Department is contractually bound to supply bullet proof vests to all officers. The department has applied for a grant through the Bulletproof Vest Partnership (BVP) in which the Office of Justice Program will pay up to 50% of the costs of vests purchased for officers. This grant has always been approved when the purchase of vests is submitted.

**65. Replace Dispatch radio consoles**

Dispatch Radio Consoles are approaching the end of their reliable service life. Initially the Department should realize a reduction in maintenance costs as the consoles will be more reliable and under warranty.

**66. Replace taser equipment**

The Township Board authorized the purchase of X2 Taser: a less lethal conducted energy weapon that propels wires which penetrate a suspects skin or clothing causing an Electro Muscular Disruption that affects the sensory and motor nervous system causing incapacitation. The Taser X2 is a state of the art Electronic Control Device that has the capability of shooting 2

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- cartridges without reloading. The officer can control which cartridge the X2 fires and he/she can control which probes are energized after they have been deployed. The recommended replacement is at five years.
- 67. Water and Sewer service truck**  
Purchase new Ford F350 service truck. This vehicle will replace a 2006 F350 Ford Extended Cab service truck with 100,000 miles. The truck condition is poor with considerable rust and the equipment is 11 years old. This truck is the only service tap truck used for water taps and it needs to be reliable.
  - 68. Replace rescue 1 (ambulance)**  
Vehicle is approaching the end of its reliable service life. Initially the Department should realize a reduction in maintenance costs as the vehicle will be more reliable and under warranty.
  - 69. Replace extrication tools**  
Replace extrication (hydraulic) tools that are approaching the end of their reliable service life. Initially the Department should realize a reduction in maintenance costs as the tools will be more reliable and under warranty.
  - 70. Replace ladder truck**  
Replace ladder truck. Vehicle is approaching the end of its reliable service life. Initially the Department should realize a reduction in maintenance costs as the vehicle will be more reliable and under warranty.
  - 71. Replace 44 portable radios**  
44 Radios are approaching the end of their reliable service life. Initially the Department should realize a reduction in maintenance costs as the radios will be more reliable and under warranty.
  - 72. Water and Sewer pick-up truck**  
Purchase new F350 Ford pick-up truck. This vehicle will replace a 2007 Ford Ranger pick-up truck with over 110,000 miles. The truck condition is poor with considerable rust and the equipment is 11 years old. This is the primary emergency response vehicle and needs to be reliable.
  - 73. Replace rescue 2 (ambulance)**  
Vehicle is approaching the end of its reliable service life. Initially the Department should realize a reduction in maintenance costs as the vehicle will be more reliable and under warranty.
  - 74. Replace monitor/defibrillators**  
Units are approaching the end of their reliable service life. Initially the Department should realize a reduction in maintenance costs as the units will be more reliable and under warranty.
  - 75. Water and Sewer pick-up truck**  
Purchase new F150 Ford pick-up truck. This vehicle will replace a 2007 F150 4x4 pick-up truck with 100,000 miles, in poor condition with considerable rust.

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The equipment is 12 years old and has had repairs done to the 4x4 unit.

**76. Water and Sewer vector truck**

This vehicle will replace a 2010 vector truck. Although the equipment has low mileage, the main unit has high hours and is nine years old. The equipment is used in emergency circumstances and must be reliable. The equipment is used for cleaning sewers which the Township is required to do annually completing the entire system every five years.

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**Water Supply System**

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**77. Update water model and plan**

Provide adequate water pressure and supply through the Township's water distribution system. Provides a model and plan for improvements that are necessary to assure adequate water pressure and supply. Helps us to stay within the contract limits with Detroit and tells us if we can or need to make adjustments to the peak hour and maximum day numbers in the DWSD Contract.

**78. Design and construct the Smock Road Watermain loop**

Consists of 650 feet of 8" diameter pipe. Provide redundant sources of water and provide water to areas using wells which is part of the water master plan. Will provide water to homes on wells and will create a looped water system. Will generate revenue in the form of water rates and connection charges.

**79. Inspect the elevated water tank**

To assure the proper maintenance of the Township water system. To maintain the integrity of the tank, it should be inspected every 7-10 years. Will assure that the design life of the tank is met.

**80. Design and construct the Pierson Road Watermain loop**

Consists of 1,350 feet of 8" diameter pipe. Provide redundant sources of water and provide water to areas using wells which is part of the water master plan. Will provide water to homes on wells and create a looped water system.

**81. Paint elevated water tank**

To assure the proper maintenance of the Township water system. To maintain the integrity of the tank, it should be painted every 10 years. Will assure that the design life of the tank is met.

**82. Design Clement Road Watermain loop**

Consists of 1,600 feet of 8" diameter pipe. Provide redundant sources of water and provide water to areas using wells which is part of the water master plan. Will provide water to homes on wells and create a looped water system.

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- 83. Construct Clement Road Watermain loop**  
Consists of 1,600 feet of 8" diameter pipe. Provide redundant sources of water and provide water to areas using wells which is part of the water master plan. Will provide water to homes on wells and create a looped water system.
- 84. Design and construct Franklin Mill Street Watermain loop**  
Consists of 1,600 feet of 8" diameter pipe. Provide redundant sources of water and provide water to areas using wells which is part of the water master plan. Will provide water to homes on wells and create a looped water system.

### **Storm Sewer and Drainage**

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- 85. Johnson Creek inventory (silt, erosion, woody debris)**  
Complete an inventory of Johnson Creek determining areas of erosion and areas where excess silt is evident and where blockages occur. Meet the requirements of the Township's Stormwater Pollution Prevention Program Initiative (SWPPI) and the stormwater permit with the State of Michigan. These activities are identified in our SWPPI and are a requirement of our Stormwater permit with the State.
- 86. Design streambank stabilization along Johnson Creek**  
Meet the requirements of the Township's Stormwater Pollution Prevention Program Initiative (SWPPI) and the stormwater permit with the State of Michigan. These activities are identified in our SWPPI and are a requirement of our Stormwater permit with the State.
- 87. Construct streambank stabilization along Johnson Creek**  
Meet the requirements of the Township's Stormwater Pollution Prevention Program Initiative (SWPPI) and the stormwater permit with the State of Michigan. These activities are identified in our SWPPI and are a requirement of our Stormwater permit with the State.
- 88. Design woody debris management plan along Johnson Creek**  
Meet the requirements of the Township's Stormwater Pollution Prevention Program Initiative (SWPPI) and the stormwater permit with the State of Michigan. These activities are identified in our SWPPI and are a requirement of our Stormwater permit with the State.
- 89. Construct woody debris management plan along Johnson Creek**  
Meet the requirements of the Township's Stormwater Pollution Prevention Program Initiative (SWPPI) and the stormwater permit with the State of Michigan. These activities are identified in our SWPPI and are a requirement of our Stormwater permit with the State.

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## Sanitary Sewer Collection System

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- 90. Construct 1,200 feet of sanitary sewer along Whipple**  
To serve existing homes so the septic system can be abandoned. This will improve the surface water quality of our streams and lakes within the Township.
- 91. Design 1,050 feet of sanitary sewer along Valencia**  
To serve existing homes so the septic system can be abandoned. This will improve the surface water quality of our streams and lakes within the Township.
- 92. Construct 1,050 feet of sanitary sewer along Valencia**  
To serve existing homes so the septic system can be abandoned. This will improve the surface water quality of our streams and lakes within the Township.
- 93. Design 1,100 feet of sanitary sewer along Valencia and Applewood**  
To serve existing homes so the septic system can be abandoned. This will improve the surface water quality of our streams and lakes within the Township.
- 94. Construct 1,100 feet of sanitary sewer along Valencia and Applewood**  
To serve existing homes so the septic system can be abandoned. This will improve the surface water quality of our streams and lakes within the Township.
- 95. Design 940 feet of sanitary sewer along 7 Mile Road W of Clement**  
To serve existing homes so the septic system can be abandoned. This will improve the surface water quality of our streams and lakes within the Township.
- 96. Construct 940 feet of sanitary sewer along 7 Mile Road W of Clement**  
To serve existing homes so the septic system can be abandoned. This will improve the surface water quality of our streams and lakes within the Township.
- 97. Design 1,650 feet of sanitary sewer along Clement Road**  
To serve existing homes. This will improve the surface water quality of our streams and lakes within the Township.
- 98. Construct 1,650 feet of sanitary sewer along Clement Road**  
To serve existing homes so the septic system can be abandoned. This will improve the surface water quality of our streams and lakes within the Township.
- 99. Design 1,050 feet of sanitary sewer along Frederick Street**  
To serve existing homes so the septic system can be abandoned. This will improve the surface water quality of our streams and lakes within the Township.

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Township.

- 100. Construct 1,050 feet of sanitary sewer along Frederick Street**  
To serve existing homes so the septic system can be abandoned. This will improve the surface water quality of our streams and lakes within the Township.
  
- 101. Design 860 feet of sanitary sewer along Sunset Street**  
To serve existing homes so the septic system can be abandoned. This will improve the surface water quality of our streams and lakes within the Township.

**FY 2014-2019 Six Year Capital Improvement Plan**

Project Descriptions	Capital Outlay Requests						
	POTENTIAL FUNDING SOURCE/NOTES	2014	2015	2016	2017	2018	2019
<b>PATHWAYS AND NON-MOTORIZED IMPROVEMENTS</b>							
5' wide non-motorized pathway (6 Mile Road, east of Beck)	Metro Act Funds	\$ 32,500	\$ -	\$ -	\$ -	\$ -	\$ -
5' wide non-motorized pathway (6 Mile Road, west of Beck)	Metro Act Funds	20,700	-	-	-	-	-
10' wide non-motorized pathway (south side of 6 Mile Road, between Northville Road and Abby Circle)	Capital Project Fund	-	312,500	-	-	-	-
5' wide non-motorized pathway (Silver Springs Drive, between 7 and 8 Mile Roads)	Capital Project Fund	-	-	71,500	-	-	-
.78 miles (4,100 linear feet) of 10' wide asphalt pathway along the south side of 7 Mile Road	Capital Project Fund	-	-	187,000	-	-	-
10' wide non-motorized pathway (Bradner Road)	TBD	-	-	-	172,000	-	-
10' wide non-motorized pathway (Ridge Road)	TBD	-	-	-	-	77,100	-
10' wide non-motorized pathway (8 Mile Road)	TBD	-	-	-	-	-	183,500
5' wide non-motorized pathway (5 Mile Road)	TBD	-	-	-	-	-	30,600
<b>PATHWAYS AND NON-MOTORIZED IMPROVEMENTS</b>	<b>Total</b>	<b>\$ 53,200</b>	<b>\$ 312,500</b>	<b>\$ 258,500</b>	<b>\$ 172,000</b>	<b>\$ 77,100</b>	<b>\$ 214,100</b>
<b>BUILDINGS AND PROPERTY IMPROVEMENTS</b>							
Replace thermostatic control system at Township Hall	General Fund	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ -
Replace air conditioner units at Police (\$30,000) & Fire Station (\$3,000)	Police & Fire Fund	33,000	-	-	-	-	-
Concrete floor for new pole barn	Water & Sewer Fund	25,000	-	-	-	-	-
Replace boiler controls at Township Hall	General Fund	5,000	-	-	-	-	-
Replace thermostatic control system at Fire Station	Fire Fund	25,000	-	-	-	-	-
Jail Cell Renovation	Federal/State Forfeiture Funds	25,000	600,000	-	-	-	-
Replace air handlers at Township Hall	General Fund	-	8,000	-	-	-	-
Replace air handlers and duct work at Police Station	Police Fund	-	36,000	-	-	-	-
Replace portions of roof at Township Hall	General Fund	-	10,000	-	-	-	-
Replace windows at Police Station	Police Fund	-	45,000	-	-	-	-
Furnish and install generator at Township Hall	General Fund	-	40,000	-	-	-	-
Twenty 21 Plan - construction of sledding/tubing hill along 7 Mile	TBD/Potential grant	-	-	385,000	-	-	-
Replace air handlers at Township Hall	General Fund	-	-	22,000	-	-	-
Replace air conditioner units at Fire Station	Fire Fund	-	-	10,000	-	-	-
Replace air handlers and duct work at Police Station	Police Fund	-	-	40,000	-	-	-
Replace roof at 16225 Beck Road	Water & Sewer Fund	-	-	20,000	-	-	-
Resurface and restripe parking lot at Township Hall	General Fund	-	-	75,000	-	-	-
Replace sections of roof at Fire Station	Fire Fund	-	-	10,000	-	-	-
Twenty 21 Plan - 7 Mile Road frontage and gateway improvements	TBD/Potential grant	-	-	-	715,000	-	-
Beck Road Boulevard Enhancements	TBD	-	-	-	370,000	-	-
Replace some of the air conditioner units at Township Hall	General Fund	-	-	-	55,000	-	-
Replace air conditioner and duct work at Police Station	Police Fund	-	-	-	37,000	-	-
Replace air conditioner units and air handlers at Fire Station	Fire Fund	-	-	-	33,000	-	-
Resurface and restripe parking lot at Police Station	Police Fund	-	-	-	140,000	-	-
Replace air conditioner units at Township Hall	General Fund	-	-	-	-	71,000	-

**FY 2014-2019 Six Year Capital Improvement Plan**

Project Descriptions	Capital Outlay Requests						
	POTENTIAL FUNDING SOURCE/NOTES	2014	2015	2016	2017	2018	2019
Replace air conditioner units and air handlers at Fire Station	Fire Fund	-	-	-	-	35,000	-
Replace boiler and last air conditioner unit at Police Station	Police Fund	-	-	-	-	50,000	-
Architectural/Engineering services - Fire Station #2	TBD	-	-	-	-	200,000	-
New Fire Station (serve northeast area of the community)	TBD	-	-	-	-	-	4,500,000
<b>BUILDINGS AND PROPERTY IMPROVEMENTS</b>	<b>Total</b>	<b>\$ 183,000</b>	<b>\$ 739,000</b>	<b>\$ 562,000</b>	<b>\$ 1,350,000</b>	<b>\$ 356,000</b>	<b>\$4,500,000</b>
TECHNOLOGY	POTENTIAL FUNDING SOURCE/NOTES	2014	2015	2016	2017	2018	2019
Replace GPS equipment	Water & Sewer Fund	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -
Replace plotter equipment	Water & Sewer Fund	15,000	-	-	-	-	-
Server replacement	General Fund	-	70,000	-	-	-	-
Replace in-car police computers	Federal/State Forfeiture Funds	-	85,000	-	-	-	-
Replace Police L3Mobile Server	Federal/State Forfeiture Funds	-	-	16,090	-	-	-
Replace multifunction printer	General Fund	-	-	-	20,000	-	-
Replace multifunction printer	General Fund/Water & Sewer Fund	-	-	-	20,000	-	-
<b>TECHNOLOGY</b>	<b>Total</b>	<b>\$ 25,000</b>	<b>\$ 155,000</b>	<b>\$ 16,090</b>	<b>\$ 40,000</b>	<b>\$ -</b>	<b>\$ -</b>
VEHICLES AND EQUIPMENT	POTENTIAL FUNDING SOURCE/NOTES	2014	2015	2016	2017	2018	2019
Replace command vehicle	Fire Fund	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -
Replace self-contained breathing apparatus	Fire Fund/Potential Grant	210,000	-	-	-	-	-
VHF Radio control stations	Federal/State Forfeiture Funds	20,000	-	-	-	-	-
Replace four patrol vehicles	Police Fund	148,200	-	-	-	-	-
Detective bureau vehicle lease	Federal/State Forfeiture Funds	15,000	15,000	15,000	15,000	15,000	15,000
Water & Sewer 4x4 vehicle - Superintendent	Water & Sewer Fund	26,000	-	-	-	-	-
Water & Sewer Dump Box for existing truck	Water & Sewer Fund	12,000	-	-	-	-	-
Ford Escape for Building Department	General Fund	-	24,000	-	-	-	-
Replace thermal imaging cameras	Fire Fund	-	60,000	-	-	-	-
Replace utility vehicle and Fire Chief vehicle	Fire Fund	-	70,000	-	-	-	-
Replace personal protective equipment	Fire Fund	-	75,000	-	-	-	-
Replace radios	Federal/State Forfeiture Funds	-	70,000	-	-	-	-
Replace five power 911 intelligent workstations	Police Fund	-	268,000	-	-	-	-
Water & Sewer pick-up truck	Water & Sewer Fund	-	30,000	-	-	-	-
Water & Sewer radio read tower and equipment	Water & Sewer Fund	-	60,000	-	-	-	-
Election equipment	General Fund/Potential Grant	-	-	200,000	-	-	-
Replace engine 1	Fire Fund	-	-	475,000	-	-	-
Water & Sewer pick-up truck	Water & Sewer Fund	-	-	30,000	-	-	-

**FY 2014-2019 Six Year Capital Improvement Plan**

Project Descriptions	POTENTIAL FUNDING SOURCE/NOTES	Capital Outlay Requests					
		2014	2015	2016	2017	2018	2019
Bullet proof vests	Police Fund	-	-	-	50,000	-	-
Replace Dispatch radio consoles	Federal/State Forfeiture Funds	-	-	-	376,000	-	-
Replace taser equipment	Federal/State Forfeiture Funds	-	-	-	50,000	-	-
Water & Sewer service truck	Water & Sewer Fund	-	-	-	30,000	-	-
Replace rescue 1 (ambulance)	Fire Fund	-	-	-	-	230,000	-
Replace extrication tools	Fire Fund	-	-	-	-	60,000	-
Replace ladder truck	Potential grant - (application will be submitted in FY 2014 and may be purchased sooner if awarded grant)	-	-	-	-	800,000	-
Replace 44 portable radios	Police Fund	-	-	-	-	220,000	-
Water & Sewer pick-up truck	Water & Sewer Fund	-	-	-	-	30,000	-
Replace rescue 2 (ambulance)	Fire Fund	-	-	-	-	-	230,000
Replace monitor/defibrillators	Fire Fund	-	-	-	-	-	120,000
Water & Sewer pick-up truck	Water & Sewer Fund	-	-	-	-	-	30,000
Water & Sewer vactor truck	Water & Sewer Fund	-	-	-	-	-	350,000
<b>VEHICLES AND EQUIPMENT</b>	<b>Total</b>	<b>\$ 466,200</b>	<b>\$ 672,000</b>	<b>\$ 720,000</b>	<b>\$ 521,000</b>	<b>\$ 1,355,000</b>	<b>\$ 745,000</b>
<b>WATER SUPPLY SYSTEM</b>	<b>POTENTIAL FUNDING SOURCE/NOTES</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Update water model and plan	Water & Sewer Fund	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -
Design and construct the Smock Road Watermain loop	Water & Sewer Fund	127,000	-	-	-	-	-
Inspect the elevated water tank	Water & Sewer Fund	-	25,000	-	-	-	-
Design and construct the Pierson Road Watermain loop	Water & Sewer Fund	-	270,000	-	-	-	-
Paint elevated water tank	Water & Sewer Fund	-	-	125,000	-	-	-
Design Clement Road Watermain Loop	Water & Sewer Fund	-	-	-	35,000	-	-
Construct Clement Road Watermain Loop	Water & Sewer Fund	-	-	-	-	280,000	-
Design and construct Franklin Mill Street Watermain loop	Water & Sewer Fund	-	-	-	-	-	273,000
<b>WATER SUPPLY SYSTEM</b>	<b>Total</b>	<b>\$ 177,000</b>	<b>\$ 295,000</b>	<b>\$ 125,000</b>	<b>\$ 35,000</b>	<b>\$ 280,000</b>	<b>\$ 273,000</b>
<b>STORM SEWER AND DRAINAGE</b>	<b>POTENTIAL FUNDING SOURCE/NOTES</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Johnson Creek inventory (silt, erosion, woody debris)	Water & Sewer Fund	\$ 7,500	\$ -	\$ -	\$ -	\$ -	\$ -
Design streambank stabilization along Johnson Creek	Water & Sewer Fund	-	75,000	-	-	-	-
Construct steambank stabilization along Johnson Creek	Water & Sewer Fund	-	-	750,000	-	-	-
Design woody debris management plan along Johnson Creek	Water & Sewer Fund	-	-	-	40,000	-	-
Construct woody debris management plan along Johnson Creek	Water & Sewer Fund	-	-	-	-	60,000	-
<b>STORM SEWER AND DRAINAGE</b>	<b>Total</b>	<b>\$ 7,500</b>	<b>\$ 75,000</b>	<b>\$ 750,000</b>	<b>\$ 40,000</b>	<b>\$ 60,000</b>	<b>\$ -</b>

