



CITY OF HILLSDALE, MI

**ADOPTED BUDGET
2015-2016**

TABLE OF CONTENTS

Introductory Information:

Community Information	iv- xi
Transmittal Letter	1-5
Resolutions	6-8

Budget Process:

Budget Process & Calendar	9-10
Basis of Budgeting/Accounting	11-12
Organizational Chart	13

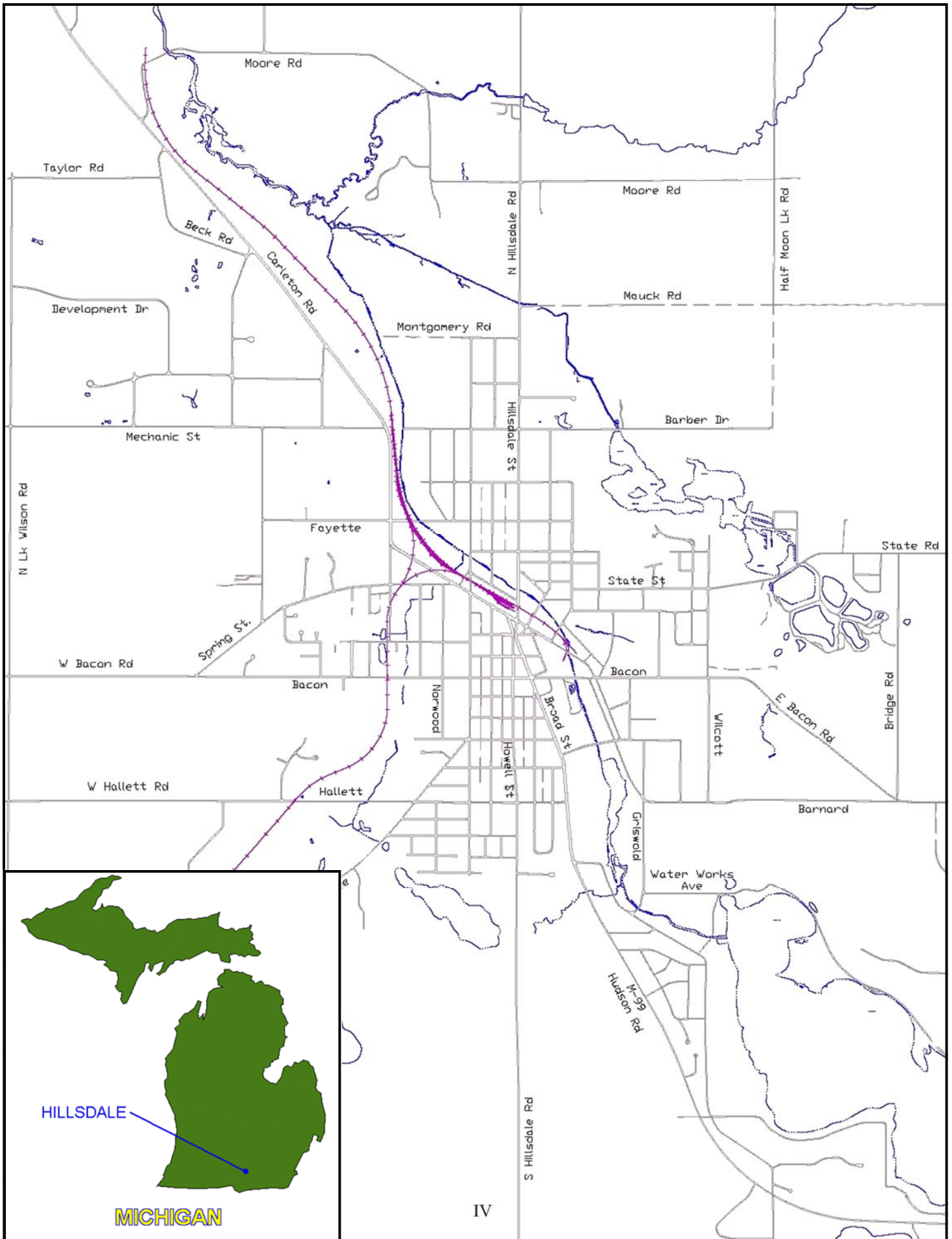
Organizational Data & Summaries:

Personnel Tables	14-16
Fund Structure	17-19
Major Revenues	20-21
Major Expenditures	22-23
Budget Summary (by Fund)	24-28
Fund Balances	29
Changes in Fund Balances	30-31
Combined Statement of Revenues, Expenditures and Change in Fund Balances	32-33

Departmental Revenue and Expenditure Budgets:

General Fund (101)	
General Fund Forecast/Graph	34-35
Revenues	36-38
Departments	39-70
Expenditure Graphs	71-72
Board of Public Utilities	
Revenues	73
Expenditures	74-75
Capital Expenditures	76
Street Funds	
Major Streets (202)	77-84
Local Streets (203)	85-88
Dial-A-Ride Transportation Fund (585)	89-92
Library Funds	
Hillsdale Community Library (271)	93-96
Library Improvement Fund (471)	97
Recreation Fund (208)	98-100
Capital Improvements	
Capital Improvements Summary	101-102
Capital Improvement Fund (401)	103-107
Fields of Dreams (408)	108
Mrs. Stock's Park (409)	109

Airport Improvement (481)	110
Departmental Capital Outlay	111
Equipment Funds	
Revolving Mobile Equipment Fund (640)	112-115
Fire Vehicle and Equipment Fund (663)	116
Replacement Schedules	117-121
Miscellaneous Funds	
Miscellaneous Funds Summary	122
Police Dept. Public Relations Fund (274)	123
Drug Forfeiture Fund (265)	124
Public Services Inventory Fund (633)	125
Department of Public Services Leave Fund (699)	126
Unemployment Insurance Fund (677)	127
Cemetery Perpetual Care Fund (711)	128
Stock's Park Perpetual Maintenance Fund (712)	129
R.L. Owen Memorial Park Fund (715)	130
Component Units	
E.D.C. (244)	131-132
T.I.F.A. (247)	133-134
Long-Term Debt Service	
Bond & Interest Redemption Fund (362)	135-139
Debt Service Schedules	140-141
Appendix	
Financial Policies	142-143
Assessing Data	144
Fee Schedule	145
Glossary	146-149





WELCOME TO THE CITY OF HILLSDALE

Hillsdale, Michigan was founded in 1834 and incorporated as a City in 1869. Since 1844, it has been the county seat of Hillsdale County and currently has a population of approximately 8300 people. The City is situated in the lush, wooded hills of south-central Michigan where the landscape is dotted with numerous lakes and rivers, suitable for fishing, boating, and water skiing. Close to the Ohio/Indiana boarder, Hillsdale is located within convenient driving distance to Lansing, Ann Arbor, and Battle Creek, Michigan long with Toledo, Ohio and Fort Wayne, Indiana. The City is home to nationally recognized Hillsdale College as well as many cultural events in the region. For over a century the City has prided itself on its quantity and quality of manufacturing output, but similar to the rest of Michigan much of this production has moved to locations such as Asia and Central America. Hillsdale is now in the process of re-inventing itself as a highly affordable and livable community, with great natural resources, arts and recreational oportunitites.

Hillsdale is a home-rule city and is administered by a council/manager form of government. The Mayor is elected at-large, while councilpersons represent their respective wards. The City Manager is the chief administrative officer and is a contracted employee hired by City Council. The Director of Public Safety is also appointed directly by City Council. All other city employees are hired by the City Manager with the exception of the Board of Public Utilities (BPU) Director who is appointed by the BPU Board.

According to City Charter, the budget is required to be adopted by the first Council meeting in June of the preceding fiscal year. The fiscal year is July 1st through June 30th. Property taxes and State revenue sharing are the City's largest revenue sources. Grants and fees are also received from a variety of sources. The City provides a full array of services including police, fire, trash pick up and recycling, planning, assessing, library services, economic development incentives and recreation. Over and above these services, the City also owns its own water, sewer and electric utility and newly expanded airport.

ECONOMIC PROFILE

The single largest revenue source for the City government is property taxes. Residential property accounts for approximately 50% of the City's taxable valuation, with total housing units of 3,274. The City maintains an adequate mix of single family and multi-family units.

Industrial and commercial entities compose the other half of the City's tax base. A diverse mix of products are manufactured within the city limits; indeed, the majority of manufactured products center around several key industries: the automotive industry, including machine and dye of motor components, as well as automotive belts, plastics, and adhesives; consumer products, including commercially sewn upholstery products, sports lighting, playground equipment and meat products; and the building supply industry, including windows and wood veneer products. There is also warehousing and distribution of commercial garden pottery, wicker products and plumbing supplies. The Hillsdale manufacturing market has lost a large part of its job base over the last 20 years as area companies have consolidated and invested in automated equipment; while this investment in capital has raised efficiency and profits, its contribution to job growth has been less than in previous periods.

State revenue sharing, payments in lieu of taxes (PILOT), and franchise fees round out the other major sources of revenue received by the city. State Revenue Sharing is budgeted at \$855,000, or about 19% of total general fund revenues. The City receives 3% of gross revenues generated by BPU from the sale of the water, sewer and electric utilities, amounting to approximately 10% of general fund revenues. Three local apartment complexes also contribute to revenue through PILOT payments. Hilltop Apartments pays 10% of its rental revenues; Hillsdale Place pays 4% (but not less than \$25,000.00) of its rental revenues; Greenwood Village pays 10% of rental revenues for the current year. Comcast cable television pays approximately \$84,000 in franchise fees to the City annually.

LARGEST EMPLOYERS

<u>Employer</u>	<u>Principal Product or Services</u>	<u>Approximate</u>
Hillsdale College	Private Education	632
Hillsdale Community Health Center	Hospital	425
Hillsdale County Medical Care Facility	Nursing Home Facility	293
Hillsdale County	Government	200
Hillsdale Intermediate School District	Public Education	168
Hillsdale Community Schools	Public Education	150
Bob Evans Farms, Inc	Meat Processing	127
County National Bank	Banking	113
City/BPU	Government	108
Kroger	Retail/Grocery	100
	Total	2316

LARGEST TAX PAYERS

<u>Taxpayers</u>	<u>2014 Principal Product or Service</u>	<u>Taxable Valuation</u>	<u>% of 2014 Total Taxable Valuation</u>
Essex Specialty Products	OEM windshield adhesive	5,241,400	3.78%
BEF Foods, Inc.	Slaughter/meat packaging	3,422,600	2.47%
EP Custodial Trust	Manufacturing/OEM	398,377	0.50%
Hillsdale Capitol, LLC	Theater/Save-A-Lot Plaza	1,488,800	1.07%
Hallett St. Prof. Development Co.	Medical Services Building	1,396,200	1.01%
Mechanic Street Properties, LLC	Manufacturing/OEM	1,260,300	0.91%
Cojm Properties, LLC	Assisted Living	1,206,400	0.87%
Forest City Dillon Inc.	Beacon Hill - apartments	1,099,900	0.79%
Surmac Investments, LLC	Kroger Plaza—Retail	1,108,500	0.80%
Precision Gage Inc	Manufacturing/OEM	3,045,500	2.07%
Total		\$19,967,977	14.40%

There are numerous banking options in Hillsdale. Banking services are provided by American 1 Federal Credit Union, County National Bank, Fifth Third Bank, Flagstar Bank, Michigan Community Credit Union, Monarch Community Bank, and Southern Michigan National Bank.

The City's Board of Public Utilities (BPU) operates the water, sanitary sewer/wastewater treatment and electric power supply/distribution systems within the City. The BPU owns significant power generating capacity with a 26% share in a coal-fired plant in nearby Litchfield and additional diesel and natural gas generating capacity located within Hillsdale. BPU has 50 megawatts of electrical capacity with additional future capacity through a 13.2 KV primary line to any secondary voltage required. Electricity is provided in a looped system rated 99.9% reliable. BPU has also received the American Public Power Provider Platinum Award. Water is provided through 12 inch water mains with 70 psi from six wells capable of delivering 3.5 MGD. Sewage is collected in an 8 inch main to an activated sludge treatment facility.

Recent developments in internet connectivity open up a whole new sector of technology employment opportunities in Hillsdale. In 2014, Hillsdale became one of the best connected areas in the country after 72 strands of high speed optic fiber were brought to Hillsdale through the Merit REACH-3MC project. The project helped construct additional fiber-optic infrastructure providing increased redundancy and internet performance. This 40 Gbps direct connection between Chicago, Ann Arbor and Lansing provides a high-capacity, triple redundant path to the major internet connection points. In addition, Hillsdale has a 96 strand fiber-optic connection south to Ohio through the Oarnet fiber network. The BPU has also recently signed a contract with ACD.net to make fiber available to commercial and residential customers. The recent fiber upgrades enable the City of Hillsdale to host jobs in the technology sector and will allow for much more home-based technology employment.

Michigan Gas Utilities is the City's natural gas utility provider. Land-line telephone service is available through AT&T, Comcast, Frontier Communications and several other smaller providers while cell phone service is provided by many national and regional carriers such as Verizon and Sprint.

Since beginning as a sanitarium in 1915 and as a hospital in 1920, Hillsdale Community Health Center (HCHC) has grown from a humble establishment to a state-of-the-art, 21st century healthcare facility. The Center includes 88 physician members, 32 health professionals, 47 acute care beds, 39 skilled nursing facility beds and the ten-bed Dempster W. Muffitt Center for Psychiatric Care. In March 2013, HCHC opened the MacRitchie North Wing. The addition features 19 beds for the Center's Skilled Nursing Unit, while the bottom floor is dedicated to the hospital's Obstetrics Department.

HCHC is now a technologically advanced health center, utilizing a 64 slice CT scanner and magnetic resonance imaging, state-of-the-art lab equipment for in-house diagnostics, high-tech critical care and emergency departments, a modern surgery department, including four surgical suites and an ophthalmology unit. The third floor is dedicated to the Hillsdale Center for Joint Replacement with private suites for orthopedic patients as well as a sleep lab diagnostic center. In addition, HCHC has a large Home Care Department, Home Oxygen and Infusion Chemotherapy Center. The Hillsdale Community Health Center has continued to expand their physical plant, service and expertise to meet the needs of their patients.

Hillsdale is accessed by Michigan State Highway Route 99 running directly through town mostly in a north/south direction. US Route 12 runs east and west approximately five miles to the north of the City. Interstate 94 is 20 miles to the north of US 12 and the Ohio and Indiana toll roads (I-80/90) are approximately 20 miles to the south. The City operates an on-demand transit service called Dial-A-Ride, which can provide rides to and from any two points within the City boundaries. Dial-A-Ride maintains a 4 vehicle fleet of buses and operates between 7:30 a.m. and 4:30 p.m., Monday through Friday. Three buses operate daily, each of which has 2 wheelchair seats, and approximately 14 regular seats. The other bus has 21 seats and serves as a back-up.

Rail freight service is provided by Indiana Northeastern Railroad connecting with Norfolk Southern. The Hillsdale Municipal Airport is a state-licensed "Public Use-General Utility Airport". The runway was recently reconstructed and expanded to 5000 feet by 100 feet. The crowned and grooved construction offers superior drainage for excellent braking/steering characteristics and the weight bearing capacity rating has been increased up to the "Gulfstream" category of business aircraft. Full-time maintenance and monitoring staff as well as complementary facilities for flight crews help expedite arrivals and departures. Future development includes a new terminal building/parking area, hangars, fuel farm and full length taxiway.

The Hillsdale Community School District maintains a high school, a middle school, and two elementary schools with a total enrollment of 1360 students as of the 2014/2015 school year. The Hillsdale Community School District prides itself in providing comprehensive K-12 Education including Advanced Placement courses enabling students to earn college credits in three areas. Strong vocal, instrumental and athletic programs are integral parts of the school district. There are two charter schools also located in the city. Will Carleton Academy with 345 students offers K-12 education. The K-8 self-contained classrooms emphasize phonics instruction and content rich core subjects while the high school curriculum offers core academics and the arts, preparing students for success in college or the work force. Hillsdale Preparatory School has a total enrollment of 73 students offering K-8 education. Hillsdale Academy, operated by Hillsdale College, is a highly acclaimed K-12 college preparatory private school with a total enrollment of 240 students for the 2014/2015 school year.

The Hillsdale Workforce Development and Technology Center is located in the heart of the Hillsdale Manufacturing and Technology Park. The center is operated by the Hillsdale County Intermediate School District and provides educational and vocational training programs meeting the needs of today's workforce.

Jackson College (JC), LeTarte Center is a satellite campus of Jackson College within the City of Hillsdale. The LeTarte Center in Hillsdale has an average of 550 students per semester and currently offers technical training, skill sets, certificates, associate degrees and currently two Bachelor degree programs. Students have the ability to complete a number of programs completely in Hillsdale. The LeTarte Center provides seven smart classrooms including a science lab, two computer labs, four classrooms, and a student lounge.

Hillsdale College, founded in 1844 has a current enrollment of approximately 1,450 students. Situated on more than 300 acres, the College is an independent, nonsectarian, co-educational and residential institution. Hillsdale College has attracted students from all 50 states as well as a variety of other nations. The Mossey Library and Heritage Room with its collection of rare books and coins are open to residents of the community. Slayton Arboretum, an 80-acre Nature Laboratory and Children's Garden, with its many scheduled events is also available to residents of all ages. The Sage Center for the Arts offers theater, musical and dance performances in its 400-seat auditorium and offers art exhibits in the Daugherty Gallery free to the public. The Dow Leadership Conference Center and hotel provides training for national firms as well as meeting rooms and services for local businesses and is utilized by many industrial, commercial, and educational groups.

In Spring, 2013, Hillsdale College completed construction of the Margot V. Beirmann Athletic Center, a full-service track and tennis facility; in Spring, 2015, the College finished renovations to the Roche Sports Complex with updated recreational and fitness facilities. Both of these buildings offer community members access to their fitness facilities with the purchase of membership. The College and the community look forward to the addition of a chapel/performance building, two new residence halls, an archive addition to the library and renovations to the Dow Leadership Center which will provide expanded dining and conference areas for a greater number of visitors to the College lecture series and CCA programs.

Hillsdale offers many recreational facilities and opportunities, including city parks, swimming, roller-skating, tennis, boating, water skiing and fishing. The Hillsdale Golf and Country Club and two public golf courses provide golfing opportunities in close proximity. Baw Beese Lake is home to Waterworks Park, Owen Memorial Park and Sandy Beach as well as docking space for boaters. A paved biking/hiking trail and the Fields of Dreams sports park on the north edge of town, provide additional sources of recreation. Mrs. Stock's Park, located in downtown Hillsdale, has been under renovation for three years and offers summer music concerts, art shows and family gathering areas. Hillsdale College offers many sporting events, plays, and concerts. The College also makes its modern sports complex available to the public for swimming, racquetball, weight training, walking, and other gymnasium activities on a membership basis.

Library services, in one form or another, have been offered for nearly 125 years in the city of Hillsdale. In 1879 a group of women established a library association formed with the intention to "circulate good literature among the people of Hillsdale." The books they collected would eventually become the foundation of the Mitchell Public Library, which opened its doors in 1908, with the donation by Charles Mitchell of his family home for the location of the library on the corner of Manning and McCollum Streets.

Recently, the City of Hillsdale has received another donation to its collection from John Pulver, a native of Hillsdale who began his collection of "Michigan" authors, books and ephemera, over fifty years ago. At his request, this donation of more than 5000 books, letters, and manuscripts will be housed on the first floor of the Mitchell Building which now serves the community as a resource for research in family and local history. The Mitchell Research Center cares for a collection of approximately 3000 documents, books, and historical records.

The Mitchell Public Library served Hillsdale for 95 years until the construction of the Hillsdale Community Library in 2003, a \$2 million state-of-the art library building located on the corner of Manning and Bacon Streets in the central business district. Growing from the initial collection of 2,666 volumes, the Hillsdale Community Library collection currently stands at over 44,000 volumes and continues to grow. The new library also includes dedicated space for children's programming, a young adults' area and expanded technology. The new facility offers spacious community meeting rooms that not only provide programming space for the library, but also for local civic and other organizations to use for presentations and meetings. Each year the library circulates over 60,000 books. Programs for children serve approximately 3,464 children each year.

Numerous churches are located in and around the City providing a range of worship opportunities for residents. Many of the churches, government buildings and commercial structures in our historic downtown are significant architecturally and contribute to our Victorian setting. Hillsdale's entire commercial center is listed on the National Register of Historic Places and present a late 19th, early 20th century commercial district almost in entirety. The rich history found in Hillsdale and the ongoing investment in our City by Hillsdale College and local business and industry provide a firm basis for the local economy and bode well for future recovery.

The following table reflects the breakdown of employment by major industry groups for the City of Hillsdale residents and the State of Michigan from the 2010 U.S. Census:

	<i>City of Hillsdale</i>		<i>State of Michigan</i>	
	# of Workers	% of Total Workers	# of Workers	% of Total Workers
Agriculture, Forestry, Mining and Fishing	36	1.0%	54,946	1.3%
Construction	174	4.8%	230,305	5.3%
Manufacturing	668	18.5%	770,715	17.6%
Transportation, Communications & Utilities	36	1.0%	181,648	4.2%
Information	71	2.0%	82,395	1.9%
Wholesale	93	2.6%	122,378	2.8%
Retail Trade	377	10.5%	507,530	11.6%
Finance, Insurance, Real Estate and Rental and Leasing	61	1.7%	250,855	5.7%
Professional Services	177	4.9%	388,626	8.9%
Public Administration	106	2.9%	164,815	3.8%
Educational, Health and Social Services	1171	32.5%	1,012,153	23.2
Arts, Entertainment, Recreation, Accommodation and Food Services	466	12.9%	397,267	9.1%
Other Categories of Employment	166	4.6%	206,152	4.7%
Total	3602	100.00%	4,369,785	100.0%



CITY OF HILLSDALE

97 NORTH BROAD STREET
HILLSDALE, MICHIGAN 49242-1695

(517) 437-6441 FAX: (517) 437-6448

April 6, 2015

Mayor Sessions & City Council Members
City of Hillsdale

Dear Mayor, Council and Hillsdale Residents,

The following is the City of Hillsdale's fiscal year 2015-16 budget. This presentation reflects Council's stated goals and objectives. Staff made every effort possible to maximize the City's resources to their fullest potential, while at the same time continuing to provide its residents the levels of services that they expect from their government. As we are all well aware, shrinking revenue streams have made that task more difficult in the past number of years. While revenues for this fiscal year show a modest increase over last year, they are not keeping pace with expenditures, as the chart on pages 31-33 reveals. From this chart you can see that total revenues increased by just over six percent (6%). Expenditure, however, went up almost nine percent (8.89%). In the coming months, the biggest challenge facing council and staff will be finding ways to elevate that three percent (3%) gap.

This past year has brought some major changes. One of which, is the retirement of long time City employee Linda Brown. On February 1, 2015 she officially retired from her position as City Manager. The Council is currently conducting a search to find her replacement. Since that time the City has contracted with the City of Litchfield for managerial services. Their manager, Douglas Terry, has been providing those services on a limited basis until such time as a new City Manager can be found.

That being said, this budget contains appropriations of \$10,469,840 for the 2015-16 fiscal year. That is up nine percent from the 2014-15 adopted budget. The \$854,860 increase is attributed to increased grant activity. This budget anticipates obtaining federal and state funding for airport expansion, a major street project, rental rehabilitation and blight elimination, and transit operations. The City also receives contributions and donations from local fundraising activities for enhancements to Mrs. Stocks Park, Fields of Dreams and the Library.

This flurry of capital activity is exciting and much needed in this community. The City will receive more than \$2.5 million in infrastructure improvements and significantly increase its future tax base which is one of Council's goals. All of this for an investment of around \$600,000 (\$126,720 of the General Fund cash reserves and over \$478,000 in capital reserves). That's like earning 316% on your investment.

Budget Process

A strategic planning methodology implemented by Council has been incorporated into this budget. At council's direction, City personnel have developed strategies they believe will govern the direction of the City in this upcoming fiscal year and provide direction well into the future. Specific, measurable tasks are being developed so that Council, City personnel, and residents can all know and assist in their implementation to achieve the desired end result. The City staff and elected officials communicate to residents through speaking engagements with various groups and organizations presenting the priorities and strategies of the City while being able to engage residents in dialogue on issues that face the community. This provides open ended question and answer forums which have received positive feedback from participants. Details of the entire budget process are covered in the Process section of this document.

Priorities

Council has identified four priorities for the community. This budget has been prepared using these four categories as a catalyst.

Improving Streets Using the accumulated resources set aside for capital improvements, this budget funds a major street project that more than doubles our investment.

Economic Development Since 2006 the Board of Public Utilities has funded an economic development position. This budget assumes that will continue. In the past several years, the City has contracted with Hillsdale Policy Group for those services. Their focus is on encouraging, developing and establishing private sector projects what will provide capital investment, employment, and enhance the tax base within the City. As a result of their efforts, the City has secured rental rehabilitation and Michigan Economic Development Blight Elimination Grants for the rehabilitation of blighted or underutilized buildings in the downtown district.

Increase Tax Base This goal goes right along with the economic development priority. Hillsdale Policy Group and the Tax Increment Finance Authority (TIFA) are working to improve and beautify downtown buildings. The City has also restructured the Assessing, Code Enforcement, and Planning departments. This is the only area within the City that has actually increased in staffing levels. We now have a planning administrator, a staffed code enforcement office and an assessor/code enforcement officer. These individuals will work to insure that properties are appropriately assessed, provide assistance to those wishing to expand, build, or renovate properties, and enforce City ordinances that will make neighborhoods more attractive and inviting to prospective buyers.

Communication It is Council's desire to be transparent in all its operations. This budget continues to fund the live-streaming of their bi-monthly council meetings. Other ways of utilizing the internet and social media are continually evolving.

General Fund Revenues

The 2015-16 budget projects General Fund revenues will increase just less than one percent over the prior year's estimations. State revenue sharing, payments in lieu of taxes, grants and donations, and a variety of miscellaneous revenues are the major sources of income for this fund.

Approximately half of all General Fund's revenue comes from property taxes. These revenues are projected to increase a modest one percent. This is a sign of economic recovery, however slow it may be.

The second largest source of funding comes from state shared revenues. These revenues are projected to increase more than three percent (3.6%). The State Revenue Sharing program distributes sales taxes collected by the State of Michigan to local governments, villages, townships, and cities. The distribution of funds is authorized by the State Revenue Sharing Act, Public Act 140 of 1971, as amended (MCL 141.901). Funding for the State Revenue Sharing program consists of dedicated revenues outlined by the State Constitution as 15% of the 4% gross collections of the state sales tax. The State legislature has historically distributed by statute 21.3% of the 4% gross collections of the state sales to local governments. The constitutional portion is distributed on a per capita basis. The legislature must appropriate whatever is calculated. It cannot reduce or increase the constitutional portion. Since state law sets the statutory portion, the Governor and legislature have the ability to adjust the distribution amount. Back in 2012 the legislature eliminated the statutory revenue sharing and created the Economic Vitality Incentive Program (EVIP) in an attempt to reward local governments for "best practices." This program has changed slightly each year with the passage of the state's budget. For fiscal year 2015, the legislature established the City, Village, and Township Revenue Sharing (CVTRS) program. This is a simplified version of the EVIP. It is anticipated the CVTRS program will be similar to what was required in 2015. Since all these changes have transpired, the City has successfully met the criteria for each fiscal year, obtaining the maximum amount of revenue sharing possible.

Payments in lieu of taxes (PILOT) are expected to increase over two percent (2%) from the prior year's estimated levels. PILOT payments are payments made to the City instead of (in lieu of) paying property taxes. The City receives these payments from three housing developments located in the City which pay 3-10% of their annual rents minus utilities. The Board of Public Utilities (BPU) pays three percent (3%) of its gross receipts in lieu of paying taxes.

During the audit for 2014 an accounting change was made in the recording of some revenue streams in the General Fund. Administrative fees from the Major and Local Street Funds, Dial-A-Ride and the Economic

Development funding from the BPU was being recorded as Other Revenue. The auditors reclassified these amounts as transfers between funds. The correlating increases and decreases in these revenue classifications are a direct result of that accounting change, not due to increased or decreased activity.

Last year's budget contained \$600,000 for the rental rehabilitation grant program through the Michigan State Housing Development Program (MSHDA). That program is just now getting under way. As the timing for this grant is uncertain, those revenues and expenditures were re-appropriated in this budget. This project will create six (6) total units of affordable rental housing on the second and third floors of three (3) separate historical buildings in downtown Hillsdale

Along those same lines, a Michigan Economic Development Blight Eliminating Grant has been proposed for the property at 42 Union Street. This is a \$1.5 Million project that will create retail and office space on the first floor and eight (8) three-bedroom, family-sized apartments on the second and third floors. A single story, attached building will be restored and used for storage and laundry facilities. Extensive renovations to the attached parking area will also be done to complete the restoration of this property. As the details of this grant are still being worked out, none of these revenues or expenditures have been included in this budget presentation. Amendments may be requested from Council as the project moves forward into fiscal year 2015-16.

General Fund Expenditures

General Fund expenditures can be separated into six categories; personnel, operating, contractual services, capital outlay, debt service and transfers out. The bulk of General Fund expenditures, thirty-seven percent (37%) are personnel related. Personnel costs consist of employee wages and fringe benefits. Regrettably, this budget reflects yet another reduction in staff and no wage increases were anticipated for any City employees. Fringe benefit costs have been aggressively managed in the last decade by City administration to minimize costs. The various employee insurances have been reconfigured over the years (disability, life, and health) in an effort to keep these costs as low as possible. All employees now contribute 20% of the premium cost for their health insurance.

The City's pension program is managed by the Municipal Employees Retirement System (MERS) of Michigan and was over-funded for nearly 20 years. It was not until 2001 that the City was required to make employer contributions based on a percent of payroll. In this budget the City will contribute from 3.17% to 21.81% of payroll into the retirement system. The percentages vary depending on which division of MERS the employee is in. Each bargaining unit or job classification has its own division, i.e. Police, Fire, Teamsters, etc. The percentage paid is determined by MERS on an annual basis and is a result of their annual review of each division's assets and pension liabilities.

Other Funds

This document contains budgets for the City's twenty-two funds and the Board of Public Utilities (BPU) three funds. The BPU puts together its own budget report, but the numbers are included here for reference purposes. The General Fund is the City's largest fund. It has several other funds that are noteworthy.

Two of the most familiar are the Major and Local Street Funds. The revenues for these two funds are projected to be up about seven percent (7%). These revenue streams represent a portion of the gasoline tax refunded back to municipalities for road maintenance only. Revenue is shared with communities based on the number of gallons sold during a given period of time.

All this could change if Proposal 1 passes May 5, 2015. The proposal would raise the sales and use tax to 7%; exempt sales tax on motor fuels; remove higher education from the school aid fund; and amend use tax distribution. It would also place a wholesale tax on fuel, while exempting gas from the sales tax. It has a trickledown effect on several other pieces of legislating including vehicle registration fees, transportation related reforms, earned income tax credits, new fees for electric and hybrid vehicles and mass transit funding revisions.. Should this proposal pass, the City of Hillsdale could receive approximately \$130,000 in additional street funding for 2016. That amount would increase over the next two years as the new law is fully enacted.

The distribution formulas for these funds would remain the same as they are now through Act 51. Because of the uncertainty of this legislation, none of this additional revenue was included in the budget.

The other two relatively large funds are capital improvement funds, used primarily to pay for large capital expenditures like street projects. One is the general Capital Improvement Fund (401). This fund is used for major infrastructure improvements throughout the City. The other fund is the Airport Improvement Fund (481) which is strictly used for airport related capital projects. These budgets both contain grant funding from state and federal sources.

The Library Fund (271) revenues come from two primary sources: a one mill property tax levy, and penal fines from the county court system. There is no appropriation or subsidy given to them from the General Fund.

The remaining City funds either receive their funding directly or indirectly from the General Fund, or from charges for services, or contributions and donations, and/or grants. Some have a special purpose (Special Revenue Funds) such as the Recreation Fund which provides recreational activities for City residents. Other funds (Internal Service Funds) are used to service other departments of the City, such as the Revolving Mobile Equipment Fund (640). That fund maintains, purchases and repairs all the vehicles owned by the City except for Fire and BPU vehicles.

Meeting the Public Priorities of Capital Improvements

Dealing with declining revenues, staff reductions, and ever increasing operational costs, addressing the critical infrastructure needs of our community like streets, storm sewers and sidewalks has proven to be a daunting task. This budget appropriates more than \$2.5 million for various capital improvement projects throughout the City. These revenues come from federal and state grants, City fund reserves and contributions and donations from residents. The capital projects planned in this budget include: \$20,000 from TIFA for yet to be determined infrastructure improvements; \$50,000 for repairs to the Mill Pond Dam; \$20,000 for repairs to the roof at City Hall; \$10,000 for computer software/hardware upgrades; \$10,050 for plantings, and extension of a memorial walkway at Mrs. Stocks Park; \$1,666,667 for airport partial parallel taxiway construction and the relocation of the entrance; TIFA is anticipating the purchase of a building to assist with building revitalization for \$250,000; and one street project, State Street from Wolcott to the City limits for \$650,000 (utilizing a Small-Urban Grant of \$375,000). The only equipment purchases planned for this budget is one police patrol car and some small equipment totaling \$39,000. The transit system anticipates receiving \$88,000 in grant funding for the purchase of one replacement bus.

The City has no outstanding debt obligations. As Hillsdale's City Council has functioned for many years with a pay-as-you-go approach for capital projects. The Board of Public Utilities (BPU) has one revenue bond issue still outstanding, which will be paid off in October 2016. On March 10, 2015 the City Council and the Hillsdale Board of Public Utilities jointly approved a resolution to purchase, acquire and construct improvements to the City of Hillsdale Sanitary Sewer system and published a notice of intent to issue revenue bonds in the amount of \$7,616,000. It is anticipated that the bonds will be issued in September of 2015. Construction of these improvements will begin in November 2015, with an expected completion date of May 2017. No appropriations have been planned for this project in this budget.

This will be the fourth consecutive year that we have had to dip into reserves to balance the budget. This budget will use \$126,720 of the City's estimated \$926,900 fund balance at June 30, 2014 in General Fund. This will reduce the fund balance in that fund to around 17% of projected 2016 expenditures. Government Finance Officers Association (GFOA) best practices recommends retaining a minimum two (2) months' worth of expenditures in reserves. That would equate to about 17%.