**FY 2014-2019 Six Year Capital Improvement Plan**

Project Descriptions	POTENTIAL FUNDING SOURCE/NOTES	2014	2015	2016	2017	2018	2019
<b>SANITARY SEWER COLLECTION SYSTEM</b>							
Construct 1200 feet of sanitary sewer along Whipple	Water & Sewer Fund	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -
Design 1,050 feet of sanitary sewer along Valencia	Water & Sewer Fund	25,000	-	-	-	-	-
Construct 1,050 feet of sanitary sewer along Valencia	Water & Sewer Fund	-	220,000	-	-	-	-
Design 1,100 feet of sanitary sewer along Valencia and Applewood	Water & Sewer Fund	-	26,000	-	-	-	-
Construct 1,100 feet of sanitary sewer along Valencia and Applewood	Water & Sewer Fund	-	-	225,000	-	-	-
Design 940 feet of sanitary sewer along 7 Mile Road W. of Clement	Water & Sewer Fund	-	-	22,000	-	-	-
Construct 940 feet of sanitary sewer along 7 Mile Road W. of Clement	Water & Sewer Fund	-	-	-	191,000	-	-
Design 1,650 feet of sanitary sewer Clement Road	Water & Sewer Fund	-	-	-	38,000	-	-
Construct 1,650 feet of sanitary sewer Clement Road	Water & Sewer Fund	-	-	-	-	335,000	-
Design 1,050 feet of sanitary sewer Fredrick Street	Water & Sewer Fund	-	-	-	-	24,000	-
Construct 1,050 feet of sanitary sewer Fredrick Street	Water & Sewer Fund	-	-	-	-	-	213,000
Design 860 feet of sanitary sewer Sunset Street	Water & Sewer Fund	-	-	-	-	-	20,000
<b>SANITARY SEWER COLLECTION SYSTEM</b>	<b>Total</b>	<b>\$ 275,000</b>	<b>\$ 246,000</b>	<b>\$ 247,000</b>	<b>\$ 229,000</b>	<b>\$ 359,000</b>	<b>\$ 233,000</b>
<b>Grand Total</b>		<b>\$1,186,900</b>	<b>\$ 2,494,500</b>	<b>\$2,678,590</b>	<b>\$ 2,387,000</b>	<b>\$ 2,487,100</b>	<b>\$5,965,100</b>

## ***Budget Summaries – General Fund***

The General Fund is used to account for all financial resources traditionally associated with Township government, except those required to be accounted for in another fund. The General Fund includes legislative, clerk, treasurer, building and planning departments. The two primary sources of revenue for this fund are general property taxes and State Shared Revenue. In addition, the General Fund also receives revenue from licenses and permits, grants, fines and forfeitures and interest on investments.

DESCRIPTION	GENERAL FUND REVENUE				
	2012	2013			2014
	Actual	Budget	Thru 06/30/2013	Estimated	Budget
Taxes	\$ 1,404,375	\$ 1,465,459	\$ 1,414,119	\$ 1,439,510	\$ 1,470,500
Licenses, Permits & Charges for Services	1,791,791	1,368,307	1,230,810	1,603,830	1,456,450
State Sources	2,077,884	2,098,389	655,890	2,110,670	2,147,720
Other Revenue	206,375	77,500	22,571	59,380	56,780
Interest Income	10,111	5,000	2,702	5,200	5,200
Transfers In	311,703	-	-	-	-
Total Revenue	<u>\$ 5,802,239</u>	<u>\$ 5,014,655</u>	<u>\$ 3,326,092</u>	<u>\$ 5,218,590</u>	<u>\$ 5,136,650</u>

<b>Fund Balance Analysis - General Fund</b>						<i><b>Total</b></i>
Fund Balance, January 1, 2013						\$ 5,642,114
Estimated 2013:						
Revenue				\$ 5,218,590		
Expenditures				(4,646,850)	<u>571,740</u>	
Projected Fund Balance, December 31, 2013						<u>6,213,854</u>
2014 Budget:						
Revenue				\$ 5,136,650		
Expenditures				(4,486,090)	<u>650,560</u>	
Projected Fund Balance, December 31, 2014						<u>\$ 6,864,414</u>

### **Property Tax Revenue**

The General Fund property tax revenue is estimated at \$1,470,500 for 2014 and is based on the general voted millage of 0.1176 mills which expires December 31, 2013 and the authorized millage rate of 0.6824 mills. Revenue from this voted general millage will be used to offset the additional interest cost on the 2009 Build America Bonds as a result of the cuts under the federal sequestration order.

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## **Licenses, Permits & Charges for Services**

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This revenue includes fees for various services and permits. The revenue sources in this category includes cable television franchise fees of \$400,000 and includes \$815,000 in estimated fees paid by builders and contractors for plan review and building permit activities which is used to offset the cost of both the Building and Planning Departments. This revenue source will be monitored carefully since it is directly related to construction activity. In addition, the Township receives approximately \$10,000 a year to provide IT support services as part of a joint venture with the City of Northville.

## **State Shared Revenue**

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The State Shared Revenue program distributes sales tax collected by the State of Michigan to local governments as unrestricted revenue on a per capita basis. Receipts from the State Treasury are scheduled to be received in April, June, August, October, December and the following February (recorded as a receivable as of December 31st). The Township is not eligible to participate in the Governor's Economic Vitality Incentive Program (EVIP) because the Township's share of statutory payments was less than the required minimum distribution of \$4,500.

## **Interest on Investments**

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This revenue is from investing temporarily idle funds and is estimated at \$5,200.

## **Other**

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This line item estimated at \$56,780 is made up of insurance rebates, sale of equipment, etc.

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## Appropriations

The following schedule represents the appropriations by department. Following this schedule are the departmental overviews and significant accomplishments. While financial resources and personnel are shown by department, the Northville staff strives to work together cross-departmentally to provide services to Northville Township customers.

DESCRIPTION	APPROPRIATIONS				
	2012 Actual	Budget	2013 Thru 06/30/2013	Estimated	2014 Budget
<b>LEGISLATIVE</b>					
Personal Services	\$ 598,606	\$ 687,200	\$ 239,087	\$ 510,020	\$ 576,830
Supplies	93,254	100,000	50,077	99,000	69,000
Other Services and Charges	890,235	615,400	257,115	639,800	735,350
Capital Outlay	33,748	25,766	14,505	25,760	-
	<u>\$ 1,615,843</u>	<u>\$ 1,428,366</u>	<u>\$ 560,784</u>	<u>\$ 1,274,580</u>	<u>\$ 1,381,180</u>
<b>TOWNSHIP CLERK'S OFFICE</b>					
Personal Services	\$ 389,521	\$ 340,050	\$ 156,799	\$ 329,600	\$ 392,400
Supplies	31,642	7,500	3,400	7,500	23,510
Other Services and Charges	17,590	18,000	7,258	17,000	21,000
Capital Outlay	-	3,000	-	-	2,000
	<u>\$ 438,753</u>	<u>\$ 368,550</u>	<u>\$ 167,457</u>	<u>\$ 354,100</u>	<u>\$ 438,910</u>
<b>TREASURER</b>					
Personal Services	\$ 665,831	\$ 677,590	\$ 319,412	\$ 655,230	\$ 705,340
Other Services and Charges	318,825	341,290	159,554	313,700	300,850
	<u>\$ 984,656</u>	<u>\$ 1,018,880</u>	<u>\$ 478,966</u>	<u>\$ 968,930</u>	<u>\$ 1,006,190</u>
<b>BUILDING DEPARTMENT</b>					
Personal Services	\$ 332,500	\$ 372,800	\$ 187,066	\$ 414,060	\$ 418,890
Supplies	10,152	8,680	1,107	5,000	10,000
Other Services and Charges	139,803	150,180	56,537	134,000	149,500
	<u>\$ 482,455</u>	<u>\$ 531,660</u>	<u>\$ 244,710</u>	<u>\$ 553,060</u>	<u>\$ 578,390</u>
<b>PLANNING DEPARTMENT</b>					
Personal Services	\$ 159,970	\$ 165,883	\$ 77,199	\$ 163,250	\$ 175,370
Other Services and Charges	5,202	46,700	1,224	4,610	50,500
	<u>\$ 165,172</u>	<u>\$ 212,583</u>	<u>\$ 78,423</u>	<u>\$ 167,860</u>	<u>\$ 225,870</u>
<b>TRANSFERS OUT</b>					
Debt Service Funds	\$ 563,933	\$ 561,233	\$ 478,320	\$ 478,320	\$ 376,220
Capital Projects	385,000	850,000	850,000	850,000	479,330
	<u>\$ 948,933</u>	<u>\$ 1,411,233</u>	<u>\$ 1,328,320</u>	<u>\$ 1,328,320</u>	<u>\$ 855,550</u>
Total Expenditures	<u>\$ 4,635,812</u>	<u>\$ 4,971,272</u>	<u>\$ 2,858,660</u>	<u>\$ 4,646,850</u>	<u>\$ 4,486,090</u>

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## Legislative

### Overview

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The citizens of Northville Township elect the Supervisor, Clerk, Treasurer and four Trustees every four years as their representatives. The Township Board has the power to adopt laws, ordinances and resolutions, to approve contracts and agreements, to adopt the budget, to levy taxes, and to set policy. The Township Board appoints a Township Manager who is accountable for all of the day to day administrative functions.

The Township Manager's Office strives to effectively serve the Township Board and public through responsible administration of all Township affairs and demonstration and promotion of a high standard of ethics, professionalism, and integrity throughout the Township organization.

The Township Manager's Office fosters open and complete communications, actively seeks out and incorporates citizen involvement and participation, and achieves outstanding results through partnerships with other service providers in both the public and private sectors.

The Board of Trustees prides itself on visionary thinking and servant leadership and this is demonstrated in collaboration with the Township Manager's Office through words, actions, and policies and a commitment to treat all colleagues and citizens with respect, accountability and dignity.

### 2013 Significant Accomplishments

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- Received the eCities Award through the University of Michigan recognizing Northville as one of the top communities in Michigan.
- Northville Township was identified in 2012 as a top performing community for fostering entrepreneurial growth and economic development in an annual study conducted by researchers at the iLabs, University of Michigan-Dearborn's Center for Innovation Research.

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## Treasurer

### Overview

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Treasury oversees the billing, collection and distribution of Township, County, School and State Education taxes; prepares delinquent tax rolls; collection of water and sewer usage fees; prepares all special assessment billings and rolls; oversees investment activities; maintenance of financial guarantees, collects Township receivables and conducts daily banking. The mission of the Treasurer's Department is to continue providing extraordinary customer service as our primary goal through continued professional growth of our staff, and through credible, proactive improvements in our procedures and technologies.

The Treasurer's Department also provides operational services including accounting, budgeting, debt administration, assessing, grant reporting, accounts receivable, payroll and human resources, accounts payable as well as coordinates the annual financial audit and preparation of the Comprehensive Annual Financial Report. The department's diligence in these activities will position the Township to earn accolades from the Government Finance Officers Association and helped maintain Northville's AA+ bond credit rating with Standard & Poor's.

The Department maintains the Township's financial records in accordance with Township Charter, State law, and generally accepted accounting principles (GAAP). A comprehensive annual financial report will be prepared each year in connection with the Township's annual audit.

The mission of the Assessing Division is to uniformly and equitably value all taxable real and personal property within the Township of Northville. The annual creation of this tax base provides funding for education, Township services as well as other government functions.

### 2013 Significant Accomplishments

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- Completed a Comprehensive Annual Financial Report (CAFR), placing Northville Township in the top 3.6% of the State for excellence in financial reporting.
- Submitted the 2012 CAFR to the Government Finance Officers Association Certificate of Achievement Award Program for Excellence in Financial Reporting.
- Achieved a "clean opinion" for the 2012 audit and ensured full compliance with Governmental Accounting Standards Board Statement 65, *Items Previously Reported as Assets and Liabilities*, which clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting.

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- Maintained active participation in the MGFOA Accounting Standards Committee. The Governmental Accounting Standards Board agenda includes several governmental accounting and reporting issues the Committee is addressing.
  - Recommended investment policies to ensure the safety of Township funds by incorporating programs consistent with our investment policy principles of safety, liquidity and yield.

## **Township Clerk**

### **Overview**

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The Clerk's Office is a primary point of contact for the public and strives to provide the highest quality of service to the community by supporting the organizational values and goals of the Township Board. The statutory responsibilities of the Clerk are public information, election administration, records administration and financial accounting.

The Clerk's Office conducts all elections in accordance with State and Federal law. The Clerk is one of the 55 "Master Municipal Clerks" in the State of Michigan and is accredited by the Secretary of State to conduct election administration, including the training for precinct inspectors appointed to serve in the polls at local, School, County, State, and Federal elections. Each election involves a three month cycle of preparation and follow-up. Elections may be held on the fourth Tuesday in February, and the first Tuesday after the first Monday in May, August and November.

As the Township's official record keeper, the Clerk is responsible for document storage and retrieval of contracts, agreements, leases, bids, deeds, easements, Township Code amendments and minutes of all Board and Commissions. The Clerk's office staff responds to requests for public records according to the Freedom of Information Act (FOIA) daily and maintains and produces documents that enable the public to participate in local government.

The Clerk's Office posts and publishes notices of meetings, public hearings, zoning map amendments and adopted ordinances. All meeting actions of the Board of Trustees are recorded, transcribed and maintained in the Clerk's office.

The Clerk' Office provides notary services at no charge to residents.

### **2012 & 2013 Significant Accomplishments**

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- Conducted two Primary elections, one General and one Special election in accordance with State of Michigan election law and received verification from the County Board of Canvassers, certifying the results.

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- Trained and employed 150 election inspectors throughout the Township's precincts and Absentee Counting Boards utilizing laptop computers purchased with grant funds to quickly and more accurately process voters.
  - Completed the addition of a precinct to accommodate increased population and was able to utilize existing equipment to assign to the new precinct.
  - Completed transactions in the State-mandated Qualified Voter File system, including 7,248 voter applications, 733 duplications, and 3,297 cancelled voters.
  - The department encourages being "green" by providing all forms, permits and the Code of Ordinances online.
  - Received, routed and provided response documents for all FOIA (Freedom of Information Act) requests.
  - Successfully completed the transfer of all historical easements to electronic medium and expects the completion of scanning permanent historical records to electronic format by year end, 2013. The township's Board of Trustees permanent records have been maintained electronically since 2005 as well as the electronic transmission of Board packets for all Board of Trustee meetings.
  - With the implementation of the Business Registration program and in conjunction with the IT department, the township offers a link to information about the local businesses, such as hours of operation, products available, coupons, etc. on the township's website.

## Building Department

### Overview

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Northville's Building Department ensures that building construction projects meet community standards for local building codes and ordinances. Staff issues permits for the construction, repair and alteration to private property. Housing and some ordinance complaints are also handled by the Department.

In 2012, the Building Department issued 120 new single family residential permits. Commercial also continued to remain strong with 82 permits for various commercial uses. The building department performs many customer services on a daily basis. Some of the tasks performed by staff in 2012 are quantified below:

- Total number of permits issued 2,573
- Total number of inspections performed 6,953
- Total number of certificates of occupancy issued 131

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During 2012 the total construction value represented by the permits that were issued exceeded \$ 57,950,000 as compared to \$42,900,000 for 2011. At the end of 2012, there were 153 developed single family residential lots available.

## **2013 Significant Accomplishments**

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- Coordinated the demolition of the Scott Correctional Facility by Adamo Group, Inc. at no cost to the Township.
- Coordinated the asbestos abatement and demolition of the Powerhouse and Maintenance Facilities located on the 7 Mile Road Property.
- Sponsored the first Annual Building Safety Month in May with significant support from the Board, community and local news media.
- Continue to provide staff support to the Zoning Board of Appeals (ZBA).
- Process and inspected the highest number of residential and commercial construction permits since 2006.
- Completed and closed out the 354 unit Pulte project, Arcadia Ridge.
- Successful resolution of an incomplete new home in Stonewater Subdivision through code enforcement and the District Court process.
- Coordinated the building plan review and permits for a 100,000 square foot U of M Ambulatory Care Facility.

## **Planning Department**

### **Overview**

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The planning department is responsible for administering the long term planning efforts of the Township, maintaining the zoning ordinance, administering development related regulations, guiding new development and acts as the technical staff to the planning commission, zoning board of appeals, the board of trustees and the economic development corporation. The planning department strives to effectively maintain and prioritize services within the scope of reduced resources while intently pursuing the township's vision for the future. Building on this vision includes continuing to lay the groundwork for a growing, developing, constantly improving, quality community while leveraging our available strengths to increase our competitive advantage.

Encompassing the continuum of planning though physical construction followed by maintenance and redevelopment of the built environment, it is important to note that the things we do today will affect the fabric of the township far into the future. Pursuit of this vision in partnership with the township board of trustees, boards and commissions and the members of the community as a whole encompasses a wide range of efforts.