Our biggest challenge

By far the most difficult issue we face in our community is how to pay for the critical infrastructure improvements needed. Many of our roads were never constructed properly with an adequate sub-base or drainage. The cost to address these needs with today's dollars is \$39 million plus. That clearly exceeds the City's ability to pay for them. We are a mature City, surrounded by developed township properties, with little growth potential, in property values or population. With the loss of industry over the past decade, those goals seem even more difficult to achieve.

The economy has been inching its way back to health. Economic recovery is slow. Considering what the City has lost in revenues, the council has some hard decisions to make. The most desired way to elevate this challenge is to grow our way out. Given the economic profile of the community that could take a very long time. Another way is to seek out new revenue sources to overcome the continued shortfalls. Yet no one wants to pay more taxes. While all of us would like to see the roads repaired and City services expanded or enhanced, without this revenue source there is little hope this work will be done and a certainty that services will have to be reduced.

If Proposal 1 passes in May, that will bring a ray of hope to our bleak outlook for road funding. Currently the City is generating enough resources to maintain current service levels without any capital spending. When you add capital spending into the mix, it becomes apparent that difficult decisions concerning services and capital improvements will have to be made. However, even with Proposal 1, the City will still need additional funding if it is to adequately address its infrastructure issues.

Past Successes & Future Challenges

In spite of the slow economic recovery, several new and exciting building projects are under way in the City. Hillsdale College is expanding their dining hall and auditorium with the new Searle Center, a multi-million dollar addition to the Phillips auditorium. It will be constructed in conjunction with the reconstruction of N. West Street between College and Galloway. Hillsdale College is also underway with major renovations to some of their older dormitory facilities. The Market House is in the beginning stages of a complete renovation of their existing Hillsdale property. Geir Elementary will be starting a classroom and auditorium addition in the summer. The Kroger store also added a new fuel center in front of the store on Carleton Road.

Recent developments in internet connectivity open up a whole new sector of technology employment opportunities in Hillsdale. In 2014, Hillsdale became one of the best connected areas in the country after 72 strands of high speed optic fiber were brought to Hillsdale through the Merit REACH-3MC project. The REACH-3MC project helped construct additional fiber-optic infrastructure providing increased redundancy and internet performance. This 40 Gbps direct connection between Chicago and Ann Arbor provides a high-capacity redundant path to the major internet connection points east and west. The final Merit upgrade is a 40 Gbps path between Hillsdale and Lansing. In addition, Hillsdale has a 96 strand fiber-optic connection south to Ohio through the Oarnet fiber network.

The recent fiber upgrades enables the City of Hillsdale to host jobs in the technology sector. In response, the Economic Development Corporation (EDC) changed the name of the Hillsdale Industrial Park to the Hillsdale Manufacturing and Technology Park to acknowledge the possibility of attracting high tech firms to Hillsdale. The Hillsdale Planning Commission has adopted a 165 acre Technology Overlay District (TOD) in the Hillsdale Manufacturing and Technology Park to allow protection for the technology companies that locate in the park. The TOD would require berms, landscaping and distance between the traditional light industrial uses in the park and any new technology companies.

According to our City Charter, a budget must be approved by the City Council by its first June meeting. The budget may be amended from time to time as needed throughout the year by a simple majority vote of Council. Thank you for your efforts in considering this budget and your contributions to the success of the City of Hillsdale.

CITY OF HILLSDALE



Bonnie Tew
Finance Director

CITY OF HILLSDALE, MICHIGAN
RESOLUTION NO. 3221

BE IT RESOLVED, that the following sums shall be approved as budgeted and appropriated to meet the expenses of the several funds and activities of the City of Hillsdale for the fiscal year beginning July 1, 2015 and ending June 30, 2016.

General Fund:	
City Council.....	\$ 28,650
City Manager	241,650
Economic Development.....	660,900
Administrative Services.....	172,000
Elections	15,100
Assessing Department	95,000
City Clerk.....	106,140
Finance.....	99,070
City Treasurer	136,730
Building & Grounds	130,940
Parking Lots.....	30,240
Cemeteries	117,200
Airport.....	147,640
Police Department	1,325,990
Fire Department	454,700
Code Enforcement	44,000
Planning Department	74,750
Public Services.....	263,680
Street Lighting	71,600
Parks	156,010
Transfers to Other Funds	333,450
 Total General Fund	 \$4,732,480

Major Streets/Trunkline Fund.....	\$ 561,900
Local Streets Fund	310,500
Recreation Fund	134,170
Economic Development Corp. Fund.....	58,400
Tax Increment Finance Authority Fund.....	432,750
Drug Forfeiture Fund	1,000
Library Fund	219,390
Children's Library	10,500
Capital Improvement Fund	1,000,000
Fields of Dreams	100
Mrs. Stock's Park Fund.....	10,050
Airport Improvement Fund	1,729,670
Dial-a-Ride Transportation Fund.....	452,710
DPS Inventory Fund	198,110

Revolving Mobile Equipment Fund.....	385,300
Unemployment Insurance Fund.....	5,000
DPS Leave & Fringe Benefits Fund	207,810
Cemetery Perpetual Care Fund	20,000

Total City at Large **\$10,469,840**

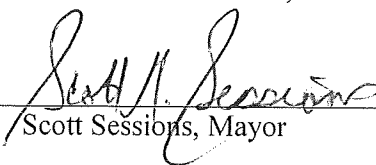
BE IT FURTHER RESOLVED, that pursuant to Section 13.7 of the City Charter, the budgets for the Hillsdale Board of Public Utilities are hereby approved as follows:

Electric Fund.....	\$12,229,363
Water Fund.....	1,127,685
Sewer Fund	1,183,894


Capital Projects	
Administrative Services.....	\$110,000
Electric.....	1,190,000
Water.....	240,500
Sewer	231,000

BE IT FURTHER RESOLVED, that pursuant to Section 13.6 of the City Charter, those projects which are to begin in fiscal year 2015-2016 as indicated on the report the Board of Utilities presented to Council are hereby approved for the fiscal year 2015-2016.

PASSED IN OPEN COUNCIL MEETING THIS 1ST DAY OF JUNE, 2015.



 Scott Sessions, Mayor

ATTEST


 Michelle Loren, City Clerk

CITY OF HILLSDALE, MICHIGAN
RESOLUTION NO. 3222

WHEREAS, the Hillsdale City Council has held a public hearing pursuant to Public Act 5 of 1982, as amended, being 211.24e of the Michigan Compiled Laws; and

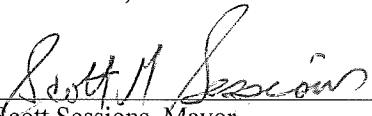
WHEREAS, the Council finds it necessary to levy the City's full available millage rate with rollback caused by PA 5 of 1982;

THEREFORE, BE IT RESOLVED, that for the purpose of defraying the general expenses and liabilities of the City and for the purpose of defraying the expenses of working upon, improving, repairing, and cleaning the streets of the City, the sum of \$ 1,998,011.44 shall be raised by a general tax of fourteen and 9205 hundredths mills (\$14.9205 per \$1,000 of taxable valuation) upon the ad valorem real and personal property in the City; and

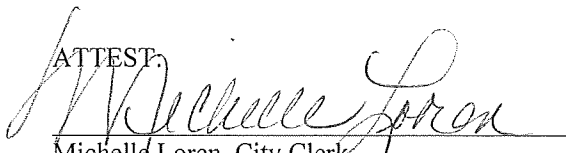
BE IT FURTHER RESOLVED, that for the purposes of defraying the expenses of the City's public Library, the sum of \$ 133,200.76 shall be raised by a general tax 9947 hundredths of a mill (\$.9947 per \$1,000 of taxable valuation) upon the ad valorem real and personal property in the City; and

BE IT FURTHER RESOLVED, that pursuant to Public Act 88 of 1983, as amended, the City Treasurer is hereby authorized and directed to impose and collect such property tax administration fees, collection fees, and late payment charges as are authorized by law and charter.

PASSED IN OPEN COUNCIL MEETING THIS 1st DAY OF JUNE, 2015.



Scott Sessions, Mayor

ATTEST:


Michelle Loren, City Clerk

BUDGET PROCESS & CALENDAR

Planning & Goal Setting

This year no formal planning session was conducted. Council instead has set only four “goals.” They have chosen to focus on the following four areas:

- Improving Streets
- Economic Development
- Increasing Tax Base
- Communication

The City Manager directed each department to prepare their departmental goals and objectives around these four topics.

Collection of Data

The various City boards and commissions discuss up-coming projects and plans in their January meetings and forward that information to the appropriate city department to be included in the budget discussions. The Finance department distributes budget packets to all department heads at this time. With this information they prepare their requested budgets with their departmental goals and objectives as their guides.

Budget Preparation

It is the ultimate responsibility of the City Manager to develop a recommended budget to present to Council. During the month of February, the City Manager and the Finance Director meet with each department head to review their budget requests. These meetings provide a good forum to discuss each department’s contribution to the City’s overall goals and objectives and what resources will be available to them. This also provides for a good review of their current budget performance. In March the final document is created.

Budget Approval

The budget document is submitted to Council at their first meeting in April as stipulated by the charter. To help streamline the process, Council ask the Finance Committee to review the recommended budget prior to its submittal to the whole Council. This gave one committee a view of the budget as a whole instead of each standing committee reviewing the various functions/departments separately. That committee met twice in March. Any changes that came out of these meetings were incorporated into the City Manager’s recommended budget presented to Council. Each year the public is given an opportunity to review the budget and make comments at a public hearing in May. This year two hearing dates were scheduled, May 5 and May 18 to provide more time for public input. At their first meeting in June, Council approves the budget ordinance and gives millage rate authorization to the Treasurer to levy related taxes.

BUDGET PROCESS & CALENDAR

continued

Budget Amendments

The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. If changes to the budget become necessary, the City Manager submits the proposed amendments to Council for their approvals as needed throughout the year.

Progress Calendar

January 23	Worksheets distributed to all Department Heads
February 14	All Department Head budget numbers entered into BS&A software and capital projects, expense sheets, and supporting documentation turned into Finance Department.
February 1 – 28	Department Head meetings begin with City Manager and Finance Director to discuss budgets begin just as soon as departmental budgets are ready for review.
March 1 - 15	City Manager and Finance Department prepare Manager's recommended budget.
March 15-31	Finance Department updates/edits final budget documents..
March 31-April 6	Final budget prepared for distribution to council.
April 6	Council receives budget document and sets Budget Hearing for May 4, and if needed May 18.
April 20	Notice in newspaper for hearings on budget and the Proposed Budget on file for public inspection.
May 4	Council holds Budget Hearing.
May 18	Second public hearing if needed. If Council desired, the budget could be adopted and they could pass resolution authorizing the Treasurer to levy the taxes. . . . otherwise -
June 1	Council adopts the budget and approves the full millage rate authorizing the City Treasurer to levy the taxes.

BASIS OF BUDGETING/ACCOUNTING

Basis of Budgeting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all City funds including its Capital Improvement Funds. The General Fund budget is adopted on a functional basis, while all other budgets are adopted on a fund basis.

- Property taxes and other revenues that are measurable and available for use are budgeted as revenue on the basis of when they are earned. Other revenues such as fines and forfeitures, admissions, contributions, etc. are recorded when received.
- Revenues from special assessments are budgeted on the basis of when the assessments are due.
- Principal and interest payments on outstanding debt are budgeted on the basis of when they are due and payable.
- Payments for acquisition of materials and supplies inventories and fixed assets are budgeted on the basis of when the obligation is incurred.
- All other expenditures are budgeted on the basis of when the expenditure is incurred and payable.
- Appropriations for depreciation and year-end vacation and sick leave accruals are not made in the enterprise funds.
- All appropriations lapse at the fiscal year end.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. It also relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental, expendable trust and agency funds are accounted for using the modified-accrual basis of accounting for all governmental fund types, including General Fund, Special Revenue Funds, Trust Funds, and Debt Service Funds. For Enterprise and Internal Service Funds, the City uses the full accrual basis of accounting.

Governmental fund revenues are recognized when they become measurable and available as net current assets. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The government considers property taxes as available if they are collected within the 60 days after the year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

BASIS OF BUDGETING/ACCOUNTING

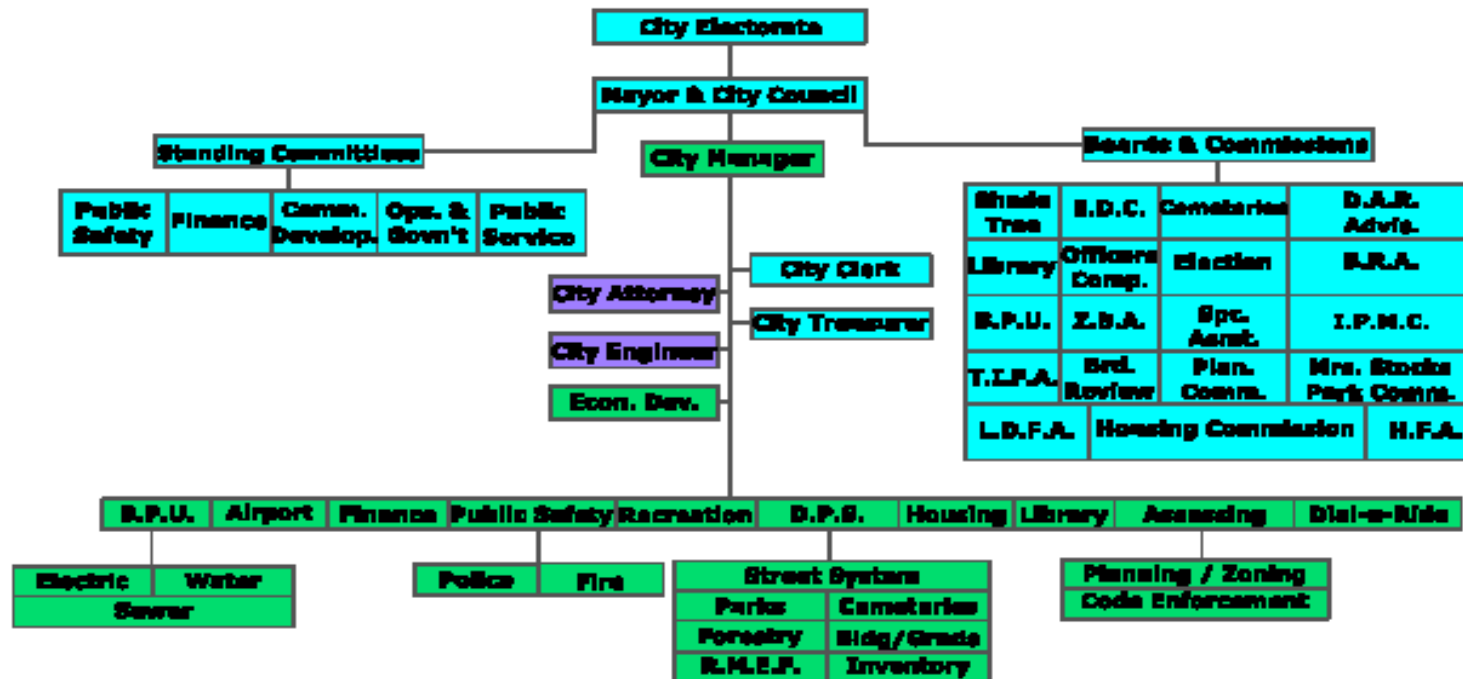
continued

All governmental funds and expendable trust funds are accounted for on a spending or “financial flow” measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measurement of “available spend-able resources.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spend-able resources” during a period.

All proprietary funds and nonexpendable trust funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they are earned, and expenses are recognized when they are incurred.

CITY OF HILLSDALE

Organizational Structure



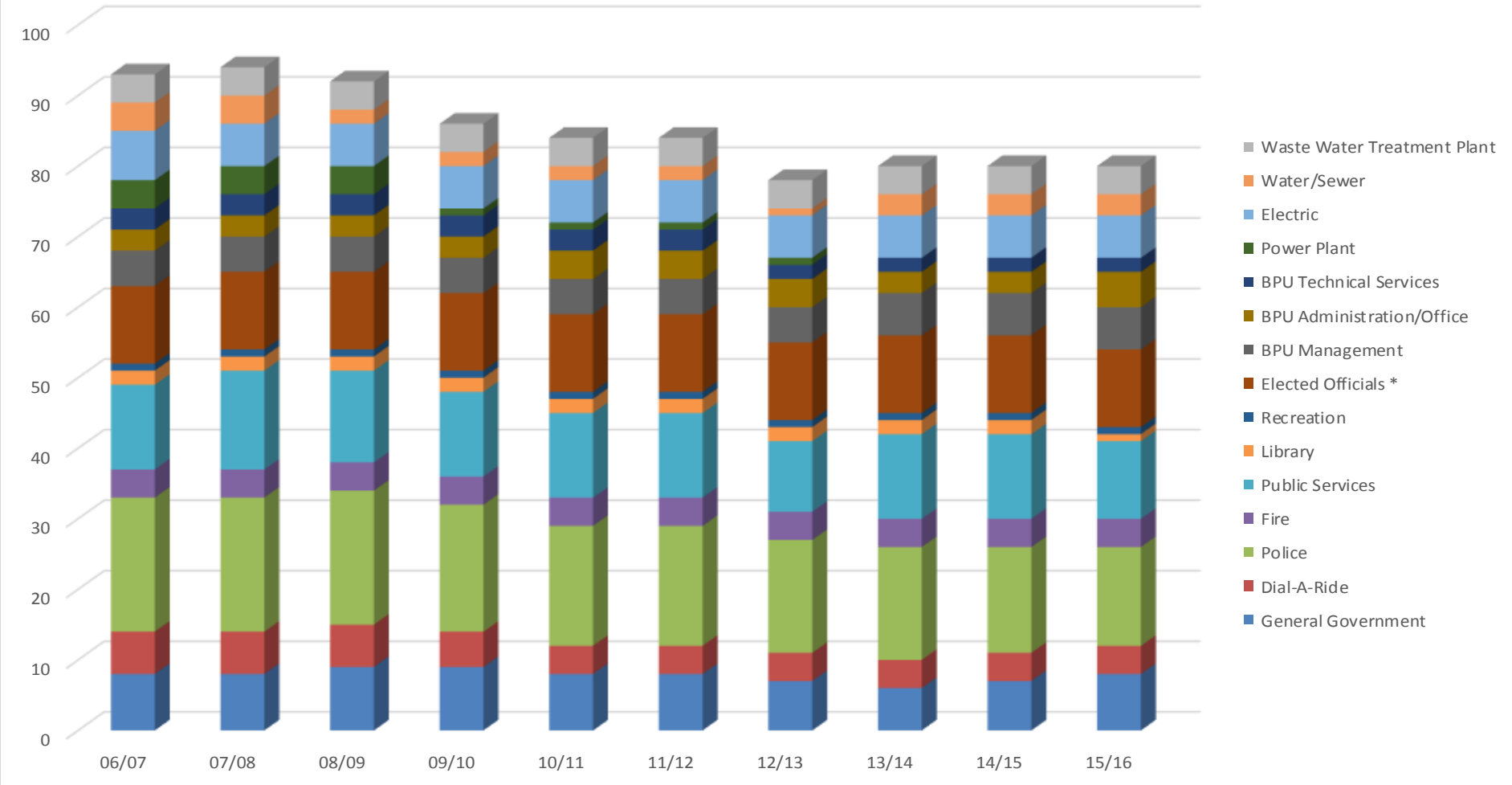
PERSONNEL

Department	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16
General Government	8	8	9	9	8	8	7	6	7	8
Dial-A-Ride	6	6	6	5	4	4	4	4	4	4
Police	19	19	19	18	17	17	16	16	15	14
Fire	4	4	4	4	4	4	4	4	4	4
Public Services	12	14	13	12	12	12	10	12	12	11
Library	2	2	2	2	2	2	2	2	2	1
Recreation	1	1	1	1	1	1	1	1	1	1
Elected Officials *	11	11	11	11	11	11	11	11	11	11
BPU Management	5	5	5	5	5	5	5	6	6	6
BPU Administration/Office	3	3	3	3	4	4	4	3	3	5
BPU Technical Services	3	3	3	3	3	3	2	2	2	2
Power Plant	4	4	4	1	1	1	1	0	0	0
Electric	7	6	6	6	6	6	6	6	6	6
Water/Sewer	4	4	2	2	2	2	1	3	3	3
Waste Water Treatment Plant	4	4	4	4	4	4	4	4	4	4
Totals	93	94	92	86	84	84	78	80	80	80

* All elected officials are part-time.

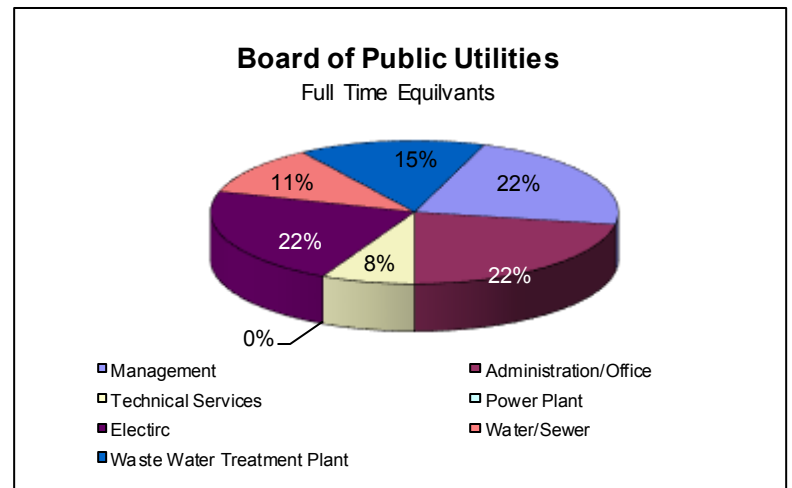
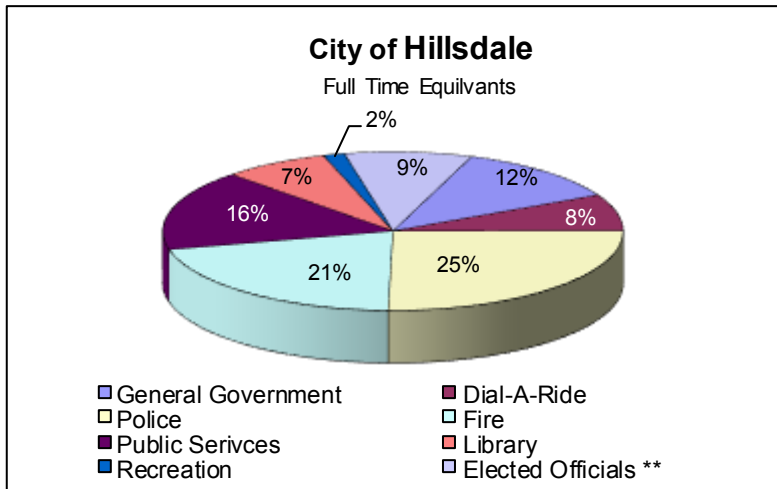
Part time / temporary employees are utilized at various times throughout the year for a variety of purposes in the following departments: Dial-A-Ride; Recreation, Fire, Library, Public Services, and BPU. The numbers portrayed here, with the exception of the elected officials, are full-time employees only.

Full-Time Employees



PERSONNEL 2015-2016

City of Hillsdale	Full Time	Part Time	* Full Time Equivalents	Board of Public Utilities	Full Time	Part Time	* Full Time Equivalents
General Government	8		8	Management	6		6
Dial-A-Ride	4	2	5	Administration/Office	5	1	6
Police	14	5	17	Technical Services	2		2
Fire	4	20	14	Power Plant	0		0
Public Services	11		11	Electric	6		6
Library	1	9	5	Water/Sewer	3		3
Recreation	1		1	Waste Water Treatment Plant	4		4
Elected Officials **		10	6				
	43	46	67		26	1	27



* Two part-time positions equals one full time equivalent.

** All elected officials are part-time.

FUND STRUCTURE

The accounts of the City are organized by funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which are comprised of each fund's assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriated. Government resources are allocated to and accounted for individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds in this report are grouped into three (3) fund categories: Governmental, Proprietary, and Fiduciary.

Governmental Funds

The governmental fund category includes the General Fund, Special Revenue Funds, Long-term Debt Funds, and Capital Projects Funds.

The *General Fund* is used to account for all financial transactions not accounted for in another fund. This fund contains the general operating expenditures of the local unit including general government services, public safety (police and fire protection), assessing, building inspection, and general maintenance for the parks, cemeteries, parking lots, street lights, and city buildings expenditures. Revenues are derived primarily from property taxes, and State and Federal distributions, grant and other intergovernmental revenues.

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes:

1. The Major Street Fund derives its revenue from the State Gas & Weight taxes and is used for the maintenance and repair of the major streets and the state highway (M-99) that runs through the City.
2. The Local Street Fund also gets its revenue from the State Gas & Weight taxes and is used to maintain the neighborhood streets in the City.
3. The Recreation Fund gets its revenue from the various sporting and athletic program fees it offers residents and non-residents. It also receives money from the General Fund.
4. Revenue for the Library Fund comes from a dedicated millage, court fines, state aid, and charges for services.
5. The Police Public Relations Fund generates the bulk of its revenue from a benefit golf outing held once a year. The money is used to purchase supplies to promote public safety awareness in the community.

The *Long-term Debt Service Fund* is used to record the funding and payment of principal and interest on all debt of the City lasting longer than one year.

FUND STRUCTURE

continued

Capital Projects Funds are used to account for financial resources to be used for the acquisition and construction of major capital facilities other than those financed by Proprietary and Trust Funds:

1. Capital Improvement Fund expenditures are for major City capital projects such as sidewalks, street reconstruction, etc. Revenues come from federal, state and local grants and the General Fund.
2. Fields of Dreams Fund is used to track construction of Fields of Dreams Park which provides baseball/softball fields and other athletic activities. Its revenues come from grants and community fundraisers.
3. Mrs. Stock's Park Fund was created to renovate a City park by that name. Its revenue comes from grants and community donations.
4. Airport Improvement Fund receives revenue from hanger rentals, fuel flowage fees, and land leases. The expenditures in this fund are for capital improvements to the airport.
5. Library Improvement Fund expenditures are for capital improvements to the Library facilities and its revenues come from community contributions/donations and grants.
6. The Three Meadows Fund was established to construct infrastructure in a new housing development of the same name in the City.

Proprietary Funds (Enterprise/Internal Service Funds)

The proprietary fund category includes the Enterprise and Internal Service Funds.

Enterprise Funds are used to account for operations (a) that are financed and operated similarly to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes:

1. The Board of Public Utilities provides water, sewer and electric services in and outside of the City. Its revenues come from customer charges.
2. The Dial-A-Ride Fund receives its revenues from Federal and State operating grants, user fees, and the General Fund. These funds are used to provide public transportation to handicapped, disabled, and senior citizens of the City.

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies within the city on a cost-reimbursement basis. The City of Hillsdale maintains five such funds:

1. Department of Public Service Leave & Benefits Fund is used to record and distribute fringe benefit costs of the Public Ser-

FUND STRUCTURE

continued

vices staff to different funds based on the tasks they are performing and where the work was done (i.e., General, Streets, Capital, etc.)

2. Public Service Inventory Fund purchases materials used in the general maintenance of the City. Its revenues come from the departments/funds that used the material.
3. Revolving Mobile Equipment Fund derives its revenues from rents charged to the various departments for the use of city owned vehicles. Those funds are used to operate and maintain those vehicles and to purchase new equipment as needed.
4. Unemployment Insurance Fund revenues come from the various City departments and are used to self-fund the City's unemployment insurance program.
5. Fire Vehicle and Equipment Fund was established to purchase vehicles and equipment for the Fire Department. Revenues in this fund are from the General Fund.

Fiduciary Funds

The Fiduciary Funds are used to account for assets held by the city in a trustee capacity. These include Expendable Trust, Nonexpendable Trust and Agency Funds. The City utilizes two Fiduciary Funds at this time:

Expendable Trust funds are accounted for in essentially the same manner as governmental funds. *Nonexpendable Trust* funds are accounted for in essentially the same manner as Proprietary Funds since capital maintenance is critical; however, these funds are not utilized by the City at this time. There are 3 Expendable Trust funds:

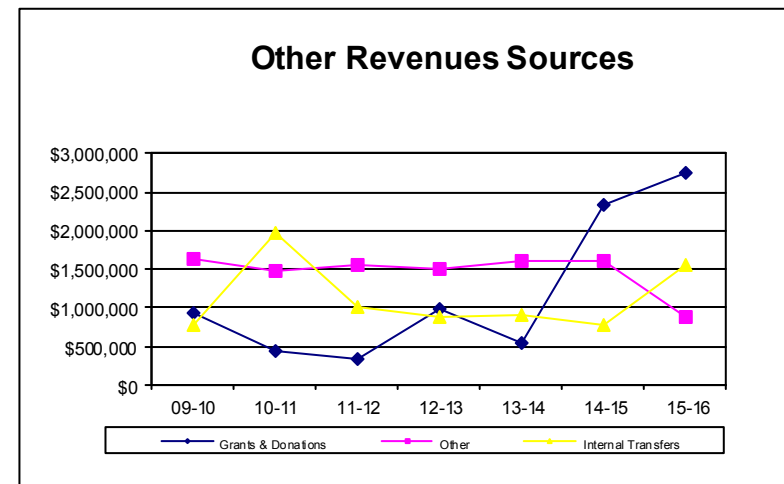
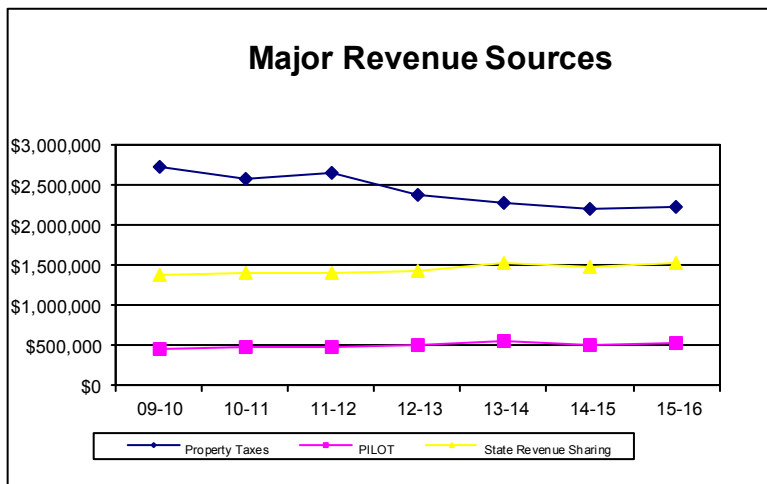
1. R.L. Owen Memorial Park Trust Fund was established to make improvements to the R.L. Owen Memorial Park.
2. Cemetery Perpetual Care Fund gets its revenue from the sale of cemetery lots and interest earned on investments. These funds are used to help offset the costs of maintaining the cemeteries and for capital improvements.
3. Stocks Park Maintenance Fund was established to help offset the cost of maintaining the new renovations in that park. This fund gets its revenues from donations and interest earned on those monies.

Agency Funds are Custodial in nature (assets equal liabilities). These funds are used to receipt and disburse payroll and tax collections. Everything that comes into these funds is disbursed out:

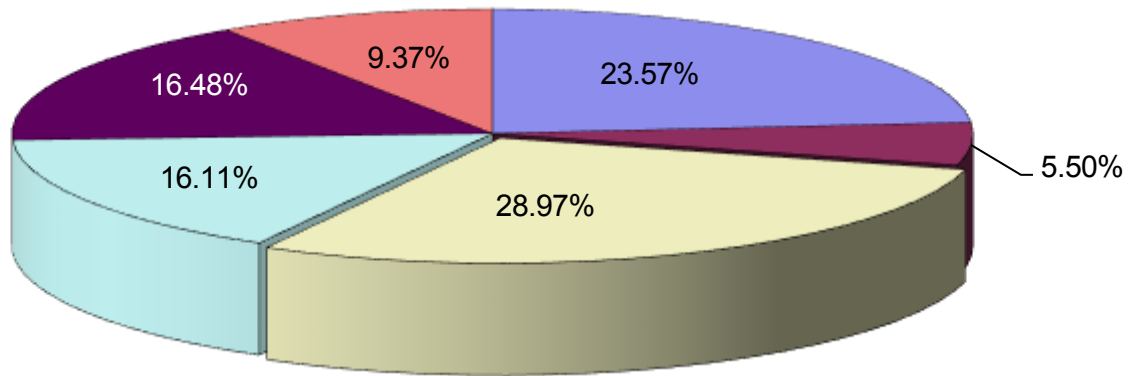
1. Imprest Payroll Fund is used to disburse payroll and payroll withholdings.
2. Treasurer's Tax Collection Fund receipts and disburses all the treasurer's tax collections.