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The township's pathway plan focuses this vision as it applies to non-motorized travel within the township to enhance the quality of life for our residents, visitors and establishing the character of the community. In prior years where the township experienced rapid development, a significant amount of pathways were constructed by the private sector in conjunction with development projects. However, as the amount of land available for new construction is diminished, the current initiative is looking toward filling in gaps within the non-motorized system and prioritizing the allocation of funds and other resources for these non-motorized improvements.

Continuous improvement and refinement of the zoning ordinance through amendments promote orderly and consistent development practices, as well as, enhance the visual characteristics of the community such as setbacks, landscaping, lighting and parking. These regulations balance the priorities of the resident, development and business communities.

Every aspect of our world is changing at an increasing rate and our standards need to reflect uses, materials and processes that did not exist a decade ago. Creative solutions have been found within the scope of the ordinances to jump-start stalled projects without compromising township values. Recently, the planning department has seen a renewed interest new projects which is also a positive sign. While other communities have limited services to a few days or even afternoons each week, we have continued to provide exceptional full time service.

We are committed to providing a high level of customer service. This often means expending extraordinary effort to assist, guide and support new businesses, developments and residents in the Township. We make no apologies for the high standards expected by our residents, but will bend over backwards to help bring an appropriate project to fruition.

## **2013 Significant Accomplishments**

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- Developed a methodology for evaluating "gaps" within the township's pathway plan. The evaluation matrix will be used as a baseline for making decisions and establishing priorities for future pathway projects.
- Developed and approved the Twenty21 master plan for the future 7 Mile Road Park Property. The master plan provides for a dynamic vision for the redevelopment of the former Northville State Regional Psychiatric Hospital property. The vision was community driven and will provide a significant resource for the community.
- Completed nine amendments to the Zoning Ordinance. The amendments were reviewed by the planning commission and adopted by the board of trustees.

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- Reviewed and presented one rezoning request to the planning commission and township board.
  - Reviewed and presented two special land use requests to the planning commission.
  - Reviewed and presented thirteen site plan requests to the planning commission for approval.
  - Completed nine administrative reviews of land divisions/land reconfiguration requests.
  - Reviewed and presented thirteen petitions for variances to the township zoning board of appeals.

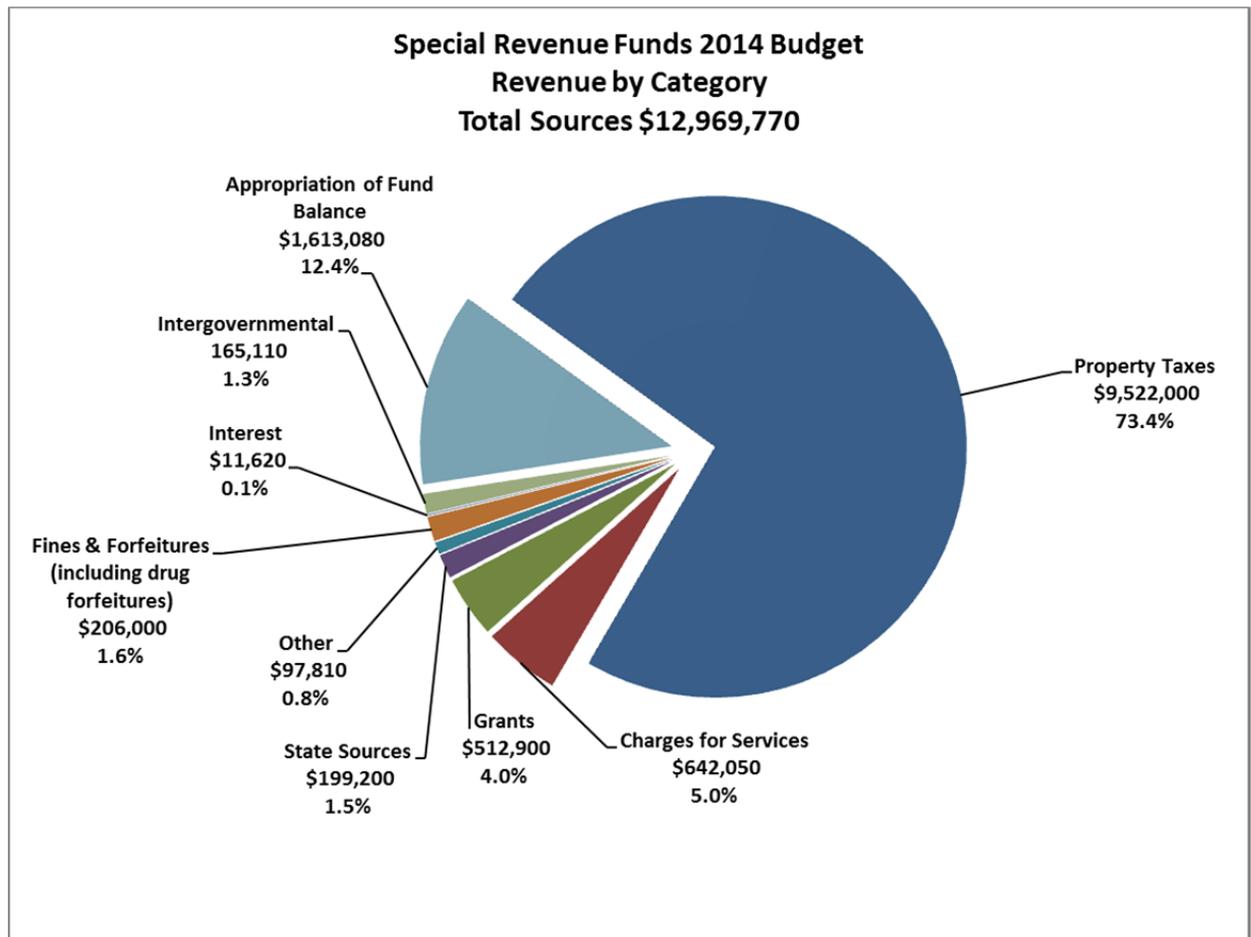
## ***Budget Summaries - Special Revenue Funds***

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The Township of Northville has five Special Revenue Funds that are accounted for separately.

### **Revenue**

Special Revenue Funds are required to account for revenue intended for limited purposes. For example, property taxes levied for library purposes must be budgeted and accounted for to assure that the revenue is used only for library purposes.

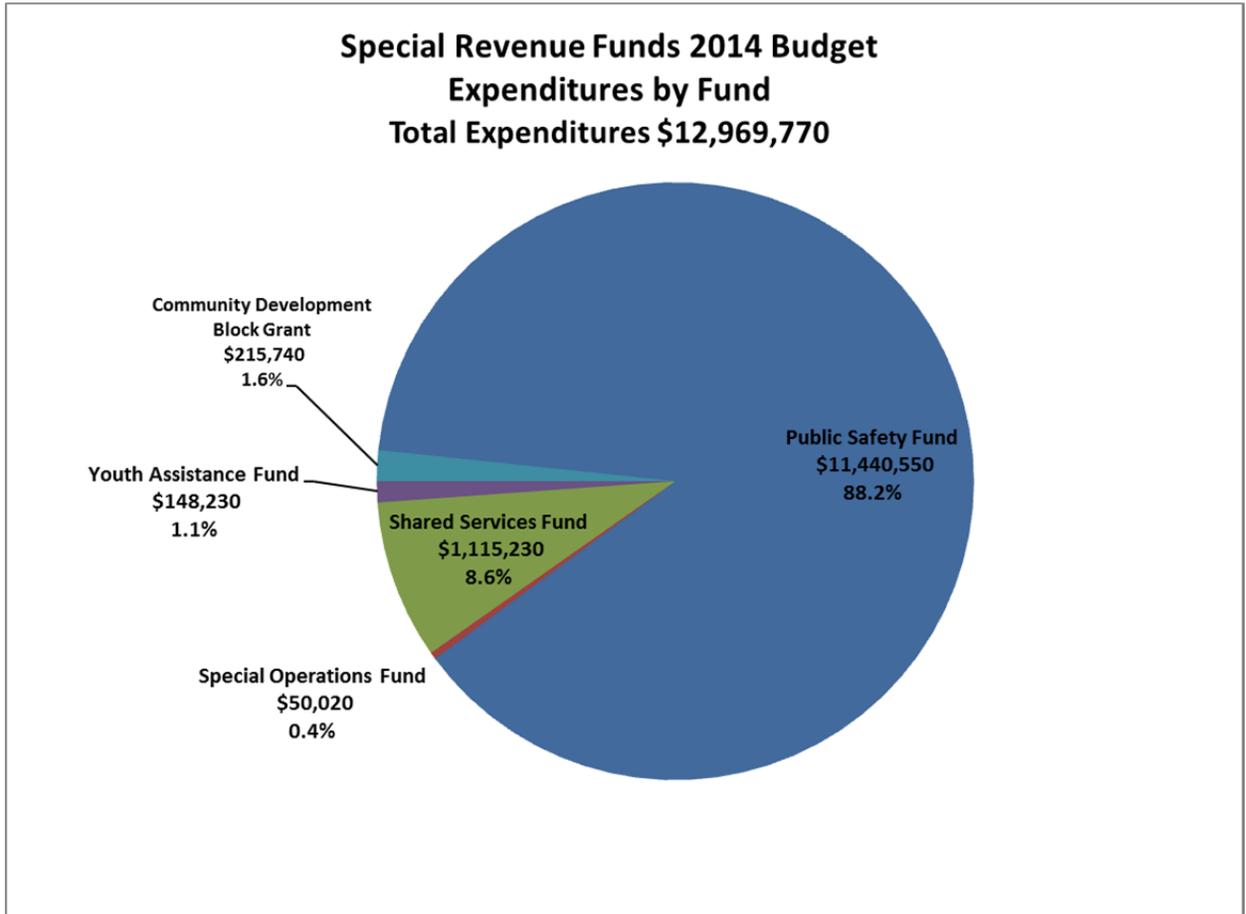


**Total Special Revenue Fund Revenues (including appropriation of fund balance) \$12,969,770**

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## Appropriations

Public Safety and Shared Services represent the largest appropriations for the current year.



**Total Special Revenue Fund Expenditures \$12,969,770**

## Public Safety Fund

The revenue for this fund is generated from a voted property tax millage that is authorized to fund the operations of the police and fire departments.

### PUBLIC SAFETY FUND (Does not include Special Operations)

DESCRIPTION	REVENUE				
	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Property Taxes	\$ 8,428,851	\$ 8,783,023	\$ 8,357,770	\$ 8,533,360	\$ 8,724,000
Licenses, Permits & Charges for Services	650,629	695,603	410,392	663,740	642,050
Federal Grants	79,912	295,500	74,905	296,630	297,160
State Sources	221,087	-	78,774	199,200	199,200
Fines & Forfeitures (including drug forfeitures)	1,998,535	406,000	285,125	509,280	206,000
Interest Income	40,658	47,600	(46,692)	11,530	10,000
Other Revenue	134,211	52,910	135,516	159,080	97,810
<b>Total Revenue</b>	<b>\$ 11,553,883</b>	<b>10,280,636</b>	<b>\$ 9,295,790</b>	<b>\$ 10,372,820</b>	<b>10,176,220</b>
Appropriation - Fund Balance		896,641			1,264,330
<b>Total Revenue and Appropriation-Fund Balance</b>		<b>\$ 11,177,277</b>			<b>\$11,440,550</b>

DESCRIPTION	APPROPRIATIONS				
	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
<b><i>Police (including drug forfeiture projects):</i></b>					
Personal Services	\$ 5,065,431	\$ 4,954,919	\$ 2,232,027	\$ 5,084,960	\$ 5,155,120
Supplies	248,277	238,500	97,412	238,500	247,730
Other Services and Charges	872,097	704,730	320,093	709,890	672,970
Capital Outlay	200,571	248,200	170,644	268,440	277,490
Transfers Out	187,978	187,978	160,200	160,200	159,610
<b>Total police expenditures</b>	<b>\$ 6,574,354</b>	<b>\$ 6,334,327</b>	<b>\$ 2,980,376</b>	<b>\$ 6,461,990</b>	<b>\$ 6,512,920</b>
<b><i>Fire:</i></b>					
Personal Services	\$ 3,206,816	\$ 3,719,102	\$ 1,566,568	\$ 3,606,390	\$ 3,771,620
Supplies	160,260	104,300	36,416	148,000	150,000
Other Services and Charges	466,806	611,348	243,528	445,450	413,800
Capital Outlay	425,950	34,000	22,907	34,000	273,000
Transfers Out	375,956	374,200	318,920	318,920	319,210
<b>Total fire expenditures</b>	<b>\$ 4,635,788</b>	<b>\$ 4,842,950</b>	<b>\$ 2,188,339</b>	<b>\$ 4,552,760</b>	<b>\$ 4,927,630</b>
<b>Total public safety expenditures</b>	<b>\$ 11,210,142</b>	<b>\$ 11,177,277</b>	<b>\$ 5,168,715</b>	<b>\$ 11,014,750</b>	<b>\$11,440,550</b>

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## **Property Tax Revenue**

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The Public Safety Fund property tax revenue is estimated at \$8,724,000 for 2014 and assumes the continuation of the voted operating millage of five mills. Property tax revenue accounts for over 86% of combined budgeted revenue sources for this fund.

## **Licenses, Permits & Charges for Services**

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This revenue source includes \$235,000 to provide both dispatch and lock-up services to the City of Northville. In addition, service fees in the amount \$400,000 are projected to offset the cost of providing Advanced Life Support (ALS) services within the Township.

## **Federal Grants**

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On August 16, 2012, the Board approved a motion to accept \$582,000 in a federal grant to provide funding for the addition of four full-time firefighters. This grant extends through 2014.

## **Fines and Forfeitures**

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This activity includes court fines and fees and is estimated to generate approximately \$200,000.

## **State Sources**

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This revenue source represents proceeds pursuant to the all-communication device surcharge mandated by P.A. 379 of 2008. This 9-1-1 funding legislation allows Wayne County to levy an all communication device surcharge on all wireline, wireless, VoIP and prepaid calling cards registered in Michigan. These funds are disbursed to member communities by the Conference of Western Wayne and are estimated to total \$199,200.

## **Other**

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This line item estimated at \$97,810 includes primarily revenue derived from special detail and proceeds from the sale of equipment.

<b>Fund Balance Analysis - Public Safety Fund:</b>					
			<u>Public Safety</u>	<u>Drug Forfeiture</u>	<u>Total</u>
Fund Balance, January 1, 2013			\$ 3,453,087	\$ 1,590,962	\$ 5,044,049
Transfer from SOT Fund			38,350	-	38,350
Revised Beginning Fund Balance			3,491,437	1,590,962	5,082,399
Estimated 2013:					
Revenue			10,151,730	221,090	10,372,820
Expenditures			(10,975,000)	(39,750)	(11,014,750)
Projected Use of Fund Balance			(823,270)	181,340	(641,930)
2014 Budget:					
Revenue			10,176,220	-	10,176,220
Expenditures			(11,380,550)	(60,000)	(11,440,550)
Projected Use of Fund Balance			(1,204,330)	(60,000)	(1,264,330)
Projected Fund Balance, December 31, 2014			\$ 1,463,837	\$ 1,712,302	\$ 3,176,139

### 2013 Significant Accomplishments

- Maintained a safe working environment for Police and Fire personnel.
- Maintained facility, apparatus and equipment upgrades and replacement programs.
- Maintained effective training programs and state-of-the-art equipment.
- Implement and maintain policy, procedures and best practices consistent with Public Safety standards.
- Implement and maintain public education and prevention programs in the schools.
- Provided an effective response to all Police, Fire, emergency medical and special hazard incidents. Average response of Police 4.810 minutes and Fire 4.035 minutes.

## Special Operations Fund

The Special Operations Fund's purpose is to account for expenditures associated with the Western Wayne County Special Operations Team. The Special Operations Team was formed in 1987 to provide resources and specialized expertise in resolving critical high-risk situations. The team also provides dignitary support when requested. This team trains extensively to maintain a state of readiness. Members of the team are required to maintain above average physical fitness standards and marksmanship skills. The consortium concept was developed as a means to provide local departments who cannot afford to staff and equip stand-alone units within their own agencies.

### SPECIAL OPERATIONS FUND

#### REVENUE

DESCRIPTION	2012	2013		2014
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated Budget
Interest Income	20	15	-	20
Other Revenue	83,352	45,000	50,000	50,000
Total Revenue	<u>\$ 83,372</u>	<u>45,015</u>	<u>\$ 50,000</u>	<u>\$ 50,020</u>
Appropriation - Fund Balance		185		-
Total Revenue and Appropriation-Fund Balance		<u>\$ 45,200</u>		<u>\$ 50,020</u>

#### APPROPRIATIONS

DESCRIPTION	2012	2013		2014
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated Budget
Capital Outlay	14,278	45,200	47,697	50,020
Total Expenditures	<u>\$ 14,278</u>	<u>\$ 45,200</u>	<u>\$ 47,697</u>	<u>\$ 50,020</u>

<b>Fund Balance Analysis - Special Operations Fund:</b>					
Fund Balance, January 1, 2013				\$ 80,687	
Transfer to Public Safety Fund				(38,350)	
Revised Beginning Fund Balance					\$ 42,337
Estimated 2013:					
Revenue				50,020	
Expenditures				(47,700)	
Projected Use of Fund Balance					2,320
2014 Budget:					
Revenue				50,020	
Expenditures				(50,020)	
Projected Use of Fund Balance					-
Projected Fund Balance, December 31, 2014					<u>\$ 44,657</u>

## Shared Services Fund

Northville Parks and Recreation Commission is a shared service provided through an agreement between the City of Northville and the Charter Township of Northville. The revenue for this fund is generated through a voted property tax millage and provides for the cost of parks and recreation, senior adult services, capital acquisition as well as youth assistance programs.

### SHARED SERVICES FUND REVENUE

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Property Taxes	\$ 780,000	\$ 803,471	\$ 761,098	\$ 781,030	\$ 798,000
Interest Income	3,704	3,300	1,416	1,500	1,500
Other	26,462	-	-	-	-
Total Revenue	<u>\$ 810,166</u>	<u>806,771</u>	<u>\$ 762,514</u>	<u>\$ 782,530</u>	<u>799,500</u>
Appropriation - Fund Balance		297,562			315,730
Total Revenue and Appropriation-Fund Balance		<u>\$ 1,104,333</u>			<u>\$ 1,115,230</u>

### APPROPRIATIONS

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Senior Citizens	\$ 184,773	\$ 148,100	\$ 74,015	\$ 152,230	\$ 156,430
Park Development	15,000	15,000	15,000	15,000	15,000
Recreation	1,064,564	852,868	426,435	852,870	852,870
Youth Assistance	78,216	88,365	88,365	88,370	90,930
Total Expenditures	<u>\$ 1,342,553</u>	<u>\$ 1,104,333</u>	<u>\$ 603,815</u>	<u>\$ 1,108,470</u>	<u>\$ 1,115,230</u>

<b><i>Fund Balance Analysis - Shared Services Fund:</i></b>					
Fund Balance, January 1, 2013					\$ 1,439,625
Estimated 2013:					
Revenue				782,530	
Expenditures				(1,108,470)	
Projected Use of Fund Balance					(325,940)
2014 Budget:					
Revenue				799,500	
Expenditures				(1,115,230)	
Projected Use of Fund Balance					(315,730)
Projected Fund Balance, December 31, 2014					<u>\$ 797,955</u>

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## 2013 Significant Accomplishments

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- Due to the recent success of the Northville High School Girls' Volleyball team, the Department youth volleyball program exploded this year. Anticipated revenue was projected at \$19,000 for the past fiscal year, actual revenue was \$ 40,565.
- The Northville Senior Services was the recipient of a \$100,000 donation from Vageehe Steele, a senior who lived in Northville and frequently visited the center. The funds are to be used for senior services and programming.
- The Department received the Department of Natural Resources Archery Matching Grant program. With the generous donation of \$ 2,000 from The Safari Club – Novi Chapter, the Department received the equipment pack along with additional equipment (Total cost: \$ 5,500) at no cost to the Department.
- With the assistance of the Parks Division, who installed new landscaping at the Community Center, the Department received an award from the Beautification committee.
- The Department's youth Lacrosse and Basketball programs continue to increase annually. The top 7<sup>th</sup>/8<sup>th</sup> grade boy's lacrosse team won the conference championship tournament.
- The Department has continued to partner with Mayberry State Park to run many programs, such as the 1<sup>st</sup> annual Zombie Run, Egg Hunt, Movie in the Park, and the Day Camp program.
- The annual New Year's Eve, "Northville Night" continues to be a popular event as over 650 participants enjoyed many activities offered during the 4 hour event held at the Northville Hillside Middle School. This past year's theme was "Travel thru the decades" the theme for 2014 will be "Northville Knight" a medieval celebration.
- The Safety Town program received several donations/sponsorships from local businesses and organizations totaling \$ 2,150.00 in cash. In addition, D&D Bicycles sponsored the programs tee-shirts for the year, totaling \$1,400.

## Youth Assistance Fund

Northville Youth Assistance (NYA) was established in December 1986 as part of the Shared Services Agreement between the Charter Township of Northville and the Township of Northville, with the cooperation of the Northville Public Schools. The NYA is funded through a shared service agreement between the Charter Township of Northville and the City of Northville.

The vision of Northville Youth Assistance is a community where all Northville youth feel valued, successful, safe, supported, engaged and prepared for adulthood. In pursuit of this vision, the mission of Northville Youth Assistance is to advocate for our youth in partnership with their families through mentoring, counseling, and social and academic support.

NYA offers a variety of resiliency-based components including mentoring, Challenge Day, Children Adjusting to Middle School (CAMP), counseling for youngsters and their families, parenting programs, after-school music lessons, anger management classes, and diversion from the courts for first-time offenders as a way for them to learn how to make better decisions.

### YOUTH ASSISTANCE FUND

#### REVENUE

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
County sources	\$ 6,533	\$ -	\$ 5,551	\$ 5,550	\$ 6,860
Interest Income	114	150	-	100	100
Conrad Charitable Foundation Donations *	81,305	-	80,000	80,000	-
Northville Township contributions	78,216	88,365	88,365	88,370	90,930
Northville City contributions	15,107	16,831	8,416	17,000	17,320
Other Donations	1,961	-	1,586	1,600	-
Total Revenue	<u>\$ 183,236</u>	<u>105,346</u>	<u>\$ 183,918</u>	<u>\$ 192,620</u>	<u>115,210</u>
Appropriation - Fund Balance		40,851			33,020
Total Revenue and Appropriation-Fund Balance		<u>\$ 146,197</u>			<u>\$ 148,230</u>

\*These donations are restricted for specific purposes.

#### APPROPRIATIONS

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Personal Services	\$ 78,103	\$ 80,047	\$ 39,455	\$ 80,560	\$ 82,700
Supplies	1,584	1,750	909	1,750	1,750
Other Services & Charges	22,206	23,400	66,363	23,400	28,330
Conrad Charitable Foundation *	67,104	-	-	80,000	-
Program Expenditures	31,797	41,000	20,256	41,000	35,450
Total Expenditures	<u>\$ 200,794</u>	<u>\$ 146,197</u>	<u>\$ 126,983</u>	<u>\$ 226,710</u>	<u>\$ 148,230</u>

<b>Fund Balance Analysis - Youth Assistance Fund:</b>					
			<b>Youth Assistance</b>	<b>Conrad Charitable</b>	<b>Total</b>
Fund Balance, January 1, 2013			\$ 149,746	\$ 13,506	\$ 163,252
Estimated 2013:					
Revenue			112,620	80,000	192,620
Expenditures			(146,710)	(80,000)	(226,710)
Projected Use of Fund Balance			(34,090)	-	(34,090)
2014 Budget:					
Revenue			115,210	-	115,210
Expenditures			(148,230)	-	(148,230)
Projected Use of Fund Balance			(33,020)	-	(33,020)
Projected Fund Balance, December 31, 2014			\$ 82,636	\$ 13,506	\$ 96,142

## 2013 Significant Accomplishments

- Received donations and grants totaling \$87,385, including \$80,000 from the Conrad Foundation for camp scholarships and activities, \$6,860 from Wayne County for serving diversion clients and \$525 from Meadowbrook Congregational Church for the music lesson program.
- Sponsored a "Drugs 101" parent program.
- Completed an evaluation of the Challenge Day program.
- Organized mentor-mentee service projects including a "Kids Against Hunger" food packaging event and a community garden.
- Honored 24 volunteer mentors at an appreciation event, including one who has matched with the same mentee for ten years.

## Community Development Block Grant Fund

The Community Development Block Grant Fund is used to account for federal grants and related expenditures in accordance with regulations of the U.S. Department of Housing and Urban Development (HUD) to develop viable communities.

### COMMUNITY DEVELOPMENT BLOCK GRANT FUND REVENUE

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Federal Grants	\$ 56,623	\$ 13,050	\$ 13,050	\$ 13,050	\$ 215,740
Total Revenue	<u>\$ 56,623</u>	<u>13,050</u>	<u>\$ 13,050</u>	<u>\$ 13,050</u>	<u>215,740</u>
Appropriation - Fund Balance		-			-
Total Revenue and Appropriation-Fund Balance		<u>\$ 13,050</u>			<u>\$ 215,740</u>

### APPROPRIATIONS

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Senior Service Transportation Services	\$ 13,729	\$ 7,031	\$ 7,031	\$ 7,031	\$ -
Senior Center Attendant	-	6,019	6,019	6,019	-
Housing Rehabilitation	14,328	-	-	-	-
Seven Mile Property Master Plan	2,478	-	-	-	-
Seven Mile Property Building Demolition	-	-	-	-	215,740
Total Expenditures	<u>\$ 30,535</u>	<u>\$ 13,050</u>	<u>\$ 13,050</u>	<u>\$ 13,050</u>	<u>\$ 215,740</u>

### *Fund Balance Analysis - Community Development Block Grant Fund:*

Fund Balance, January 1, 2013					\$ -
Estimated 2013:					
Revenue				13,050	
Expenditures				(13,050)	
Projected Use of Fund Balance					-
2014 Budget:					
Revenue				215,740	
Expenditures				(215,740)	
Projected Use of Fund Balance					-
Projected Fund Balance, December 31, 2014					\$ -

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## *Debt Service Funds*

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs. Schedules of indebtedness for the Enterprise funds can be found in the Enterprise Funds section of this document.

### **Legal Debt Margin**

Township Charter and Public Act 279 of 1909 (as amended) provide that the net indebtedness of the Township shall not be in excess of 10% of the State Equalized Valuation of all real and personal property in the Township, plus assessed value equivalent of Act 198 specific tax levies.

Obligations which are not included in the computation of legal debt margin are:

- Special Assessment Bonds;
- Mortgage Bonds;
- Michigan Transportation Bonds;
- Revenue Bonds;
- Bonds issued, or contracts or assessment obligations, incurred, to comply with an order of the Water Resources Commission (now the Department of Environmental Quality) or a court of competent jurisdiction;
- Other obligations incurred for water supply, sewage, drainage or refuse disposal projects necessary to protect the public health by abating pollution.

#### **Computation of Legal Debt Margin 2013**

<b>Calculation of debt limit:</b>	
State equalized valuation (2)	\$ 1,867,281,729
Assessed value equivalent of Act 198 exemptions (1)	15,458,000
 Debt limit (10% of State Equalized Value)	 188,273,973
 <b>Calculation of debt subject to limit:</b>	
Total debt	58,732,000
Less:	
Special assessment bonds	525,000
WTUA Bonds	20,380,293
 Net debt subject to limit	 37,826,707
 Legal debt margin	 \$ 150,447,266
 <b>Net Debt Subject to Limit as Percent of Debt Limit</b>	 20.09%

## 2006 Refunding Bonds – Land Acquisition Debt Fund

These bonds were issued pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended to refund a portion of the Township's obligations pursuant to a Limited Tax Full Faith and Credit General Obligation Contract of Lease dated May 1, 1999, between the Charter Township of Northville Building Authority Bonds, Series 1999.

### 2006 REFUNDING BONDS - LAND ACQUISITION

#### REVENUE

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Transfer in	\$ 300,150	\$ 281,888	\$ 281,888	\$ 281,888	\$ 274,330
Interest income	106	100	-	100	100
Total Revenue	<u>\$ 300,256</u>	<u>281,988</u>	<u>\$ 281,888</u>	<u>\$ 281,988</u>	<u>274,430</u>
Appropriation - Fund Balance		-			-
Total Revenue (including Appropriation)		<u>\$ 281,988</u>			<u>\$ 274,430</u>

#### APPROPRIATIONS

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Principal	\$ 215,000	\$ 205,000	\$ -	\$ 205,000	\$ 205,000
Interest expense	84,950	76,888	38,444	76,890	69,200
Paying agent fees	1,038	-	112	230	230
Total Expenditures	<u>\$ 300,988</u>	<u>\$ 281,888</u>	<u>\$ 38,556</u>	<u>\$ 282,120</u>	<u>\$ 274,430</u>

### SCHEDULE OF INDEBTEDNESS

YEAR ISSUED: 2006

AMOUNT OF ISSUE: \$2,645,000

	Interest Rate	PRINCIPAL	Interest Due April 1	Interest Due October 1	Total Principal & Interest Requirements
2013	3.750%	\$ 205,000	\$ 38,444	\$ 38,444	\$ 281,888
2014	4.000%	205,000	34,600	34,600	274,200
2015	4.000%	205,000	30,500	30,500	266,000
2016	4.000%	200,000	26,400	26,400	252,800
2017	4.000%	250,000	22,400	22,400	294,800
2018	4.000%	295,000	17,400	17,400	329,800
2019	4.000%	290,000	11,500	11,500	313,000
2020	4.000%	285,000	5,700	5,750	296,450
Balance Remaining		<u>\$ 1,935,000</u>	<u>\$ 186,944</u>	<u>\$ 186,994</u>	<u>\$ 2,308,938</u>

## 2009 General Obligation Unlimited Tax – Seven Mile Property Purchase Debt Fund

These bonds were issued pursuant to the provisions of Act 359, Public Acts of Michigan, 1947, as amended, and authorized by an approving vote of the electors of the Charter Township of Northville at the election held on August 4, 2009, which authorized the issuance of not to exceed \$24,095,000 in bonds for the purpose of financing the acquisition of 232.5 acres of property located at Seven Mile and Haggerty Roads. The Series A Bonds are designated as tax-exempt and the Series B Bonds are designated as "Build America Bonds".

### 2009 GENERAL OBLIGATION UNLIMITED TAX - SEVEN MILE PROPERTY PURCHASE REVENUE

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Property taxes	\$ 1,522,256	\$ 1,493,114	\$ 1,442,408	\$ 1,446,000	\$ 1,483,000
Interest income	457	500	-	500	500
Total Revenue	<u>\$ 1,522,713</u>	1,493,614	<u>\$ 1,442,408</u>	<u>\$ 1,446,500</u>	1,483,500
Appropriation - Fund Balance		102,756			98,720
Total Revenue (including Appropriation)		<u>\$ 1,596,370</u>			<u>\$ 1,582,220</u>

### APPROPRIATIONS

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Principal	\$ 745,000	\$ 820,000	\$ 820,000	\$ 820,000	\$ 810,000
Interest expense	799,295	775,820	394,060	785,970	771,670
Paying agent fees	550	550	550	550	550
Total Expenditures	<u>\$ 1,544,845</u>	<u>\$ 1,596,370</u>	<u>\$ 1,214,610</u>	<u>\$ 1,606,520</u>	<u>\$ 1,582,220</u>

### SCHEDULE OF INDEBTEDNESS YEAR ISSUED: 2009, Series A AMOUNT OF ISSUE: \$3,865,000

	Interest Rate	PRINCIPAL	Interest Due April 1	Interest Due October 1	Total Principal & Interest Requirements
2013	3.000%	\$ 820,000	\$ 24,450	\$ 12,150	\$ 856,600
2014	3.000%	810,000	12,150	-	822,150
Balance Remaining		<u>\$ 1,630,000</u>	<u>\$ 36,600</u>	<u>\$ 12,150</u>	<u>\$ 1,678,750</u>

## 2009 General Obligation Unlimited Tax – Seven Mile Property Purchase Debt Fund (continued)

SCHEDULE OF INDEBTEDNESS  
YEAR ISSUED: 2009, Series B Build America Bonds  
AMOUNT OF ISSUE: \$18,145,000

	Interest Rate	PRINCIPAL	Gross Interest Due	Estimated Subsidy Amount	Net Debt Service Due
2013	3.000%	\$ -	\$ 1,137,261	\$ (387,891)	\$ 749,370
2014	3.000%	-	1,137,261	(377,741)	759,520
2015	6.066%	885,000	1,110,419	(368,826)	1,626,594
2016	6.066%	880,000	1,056,887	(351,045)	1,585,842
2017	6.066%	955,000	1,001,231	(332,559)	1,623,672
2018	6.066%	950,000	943,453	(313,368)	1,580,085
2019	6.066%	1,025,000	883,551	(293,471)	1,615,079
2020	6.066%	1,095,000	819,251	(272,114)	1,642,137
2021	6.066%	1,085,000	753,132	(250,153)	1,587,979
2022	6.066%	1,160,000	685,041	(227,536)	1,617,505
2023	6.066%	1,230,000	612,552	(203,459)	1,639,093
2024	6.478%	1,300,000	533,139	(177,082)	1,656,057
2025	6.478%	1,370,000	446,658	(148,358)	1,668,301
2026	6.478%	1,470,000	354,671	(117,804)	1,706,867
2027	6.478%	1,545,000	257,015	(85,367)	1,716,647
2028	6.478%	1,565,000	156,282	(51,909)	1,669,373
2029	6.478%	1,630,000	52,796	(17,536)	1,665,260
Balance Remaining		<u>\$ 18,145,000</u>	<u>\$ 11,940,600</u>	<u>\$ (3,976,220)</u>	<u>\$ 26,109,379</u>

The Township issued Build America Bonds back in 2009 for the purpose of financing the acquisition of the Seven Mile property. At that time, the Township received a direct pay interest credit from the United States Treasury equal to 35% of the annual interest on the bonds. The interest cost for these bonds will now become more expensive given an 8.7% reduction in our current federal subsidy as expected under the federal sequestration order. An estimate of the amount will be approximately \$203,000 over the remaining life of the bonds. We understand the sequestration reduction rate will be applied beginning September 30, 2013, and the rate could be subject to further reductions in the future.

It is important to note, these bonds were also issued with a ***make-whole call provision***, which stipulates a premium settlement of \$5,059,458 that would be required to be paid by the Township over and above the principal amount of \$18,145,000 if the Township were to consider paying off the remaining debt early. The Township did covenant at the time these bonds were issued not to exercise its right to optionally redeem any bonds if such redemption would result in a premium exceeding 3% of the principal amount of the bonds.

## 2003 General Obligation Limited Tax Debt Fund

These bonds were issued for the purpose of constructing, furnishing and equipping the new fire station, Township Hall facility and renovate, furnish and equip the new police station facility.

### 2003 GENERAL OBLIGATION LIMITED TAX - BUILDING AUTHORITY BONDS

#### REVENUE

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Transfers in	\$ 1,441,163	\$ 1,247,186	\$ 832,000	\$ 832,000	\$ -
Refunding bonds issued	9,115,000	-	-	-	-
Premium on refunded bonds	843,254	-	-	-	-
Interest income	652	500	-	243	-
Total Revenue	<u>\$ 11,400,069</u>	<u>1,247,686</u>	<u>\$ 832,000</u>	<u>\$ 832,243</u>	<u>-</u>
Appropriation - Fund Balance		(200)			-
Total Revenue (including Appropriation)		<u>\$ 1,247,486</u>			<u>\$ -</u>

#### APPROPRIATIONS

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Principal	\$ 775,000	\$ 800,000	\$ -	\$ 800,000	\$ -
Interest expense	478,186	447,486	16,000	32,000	-
Bond issuance costs	132,600	-	-	-	-
Payment to refunded bond escrow agent	9,826,007	-	-	-	-
Paying agent fees	250	-	125	250	-
Transfers out	-	-	590,730	740,730	-
Total Expenditures	<u>\$ 11,212,043</u>	<u>\$ 1,247,486</u>	<u>\$ 606,855</u>	<u>\$ 1,572,980</u>	<u>\$ -</u>

Note: This debt service fund will be closed as of December 31, 2013. Final payment will be made in October 2013. These bonds were refunded in 2012 pursuant to the provision of Act 34, Public Acts of Michigan, 2001, as amended and resolution as adopted by the Board on February 16, 2012.

## 2012 Refunding Bonds – Building Authority Debt Fund

These bonds were issued pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended to advance refund all of the outstanding Township's 2003 General Obligation Limited Tax Bonds.