MAJOR REVENUES

	Actual					Budget	
	09-10	10-11	11-12	12-13	13-14	14-15	15-16
Property Taxes	2,735,739	2,573,066	2,669,879	2,379,650	2,290,300	2,209,500	2,227,950
PILOT	459,320	468,701	481,452	504,990	558,307	510,000	520,000
Grants & Donations	931,995	438,404	333,177	974,191	542,918	2,343,320	2,738,200
State Revenue Sharing	1,369,796	1,391,864	1,412,722	1,430,860	1,523,293	1,472,105	1,522,100
Internal Transfers	776,763	1,961,611	1,015,539	883,410	913,411	779,800	1,557,390
Other	1,626,059	1,471,885	1,557,255	1,498,532	1,603,716	1,599,465	885,190
Totals	\$ 7,899,672	\$ 8,305,531	\$ 7,470,024	\$ 7,671,633	\$ 7,431,945	\$ 8,914,190	\$ 9,450,830



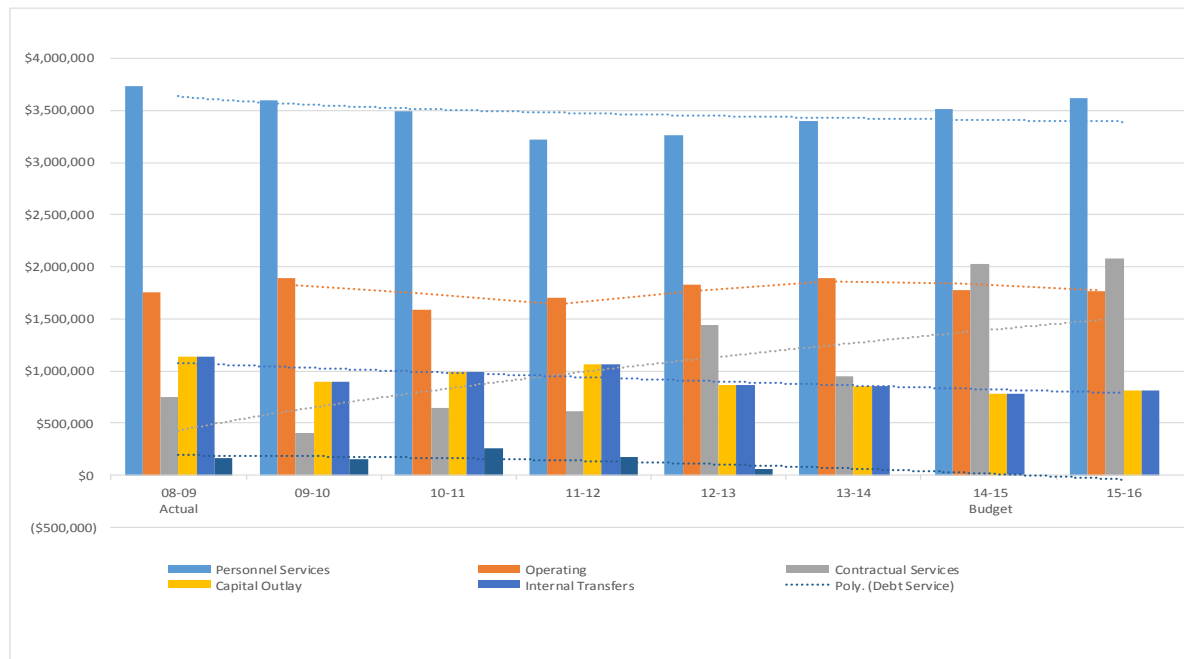
Total Revenues 2015/16 Budget



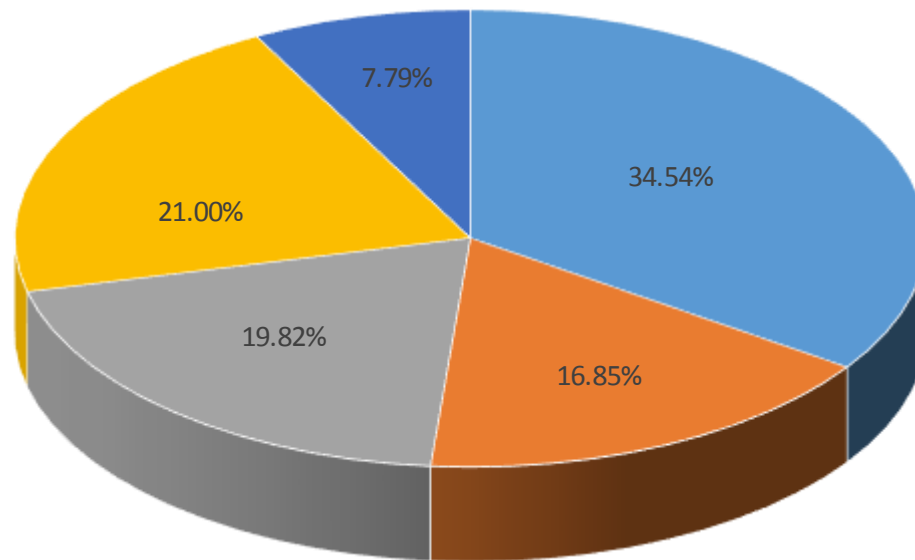
■ Property Taxes ■ PILOT ■ Grants & Donations ■ State Revenue Sharing ■ Internal Transfers ■ Other

MAJOR EXPENDITURES

	Actual						Budget	
	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16
Personnel Services	\$3,731,981	\$3,598,017	\$3,493,651	\$3,223,397	\$3,261,727	\$3,402,380	\$3,511,865	\$3,616,470
Operating	1,756,457	1,890,351	1,586,460	1,696,823	1,830,500	1,892,120	1,776,735	1,764,480
Contractual Services	744,761	401,545	648,410	614,276	1,444,529	951,090	2,025,430	2,075,530
Capital Outlay	961,048	812,560	1,236,320	214,498	289,827	475,170	1,524,150	2,198,170
Internal Transfers	1,135,484	896,227	985,764	1,066,190	858,916	856,590	776,800	815,190
Debt Service	160,157	156,391	255,088	178,000	52,994	0		
Totals	<u>\$8,489,888</u>	<u>\$7,755,091</u>	<u>\$8,205,693</u>	<u>\$6,993,184</u>	<u>\$7,738,493</u>	<u>\$7,577,350</u>	<u>\$9,614,980</u>	<u>\$10,469,840</u>



Budget 15-16 Expenditures



■ Personnel Services ■ Operating Expenses ■ Contractual Services ■ Capital Outlay ■ Transfers

CITY OF HILLSDALE BUDGET SUMMARY 2015-16

<u>REVENUES</u>	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Amended Budget 2014-15	Manager Requested 2015-16	Percent Change
Governmental Funds:							
General Fund (101)	\$ 4,237,600	\$ 4,569,757	\$ 4,167,143	\$ 4,049,561	\$ 4,577,100	\$ 4,605,760	0.63%
Major St. Fund (202)	460,579	473,081	479,141	548,141	480,500	496,750	3.38%
Local St. Fund (203)	249,895	222,298	276,290	316,565	294,665	310,500	5.37%
Recreation Fund (208)	101,241	110,426	110,048	125,415	131,775	134,170	1.82%
E.D.C. Fund (244)	141	14,147	146	67	10,100	10,100	0.00%
T.I.F.A. Fund (247)	124,742	142,248	138,619	124,698	110,250	102,180	-7.32%
Drug Forfeiture Fund (265)	-	-	-	998	1,000	1,000	0.00%
Library Fund (271)	283,817	277,876	279,382	247,414	243,405	229,890	-5.55%
Police Department Public Relations Fund (274)	6,741	2,065	4,144	-	-	-	0.00%
Bond & Interest Redemption (362)	296,450	178,000	24,994	-	-	-	0.00%
Capital Improvement (401)	364,311	562,230	897,450	446,074	700,650	738,230	5.36%
Fields of Dreams (408)	12,676	3,394	3,209	7,823	20,525	4,050	-80.27%
Stock's Park (409)	16,584	18,684	27,515	22,949	25,025	10,050	-59.84%
Library Improvement (471)	(467)	14,341	1,352	2	1,000	-	-100.00%
Airport Improvement (481)	1,043,455	128,323	164,797	491,326	1,075,945	1,513,120	40.63%
Proprietary Funds:							
Dial-A-Ride (588)	430,760	314,008	446,758	311,819	456,680	452,710	-0.87%
Public Services Inventory (633)	99,475	66,723	110,209	129,600	194,285	198,110	1.97%
Revolving Mobile Equipment Fund (640)	402,573	259,594	358,775	392,331	391,400	385,300	-1.56%
Fire Equipment & Vehicle Fund (663)	57	437	25,694	25,861	700	730	4.29%
Unemployment Insurance Fund (677)	17,600	17,929	9,261	9,435	4,550	4,250	-6.59%
DPS Leave & Benefits (699)	154,302	142,769	125,322	143,389	159,085	207,810	30.63%
Fiduciary Funds:							
Cemetery Perpetual Care (711)	37,999	34,662	15,073	29,321	27,000	34,500	27.78%
Stock's Park Perpetual Maint. Fund (712)	2,736	1,243	441	5,806	2,650	5,120	93.21%
R.L.Owens Memorial Park (715)	5,654	6,081	5,870	3,350	5,900	6,500	10.17%
TOTAL REVENUES	\$ 8,348,921	\$ 7,560,316	\$ 7,671,633	\$ 7,431,945	\$ 8,914,190	\$ 9,357,600	6.02%

CITY OF HILLSDALE BUDGET SUMMARY 2015-16

<u>EXPENDITURES</u>	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Amended Budget 2014-15	Manager Requested 2015-16	Percent Change
GOVERNMENTAL FUNDS:							
General Fund (101)							
City Council	\$ 24,740	\$ 25,730	\$ 33,653	\$ 31,684	\$ 39,950	\$ 28,650	-28.29%
City Manager	215,527	199,648	200,478	201,742	217,535	241,650	11.09%
Economic Development	99,331	32,715	65,746	52,185	665,000	660,900	-0.62%
Administrative Services	177,877	217,854	161,306	211,236	194,700	172,000	-11.66%
Elections	10,182	12,126	9,627	12,050	14,250	15,100	5.96%
Assessing Department	145,023	138,413	136,880	178,762	92,680	95,000	2.50%
City Clerk	74,197	66,290	78,632	73,899	83,910	106,140	26.49%
Finance Department	96,661	92,736	95,205	96,214	98,960	99,070	0.11%
City Treasurer	125,443	190,071	124,682	137,180	127,900	136,730	6.90%
Building & Grounds	106,458	116,449	142,063	141,830	123,905	130,940	5.68%
Parking Lots	21,756	20,178	17,381	28,868	29,790	30,240	1.51%
Cemeteries	118,431	115,477	131,927	100,640	117,385	117,200	-0.16%
Airport	81,155	81,853	95,615	108,431	104,805	147,640	40.87%
Police Department	1,313,896	1,253,177	1,295,343	1,288,837	1,338,450	1,325,990	-0.93%
Fire Department	426,402	422,481	555,516	449,776	466,070	454,700	-2.44%
Code Enforcement	7,785	2,050	1,716	6,062	42,845	44,000	2.70%
Planning Department	3,210	2,634	3,922	4,367	73,115	74,750	2.24%
Public Services	260,030	252,169	259,254	248,133	266,095	263,680	-0.91%
Street Lighting	61,673	61,302	62,876	70,158	71,000	71,600	0.85%
Parks	155,157	149,165	146,427	173,906	150,000	156,010	4.01%
Transfers Out	674,035	847,313	677,959	548,855	333,450	360,490	8.11%
Total General Fund (101)	\$ 4,198,969	\$ 4,299,831	\$ 4,296,208	\$ 4,164,815	\$ 4,651,795	\$ 4,732,480	1.73%
Major Street Fund (202)							
Administrative Services	\$ 40,430	\$ 42,643	\$ 93,239	\$ 198,110	\$ 68,500	\$ 95,000	38.69%
Administrative Services - Trunkline	3,998	2,967	2,993	4,665	3,000	3,000	0.00%
Street Surface	83,975	51,251	39,438	77,670	98,910	98,110	-0.81%
Trunkline Surface	6,307	4,900	3,281	12,170	11,835	14,200	19.98%

CITY OF HILLSDALE BUDGET SUMMARY 2015-16

	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Amended Budget 2014-15	Manager Requested 2015-16	Percent Change
GOVERNMENTAL FUNDS: EXPENDITURES							
(cont.)							
R.O.W Maintenance	\$ 87,507	\$ 69,225	\$ 106,830	\$ 73,679	\$ 73,775	\$ 72,040	-2.35%
Trunkline R.O.W.	11,074	4,245	5,815	5,216	8,890	8,850	-0.45%
Trees	54,321	45,355	44,485	38,415	45,360	44,990	-0.82%
Trunkline Trees	801	788	593	204	730	710	-2.74%
R.O.W. Drainage	20,790	42,300	24,184	36,147	39,095	39,020	-0.19%
Trunkline Drainage	5,577	4,148	126	1,308	5,155	5,120	-0.68%
Traffic	26,992	65,409	35,711	31,270	51,145	48,450	-5.27%
Trunkline Traffic	5,364	4,759	4,766	5,696	6,575	7,530	14.52%
Winter Maintenance	71,466	46,073	64,820	106,472	84,760	98,860	16.64%
Trunkline Winter Maint.	21,207	12,867	19,675	37,540	22,640	26,020	14.93%
Total Major Street Fund (202)	\$ 439,809	\$ 396,930	\$ 445,956	\$ 628,562	\$ 520,370	\$ 561,900	7.98%
Local Street Fund (203)							
Administrative Services	\$ 13,336	\$ 14,010	\$ 14,199	\$ 14,647	\$ 14,200	\$ 14,700	3.52%
Street Surface	46,331	54,075	64,557	69,389	81,060	80,510	-0.68%
R.O.W. Maintenance	73,584	49,225	54,163	70,709	62,465	68,800	10.14%
Trees	67,647	52,625	46,878	46,498	49,990	52,130	4.28%
R.O.W. Drainage	24,448	12,507	16,650	20,941	21,630	22,270	2.96%
Traffic	3,282	14,245	10,453	8,693	17,765	11,740	-33.92%
Winter Maintenance	43,993	26,361	41,627	58,724	47,555	60,350	26.91%
Total Local Street Fund (203)	\$ 272,621	\$ 223,048	\$ 248,527	\$ 289,601	\$ 294,665	\$ 310,500	5.37%
Recreation Fund (208)	\$ 108,559	\$ 101,002	\$ 116,332	\$ 122,750	\$ 131,775	\$ 134,170	1.82%
E.D.C. Fund (244)	\$ 1,247	\$ 1,947	\$ 707	\$ 717	\$ 58,500	\$ 58,400	-0.17%
T.I.F.A. Fund (247)	\$ 83,009	\$ 151,388	\$ 51,083	\$ 55,617	\$ 416,200	\$ 432,750	3.98%
Drug Forfeiture Fund (265)	\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000	0.00%
Library Fund (271)	\$ 396,421	\$ 233,521	\$ 233,227	\$ 236,960	\$ 230,215	\$ 229,890	-0.14%

CITY OF HILLSDALE BUDGET SUMMARY 2015-16

	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Amended Budget 2014-15	Manager Requested 2015-16	Percent Change
GOVERNMENTAL FUNDS: EXPENDITURES (cont.)							
Police Department Public Relations Fund (274)	\$ 8,315	\$ 5,536	\$ 4,144	\$ 811	\$ -	\$ -	0.00%
Debt Service Fund (362)	\$ 255,088	\$ 178,000	\$ 28,000	\$ -	\$ -	\$ -	0.00%
Capital Improvement Fund (401)	\$ 284,172	\$ 212,063	\$ 1,178,596	\$ 539,260	\$ 945,650	\$ 1,000,000	5.75%
Fields of Dreams (408)	\$ 8,534	\$ -	\$ 609	\$ 280	\$ 20,525	\$ 100	-99.51%
Stock's Park (409)	\$ 11,292	\$ 17,340	\$ 13,312	\$ 17,874	\$ 25,025	\$ 10,050	-59.84%
Library Improvement Fund (471)	\$ -	\$ -	\$ 2,549	\$ 119	\$ -	\$ -	0.00%
Airport Improvement Fund (481)	\$ 1,101,875	\$ 140,589	\$ 89,201	\$ 409,149	\$ 1,095,500	\$ 1,729,670	57.89%
<u>PROPPRIETARY FUNDS:</u>							
Dial-A-Ride Fund (588)	\$ 346,023	\$ 343,262	\$ 356,448	\$ 388,293	\$ 456,680	\$ 452,710	-0.87%
DPS Inventory Fund (633)	\$ 64,036	\$ 75,627	\$ 99,793	\$ 124,673	\$ 194,285	\$ 198,110	1.97%
Revolving Mobile Equipment Fund (640)	\$ 423,666	\$ 422,428	\$ 423,251	\$ 433,719	\$ 383,710	\$ 385,300	0.41%
Fire Vehicle & Equipment Fund (663)	\$ 14,932	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Unemployment Insurance Fund (677)	\$ 6,823	\$ 21,909	\$ 1,053	\$ 306	\$ 10,000	\$ 5,000	-50.00%
DPS Leave & Benefits (699)	\$ 154,302	\$ 142,769	\$ 125,322	\$ 128,704	\$ 159,085	\$ 207,810	30.63%

CITY OF HILLSDALE BUDGET SUMMARY 2015-16

	Actual 2010-11	Actual 2011-12	Actual 2012-13	Actual 2013-14	Amended Budget 2014-15	Manager Requested 2015-16	Percent Change
<u>FIDUCIARY FUNDS:</u>							
Cemetery Perpetual Care (711)	\$ 20,000	\$ 20,000	\$ 20,500	\$ 35,951	\$ 20,000	\$ 20,000	0.00%
Stock's Park Perpetual Maint. Fund (712)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
R.L. Owens Memorial Fund (715)	\$ 6,000	\$ 5,997	\$ 3,675	\$ -	\$ -	\$ -	0.00%
<u>TOTAL EXPENDITURES</u>	\$ 8,205,693	\$ 6,993,187	\$ 7,738,493	\$ 7,578,161	\$ 9,614,980	\$ 10,469,840	8.89%

FUND BALANCES

Fund	Fund Name	2014-2015				2015-2016		Ending Fund Bal.	Percent Changed
		Begin. Fund Bal.	Est. Revenues	Est. Expend.	Est. Ending Bal.	Revenues	Expend.		
101	General Fund	\$ 926,900	\$3,960,000	\$ 3,975,000	\$ 911,900	\$4,605,760	\$ 4,732,480	\$ 785,180	-13.90%
202	Major St./Trunkline Fund	171,410	490,000	495,000	166,410	496,750	561,900	101,260	-39.15%
203	Local St. Fund	98,070	280,000	315,000	63,070	310,500	310,500	63,070	0.00%
208	Recreation Fund	6,220	127,500	129,030	4,690	134,170	134,170	4,690	0.00%
244	Economic Development Corp. Fund	299,320	100	5,000	294,420	10,100	58,400	246,120	-16.41%
247	Tax Increment Finance Authority Fund	635,230	130,000	100,000	665,230	102,180	432,750	334,660	-49.69%
265	Drug Foreiture/Grant Fund	1,710	1,000	-	2,710	1,000	1,000	2,710	0.00%
271	Library Fund	116,390	235,500	220,550	131,340	229,890	229,890	131,340	0.00%
274	Police Public Relations Fund	-	-	-	-	-	-	-	0.00%
362	Bond and Interest Redem. Fund	-	-	-	-	-	-	-	0.00%
401	Capital Improvement Fund	309,070	117,425	75,000	351,495	738,225	1,000,000	89,720	-74.47%
408	Fields of Dreams Fund	19,670	18,870	25,250	13,290	4,050	100	17,240	29.72%
409	Mrs. Stock's Park Fund	38,130	9,250	31,000	16,380	10,050	10,050	16,380	0.00%
471	Library Improvement Fund	13,020	-	-	13,020	-	-	13,020	0.00%
481	Airport Improvement Fund	235,000	88,160	69,410	253,750	1,513,120	1,729,670	37,200	-85.34%
588	Dial-A-Ride Fund	815,380	447,810	446,320	816,870	452,710	452,710	816,870	0.00%
633	Public Services Inv. Fund	249,970	109,000	107,170	251,800	198,110	198,110	251,800	0.00%
640	Revolving Mobile Equipment Fund	353,170	348,200	320,920	380,450	385,300	385,300	380,450	0.00%
663	Fire Vehicle & Equipment Fund	91,270	670	-	91,940	730	-	92,670	0.79%
677	Unemployment Insurance Fund	67,610	4,450	4,590	67,470	4,250	5,000	66,720	-1.11%
699	DPS Leave and Benefits Fund	22,580	147,560	147,560	22,580	207,810	207,810	22,580	0.00%
711	Cemetery Perpetual Care Fund	616,650	32,500	20,000	629,150	34,500	20,000	643,650	2.30%
712	Stock's Park Perpetual Maintenance Fund	24,740	11,150	-	35,890	5,120	-	41,010	14.27%
715	R.L. Owen Memorial Fund	34,780	6,260	-	41,040	6,500	-	47,540	15.84%
		\$ 5,146,290	\$6,565,405	\$ 6,486,800	\$ 5,224,895	\$9,450,825	\$10,469,840	\$4,205,880	-19.50%

CHANGES IN FUND BALANCE

General Fund (101)

Fund Balance Reduction of \$126,720

The City has once again recommended using unrestricted fund balance to meet the shortfall expenditures over revenues. Approximately \$115,000 of the shortfall will be used to make necessary improvements to city infrastructure. This reduction in reserves will take the fund balance to about 17 % of expenditures. That is still above the council's 1992 decision to maintain a reserve in fund balance of 15%.

Major Street Funds (202)

Fund Balance Reduction of \$65,150

The anticipated reduction in fund balance is intentional. The budget for the Major Street fund historically anticipates using a portion of its fund balance each year. This year the reduction is attributable to a transfer to the Local Street Fund of \$50,000. This transfer will help lessen the Local Street contribution from General Fund.

Economic Development Corporation Fund (244)

Fund Balance Reduction of \$48,300

The Economic Development Cooperation board is planning a variety of projects for the 2015-16 fiscal year. These undertakings will use any projected income from the sale of lots at Three Meadows subdivision plus approximately 12% of their fund balance. It is the hope that these projects and allocations will generate interest and create activity in the subdivision and boost the sale of these lots, which is the only source of income into this fund.

Tax Increment Finance Authority (247)

Fund Balance Reduction of \$305,470

The TIFA board has been building a sizeable fund balance over the past several years. This year they plan to purchase a building (s) for \$250,000 to facilitate redevelopment. They also allocated \$20,000 for infrastructure improvement in the district that has not yet been determined. They are also working on several beautification projects in the downtown area, including a sign and landscaping for City Hall and building façade grants for downtown business owners to encourage redevelopment and beautification of the downtown area.

Capital Improvement Fund (401)

Fund Balance Reduction of \$261,775

The city is planning to use down its capital improvement fund balance to take advantage of a street grant funding. The administration anticipates that the City will reconstruct the remaining portion of State Street from Wolcott to the city limits. This project would be partially funded with a Small Urban Grant from the State/Federal governments of \$375,000. The project local cost is estimated to be \$270,000 with the majority of that money coming from fund balance reserves.

Airport Improvement Fund (481)

Fund Balance Reduction of \$216,550

The city plans to spend down about more than 85% of this fund's fund balance to construct a parallel taxiway and relocate the airport entrance road. This project is being done in conjunction with Michigan Department of Transportation's Office of Aeronautics with federal and state grants totaling 95% of the project's costs.

CHANGES IN FUND BALANCE

continued

Fields of Dreams Fund (409)

Fund balance Increase of \$3,950

There are no projects scheduled for the Fields of Dreams park this year. Money will accumulate in the fund for future years' initiatives.

Stocks Park Perpetual Maintenance Fund (712)

Fund Balance Increase of \$5,120

These funds are generated through community contributions and donations. These funds are set aside in perpetuity so that the income earned can be used to offset future maintenance cost of Mrs. Stocks Park.

R.L.Owans Memorial Fund (715)

Fund Balance increase of 6,500

This fiduciary fund holds the interest from donated assets to benefit the lakefront park by that name. There are no projects planed for that park in this fiscal year.

**Combined Statement of Revenues, Expenditures, and Change in Fund Balances
Budget 2015-16**

	GOVERNMENTAL FUNDS							
	General Fund	Street Funds	Recreation	Library	Debt Service	Capital Imp.	Other	
Major Revenue Sources:								
Property Taxes	\$ 1,997,750			\$ 128,470				\$ 101,730
Payment in Lieu of Taxes	520,000							
Special Assessments								
State Revenue Sharing	855,000			8,100				
Act 51 (Gas & Weight Tax)		654,000						
Fines and Violations								
Grants/Donations	605,680			24,500		1,827,225		
Charges for Services								
Interest	5,750	750		120		150		550
Other	421,880	2,500	72,100	68,700		88,070		11,000
Total Revenues	\$ 4,406,060	\$ 657,250	\$ 72,100	\$ 229,890	\$ -	\$ 1,915,445	\$ -	\$ 113,280
Major Expenditures:								
Personnel Services	2,527,120	284,530	105,920	138,570		-		-
Operating Expenses	859,440	349,170	25,150	51,820	-	60,150		12,150
Contractual Services	985,430	126,000	3,100	15,000		663,000		178,000
Capital Outlay	-	-	-	22,500		2,016,670		32,000
Total Expenditures	\$ 4,371,990	\$ 759,700	\$ 134,170	\$ 227,890	\$ -	\$ 2,739,820	\$ -	\$ 222,150
Revenues Over (Under) Expenditures	34,070	(102,450)	(62,070)	2,000	-	(824,375)	-	(108,870)
Other Financing Sources (Uses):								
Transfers in	199,700	150,000	62,070			350,000		-
Transfers out	(360,490)	(112,700)		(2,000)		-		(270,000)
Total Other Financing Sources	\$ (160,790)	\$ 37,300	\$ 62,070	\$ (2,000)	\$ -	\$ 350,000	\$ -	\$ (270,000)
Changes in Fund Balances	(126,720)	(65,150)	0	0	-	(474,375)	-	(378,870)
Beginning Fund Balances	962,670	245,790	3,710	125,190	-	675,335	-	995,220
Ending Fund Balances	\$ 835,950	\$ 180,640	\$ 3,710	\$ 125,190	\$ -	\$ 200,960	\$ -	\$ 616,350

CITY OF HILLSDALE
Combined Statement of Revenues, Expenditures, and Change in Fund Balances
Budget 2015-16

	PROPRIETARY FUNDS		R.L. Owens	FIDUCIARY FUNDS		
	DART	Internal Serv.		Stock's Park	Cemetery	
Major Revenue Sources:						
Property Taxes						
Payment in Lieu of Taxes						
Special Assessments						
State Revenue Sharing						
Act 51 (Gas & Weight Tax)						
Fines and Violations						
Grants/Donations	279,290			5,000		
Charges for Services	55,000					
Interest		430	6,500	120	15,000	
Other		795,770			19,500	
Total Revenues	\$ 334,290	\$ 796,200	\$ 6,500	\$ 5,120	\$ 34,500	
Major Expenditures:						
Personnel Services	242,040	318,290				
Operating Expenses	62,670	343,930				
Contractual Services	10,000	95,000				
Capital Outlay	88,000	39,000				
Total Expenditures	\$ 402,710	\$ 796,220	\$ -	\$ -	\$ -	
Revenues Over (Under) Expenditures	(68,420)	(20)	6,500	5,120	34,500	
Other Financing Sources (Uses):						
Transfers in	118,420					
Transfers out	(50,000)				(20,000)	
Total Other Financing Sources (Uses)	\$ 68,420	\$ -	\$ -	\$ -	\$ (20,000)	
Changes in Fund Balances		0	(20)	6,500	5,120	14,500
Beginning Fund Balances	816,350	820,540	41,280	35,890	629,150	
Ending Fund Balances	\$ 816,350	\$ 820,520	\$ 47,780	\$ 41,010	\$ 643,650	

GENERAL FUND FORECAST

Fire-Year Forecasting Model

The following graph is a snapshot of what the General Fund revenues and expenditures **might** look like in the next five years based on a certain set of assumptions. This graph is a part of the Financial Model completed 2012 by Municipal Analytics as part of the Income Tax Feasibility Study. The purpose of this graph is to assist the administrative staff and elected officials in future difficult decision making. With this model different assumptions can be instated to see what affect they would have on future budgets. This information was included here for strategic planning and decision making analysis only. As time progresses, these assumptions will change, ultimately altering the outcomes depicted here.

The black line running across the bottom of the graph is the General Fund fund balance. Based on these assumptions, the City's \$1.1 million fund balance would be completely depilated before June 2016.

Assumptions

In the development of these assumptions, the administration has taken a moderate approach to the revenue forecasts and an optimistic approach for the expenditures. The following is a partial listing of the major assumptions used in the preparation of this graph

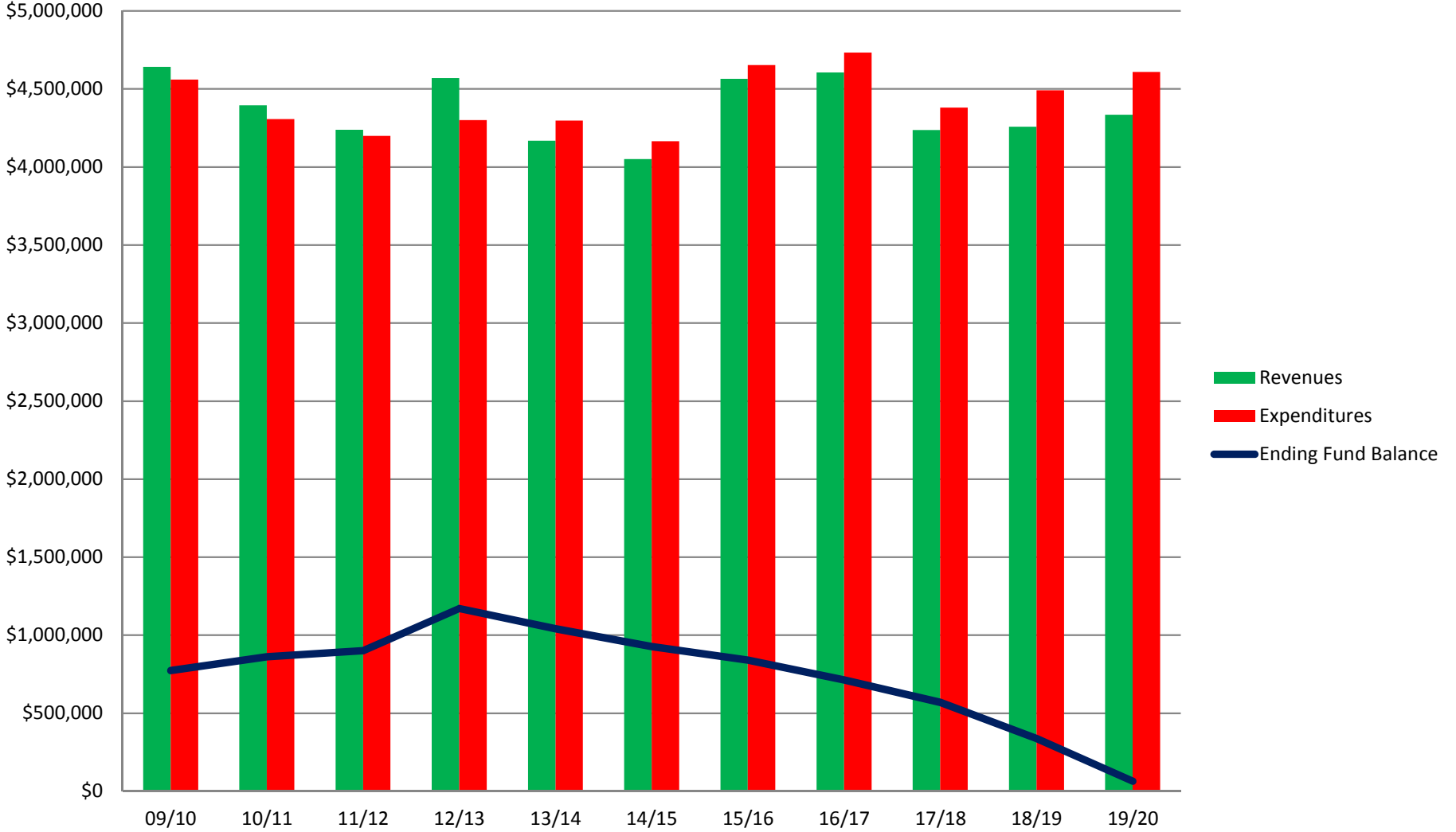
Revenues:

1. No increase in the property taxes was projected first year, 1% the first year, 2% the second and 3% the third through the fifth years.
2. State Revenue sharing increases at 2% each year.
3. Interest and penalties on property taxes assumed to steady all five yars.
4. Interest earnings were projected to remain unchanged for the five year peroid.
5. No changes were anticipated to all other general revenue sources.
6. Street funding is projected to increase at a rate of 2% per year.

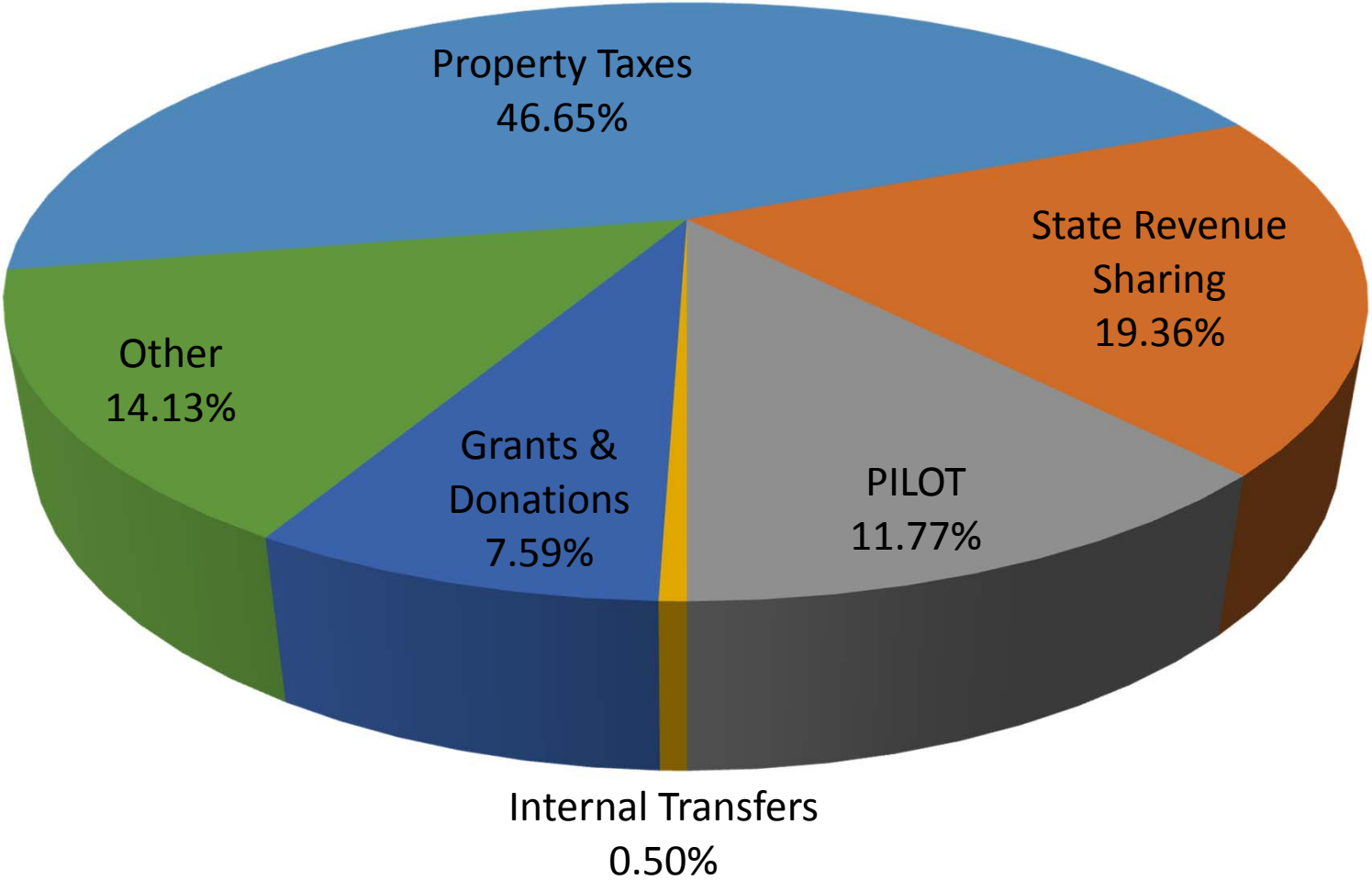
Expenditures:

1. Inflation was projected to be 2% per year.
2. Utility costs to decrease the first two years, increase 1% the third and 3% each year the fourth and fifth years.
3. Fuel and Lubricants to go down the first year, remain flat the second, increase 1% the third year, 2% the fourth year and 3% the fifth year.
4. Administrative costs increase at 2% per year.
5. Wage costs were projected not to change for all the five year period.
6. Retirement costs projected to increase 1/2% the first year, 1.5% the second, 1/2% the third year and about 1.5% the fourth and fifth years..
7. Health insurance costs were projected to beee unchaned the first year, and increase 10% the second year, 15% the third and fourt years and 20% the fifth year.