### 2012 REFUNDING BONDS - BUILDING AUTHORITY

#### REVENUE

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Transfers in	\$ -	\$ -	\$ 896,680	\$ 1,046,680	\$ 1,140,050
Interest income	-	-	-	-	650
Total Revenue	\$ -	\$ -	\$ 896,680	\$ 1,046,680	1,140,700
Appropriation - Fund Balance	-	-	-	-	-
Total Revenue (including Appropriation)	\$ -	\$ -	-	-	\$ 1,140,700

#### APPROPRIATIONS

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Principal	\$ -	\$ -	\$ -	\$ -	\$ 835,000
Interest expense	-	-	149,055	305,960	305,450
Paying agent fees	-	-	250	250	250
Total Expenditures	\$ -	\$ -	\$ 149,305	\$ 306,210	\$ 1,140,700

### SCHEDULE OF INDEBTEDNESS YEAR ISSUED: 2012 AMOUNT OF ISSUE: \$9,115,000

	Interest Rate	PRINCIPAL	Interest Due April 1	Interest Due October 1	Total Principal & Interest Requirements
2013	0.000%	\$ -	\$ 149,055	\$ 156,900	\$ 305,955
2014	2.000%	835,000	156,900	148,550	1,140,450
2015	2.000%	850,000	148,550	140,050	1,138,600
2016	2.000%	855,000	140,050	131,500	1,126,550
2017	4.000%	870,000	131,500	114,100	1,115,600
2018	4.000%	895,000	114,100	96,200	1,105,300
2019	4.000%	915,000	96,200	77,900	1,089,100
2020	4.000%	960,000	77,900	58,700	1,096,600
2021	4.000%	955,000	58,700	39,600	1,053,300
2022	4.000%	945,000	39,600	20,700	1,005,300
2023	4.000%	1,035,000	20,700	-	1,055,700
Balance Remaining		\$ 9,115,000	\$ 1,133,255	\$ 984,200	\$ 11,232,455

## 2009 Special Assessment Limited Tax Debt Fund

These Bonds were issued pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and pursuant to a resolution adopted by the Township Board on September 17, 2009, for the purpose of defraying the cost of installing and constructing water main improvements to serve properties in and surrounding the Edenderry Hills Subdivision.

### 2009 SPECIAL ASSESSMENT LIMITED TAX BONDS

#### REVENUE

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Special assessment collections	\$ 34,689	\$ 62,500	\$ 14,052	\$ 47,550	\$ 33,500
Interest on special assessments	23,481	10,000	9,578	32,320	19,030
Total Revenue	<u>\$ 58,170</u>	<u>72,500</u>	<u>\$ 23,630</u>	<u>\$ 79,870</u>	<u>52,530</u>
Appropriation - Fund Balance		-			7,600
Total Revenue (including Appropriation)		<u>\$ 72,500</u>			<u>\$ 60,130</u>

#### APPROPRIATIONS

DESCRIPTION	2012	2013		2014	
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Principal	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Interest expense	23,648	21,648	11,324	21,650	20,030
Paying agent fees	100	100	100	100	100
Total Expenditures	<u>\$ 63,748</u>	<u>\$ 61,748</u>	<u>\$ 51,424</u>	<u>\$ 61,750</u>	<u>\$ 60,130</u>

### SCHEDULE OF INDEBTEDNESS

YEAR ISSUED: 2009

AMOUNT OF ISSUE: \$625,000

	Interest Rate	PRINCIPAL	Interest Due April 1	Interest Due October 1	Total Principal & Interest Requirements
2013	5.000%	\$ 40,000	\$ 11,324	\$ 10,324	\$ 61,648
2014	3.100%	40,000	10,324	9,704	60,028
2015	3.350%	40,000	9,704	9,034	58,738
2016	3.650%	45,000	9,034	8,212	62,246
2017	4.000%	45,000	8,213	7,312	60,525
2018	4.500%	45,000	7,313	6,300	58,613
2019	4.500%	45,000	6,300	5,288	56,588
2020	4.500%	45,000	5,287	4,275	54,562
2021	4.750%	45,000	4,275	3,206	52,481
2022	4.750%	45,000	3,206	2,138	50,344
2023	4.750%	45,000	2,137	1,069	48,206
2024	4.750%	45,000	1,069	-	46,069
Balance Remaining		<u>\$ 525,000</u>	<u>\$ 78,186</u>	<u>\$ 66,862</u>	<u>\$ 670,048</u>

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## ***Budget Summaries – Capital Project Funds***

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of capital or infrastructure improvements.

### CAPITAL PROJECTS FUND REVENUE

DESCRIPTION	2012		2013		2014
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Special assessment collections	\$ 21,573	\$ 22,000	\$ 13,477	\$ 13,500	\$ -
Interest on special assessments	7,623	3,000	3,982	4,160	-
Transfers in	385,000	850,000	850,000	850,000	479,330
Metro Act funds	75,154	-	-	25,000	53,200
Total Revenue	<u>\$ 489,350</u>	<u>875,000</u>	<u>\$ 867,459</u>	<u>\$ 892,660</u>	532,530
Appropriation - Fund Balance		-			(181,300)
Total Revenue and Appropriation-Fund Balance		<u>\$ 875,000</u>			<u>\$ 351,230</u>

### APPROPRIATIONS

DESCRIPTION	2012		2013		2014
	Actual	Amended Budget	Actual Thru 06/30/2013	Estimated	Budget
Capital Outlay	\$ 412,573	\$ 423,700	\$ 14,766	\$ 423,700	\$ 23,700
Pathways and non-motorized improvements		100,000	125,000	125,000	53,200
Transfers out	300,150	282,100	281,888	281,888	274,330
Total Expenditures	<u>\$ 712,723</u>	<u>\$ 805,800</u>	<u>\$ 421,654</u>	<u>\$ 830,588</u>	<u>\$ 351,230</u>

<b><i>Fund Balance Analysis - Capital Projects Fund:</i></b>					
Fund Balance, January 1, 2013					\$ 397,778
Estimated 2013:					
Revenue				892,660	
Expenditures				(830,588)	
Projected Use of Fund Balance					62,072
2014 Budget:					
Revenue				532,530	
Expenditures				(351,230)	
Projected Use of Fund Balance					181,300
Projected Fund Balance, December 31, 2014					<u>\$ 641,150</u>

Please refer to the Capital Improvement Program section of this budget for additional information regarding capital outlay and pathway and non-motorized improvements.

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## ***Budget Summaries - Enterprise Funds***

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Enterprise Funds are used to account for the results of operations that provide a service to citizens financed by a user charge for the provision of that service. The Township has two enterprise funds: Water & Sewer and Solid Waste.

### **Water and Sewer Fund**

#### **Overview**

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The Township of Northville takes pride in providing safe and effective water distribution and sanitary sewage collection systems. Over the past few years, the Township has taken steps to further improve its underground systems as recommended by the Water Distribution Study, Master Plan Update, and the Centralized Maintenance Management System (CMMS). These programs have allowed the Township to establish benchmarks for the current operation of the Township's utility-based infrastructure, and to provide recommendations for improvements to the water distribution and sanitary sewage collection systems.

The following are goals of the Water and Sewer Division's Strategic Plan and the Water Distribution Master Plan:

- Replace or upgrade equipment as needed, and make improvements to existing infrastructure as recommended in the Water Distribution Study and Master Plan and as a result of findings from implementation of the CMMS Program (pumps, booster stations, lift/pump stations, collection mains, distribution and transmission lines, storage, and appurtenant facilities).
- Work in concert with the Detroit Water & Sewerage Department (DWSD) to ensure the community receives adequate water pressure, especially during the summer peak demand periods.
- Continue to work with the Michigan Department of Environmental Quality (MDEQ) and the Federal Environmental Protection Agency to prepare for and conduct further water system testing.
- Provide uninterrupted water and sewer service to the residents of Northville Township.
- Provide public education programs to facilitate water conservation and promote greater awareness and support of the Division and its activities.
- Continue to promote water conservation efforts to lower the peak demand charges paid to the Detroit Water and Sewerage Department (DWSD) by changing the operating times of irrigation systems to between 12:00 AM and 6:00 AM.
- Continue to support water distribution education programs supplied by the State of Michigan.
- Continue to interconnect water mains for enhanced reliability, redundancy, fire protection and water quality.
- Continue to study and streamline Township services with input from customers and staff.

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## Water and Sewer Fund - (continued)

- Continue to partner with DWSD through participation in the Technical Advisory Committee (TAC) to work to provide safe, secure, and reliable potable water supply with sufficient quantities and in an efficient and cost-effective manner.

## Water Distribution System

### Water Source

The Township of Northville is a wholesale water customer community of DWSD. As a community, we purchased more than 1.3 billion gallons of water in 2012 from DWSD. We currently have six metered service connections to the DWSD system. The metered water is divided into pressure districts to ensure that all areas of the Township are provided adequate water pressure regardless of elevation. In 2012, the Township of Northville and DWSD entered into a service contract that provides specified volume and pressure requirements for DWSD to maintain. The Township continues to monitor the contract and the rate structure to manage the water system supply at the lowest possible rate structure. The majority of the Township's water is supplied from the Detroit River. DWSD treats our water at the Springwells and Northeast Water Treatment Plants. These facilities pump raw water from the Detroit River, provide treatment through a variety of chemical and physical processes, and transmit the water to customer communities. Transmission of the water is accomplished by a series of water mains and booster pump stations as the treated water makes its way to the Township of Northville. The Detroit water system has historically provided water that meets or exceeds all state and federal quality standards.

### History of the Township of Northville Water Distribution System

On June 2, 1964, the Charter Township of Northville entered into an agreement with the DWSD for purchasing treated water for distribution throughout the Township. The original water system agreement provided capacity for approximately 250 people.

### Today's Water Distribution System

We currently have in excess of 155 miles of water mains in the system and 1,691 fire hydrants. Water mains range in size from 6 to 24 inches in diameter. The water mains that are 16 inches and larger are located along major roadways and are commonly referred to as transmission mains; mains smaller than 16 inches are commonly referred to as distribution mains. The Township of Northville now distributes water to approximately 8,300 service connections.

In 2009, the Township of Northville conducted a study to identify improvements required for continued efficient operation of the water system. The study recommended a series of redundancy improvements to ensure a stable water system, and identified areas that would require new water main construction. The study also considered viable options for additional water storage within the

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## Water and Sewer Fund - (continued)

Township to lower the peak demand and maximum day demand – two parameters that currently negatively affect the water rates charged by DWSD.

In 2012, construction of a water main along various locations feeding the Beck Road Pressure District and improvements to the Beck Road Booster Pump Station was completed under the purview of the Department of Public Services. These water system improvements were identified in the Township’s Water Distribution Study and Master Plan Update to improve pressures within the Beck Road Pressure District. Improvements such as this are made to enhance the Township’s ability to provide domestic water service and fire protection to current and future customers throughout the community.

The Water and Sewer Division performs many customer services on a daily basis. Some of the water-related tasks performed by staff in 2012 are quantified below:

Total number of meters read	49,578
Final real estate meter reads	684
Water meters installed	136
Water meters repaired	0
Water meters replaced	527
Water meters tested	7
Meters Investigated (required re-read)	978
Fire hydrant repaired, tested, and inspected	12
Water structures repaired/adjusted	24
Water concerns investigated	14

## Sanitary Sewage Collection System

On August 10, 1961 the original contract with Wayne County for sanitary sewer services was implemented for sewer disposal to DWSD. Since the implementation of these contracts, the Township has grown in size. There are currently 120 miles of sanitary sewer mains ranging from 8 to 30 inches in diameter in the Township of Northville.

All of our sewer flow is discharged to the Western Townships Utilities Authority (WTUA) who manages flow from the townships of Northville, Plymouth and Canton. WTUA then transports our flow to both the Ypsilanti Communities Utilities Authority and the DWSD Treatment Plants for the proper treatment prior to discharge to the waters of the State.

The portion of flow distributed to Wayne County occurs to the Middle Rouge Interceptor at Eckles and Joy Roads and the Lower Rouge Interceptor at Hannon and Michigan Avenue. The portion of flow that is distributed to YCUA occurs at Haggerty and Michigan Avenue.

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## Water and Sewer Fund - (continued)

Over the last few years, the Township has taken a proactive approach to managing and maintaining the sanitary sewer system by initiating the Centralized Maintenance Management System (CMMS), which is an infrastructure management tool for utility systems. The CMMS helps the community to perform long-range planning, improve operations and maintenance of the system, and ensure the integrity of the system.

In 2012, the Township cleaned and televised approximately 22 miles of sanitary sewer lines in the following areas: Northville Township. The review of the televised portions of these areas and the subsequent inspections are used to identify sewer mains that are in need of repair. There were no areas needing repair identified in 2012.

Northville Township initiated the CMMS program to help accomplish the following objectives:

- ✓ Provide confidence in the current state of the system
- ✓ Ensure that adequate capacity is available for future growth
- ✓ Meet customer and MDEQ expectations
- ✓ Improve operational and maintenance efficiencies
- ✓ Clean a fifth of the Township's NHV/RV sanitary sewer mains each year (24 miles of sewer annually)
- ✓ Video tape sewer mainlines in designated areas to help assess the integrity of the system

In 2006, Township staff worked to develop a Computerized Maintenance Management Software (CMMS) system. The implementation of this program is in the final stages and we hope to be completed by the end of 2014. The asset management program will help us track operation and maintenance programs, customer complaints, and data sharing between member government agencies. This system will utilize a geographical information system (GIS) mapping system that users will be able to access, identify, locate and track the operations and maintenance of the Township's water, sanitary, and storm drainage assets. We will also be able to determine and prioritize areas for future maintenance.

The Water and Sewer Division performs many customer services on a daily basis. Some of the sewer-related tasks performed by staff in 2012 are quantified below:

Total number of sewer tap inspections	133
Sanitary sewer cleaning in miles	22.2
Sewer structures repaired/adjusted	7
Sewer concerns investigated	1
Lift station maintenance assignments	4
Lift station mechanical repairs	2
Sanitary sewer structure inspections	52

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## Water and Sewer Fund - (continued)

### 2013 Significant Accomplishments

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- Negotiated the water service contract with DWSD to supply water to the Township of Northville for the next five years.
- Successfully continued the water management program implemented in 2009 that requires automatic irrigation systems to run between the hours of 12:00 AM and 6:00 AM on an alternate day basis. The success of this program helped the Township to shift its peak water demand which in turn kept us within our DWSD contract limits which helps keep our wholesale water rate from increasing.
- Maintained a high drinking water quality within the Township of Northville throughout the year.
- Completed the Beck Road Pressure District Water System Improvements, which will help to improve pressures in the Beck Road District.
- Completed the renovation of the Beck Road Water Booster Station.
- Coordinated the demolition of the Scott Correctional Facility by Adamo Group, Inc. at no cost to the Township.
- Coordinated the asbestos abatement and demolition of the Powerhouse and Maintenance Facilities located on the 7 Mile Road Property.
- Instituted a fire hydrant inspection program to help ensure fire hydrant reliability.

### Capital Replacement Reserve

The Water & Sewer Fund Capital Replacement Reserve account had a balance of \$16,485,051 as of the fiscal year ended December 31, 2012. Capital asset acquisition in enterprise funds including vehicles, etc. is accounted for using the flow of economic resources method. Amounts disbursed for the acquisition of capital assets are not recorded as an expense. Instead, the appropriate property, plant, or equipment asset account is debited on the purchase. Depreciation expense is recorded as an expense to reflect the allocation of the cost of the assets to operations over the service life of the asset.

The key Capital Replacement Funding principle is that the money is collected and segregated, over a period of time, to cover the repair or replacement cost of existing common elements; that is, capital assets already in existence (for example, water and sewer infrastructure systems, etc.). Capital Replacement Funds are part of a long-term financial plan, which helps:

- Strengthen the community's fiscal health
- Provides stability to avoid large spikes in future assessments or rate increases

User charges and fees will be computed based on current year operating expenses and debt service requirements and annual contribution/replenishment of the capital replacement reserve.

## Water and Sewer Fund - (continued)

The Capital Replacement Reserve for the Water & Sewer Fund is targeted at 10-25% of the current fair market value of water and sewer infrastructure assets. The Township uses the overall national CPI to compute the fair market value of these assets. Cash and investment balances for operations will be computed based on a minimum of two months expenditures plus planned capital improvement projects for the year.

In addition the following steps have been taken to make progress towards a comprehensive replacement plan:

- The Township has completed a Capital Improvement plan that identifies future capital improvement projects and replacement needs. *These projections go out six years and are presented in the Capital Improvement Program in the budget.*

### Northville Township W&S Replacement Reserve Analysis

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Reserve Balances:</b>				
Starting reserve	\$ 16,485,051	\$ 14,491,581	\$13,871,151	\$12,909,161
Reserve Adjustments:				
Contributions**	-	-	-	-
Estimated cost of capital improvements	(838,110)	(547,500)	(706,000)	(1,142,000)
WTUA CIP	(1,355,360)	(272,930)	(455,990)	(543,600)
Add: Carryover items				
Interest on reserves (cash basis)	200,000	200,000	200,000	200,000
Reserve balances, ending	<u>\$ 14,491,581</u>	<u>\$ 13,871,151</u>	<u>\$12,909,161</u>	<u>\$11,423,561</u>
Low Range (10%) - Benchmark		\$ 5,003,688		
High Range (25%) - Benchmark		\$ 12,509,220		
Infrastructure assets, December 31, 2012	\$ 50,036,880			
(Shortfall)/Overage - Compared to High Range		\$ 1,982,361.33		

\*\* Goal is to replenish replacement reserves with capital contributions currently used to provide cash flow to operations.