City of Hillsdale General Fund Historical, Budgeted and Estimated Revenues, Expenditures and Fund Balance



General Fund Revenue Sources



							Budgets	
Fund 101 GENERAL FUND REVENUES	Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed	
	10/11	11/12	12/13	13/14	02/15	14/15	15/16	
412.001	CURRENT TAXES	2,168,382	2,146,472	2,039,646	1,967,760	1,797,660	1,897,500	1,920,500
412.000	DELINQUENT TAXES	18,872	141,605	1,798	1,630	950	4,500	2,000
437.000	INDUSTRIAL FACILITIES TAX	75,345	48,656	27,740	33,390	48,480	50,000	50,250
437.001	IND. FACILITIES TAX - CLAW BACKS	-	-	-	-	-	-	-
445.000	DEL. TAXES-PENALTIES AND INT.	36,020	41,532	34,549	29,620	15,380	20,000	25,000
447.000	PROPERTY TAX ADMIN. FEE	71,894	71,551	71,358	62,940	55,520	60,000	60,000
448.000	TRAILER FEES	3,198	2,502	2,715	2,820	1,690	2,800	2,800
460.000	LICENSE FEES	4,845	5,429	5,871	6,210	6,290	5,500	6,300
461.000	C.A.T.V. FRANCHISE FEES	74,937	75,357	81,575	84,820	42,220	82,500	84,000
477.000	PERMITS	8,060	7,985	9,645	11,620	10,990	8,000	15,000
505.000	FEDERAL GRANT - PUBLIC SAFETY	1,928	1,371	115,286	-	-	-	-
529.000	FEDERAL GRANT	-	-	-	-	-	-	-
569.000	STATE GRANT	-	-	-	-	-	20,000	-
525.000	FEDERAL GRANT - RENTAL REHAB	20,759	778,694	-	-	-	600,000	292,680
574.000	STATE REVENUE SHARING	781,060	2,461	782,235	806,680	575,780	825,000	855,000
576.000	ACT 302 POLICE TRAINING FUNDS	2,622	-	2,453	2,680	1,380	3,000	2,500
627.000	INTERMENT FEES	17,469	17,093	22,005	16,960	12,110	18,500	18,500
628.000	ABATEMENT FEES	-	-	-	-	1,520	-	1,000
629.000	COPIES / DUPLICATING	476	434	147	580	40	100	100
636.000	CAR INSPECTIONS	-	-	-	-	-	-	-
640.000	REFUSE COLLECTION CHARGES	1	-	-	-	-	-	-
645.000	AMUSEMENT FEES	-	-	-	-	-	-	-
658.000	ORDINANCE FINES	2,012	4,131	4,599	3,340	1,300	2,500	2,500
658.001	PARKING FINES	1,134	4,150	2,538	2,530	1,100	2,000	2,000
658.002	MUNICIPAL CIVIL INFRACTIONS	-	-	-	-	-	-	-
665.000	INTEREST	13,617	9,663	8,936	5,480	3,620	5,750	5,750
667.000	RENTS	13,000	13,000	25,584	25,580	25,580	25,580	25,580
667.517	RENTS - TRANSFER FACILITY	37,200	37,200	37,200	37,200	24,800	37,200	37,200
668.517	ROYALTIES - TRANSFER FACILITY	20,543	25,425	18,848	18,850	10,780	18,900	18,900
672.000	SPECIAL ASSESSMENTS	90,031	80,060	67,592	60,800	39,700	40,000	40,000
673.000	SALE OF CITY PROPERTY	-	2,138	1	20	-	-	-
674.000	CONTRIBUTIONS IN LIEU OF TAX	468,701	481,452	504,990	558,310	243,270	520,000	520,000
675.247	CONTRIBUTIONS & DONATION - TIFA	-	-	-	-	-	10,000	10,000
687.000	REFUNDS - MAJOR ST. ADMIN.	44,429	45,610	46,232	-	-	-	-
688.000	REFUNDS - LOCAL ST. ADMIN.	13,336	14,010	14,199	-	-	-	-
689.000	REFUNDS - DART ADMIN.	46,249	43,850	46,731	-	-	-	-
690.000	OTHER REFUNDS	59,845	393,017	96,921	99,590	65,780	100,000	100,000
690.441	OTHER REFUNDS - BPU FORRESTER	-	-	-	-	-	-	-

Fund 101	GENERAL FUND REVENUES	Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
690.790	OTHER REFUNDS - MITCHL BLD MAINT	2,000	-	-	-	-	-	-
690.806	OTHER REFUNDS - LEGAL SERVICES	690	350	400	-	320	250	500
692.000	OTHER REVENUE	19,597	10,696	5,718	3,470	3,840	6,000	5,000
692.100	OTHER REVENUE - 100TH ANNIVERSARY	-	845	-	-	-	-	-
692.174	OTHER REVENUE - ECONOMIC DEVELOP.	77,458	31,543	57,465	-	-	-	-
692.247	OTHER REVENUE - TIFA	-	-	-	-	-	-	-
692.301	OTHER REVENUES - POLICE DEPT	15,174	498	66	-	-	-	-
699.265	TRANSFER IN - DRUG FORFEITURE	-	-	-	-	-	-	-
692.336	OTHER REVENUES - LOC FIRE GRANTS	-	-	-	1,000	1,000	-	-
692.470	OTHER REVENUES -TREES	-	-	100	-	-	-	-
699.244	TRANSFER IN - EDC FUND	-	-	-	-	-	-	-
692.690	OTHER REVENUES - RENTAL REHAB	-	-	-	-	-	-	303,000
699.174	TRANSFER IN - BPU ECONOMIC DEVELOPMENT	-	-	-	65,000	32,680	65,000	65,000
699.202	TRANSFER IN - MAJOR STREETS	-	-	-	47,000	23,710	48,000	48,000
699.203	TRANSFER IN - LOCAL STREETS	-	-	-	-	7,320	14,200	14,700
699.247	TRANSFER IN - T.I.F.A. FUND	4,716	8,977	10,000	-	-	-	-
699.271	TRANSFER IN - LIBRARY	2,000	2,000	2,000	2,000	2,000	2,000	2,000
699.274	TRANSFERS IN - D.A.R.E.	-	-	-	-	-	-	-
699.517	TRANSFER IN - TRANSFER FACILITY	-	-	-	-	-	-	-
699.409	TRANSFER IN - STOCKS PARK FUND	-	-	-	-	-	-	-
699-588	TRANSFER IN - DIAL-A-RIDE	-	-	-	-	-	50,000	50,000
699.711	TRANSFERS IN - CEMETERY CARE	20,000	20,000	20,000	20,000	20,000	20,000	20,000
699.715	TRANSFER IN - OWENS PARK	-	-	-	-	-	-	-
TOTAL GENERAL FUND REVENUES		4,237,600	4,569,757	4,167,143	3,977,880	3,076,810	4,564,780	4,605,760

CITY COUNCIL

517-437-5089

Scott Sessions - Mayor

scott_m_sessions@yahoo.com

Department Summary
The City of Hillsdale has a Council/Manager form of government, the manager is appointed by the elected City Council members.

The City Council is elected by the voters of the City of Hillsdale to four year terms. The City is divided into four wards, each with two representatives. Elections are held every other year, on the odd-numbered years (2013, 2015 etc.), with each ward having one expiring term per election. Term limits prohibit more than two consecutive four year terms as a Councilperson or Mayor.

The next City Election will be held in the first Tuesday in November 2015.

Mayor and City Council Members

Mayor
Scott Sessions.....2017

First Ward
Adam Stockford2017
Brian Watkins..... 2015

Second Ward
Vacancy2017
Sally Kinney2015

Third Ward
Emily Stack-Davis.....2017
Bruce Sharp.....2015

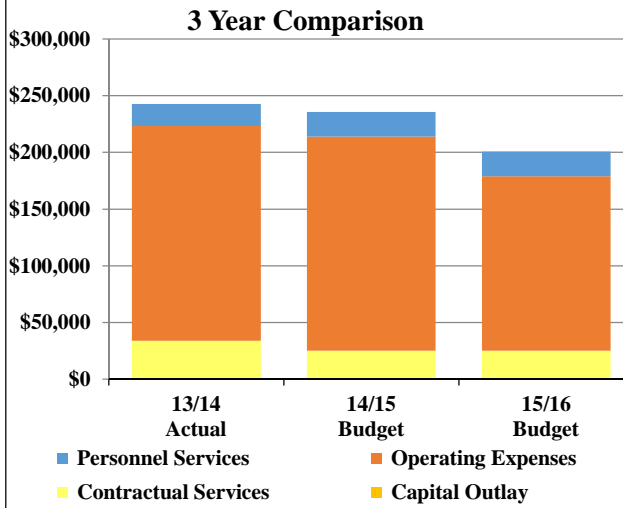
Fourth Ward
Patrick Flannery.....2017
Mary Beth Bail2015

Council Goals

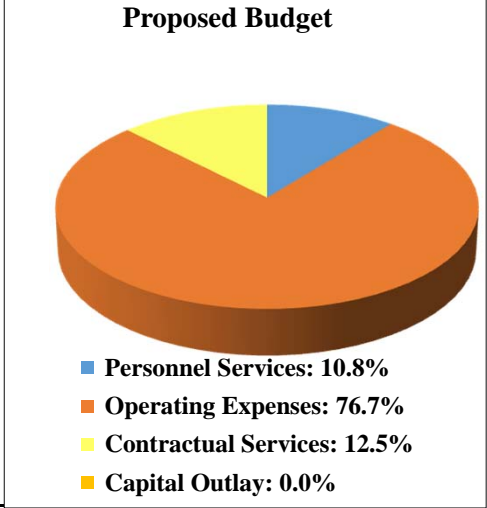
1. Streets/Infrastructure
2. Blight/Code Enforcement
3. Economic Development

Budget Summary

1. Personnel expenses consist of payments to Council based on meetings and committee meetings attended, as authorized by the Officers Compensation Commission.
2. Operating expenses include Council training and membership dues in the Michigan Municipal League, Chamber of Commerce dues, and charges for repair services on computer equipment, legal fees, insurance, audit services, and employee recognition.



	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	19,540	21,650	21,700	0.23%
Operating Expenses	189,330	189,000	153,950	-18.54%
Contractual Services	33,930	25,000	25,000	0.00%
Capital Outlay	-	-	-	
Total	\$ 242,800	\$ 235,650	\$ 200,650	-14.85%



Fund 101 GENERAL FUND EXPENDITURES	Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
						Current 14/15	Proposed 15/16
101.000 CITY COUNCIL							
<i>Personnel Services</i>							
702.000 WAGES	18,631	19,342	18,803	18,060	12,660	20,000	20,000
717.000 WORKERS' COMPENSATION	71	45	36	100	100	120	200
720.000 EMPLOYER'S FICA	1,425	1,480	1,438	1,380	960	1,530	1,500
Total Personnel Services	20,127	20,867	20,277	19,540	13,720	21,650	21,700
<i>Operating Expenses</i>							
726.000 SUPPLIES	-	83	176	200	290	200	300
810.000 DUES AND SUBSCRIPTIONS	4,498	4,619	4,730	-	4,810	5,000	5,000
860.000 TRANSPORTATION AND MILEAGE	-	-	-	-	-	250	250
861.000 TRAINING & SEMINARS	115	-	-	-	-	500	500
862.000 LODGING AND MEALS	-	161	-	-	-	350	350
955.000 MISCELLANEOUS	-	-	-	-	50	-	-
955.175 MISC.-MAYORS EXCHANGE DAY	-	-	-	-	-	-	-
955.176 MISC. - COMMUNICATIONS	-	-	8,470	11,940	4,350	12,000	550
Total Operating Expenses	4,613	4,863	13,376	12,140	9,500	18,300	6,950
TOTAL CITY COUNCIL	24,740	25,729	33,653	31,680	23,220	39,950	28,650

Budgets

Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Current 14/15	Proposed 15/16
175.000 ADMINISTRATIVE SERVICES								
<i>Personnel Services</i>								
702.000	WAGES	-	-	-	-	-	-	-
720.000	EMPLOYER'S FICA	-	-	-	-	-	-	-
Total Personnel Services		-	-	-	-	-	-	-
<i>Operating Expenses</i>								
726.000	SUPPLIES	965	1,235	-	190	350	500	500
805.000	ACCOUNTING SERVICES	-	-	-	-	-	-	-
806.000	LEGAL SERVICES	46,697	41,729	45,865	54,350	20,050	60,000	45,000
806.002	LEGAL SERVICES - TAX CASES	18,879	51,009	14,320	47,120	8,460	15,000	15,000
806.004	LEGAL SERVICES-HLSD IRON/METAL	-	-	-	-	-	-	-
807.000	ENGINEERING SERVICES - CONTRACT	2,796	8,323	3,110	2,200	1,170	5,000	5,000
808.000	AUDITING SERVICES	12,500	19,100	13,100	13,700	13,930	18,700	16,000
810.000	DUES AND SUBSCRIPTIONS	116	180	249	340	180	500	500
850.000	INSURANCE	49,686	51,132	57,356	52,990	46,690	65,000	60,000
861.000	TRAINING & SEMINARS	1,232	938	1,552	-	-	-	-
900.000	PRINTING	-	-	-	-	-	-	-
955.000	MISCELLANEOUS	-	-	-	-	-	-	-
955.101	MISC. - DOMESTIC HARMONY	5,225	5,500	5,500	5,500	-	5,000	5,000
955.102	MISC. - COUNTY DRAIN	-	-	-	-	-	-	-
955.103	MISC. - EMPLOYEE RECOGNITION	-	-	-	-	-	-	-
955.104	MISC. - DOWNTOWN DEVELOPMENT	-	-	-	-	-	-	-
955.105	MISC. - COUNCIL APPROVED STUDY	-	-	-	-	-	-	-
955.125	MISC. - FLOWERS/TREE-MENDES FESTIVAL	792	977	813	800	596	1,000	-
Total Operating Expenses		138,888	180,123	141,865	177,190	91,426	170,700	147,000
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	38,968	37,908	19,658	33,930	13,450	25,000	25,000
801.461	CONTRACTUAL SERVICES-PUBLIC ACCESS CHANNEL	-	-	-	-	-	-	-
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		38,968	37,908	19,658	33,930	13,450	25,000	25,000
TOTAL ADMINISTRATIVE SERVICES		177,856	218,032	161,523	211,120	104,876	195,700	172,000

CITY MANAGER

517-437-6444

kfreese@cityofhillsdale.org

Department Summary

The City Manager is the chief administrative officer and reports to the Hillsdale City Council. The position of City Manager carries a broad range of responsibilities which include appointment and supervision of department heads; coordination of all city and utility departments; and preparation and maintenance of a balanced annual budget of the city's goals.

Department Goals

1. Provide and maintain effective and efficient city government.
2. Encourage historical preservation.
3. Improve quality of life for the city's residents.
4. As revenues decline, reduce expenditures without reducing quality of service.

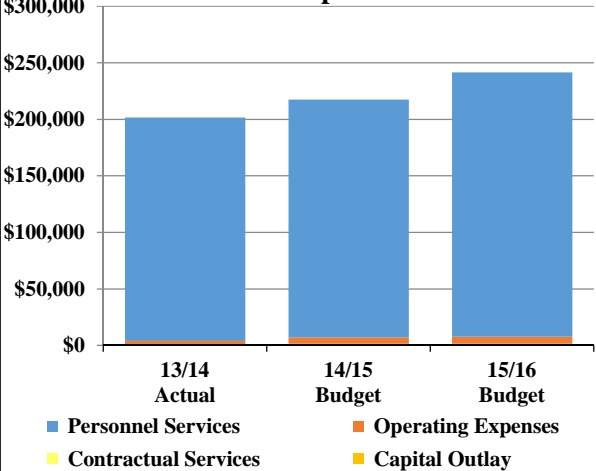
Department Objectives

1. Manage and motivate staff working together as a team to serve the citizens of Hillsdale.
2. Economic Development – collaboratively work with Mary Wolfram and the BPU.
3. Promote Hillsdale by upgrading marketing materials, implementing business friendly practices and improving communications with citizens.
4. Update personnel policies and procedures.