### Cash & Investments Analysis:

Fiscal Year End	<u>2013</u>	<u>2014</u>
Cash & Investments	\$ 5,020,708	\$ 5,020,708
Replacement Reserve	16,485,051	13,871,151
Total	<u>\$ 21,505,759</u>	<u>\$ 18,891,859</u>

*The above Cash & Investment analysis does not assume unrealized gains/(losses) on investments in accordance with the requirements of the Governmental Accounting Standards Board, Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools.*

## Water & Sewer Fund

DESCRIPTION	2012	2013	2014
	Actual	Estimated	Budget
<b>OPERATING REVENUE</b>			
Water & Sewer sales	\$ 12,289,757	\$ 12,200,000	\$ 12,810,000
Other	-	105,000	78,000
TOTAL REVENUE	<u>12,289,757</u>	<u>12,305,000</u>	<u>12,888,000</u>
<b>OPERATING EXPENSES</b>			
Personnel Services	1,249,115	1,354,540	1,313,260
Supplies	155,406	253,180	253,200
Depreciation	1,743,322	1,807,000	1,850,000
Cost of water	5,065,540	5,012,490	5,187,930
Cost of sewage disposal	4,522,573	4,480,800	4,812,310
Other Services and Charges	1,351,443	1,426,650	1,477,640
TOTAL EXPENSES	<u>14,087,399</u>	<u>14,334,660</u>	<u>14,894,340</u>
<b>Operating loss</b>	<u>(1,797,642)</u>	<u>(2,029,660)</u>	<u>(2,006,340)</u>
Interest income	148,938	203,900	204,000
Interest expense	(224,723)	(258,880)	(247,000)
Special assessments	13,430	13,430	13,430
Customer assessments - tap fees	2,375,821	2,567,700	2,300,000
Capital grants	665,093	-	-
Donated water and sewer lines	8,940	-	-
<b>Change in Net Position</b>	<u>\$ 1,189,857</u>	<u>\$ 496,490</u>	<u>\$ 264,090</u>

### Water & Sewer Fund Debt Schedules:

Water System Improvements  
SCHEDULE OF INDEBTEDNESS  
YEAR ISSUED: 2009  
AMOUNT OF ISSUE: \$1,125,000

Year	Interest Rate	PRINCIPAL	Interest Due April 1	Interest Due October 1	Total Principal & Interest Requirements
2013	3.250%	\$ 25,000	\$ 21,482	\$ 21,481	\$ 67,963
2014	3.250%	50,000	21,075	21,075	92,150
2015	3.300%	75,000	20,263	20,263	115,526
2016	3.500%	75,000	19,025	19,025	113,050
2017	3.750%	100,000	17,713	17,713	135,426
2018	3.850%	100,000	15,838	15,838	131,676
2019	4.000%	100,000	13,913	13,913	127,826
2020	4.150%	100,000	11,913	11,913	123,826
2021	4.250%	100,000	9,838	9,838	119,676
2022	4.300%	100,000	7,713	7,713	115,426
2023	4.400%	125,000	5,562	5,562	136,124
2024	4.500%	125,000	2,812	2,812	130,624
Balance Remaining		<u>\$ 1,075,000</u>	<u>\$ 167,147</u>	<u>\$ 167,146</u>	<u>\$ 1,409,293</u>

**Water & Sewer Fund Debt Schedules (continued):**

SCHEDULE OF INDEBTEDNESS  
 YEAR ISSUED: 2007  
 AMOUNT OF ISSUE: \$5,000,000

Year	Interest Rate	PRINCIPAL	Interest Due April 1	Interest Due October 1	Total Principal & Interest Requirements
2013	4.000%	\$ 200,000	\$ 88,400	\$ 84,400	\$ 372,800
2014	4.000%	200,000	84,400	80,400	364,800
2015	4.000%	200,000	80,400	76,400	356,800
2016	4.000%	200,000	76,400	72,400	348,800
2017	4.000%	200,000	72,400	68,400	340,800
2018	4.000%	300,000	68,400	62,400	430,800
2019	4.000%	300,000	62,400	56,400	418,800
2020	4.000%	300,000	56,400	50,400	406,800
2021	4.000%	300,000	50,400	44,400	394,800
2022	4.000%	300,000	44,400	38,400	382,800
2023	4.000%	300,000	38,400	32,400	370,800
2024	4.050%	400,000	32,400	24,300	456,700
2025	4.050%	400,000	24,300	16,200	440,500
2026	4.050%	400,000	16,200	8,100	424,300
2027	4.050%	400,000	8,100	-	408,100
Balance Remaining		<u>\$ 4,400,000</u>	<u>\$ 803,400</u>	<u>\$ 715,000</u>	<u>\$ 5,918,400</u>

SCHEDULE OF INDEBTEDNESS  
 YEAR ISSUED: 2012  
 AMOUNT OF ISSUE: \$1,664,907

Year	Interest Rate	PRINCIPAL	Interest Due April 1	Interest Due October 1	Total Principal & Interest Requirements
2013	2.500%	\$ 64,907	\$ 22,314	\$ 20,811	\$ 108,032
2014	2.500%	65,000	20,000	20,000	105,000
2015	2.500%	70,000	19,188	19,188	108,376
2016	2.500%	70,000	18,313	18,313	106,626
2017	2.500%	70,000	17,438	17,438	104,876
2018	2.500%	75,000	16,563	16,563	108,126
2019	2.500%	75,000	15,625	15,625	106,250
2020	2.500%	80,000	14,688	14,688	109,376
2021	2.500%	80,000	13,688	13,688	107,376
2022	2.500%	80,000	12,688	12,688	105,376
2023	2.500%	85,000	11,687	11,687	108,374
2024	2.500%	85,000	10,625	10,625	106,250
2025	2.500%	90,000	9,562	9,562	109,124
2026	2.500%	90,000	8,437	8,437	106,874
2027	2.500%	90,000	7,312	7,312	104,624
2028	2.500%	95,000	6,187	6,187	107,374
2029	2.500%	95,000	5,000	5,000	105,000
2030	2.500%	100,000	3,813	3,813	107,626
2031	2.500%	100,000	2,562	2,562	105,124
2032	2.500%	105,000	1,312	1,312	107,624
Balance Remaining		<u>\$ 1,664,907</u>	<u>\$ 237,002</u>	<u>\$ 235,499</u>	<u>\$ 2,137,408</u>

Water and Sewer Fund - (continued)

Western Townships Utility Authority, WTUA *Debt Service Payments:*

**Allocation to Townships of Debt Service Payments - Cash Flow**

	<b>Township Payment Dates to WTUA</b>	<b>Total Payment Due</b>	<b>Canton Township</b>	<b>Northville Township</b>	<b>Plymouth Township</b>
2009 Bond Issue	12/1/2013	6,367,038	2,602,208	2,147,602	1,617,228
(C 40.87%, N 33.73%, P 25.40%)	6/1/2014	639,737	261,461	215,783	162,493
2012 Bond Issue	12/1/2013	3,419,375	1,154,039	1,030,942	1,234,394
(C 33.75%, N 30.15%, P 36.10%)	6/1/2014	582,450	196,577	175,609	210,264
Allocation of Bond Debt Service Payments		<u>\$ 11,008,600</u>	<u>\$ 4,214,285</u>	<u>\$ 3,569,936</u>	<u>\$ 3,224,379</u>

Note: The difference between the budget and the payments is a result of the accrual method used for recognition of the interest expense for budgeting purposes in compliance with GASB 34.

**Allocation to Townships of Debt Service Payments - Cash Flow**

	<b>Township Payment Dates to WTUA</b>	<b>Total Payment Due</b>	<b>Canton Township</b>	<b>Northville Township</b>	<b>Plymouth Township</b>
2009 Bond Issue	12/1/2014	6,394,737	2,613,529	2,156,945	1,624,263
(C 40.87%, N 33.73%, P 25.40%)	6/1/2015	495,862	202,659	167,254	125,949
2012 Bond Issue	12/1/2014	3,337,449	1,126,389	1,006,241	1,204,819
(C 33.75%, N 30.15%, P 36.10%)	6/1/2015	541,125	182,630	163,149	195,346
Allocation of Bond Debt Service Payments		<u>\$ 10,769,173</u>	<u>\$ 4,125,207</u>	<u>\$ 3,493,589</u>	<u>\$ 3,150,377</u>

*The Township is a partial owner of the Western Townships Utility Authority (WTUA), in conjunction with Plymouth and Canton Townships. Any debt issued in conjunction with these sanitary sewer systems is passed through WTUA, to each community based on their proportionate share of the system. As of December 31, 2012, the Township's share of WTUA debt totaled \$21,582,520.*

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# Solid Waste Fund

## Overview

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In February of 2011 Northville Township initiated a new solid waste collection/disposal, recycling and composting program. We bid out for services and selected Duncan Waste Disposal Services, Inc. as our contractor and entered a seven year contract with them. Under the new program, the Township supplied special carts allowing both the 95 and 64 gallon roll-out carts. Solid waste and recycling carts are collected using automated tipping equipment for maximum efficiency. Solid waste and yard waste are collected weekly while recycling is currently collected biweekly.

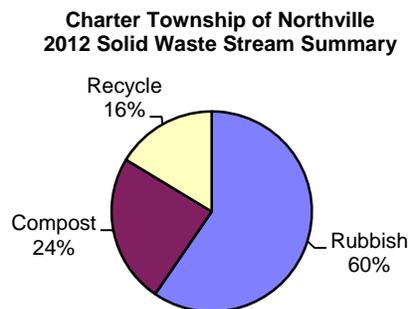
The program has been very successful. In 2012, we collected and disposed of or recycled over 11,000 tons of material. We also joined with Livonia and the City of Northville in hosting two household hazardous waste days in which approximately 1,000 township residents participated. Our program serves over 7,000 single family homes and condominiums.

The following chart of data compares the last 10 years of collection data:

### HISTORICAL COMPARISON (tons)

<u>Year</u>	<u>Rubbish</u>	<u>Compost</u>	<u>Recyclables</u>
2003	8,142	1,308	1,276
2004	8,208	1,713	1,344
2005	12,510	1,647	1,323
2006	8,331	2,130	1,079
2007	7,473	1,588	1,188
2008	7,281	1,099	1,858
2009	6,766	2,129	984
2010	6,746	2,130	1,290
2011	6,240	2,877	1,688
2012	6,779	2,743	1,861

The following diagram provides a breakdown of the waste stream by component:



## Solid Waste Fund - (continued)

### 2014 BUDGET Solid Waste Fund

DESCRIPTION	2012 Actual	2013 Estimated	2014 Budget
<b><i>OPERATING REVENUE</i></b>			
Solid Waste charges	\$ 1,221,220	\$ 1,212,960	\$ 1,233,120
TOTAL REVENUE	<u>1,221,220</u>	<u>1,212,960</u>	<u>1,233,120</u>
<b><i>OPERATING EXPENSES</i></b>			
Collection and recycling charges	996,755	1,017,560	1,069,540
Depreciation	52,882	55,000	55,000
Other Services and Charges	223,517	30,100	31,100
TOTAL EXPENSES	<u>1,273,154</u>	<u>1,102,660</u>	<u>1,155,640</u>
<b><i>Operating loss</i></b>	<u>(51,934)</u>	<u>110,300</u>	<u>77,480</u>
Interest income	311	350	350
<b><i>Change in Net Position</i></b>	<u>\$ (51,623)</u>	<u>\$ 110,650</u>	<u>\$ 77,830</u>

The Township's Water and Sewer Fund advanced \$793,328 to the Solid Waste Fund for the acquisition of equipment. The loan bears interest at two percent and will be repaid to the Water and Sewer Fund over a five-year period. At December 31, 2012, the balance was \$626,496.

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**RESOLUTION 2013-128**

At a regular meeting of the Board of Trustees of the Charter Township of Northville, held on Thursday, October 17, 2013 at 7:30 p.m. at the Northville Township Hall, the following information was offered:

**WHEREAS:** The Township Board of Trustees has agreed to maintain the Township's total millage rate at 7.1074 mils; and,

**WHEREAS:** Public hearings were held on October 9 and October 17, 2013 on the proposed millage rates and the proposed 2014 budget; and,

**NOW, THEREFORE, BE IT RESOLVED:** Upon a motion by Treasurer Banner and a second by Trustee Shadko that to finance the level of services established for the 2014 fiscal year, and to meet specific debt obligations of the Township, the following millage rates are authorized:

<b>Millage Rates:</b>	
General Operating	0.6824
General Voted	0.1176
Public Safety	5.0000
Shared Services	<u>0.4574</u>
<b>Total Operating Millage</b>	<b>6.2574</b>
Seven Mile Property Debt Retirement	<u>0.8500</u>
<b>Total Debt Millage</b>	<b>0.8500</b>
<b>Total 2013 Township Millage Rate</b>	<b><u>7.1074</u></b>

**AYES:** Nix, Hillebrand, Banner, Gans, Heath, Herrmann, Shadko  
**NAYS:** None

**RESOLUTION DECLARED ADOPTED:**

I, Sue A. Hillebrand, Clerk of the Charter Township of Northville, County of Wayne, State of Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution of action approved by the Board of Trustees at their regular meeting held on October 17, 2013 at 44405 Six Mile Road, Northville, Michigan 48168.



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Sue A. Hillebrand, M.M.C.

## RESOLUTION 2013-129 BUDGET

At a regular meeting of the Board of Trustees of the Charter Township of Northville, held on Thursday, October 17, 2013 at 7:30 p.m. at the Northville Township Hall, the following information was offered:

**WHEREAS:** The recommended budget is based upon the post-March 2013 Board of Review, and October 9, 2013 Township Board Budget Study Session; and,

**WHEREAS:** The budget takes into consideration the Township's Fiscal Analysis and financial planning through 2017; and,

**WHEREAS:** Public hearings were held on October 9 and October 17, 2013 on the proposed budget; and,

**WHEREAS:** The 2014 Budget Highlights include:

- The 2014 Budget maintains the 2013 millage rate at 7.1074 mills. of which 5.5750 mills will expire December 31, 2013
- 2014 General Fund expenditures are proposed to decrease by 9.8% from 2013.
- 2014 General Government expenditures totaling \$21 million are proposed to decrease overall by 3.1% from 2013.

**NOW, THEREFORE, BE IT RESOLVED:** Upon a motion by Treasurer Banner and a second by Trustee Shadko that the 2014 Budget is approved.

**AYES:** Nix, Hillebrand, Banner, Gans, Heath, Herrmann, Shadko

**NAYS:** None

### RESOLUTION DECLARED ADOPTED:

I, Sue A. Hillebrand, Clerk of the Charter Township of Northville, County of Wayne, State of Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution of action approved by the Board of Trustees at their regular meeting held on October 17, 2013 at 44405 Six Mile Road, Northville, Michigan 48168.



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Sue A. Hillebrand, M.M.C.

GENERAL FUND  
REVENUE

DESCRIPTION	2014 Adopted Budget
Taxes	\$ 1,470,500
Licenses, Permits & Charges for Services	1,456,450
State Sources	2,147,720
Other Revenue	56,780
Interest Income	5,200
Appropriation - Fund Balance	(650,560)
	\$ 4,486,090

APPROPRIATIONS

DESCRIPTION	2014 Adopted Budget
Legislative	\$ 1,381,180
Township Clerk's Office	438,910
Treasurer	1,006,190
Building Department	578,390
Planning Department	225,870
Transfers out	855,550
	\$ 4,486,090

PUBLIC SAFETY FUND  
REVENUE

DESCRIPTION	2014 Adopted Budget
Taxes	\$ 8,724,000
Licenses, Permits & Charges for Services	642,050
Federal Grants	297,160
Fines & Forfeitures	206,000
State Sources	199,200
Other Revenue	97,810
Interest Income	10,000
Appropriation - Fund Balance	1,264,330
	\$ 11,440,550

APPROPRIATIONS

DESCRIPTION	2014 Adopted Budget
Public Safety Fund	\$ 11,440,550

SPECIAL OPERATIONS FUND  
REVENUE

	2014
DESCRIPTION	Adopted Budget
Interest Income	20
Other Revenue	50,000
	\$ 50,020

APPROPRIATIONS

	2014
DESCRIPTION	Adopted Budget
Special Operations Fund	\$ 50,020

SHARED SERVICES FUND  
REVENUE

	2014
DESCRIPTION	Adopted Budget
Taxes	\$ 798,000
Interest Income	1,500
Appropriation - Fund Balance	315,730
	\$ 1,115,230

APPROPRIATIONS

	2014
DESCRIPTION	Adopted Budget
Shared Services Fund	\$ 1,115,230

YOUTH ASSISTANCE FUND  
REVENUE

	2014
DESCRIPTION	Adopted Budget
County Sources	\$ 6,860
Interest Income	100
Northville Township Contribution	90,930
Northville City Contribution	17,320
Appropriation - Fund Balance	33,020
	\$ 148,230

YOUTH ASSISTANCE FUND  
APPROPRIATIONS

DESCRIPTION	2014 Adopted Budget
Youth Assistance Fund	\$ 148,230

COMMUNITY DEVELOPMENT BLOCK GRANT FUND  
REVENUE

DESCRIPTION	2014 Adopted Budget
Federal Grants	\$ 215,740
	\$ 215,740

APPROPRIATIONS

DESCRIPTION	2014 Adopted Budget
Seven Mile Property demolition	\$ 215,740

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## *Appendix B - Statistical Information*

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### **About the Township of Northville**

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The Charter Township of Northville, incorporated in 1829, is strategically located in the northwestern portion of Wayne County. Located just 15 miles east of Ann Arbor and 30 miles west of downtown Detroit, the Township serves over 28,000 residents and encompasses an area of approximately 16.5 square miles. Northville Township is considered a choice community to live. Northville Township offers an abundance of rolling, wooded acreage, which provides a unique natural backdrop for residential and commercial land development. Northville Township is well connected to highway, rail, and air transportation routes offering outstanding accessibility.

The Township of Northville is governed by a Board of Trustees which is composed of seven members who are elected for four year terms. The Board is composed of a Supervisor, a Clerk, a Treasurer and four trustees under the Trustee-Manager form of government. Policy-making and legislative authority are vested in the Board of Trustees which is presided over by the Supervisor, who is the chief executive of the Township.

The Township provides a full range of municipal services including police and fire protection; parks, recreational and cultural activities through a shared services agreement between the City of Northville and the Charter Township of Northville; building inspection; code enforcement and planning and development. The Township is a member of the Western Township Utilities Authority (WTUA), which provides sewage disposal services to the residents of Canton, Northville and Plymouth Townships.

**ANNUAL INFORMATION STATEMENT  
FOR THE CHARTER TOWNSHIP OF NORTHVILLE, COUNTY OF WAYNE, MICHIGAN**

Pursuant to the Awarding Resolution and various Continuing Disclosure Undertakings executed and delivered by the Charter Township of Northville in connection with the issuance of the above-referenced bond issues, we provide the following update of numerical financial information and operating data included in the official statements of the Township relating to the above referenced bond issues:

**POPULATION**

2010 U.S. Census	28,497
2000 U.S. Census	21,036
1990 U.S. Census	17,313
1980 U.S. Census	12,987

**REVENUES FROM THE STATE OF MICHIGAN**

The Township receives revenue sharing payments from the State of Michigan under the State Constitution and the State Revenue Sharing Act of 1971. The following table sets forth annual revenue sharing payments and other moneys received by the Township for its fiscal years ended December 31, 2008 through December 31, 2012:

Fiscal Year Ending <u>December 31</u>	Constitutional <u>Payments</u>	Statutory <u>Payments</u>	Census <u>Adjustment</u>	EVIP <u>Payments</u>	<u>Total</u>
2012	* \$2,077,884	\$0	\$0	\$0	\$2,077,884
2011	* 2,283,885	0	0	0	2,283,885
2010	** 1,294,296	2,823	(2,823)	0	1,294,296
2009	** 1,335,199	19,468	0	0	1,354,667
2008	** 1,415,725	19,468	0	0	1,435,193

\* Source: Charter Township of Northville audited Comprehensive Annual Financial Reports  
Source: State of Michigan Treasury Website - <https://treas-secure.state.mi.us/apps/findrevshareinfo.asp>

**PROPERTY VALUATIONS**

<u>Year</u>	<u>State Equalized Valuation</u>	<u>Taxable Value</u>
2013	\$1,867,281,729	\$1,789,766,930
2012	1,836,113,250	1,756,604,647
2011	1,764,076,740	1,710,015,057
2010	1,817,740,850	1,742,126,090
2009	2,006,440,913	1,886,033,923
2008	2,227,724,000	2,036,479,322
2007	2,356,196,789	2,073,030,468
2006	2,254,275,696	1,939,716,641
2005	2,051,770,547	1,755,884,750
2004	1,888,120,907	1,587,882,523

Source: Charter Township of Northville

**ANNUAL INFORMATION STATEMENT  
FOR THE CHARTER TOWNSHIP OF NORTHVILLE, COUNTY OF WAYNE, MICHIGAN**

**MAJOR TAXPAYERS**

According to Township officials, the 2013 State Equalized Valuation and the 2013 Taxable Value of each of the Township's major taxpayers is as follows:

<u>Taxpayer</u>	<u>2013 State Equalized Valuation</u>	<u>2013 Taxable Value</u>
Wilson Park Place, LLC	\$20,637,500	\$20,599,467
Consumers Energy	15,319,300	15,246,359
DTE Energy	14,107,000	14,099,401
ZF Technologies <sup>(1)</sup>	11,697,400	11,697,400
Kings Mill Cooperative	9,180,500	9,086,503
Meijer Inc. - Property Tax Department	6,522,100	6,522,100
Hayes - Lemmerz International	6,504,600	6,476,200
Related Innsbrook, LLC	6,461,800	6,461,800
Huntington Management	6,049,000	5,871,221
American House/Norah, LLC	5,483,900	4,814,385

<sup>(1)</sup> Includes Act 198 values

**TAX RATES <sup>(1)</sup>**  
(Per \$1,000 of Taxable Value)

	<u>2012</u>		<u>2011</u>		<u>2010</u>	
	<u>Principal Residence</u>	<u>Non Principal Residence</u>	<u>Principal Residence</u>	<u>Non Principal Residence</u>	<u>Principal Residence</u>	<u>Non Principal Residence</u>
Charter Township of Northville						
Operating	0.6824	0.6824	0.6824	0.6824	0.6824	0.6824
Operating *	0.1176	0.1176	0.1176	0.1176	0.0000	0.0000
Public Safety *	5.0000	5.0000	5.0000	5.0000	4.7000	4.7000
Shared Services *	0.4574	0.4574	0.4574	0.4574	0.8750	0.8750
Debt Service	0.9000	0.9000	0.9100	0.9100	0.9661	0.9661
Northville District Library	1.3935	1.3935	1.3665	1.3665	1.1562	1.1562
County of Wayne	7.8220	7.8220	7.8220	7.8220	7.8220	7.8220
Northville School District						
Local	0.0000	18.0000	0.0000	18.0000	0.0000	18.0000
Sinking Fund	1.0000	1.0000	0.0000	0.0000	0.0000	0.0000
Site & Debt	4.5000	4.5000	4.5000	4.5000	3.9000	3.9000
State Education Tax (SET)	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000
Wayne County RESA	3.4643	3.4643	3.4643	3.4643	3.4643	3.4643
Schoolcraft College	1.7967	1.7967	1.7967	1.7967	1.7967	1.7967
Zoo Authority	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Huron - Clinton Metro Authority	0.2146	0.2146	0.2146	0.2146	0.2146	0.2146
<b>Total All Jurisdictions</b>	<u>33.4485</u>	<u>51.4485</u>	<u>32.4315</u>	<u>50.4315</u>	<u>31.6773</u>	<u>49.6773</u>

<sup>(1)</sup> Tax Rates are based on the Township's fiscal year.

\* Voted Millages expire 2013

**ANNUAL INFORMATION STATEMENT  
FOR THE CHARTER TOWNSHIP OF NORTHVILLE, COUNTY OF WAYNE, MICHIGAN**

**TAX RATE LIMITATIONS**

The Charter Township is authorized pursuant to Act 359, Public Acts of Michigan 1947, as amended (the Charter Township Act) to levy the following tax rates:

<u>Purpose</u>	Maximum Millage <u>Authorized</u>	Maximum Millage to <u>be Levied</u> <sup>(1)</sup>	Expiration Date <u>of Millage</u>
General Operating	\$1.0000	\$0.6824	In perpetuity

The Township's electors have voted additional millage as follows:

<u>Purpose</u>	<u>Authorized</u>	Maximum Millage to <u>be Levied</u> <sup>(1)</sup>	Expiration Date <u>of Millage</u>
Public Safety	\$5.0000	\$5.0000	2013
Shared Services	\$0.4574	\$0.4574	2013
General Operating	\$0.1176	\$0.1176	2013

<sup>(1)</sup> The Michigan Constitution places certain restrictions on new taxes and tax increases and limits taxes for the payment of principal and interest on bonds or other evidences of indebtedness outstanding on or after December 23, 1978, unless such obligations are approved by the electors of the issuing public corporation.

On March 15, 1994, the electors of the State approved an amendment to the Michigan Constitution permitting the Legislature to authorize ad valorem taxes on a non-uniform basis. The legislation implementing this constitutional amendment added a new measure of property value known as "Taxable Value." Beginning in 1995, taxable property has two valuations -- State equalized valuation ("SEV") and Taxable Value. Property taxes are levied on Taxable Value. Generally, the Taxable Value of property is the lesser of (a) the Taxable Value of the property in the immediately preceding year, adjusted for losses, multiplied by the lesser of one plus the inflation rate, or 5%, plus additions, or (b) the property's current SEV. Under certain circumstances, therefore, the Taxable Value of property may be different from the same property's SEV.

On March 15, 1994, the electors of the State of Michigan also voted to amend the State Constitution to increase the state sales tax from 4% to 6% and to place a yearly cap on property value assessment increases. The State now levies a property tax to finance education, and a higher real estate transfer tax is imposed on the sale of real property.

**ANNUAL INFORMATION STATEMENT  
FOR THE CHARTER TOWNSHIP OF NORTHVILLE, COUNTY OF WAYNE, MICHIGAN**

**DEBT STATEMENT**

(As of June 30, 2013, including the Bonds described herein)

**DIRECT DEBT**

General Obligation Bonds

04/01/2003	Capital Improvements, LT	\$800,000	
05/01/2007	Capital Improvements, LT	4,200,000	
10/01/2009	Capital Improvement, LT	1,000,000	
11/24/2009	Series A, UTGO	810,000	
11/24/2009	Series B, UTGO	18,145,000	
09/18/2012	SRF Project No. 7299-01, GOLT	1,664,907	
10/10/2012	Refunding Bonds, Series 2012 LTGO	<u>9,115,000</u>	\$35,734,907

Authority Bonds

12/21/2006	LTGO Refunding		1,935,000
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Special Assessment Bonds

07/01/2009	Improvements, LT		485,000
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Share of 35th Judicial District Building Authority Bonds <sup>(1)</sup>

04/05/2007	Building Authority Refunding		196,800
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Western Townships Utilities Authority (WTUA)

10/28/2009	Refunding, LT	10,670,486	
Date of Delivery	Sewer Refunding, 2012	<u>9,709,808</u> <sup>(2)</sup>	<u>20,380,293</u>

**TOTAL DIRECT DEBT**

**\$58,732,000**

Less:

Special Assessment Bonds	485,000		
Western Townships Utilities Authority	<u>20,380,293</u>		<u>20,865,293</u>

**NET DIRECT DEBT**

**\$37,866,707**

**OVERLAPPING DEBT**

66.41%	Northville School District	\$69,535,000	\$46,178,194
2.68%	Plymouth-Canton School District	163,971,000	4,394,423
4.31%	Wayne County @ Large	345,185,248	14,877,484
4.25%	Wayne County Intermediate School District	0	0
14.04%	Schoolcraft Community College	18,000,000	2,527,200
84.27%	Northville District Library	860,000	<u>724,722</u>

**TOTAL OVERLAPPING DEBT**

**\$68,702,023**

**NET DIRECT AND OVERLAPPING DEBT**

**\$106,568,730**

**ANNUAL INFORMATION STATEMENT  
FOR THE CHARTER TOWNSHIP OF NORTHVILLE, COUNTY OF WAYNE, MICHIGAN**

**DEBT RATIOS:**

Per Capita 2013 State Equalized Valuation	\$65,525.56
Per Capita 2013 True Cash Value	\$131,051.13
Per Capita Net Direct Debt	\$1,328.80
Per Capita Combined Net Direct and Overlapping Debt	\$3,739.65
Percent of Net Direct Debt of 2013 State Equalized Valuation	2.03%
Percent of Net Direct and Overlapping Debt of 2013 State Equalized Valuation	5.71%
Percent of Net Direct Debt of 2013 True Cash Value	1.01%
Percent of Net Direct and Overlapping Debt of 2013 True Cash Value	2.85%

(1) The obligation of the Township is in accordance with the proportionate utilization described in a contract as determined by the annual number of cases from each participant in the contract. It is presently estimated that the Township's proportionate utilization will be 16.45% . The proportionate utilization percentage will be reallocated annually.

Source: Municipal Advisory Council of Michigan

**SCHEDULE OF BOND MATURITIES**

(As of June 30, 2013, including the Bonds described herein)

<u>Year</u>	General	Authority	Special	Share of		35th Judicial District
	Obligation		Assessment	Western Townships	Utilities Authority Bonds <sup>(1)</sup>	Building Authority Bonds
	<u>Bonds</u>	<u>Bonds</u>	<u>Bonds</u>	<u>Utilities</u>	<u>Authority</u>	<u>Bonds</u>
2013	\$864,907	\$205,000	\$0		\$0	\$0
2014	1,985,000	205,000	40,000	2,736,632		36,600
2015	2,080,000	205,000	40,000	2,771,794		36,000
2016	2,105,000	200,000	45,000	2,845,925		36,000
2017	2,195,000	250,000	45,000	3,074,357		41,400
2018	2,320,000	295,000	45,000	3,143,070		46,800
2019	2,415,000	290,000	45,000	1,417,168		0
2020	2,535,000	285,000	45,000	1,074,848		0
2021	2,520,000	0	45,000	1,062,788		0
2022	2,610,000	0	45,000	1,053,743		0
2023	2,775,000	0	45,000	1,199,970		0
2024	1,785,000	0	45,000	0		0
2025	1,860,000	0	0	0		0
2026	1,960,000	0	0	0		0
2027	2,035,000	0	0	0		0
2028	1,660,000	0	0	0		0
2029	1,725,000	0	0	0		0
2030	100,000	0	0	0		0
2031	100,000	0	0	0		0
2032	105,000	0	0	0		0
	<u>\$35,734,907</u>	<u>\$1,935,000</u>	<u>\$485,000</u>	<u>\$20,380,293</u>		<u>\$196,800</u>

DEBT HISTORY: There is no record of default.

**ANNUAL INFORMATION STATEMENT  
FOR THE CHARTER TOWNSHIP OF NORTHVILLE, COUNTY OF WAYNE, MICHIGAN**

**STATEMENT OF LEGAL DEBT MARGIN**

(As of June 30, 2013, including the Bonds described herein)

2013 State Equalized Valuation		\$1,867,281,729
Plus 2012 Equivalent Taxable Value of Act 198 specific tax levies		<u>15,458,000</u>
<b>TOTAL</b>		<u><u>\$1,882,739,729</u></u>
Debt Limited 10% of State Equalized Valuation (1)		188,273,973
Amount of Outstanding Debt	\$58,732,000	
Less: (2-a) Special Assessment Bonds	485,000	
(2-d) WTUA Bonds	<u>20,380,293</u>	<u>37,866,707</u>
<b>LEGAL DEBT MARGIN</b>		<u><u>\$150,407,266</u></u>

(1) Act 359, Public Acts of Michigan, 1947, as amended (the "Charter Township Act"), provides that the net indebtedness of the Township shall not exceed 10% of all assessed real and personal property in the Township.

(2) Bonds which are not included in the computation of legal debt margin according to the Charter Township Act are:

(a) Special Assessment Bonds;

(b) Revenue Bonds;

(c) Bonds issued, or contract or assessment obligations incurred, to comply with an order of the former water resources commission, the department of environmental quality, or a court of competent jurisdiction.

(d) Bonds issued, or contract or assessment obligations incurred, for water supply, sewage, drainage or refuse disposal projects necessary to protect the public health by abating pollution;

(e) Bonds issued, or contract or assessment obligations incurred, for the construction, improvement or replacement of a combined sewer overflow abatement facility;

(f) Bonds issued to pay premiums or establish self-insurance contracts in accordance with Act 34, Public Acts of Michigan, 2001, as amended.

**Community Profiles**

## Northville Charter Township

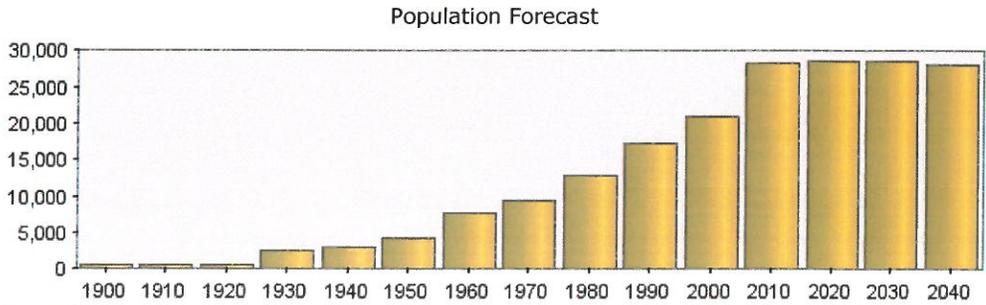
44405 6 Mile Rd  
 Northville, MI 48168-9547  
<http://www.northvillemich.com/>



Census 2010 Population: 28,497  
 Area: 16.6 square miles

- People
- Economy & Jobs
- Housing
- Transportation
- Land Use
- Reference Map

Interactive Census 2010 Maps: [Population](#) | [Youth Population](#) | [Senior Population](#)



Source: U.S. Census Bureau and SEMCOG 2040 Forecast produced in 2012. - Move cursor over chart to view population numbers

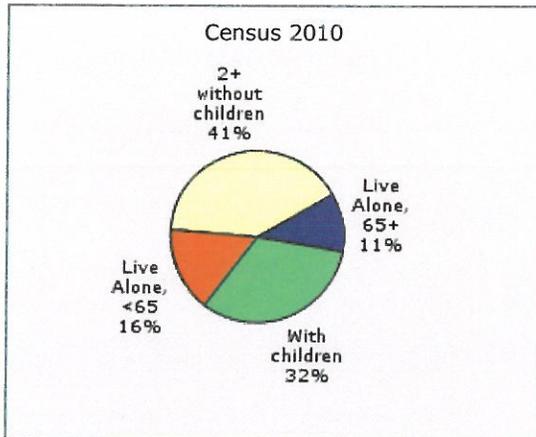
Population and Households	Census 2010	Change 2000-2010	Pct Change 2000-2010	SEMCOG Dec 2012	SEMCOG 2040
Total Population	28,497	7,461	35.5%	29,423	28,204
Group Quarters Population	19	-1,606	-98.8%	19	19
Household Population	28,478	9,067	46.7%	29,404	28,185
Housing Units	12,236	3,756	44.3%	12,543	-
Households (Occupied Units)	11,520	3,401	41.9	11,786	12,102
Residential Vacancy Rate	5.9%	1.6%	-	6.0%	-
Average Household Size	2.47	0.08	-	2.49	2.33

Components of Population Change	Annual Average	
	2000-2005	2006-2010
Natural Increase (Births - Deaths)	3	34
Births	118	190
Deaths	114	156
Net Migration (Movement In - Movement Out)	768	868
Population Change (Natural Increase + Net Migration)	771	902

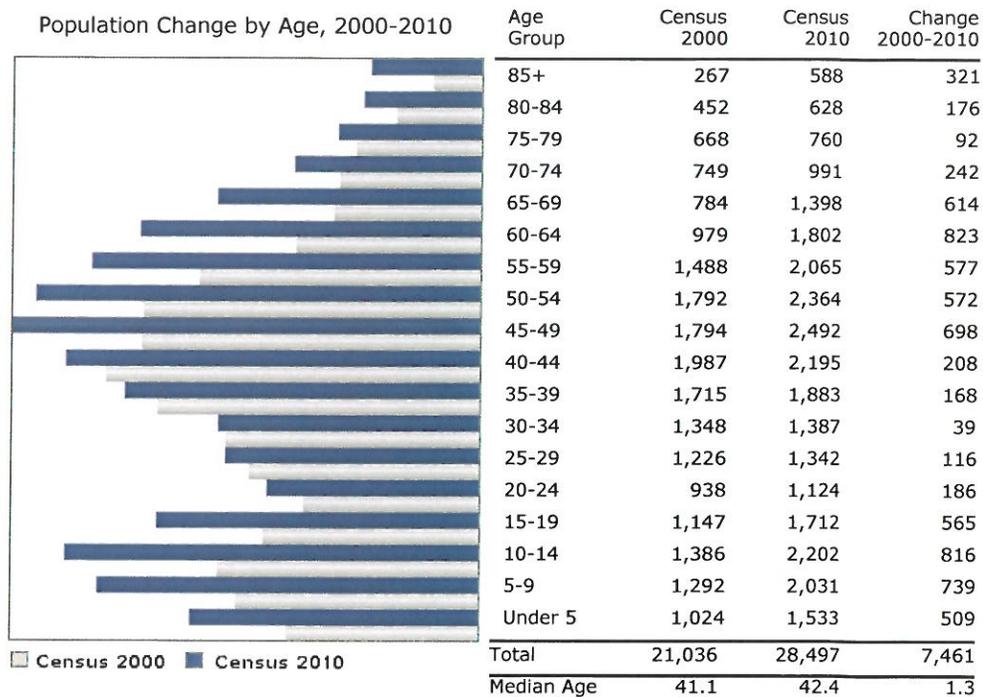
Source: Michigan Department of Community Health Vital Statistics, U.S. Census Bureau, and SEMCOG.

## Demographics

### Household Types



Household Types	Census 2000	Census 2010	Pct Change 2000-2010
With seniors 65+	1,940	3,135	61.6%
Without seniors	6,179	8,385	35.7%
Two or more persons without children	3,587	4,702	31.1%
Live alone, 65+	730	1,244	70.4%
Live alone, under 65	1,416	1,838	29.8%
With children	2,386	3,736	56.6%
<b>Total Households</b>	<b>8,119</b>	<b>11,520</b>	<b>41.9%</b>



Forecasted Population by Age, 2010-2040



Legend: ■ Census 2010 ■ SEMCOG 2040

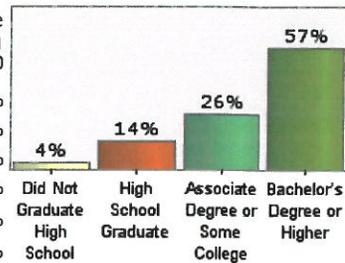
Age Group	Census 2010	SEMCOG 2040	Change 2010-2040
75+	1,976	3,377	1,401
65-74	2,389	3,955	1,566
60-64	1,802	1,561	-241
35-59	10,999	9,394	-1,605
25-34	2,729	2,915	186
18-24	1,635	1,520	-115
5-17	5,434	4,191	-1,243
Under 5	1,533	1,291	-242
<b>Total</b>	<b>28,497</b>	<b>28,204</b>	<b>-293</b>

Senior and Youth Population	Census 2000	Census 2010	Pct Change 2000-2010	SEMCOG 2040	Pct Change 2010-2040
65 and over	2,920	4,365	49.5%	7,332	68.0%
Under 18	4,499	6,967	54.9%	5,482	-21.3%
5 to 17	3,475	5,434	56.4%	4,191	-22.9%
Under 5	1,024	1,533	2.4%	1,291	-15.8%

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.

Race and Hispanic Origin	Census 2000		Census 2010		Percentage Point Chg 2000-2010
Non-Hispanic	20,664	98.2%	27,826	97.6%	-0.6%
White	18,538	88.1%	23,049	80.9%	-7.2%
Black	914	4.3%	1,021	3.6%	-0.8%
Asian	891	4.2%	3,205	11.2%	7.0%
Multi-Racial	250	1.2%	470	1.6%	0.5%
Other	71	0.3%	81	0.3%	-0.1%
Hispanic	372	1.8%	671	2.4%	0.6%
<b>Total Population</b>	<b>21,036</b>	<b>100.0%</b>	<b>28,497</b>	<b>100.0%</b>	<b>0.0%</b>

Highest Level of Education*	5-Yr ACS 2010	Percentage Point Chg 2000-2010
Graduate / Professional Degree	27.0%	6.8%
Bachelor's Degree	29.5%	1.6%
Associate Degree	6.5%	-0.7%
Some College, No Degree	19.2%	-0.0%
High School Graduate	13.7%	-3.4%
Did Not Graduate High School	4.0%	-4.3%



\* Population age 25 and over

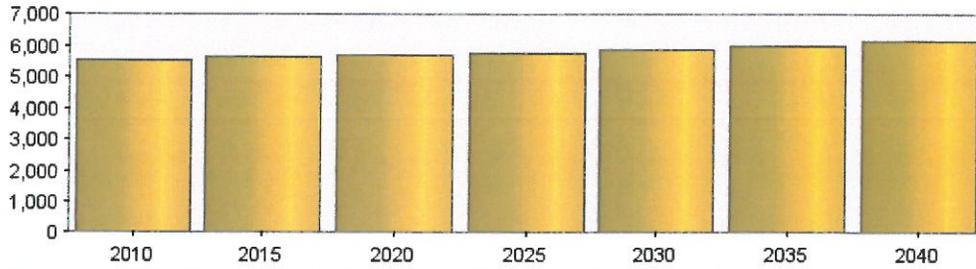
Source Data

[SEMCOG - Detailed Data](#)

[Michigan Department of Community Health - Vital Statistics](#)

[U.S. Census Bureau - American FactFinder](#)

Job Forecast



If any five-year interval employment numbers from 2010-2040 are not shown, the numbers were blocked for confidentiality reasons.

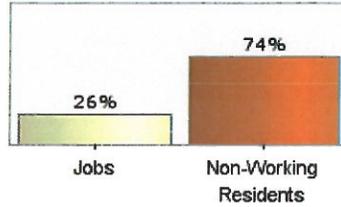
Source: SEMCOG 2040 Forecast produced in 2012.

- Move cursor over chart to view employment numbers

Forecasted Jobs by Industry	SEMCOG 2010	SEMCOG 2040	Change 2010-2040
Natural Resources, Mining, & Construction	88	96	8
Manufacturing	235	195	-40
Wholesale Trade, Transportation, Warehousing, & Utilities	154	133	-21
Retail Trade	1,878	1,653	-225
Knowledge-based Services	368	489	121
Services to Households & Firms	312	328	16
Private Education & Healthcare	656	1,222	566
Leisure & Hospitality	716	793	77
Government	1,122	1,282	160
<b>Total</b>	<b>5,529</b>	<b>6,191</b>	<b>662</b>

Further notes and definitions are available for the 2040 Forecast. [Learn more](#)

	SEMCOG and ACS 2010
Daytime Population	
Jobs	5,529
Non-Working Residents	15,669
Age 15 and under	7,061
Not in labor force	7,743
Unemployed	865
Daytime Population	21,198



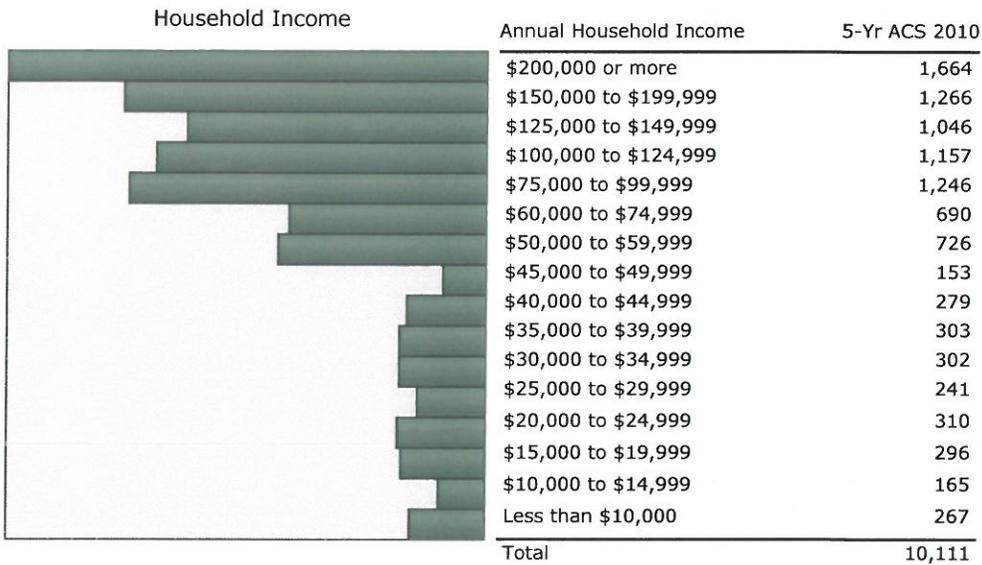
Note: The number of residents attending school outside Northville Twp is not available. Likewise, the number of students commuting into Northville Twp to attend school is also not known.

Where Workers Commute From *	Census 2000	
	Workers	Percent
1 Detroit	862	14.5%
2 Northville Township	781	13.1%
3 Livonia	600	10.1%
4 Novi	304	5.1%
5 Westland	287	4.8%
6 Canton Township	277	4.7%
7 Plymouth Township	221	3.7%
8 Farmington Hills	199	3.3%
9 Redford Township	166	2.8%
10 Southfield	150	2.5%
- Elsewhere	2,096	35.3%
* Workers, age 16 and over, employed in Northville Twp	5,943	100.0%

### Resident Population

Where Residents Work *	Census 2000	
	Workers	Percent
1 Livonia	1,059	10.4%
2 Detroit	954	9.4%
3 Dearborn	947	9.3%
4 Northville Township	781	7.7%
5 Southfield	684	6.7%
6 Farmington Hills	538	5.3%
7 Northville (Total)	434	4.3%
8 Ann Arbor	416	4.1%
9 Plymouth Township	409	4.0%
10 Novi	389	3.8%
- Elsewhere	3,526	34.8%
* Workers, age 16 and over, residing in Northville Twp	10,137	100.0%

Income	5-Yr ACS 2010	Change 2000-2010	Percent Change 2000-2010
Median Household Income (in 2010 dollars)	\$ 101,761	\$ -4,965	-4.7%
Per Capita Income (in 2010 dollars)	\$ 49,799	\$ -2,893	-5.5%



Poverty	Census 2000		5-Yr ACS 2010		Percentage Point Chg 2000-2010
Persons in Poverty	494	2.5%	718	2.7%	0.2%
Households in Poverty	235	2.9%	317	3.1%	0.2%

### Source Data

[SEMCOG - Detailed Data](#)

[U.S. Census Bureau - American FactFinder](#)

[U.S. Census Bureau - MCD/County Worker Flow Data](#)

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## ***Glossary of Budget and Finance Terms***

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The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget document in understanding these terms, this budget glossary has been included in the document.

**Accrual Basis of Accounting:** A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

**Activity:** Cost center within a fund or department to which specific expenses are to be allocated.

**Ad Valorem:** Tax imposed at a percentage rate of the value as stated.

**ADA:** Abbreviation for Americans with Disabilities Act.

**Appropriation:** An authorization made by the Township Board, which permits officials to incur obligations against, and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

**Assessed Valuation:** The estimated value placed upon real and personal property by the Township Assessor. Assessed value is required to be at 50% of true cash value.

**Assets:** Property owned by the Township, which has monetary value.

**Audit:** A systematic examination of resource utilization concluding in a written report. It is a test of management's internal controls and is intended to ascertain whether financial statements fairly present financial positions and results of operations;

- Test whether transactions have been legally performed;
- Identify areas for possible improvements in accounting practices and procedures;
- Ascertain whether transactions have been recorded accurately and consistently;
- Ascertain the stewardship of officials responsible for governmental resources.

**BAR:** Abbreviation for budget amendment request.

**Base Budget:** The budget predicted on maintaining the existing level of service.

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**Bond (Debt Instrument):** A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital improvements.

**Budget (Operating):** A plan of financial operations embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceiling under which the Township and its departments operate.

**Budget Calendar:** The schedule of key dates or milestones that the Township follows in the preparation and adoption of the budget.

**Budgetary Control:** The level at which expenditures cannot legally exceed the appropriated amounts.

**Budgeted Funds:** Funds that are planned for certain uses. The budget document that is submitted for Board approval is composed of budgeted funds.

**Budget Message (Township Manager's):** Initially, a general discussion of the proposed budget document presented in writing as a supplement to the budget document.

**CAFR:** Abbreviation for Comprehensive Annual Financial Report.

**Capital Outlay:** A disbursement of money, which results in the acquisition of or addition to fixed assets. The item must have a purchase price greater than \$5,000 and have a useful life of more than 1 year.

**Cash Management:** The management of cash necessary to pay government services while investing idle cash in order to earn interest. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds safely in order to achieve the highest interest on temporary cash balances.

**CIP:** Abbreviation for Capital Improvement Program.

**Contingency:** An estimated amount of funds needed for deficiency or emergency purposes. An annual appropriation to cover short falls in revenue and/or underestimation of expenditures. Under Michigan law, to be used, contingencies must be moved to a more distinctive appropriation by a budget amendment.

**Contractual Services:** Items of expenditure from services that the Township receives from an outside company. Heating and cooling mechanical

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services, maintenance, custodial services and support for the Township owned telephone systems are examples of contractual services.

**CPI:** Abbreviation for Consumer Price Index. Renamed the Inflation Rate Multiplier (IRM).

**Current Taxes:** Taxes that are levied and due within one year.

**Debt Service:** The Township's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

**Department:** A major administrative division of the Township, which indicates overall management responsibility for an operation of a group of related operations within a functional area.

**Depreciation:** That portion of the cost of a capital asset, used during the year to provide service.

**DWSD:** Abbreviation for Detroit Water and Sewerage Department.

**Enterprise Fund:** A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds are established for services such as water and sewer.

**Estimated Revenue:** The amount of projected revenue to be collected during the fiscal year.

**Expenditure:** The cost of goods delivered and services rendered, whether paid or unpaid.

**Expense:** The cost of goods delivered and services rendered, whether paid or unpaid in the Enterprise Funds.

**Fund:** An independent fiscal and accounting entity with a self-balancing set of accounts for the purpose of carrying on specific activities or attaining certain objectives.

**Fund Balance:** The excess of an entity's assets over liabilities. A negative fund balance is sometimes called a deficit.

**GAAP:** Abbreviation for Generally Accepted Accounting Principles.

**GASB:** The Governmental Accounting Standards Board, which provides direction in accounting and reporting requirements for units of government.

**General Fund:** The General Fund accounts for most of the financial resources of the government that may be used for any lawful purpose. General Fund

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revenues include property taxes, licenses and permits, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as fire and police protection, finance, public works and general administration.

**General Obligation Bonds:** When the Township pledges its full faith and credit to the repayment of the bonds it issues, those

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**Millage:** A rate (as of taxation) expressed in mills per dollar.

**Modified Accrual Basis of Accounting:** Basis of accounting according to which (a) revenues are recognized in the accounting period in which they become available and measurable and (b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt and certain similar obligations, which should be recognized when due.

**Other Charges:** An expenditure object within an activity, which includes professional services, utilities, and training for example.

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**SEV:** Abbreviation for State Equalized Value.

**Special Assessments:** Special Assessments are used to account for the construction and financing of public improvements benefiting a limited number of properties. Assessments are repaid over a number of years with interest.

**Supplies:** An expenditure object within an activity that includes all supplies that have a useful life of less than one year and/or a purchase price of less than \$1,000 dollars.

**Taxable Value:** This is a value used as a base for levying property taxes. It was established by a state constitutional amendment. Taxable value limits increases in value attributed to market adjustment. The increase is limited to the lesser of the actual increase, the rate of inflation as established by the consumer price index, or 5%. When property changes ownership, the value returns to 50% of true cash value.

**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.

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## ***Glossary of Budget and Finance Terms***

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The Annual Budget contains specialized and technical terminology that is unique to public finance and budgeting. To assist the reader of the Annual Budget document in understanding these terms, this budget glossary has been included in the document.

**Accrual Basis of Accounting:** A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

**Activity:** Cost center within a fund or department to which specific expenses are to be allocated.

**Ad Valorem:** Tax imposed at a percentage rate of the value as stated.

**ADA:** Abbreviation for Americans with Disabilities Act.

**Appropriation:** An authorization made by the Township Board, which permits officials to incur obligations against, and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

**Assessed Valuation:** The estimated value placed upon real and personal property by the Township Assessor. Assessed value is required to be at 50% of true cash value.

**Assets:** Property owned by the Township, which has monetary value.

**Audit:** A systematic examination of resource utilization concluding in a written report. It is a test of management's internal controls and is intended to ascertain whether financial statements fairly present financial positions and results of operations;

- Test whether transactions have been legally performed;
- Identify areas for possible improvements in accounting practices and procedures;
- Ascertain whether transactions have been recorded accurately and consistently;
- Ascertain the stewardship of officials responsible for governmental resources.

**BAR:** Abbreviation for budget amendment request.

**Base Budget:** The budget predicted on maintaining the existing level of service.

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**Bond (Debt Instrument):** A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital improvements.

**Budget (Operating):** A plan of financial operations embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceiling under which the Township and its departments operate.

**Budget Calendar:** The schedule of key dates or milestones that the Township follows in the preparation and adoption of the budget.

**Budgetary Control:** The level at which expenditures cannot legally exceed the appropriated amounts.

**Budgeted Funds:** Funds that are planned for certain uses. The budget document that is submitted for Board approval is composed of budgeted funds.

**Budget Message (Township Manager's):** Initially, a general discussion of the proposed budget document presented in writing as a supplement to the budget document.

**CAFR:** Abbreviation for Comprehensive Annual Financial Report.

**Capital Outlay:** A disbursement of money, which results in the acquisition of or addition to fixed assets. The item must have a purchase price greater than \$5,000 and have a useful life of more than 1 year.

**Cash Management:** The management of cash necessary to pay government services while investing idle cash in order to earn interest. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds safely in order to achieve the highest interest on temporary cash balances.

**CIP:** Abbreviation for Capital Improvement Program.

**Contingency:** An estimated amount of funds needed for deficiency or emergency purposes. An annual appropriation to cover short falls in revenue and/or underestimation of expenditures. Under Michigan law, to be used, contingencies must be moved to a more distinctive appropriation by a budget amendment.

**Contractual Services:** Items of expenditure from services that the Township receives from an outside company. Heating and cooling mechanical

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services, maintenance, custodial services and support for the Township owned telephone systems are examples of contractual services.

**CPI:** Abbreviation for Consumer Price Index. Renamed the Inflation Rate Multiplier (IRM).

**Current Taxes:** Taxes that are levied and due within one year.

**Debt Service:** The Township's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

**Department:** A major administrative division of the Township, which indicates overall management responsibility for an operation of a group of related operations within a functional area.

**Depreciation:** That portion of the cost of a capital asset, used during the year to provide service.

**DWSD:** Abbreviation for Detroit Water and Sewerage Department.

**Enterprise Fund:** A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenditures. Enterprise funds are established for services such as water and sewer.

**Estimated Revenue:** The amount of projected revenue to be collected during the fiscal year.

**Expenditure:** The cost of goods delivered and services rendered, whether paid or unpaid.

**Expense:** The cost of goods delivered and services rendered, whether paid or unpaid in the Enterprise Funds.

**Fund:** An independent fiscal and accounting entity with a self-balancing set of accounts for the purpose of carrying on specific activities or attaining certain objectives.

**Fund Balance:** The excess of an entity's assets over liabilities. A negative fund balance is sometimes called a deficit.

**GAAP:** Abbreviation for Generally Accepted Accounting Principles.

**GASB:** The Governmental Accounting Standards Board, which provides direction in accounting and reporting requirements for units of government.

**General Fund:** The General Fund accounts for most of the financial resources of the government that may be used for any lawful purpose. General Fund

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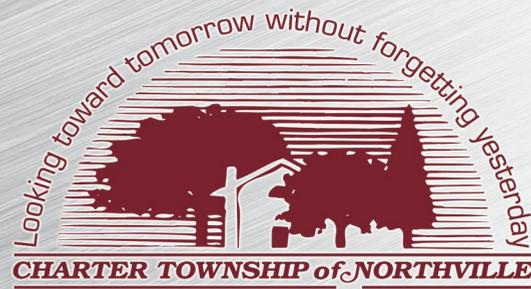
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