Budget Summary

1. Personnel covers the cost of wages and benefits of two full time employees: the City Manager, and Human Resource Director, Kay Freese.
2. Operating expenses include supplies, training and seminars, and professional subscriptions.
3. Contractual services are: copier repair.
4. No capital outlay expenditures are planned.

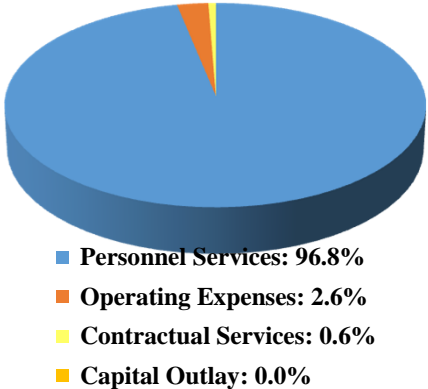
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	197,780	210,280	233,850	11.21%
Operating Expenses	2,750	5,750	6,300	9.57%
Contractual Services	1,190	1,500	1,500	0.00%
Capital Outlay	-	-	-	
	\$ 201,720	\$ 217,530	\$ 241,650	11.09%

Proposed Budget



							Budgets	
Fund 101 GENERAL FUND EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
172.000 CITY MANAGER								
<i>Personnel Services</i>								
702.000	WAGES	131,286	141,558	134,998	135,880	64,940	153,300	147,000
704.000	SICK TIME PAY	2,432	3,653	4,829	6,750	3,560	4,600	4,650
705.000	VACATION TIME PAY	20,091	9,628	14,266	14,450	9,210	12,500	12,500
706.000	PERSONAL TIME PAY	2,790	691	1,847	1,860	1,770	1,870	2,000
707.000	LONGEVITY PAY	1,460	1,100	1,220	1,600	1,850	1,850	2,000
710.000	HOLIDAY AND OTHER PAY	5,946	6,393	6,465	6,630	4,690	6,500	17,630
715.000	HEALTH AND LIFE INSURANCE	22,683	11,039	12,001	9,230	4,390	6,600	27,600
716.000	RETIREMENT	10,204	6,984	6,868	7,230	5,210	8,800	5,400
717.000	WORKERS' COMPENSATION	210	355	514	590	750	690	870
718.000	UNEMPLOYMENT INSURANCE	800	800	400	400	200	200	200
720.000	EMPLOYER'S FICA	12,261	12,190	12,244	12,560	6,470	12,670	13,200
721.000	DISABILITY INSURANCE	399	620	660	600	390	700	800
Total Personnel Services		210,562	195,010	196,312	197,780	103,430	210,280	233,850
<i>Operating Expenses</i>								
726.000	SUPPLIES	2,269	2,472	2,861	2,460	710	2,800	2,500
810.000	DUES AND SUBSCRIPTIONS	135	-	-	110	-	150	1,000
860.000	TRANSPORTATION AND MILEAGE	477	519	251	140	800	500	500
861.000	TRAINING & SEMINARS	988	220	100	-	-	900	900
862.000	LODGING AND MEALS	736	164	99	40	190	900	900
930.000	REPAIRS & MAINTENANCE	120	-	350	-	-	500	500
940.000	EQUIPMENT RENTAL	-	-	-	-	-	-	-
955.000	MISCELLANEOUS	-	-	-	-	-	-	-
Total Operating Expenses		4,725	3,375	3,661	2,750	1,700	5,750	6,300
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	240	1,262	505	1,190	17,560	1,500	1,500
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		240	1,262	505	1,190	17,560	1,500	1,500
TOTAL CITY MANAGER		215,527	199,647	200,478	201,720	122,690	217,530	241,650

ECONOMIC DEVELOPMENT

517-437-6479

econdev@cityofhillsdale.org

Department Summary

The Office of Economic Development is funded through an inter-fund transfer from the Hillsdale Board of Public Utilities. It is staffed on a contractual basis with personnel from the Hillsdale Policy Group, LTD. This office provides support to the City's Economic Development Corporation (EDC), the Tax Increment Finance Authority (TIFA), the office of Planning and Zoning, and all City departments as needed for economic development.

Department Goals

1. Attract business to the Hillsdale Manufacturing and Technology Park.
2. Promote retention, growth, and attraction of all types of business -retail, commercial, industrial, and tourism related industries.
3. Promote development of Three Meadows Subdivision.
4. Promote revitalization and occupancy of buildings in downtown Hillsdale.

5. Improve the corridor to Hillsdale College and connection to downtown Hillsdale.
6. Improve walkability and ease of access to downtown Hillsdale.
7. Promote new fiber optic network that makes Hillsdale one of the best connected communities in the country.
8. Continue working on the Rental Rehabilitation project. This project will create six total units of affordable rental housing on the 2nd and 3rd floors of three separate mixed use historical buildings in downtown Hillsdale. Upon completion, the newly created units will be energy efficient and historically preserved. This project will have matching funds for the owners and local bank. MSHDA Grant: \$292,682 and owner contribution: \$303,000. The impact will be six new affordable housing units.

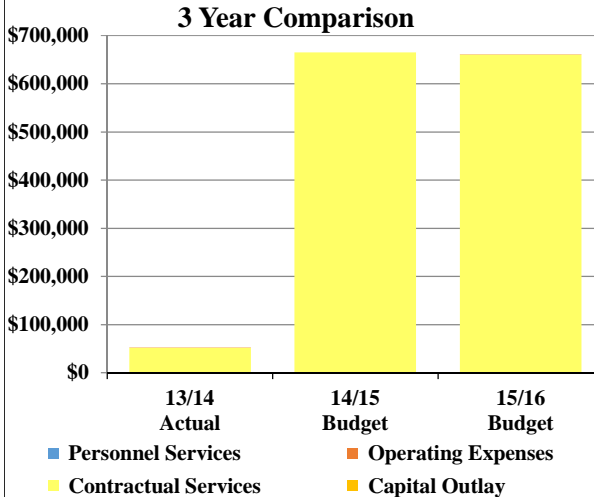
Department Objectives

1. Work with MEDC to rehabilitate historical and blighted properties and to attract and retain businesses.
2. Implement a program for rental rehabilitation through the Michigan State Housing Development Authority (MSHDA).

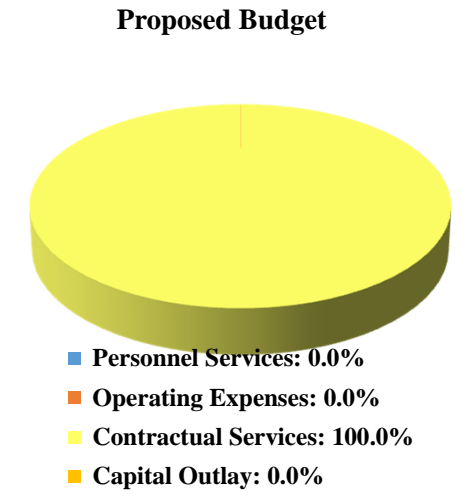
3. Administer an MEDC grant for renovation of a blighted property.
4. Partner with state and local economic development entities, local businesses and other community organizations to coordinate economic development.
5. Work with City boards and departments to develop business friendly policies.
6. Seek out and apply for grants, investment financing, and other funding opportunities.
7. Implement a coordinated business attraction marketing plan and strategy.
8. Pursue funding opportunities for site assessment of remediation of contamination at industrial facilities.

Budget Summary

1. There is no personnel budgeted within this fund.
2. Expenses include the contract cost of one year with HPG, LTD.
3. Contractual services are expenditures for MSHA rental rehab grant, MEDC Blight Elimination grant, supplies, travel, meetings, and marketing expenses.
4. No capital expenditures are planned.



	Summary			Percent of Change
	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	
Personnel Services	-	-	-	
Operating Expenses	30	-	220	
Contractual Services	52,150	665,000	660,680	-0.65%
Capital Outlay	-	-	-	
	\$ 52,180	\$ 665,000	\$ 660,900	-0.62%



Fund 101 GENERAL FUND EXPENDITURES	Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
						Current 14/15	Proposed 15/16
174.000 ECONOMIC DEVELOPMENT							
<i>Personnel Services</i>							
702.000	WAGES	42,973	-	-	-	-	-
704.000	SICK TIME PAY	1,573	-	-	-	-	-
705.000	VACATION TIME PAY	3,737	-	-	-	-	-
706.000	PERSONAL TIME PAY	983	-	-	-	-	-
707.000	LONGEVITY PAY	240	-	-	-	-	-
710.000	HOLIDAY AND OTHER PAY	2,073	-	-	-	-	-
715.000	HEALTH AND LIFE INSURANCE	12,594	1,050	-	-	-	-
716.000	RETIREMENT	3,297	-	-	-	-	-
717.000	WORKERS' COMPENSATION	87	-	-	-	-	-
718.000	UNEMPLOYMENT INSURANCE	400	-	-	-	-	-
720.000	EMPLOYER'S FICA	3,506	-	-	-	-	-
721.000	DISABILITY INSURANCE	208	-	-	-	-	-
Total Personnel Services		71,671	1,050	-	-	-	-
<i>Operating Expenses</i>							
726.000	SUPPLIES	586	-	-	30	30	-
726.525	SUPPLIES - RENTAL REHAB	-	-	-	-	-	-
810.000	DUES AND SUBSCRIPTIONS	440	-	-	-	-	-
860.000	TRANSPORTATION AND MILEAGE	1,287	(78)	-	-	-	-
861.000	TRAINING & SEMINARS	600	-	-	-	-	-
862.000	LODGING AND MEALS	1,122	-	-	-	-	-
900.000	PRINTING	-	-	-	-	-	-
905.000	PUBLISHING/NOTICES	46	-	-	-	180	-
Total Operating Expenses		4,081	(78)	-	30	210	-
<i>Contractual Services and Capital Outlay</i>							
801.000	CONTRACTUAL SERVICES	2,220	31,743	65,746	52,150	41,710	65,000
801.525	CONTRACT. SERV. - RENTAL REHAB	21,359	-	-	-	280	600,000
Total Contractual Services and Capital Outlay		23,579	31,743	65,746	52,150	41,990	665,000
TOTAL ECONOMIC DEVELOPMENT		99,331	32,715	65,746	52,180	42,200	660,900

CITY CLERK

517-437-6441

Michelle Loren - Clerk

clerk@cityofhillsdale.org

Department Summary

The City Clerk’s office duties include maintaining the official City records, administering elections and providing information to the public.

Department Goals

1. Updating the City Clerk’s page on the City’s website with election material information.
2. Verification of all records maintained to match Federal, State, and local requirements.
3. Maintain electronic files and work on getting previous hard files switched over to become electronic files.
4. Continue working on City Council packets and add both packet and video on the City Website.
5. Administer City Elections

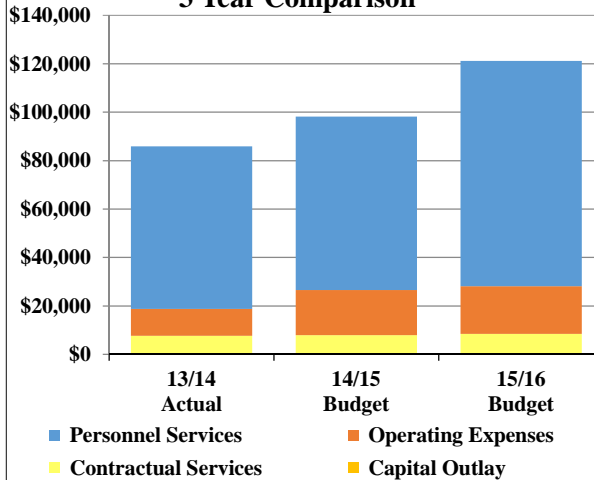
Department Objectives

1. Promote and facilitate a high level of participation in the state election process, including recruiting additional election.
2. Provide updated information for both the paper, City Code Books, and the electronic code book at www.cityofhillsdale.org.
3. Maintain a friendly, courteous manner toward the public on the phone and as a first point of contact for visitors to register them and direct them to the appropriate offices and personnel.
4. Review all Clerk files stored in the upstairs storage area, purge old files and transfer files not current to storage area in conformance to Federal, State, and local requirements.

Budget Summary

1. Personnel consist of one elected clerk and a full time administrative position.
2. Operating expenses are supplies, training, publishing and general maintenance.
3. Contractual services are for copier expenses, and code book maintenance.
4. No capital expenditures are planned for this budget year.

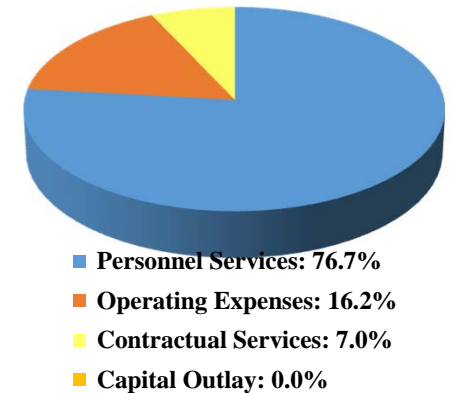
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	67,150	71,550	93,040	30.03%
Operating Expenses	11,100	18,600	19,700	5.91%
Contractual Services	7,710	8,000	8,500	6.25%
Capital Outlay	-	-	-	
	\$ 85,960	\$ 98,150	\$ 121,240	23.53%

Proposed Budget



Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
215.000 CITY CLERK DEPT.								
<i>Personnel Services</i>								
702.000	WAGES	36,483	33,800	38,581	39,630	23,410	38,380	57,670
703.000	OVERTIME PAY	842	2,721	353	140	40	1,000	200
704.000	SICK TIME PAY	1,017	1,224	908	1,240	680	1,060	1,060
705.000	VACATION TIME PAY	2,164	2,123	389	930	990	1,320	1,320
706.000	PERSONAL TIME PAY	423	606	259	530	130	400	400
707.000	LONGEVITY PAY	900	-	-	120	240	240	360
710.000	HOLIDAY AND OTHER PAY	1,367	316	1,362	1,440	1,550	1,390	1,890
715.000	HEALTH AND LIFE INSURANCE	12,600	4,637	11,919	13,060	10,310	15,320	16,600
716.000	RETIREMENT	2,302	858	1,680	1,410	890	1,660	1,150
717.000	WORKERS' COMPENSATION	81	92	126	110	160	150	360
718.000	UNEMPLOYMENT INSURANCE	400	400	200	200	100	100	100
720.000	EMPLOYER'S FICA	2,980	2,944	2,890	2,960	1,750	3,350	4,770
721.000	DISABILITY INSURANCE	139	73	179	160	130	180	160
Total Personnel Services		61,698	49,795	58,846	61,930	40,380	64,550	86,040
<i>Operating Expenses</i>								
726.000	SUPPLIES	2,138	3,114	3,948	1,200	1,120	3,000	3,000
734.000	POSTAGE	3,053	3,194	4,746	4,480	3,240	5,500	5,500
810.000	DUES AND SUBSCRIPTIONS	350	85	-	-	-	150	150
860.000	TRANSPORTATION AND MILEAGE	112	154	-	-	-	150	500
861.000	TRAINING & SEMINARS	250	-	-	-	-	150	500
862.000	LODGING AND MEALS	150	22	-	-	-	150	200
900.000	PRINTING	-	840	3,175	1,550	3,670	3,000	3,000
905.000	PUBLISHING / NOTICES	2,860	5,052	4,687	2,120	2,810	3,500	3,500
930.000	REPAIRS & MAINTENANCE	-	234	-	-	-	250	250
Total Operating Expenses		8,913	12,696	16,556	9,350	10,840	15,850	16,600
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	3,586	3,801	3,230	2,620	1,620	3,500	3,500
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
980.000	CAPITAL OUTLAY - OFFICE EQUIP	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		3,586	3,801	3,230	2,620	1,620	3,500	3,500
TOTAL CITY CLERK DEPT.		74,197	66,292	78,632	73,900	52,840	83,900	106,140

Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
191.000 ELECTIONS								
<i>Personnel Services</i>								
702.000	WAGES	5,739	5,156	6,221	5,220	4,360	7,000	7,000
720.000	EMPLOYER'S FICA	290	250	261	-	60	-	-
Total Personnel Services		6,029	5,406	6,482	5,220	4,420	7,000	7,000
<i>Operating Expenses</i>								
726.000	SUPPLIES	1,674	1,021	203	870	70	1,500	1,500
860.000	TRANSPORTATION AND MILEAGE	-	728	-	330	130	-	350
862.000	LODGING AND MEALS	415	523	500	550	560	1,000	1,000
905.000	PUBLISHING / NOTICES	411	-	151	-	-	250	250
Total Operating Expenses		2,500	2,273	854	1,750	760	2,750	3,100
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	1,653	4,448	2,291	5,090	3,380	4,500	5,000
TOTAL ELECTIONS		10,182	12,127	9,627	12,060	8,560	14,250	15,100

CITY TREASURER

517-437-6454

treasurer@cityofhillsdale.org

Department Summary

The Treasurer's Office is responsible for collecting and disbursing funds collected through property taxes for the City of Hillsdale. Taxes are collected two times per year for the City, the Hillsdale Community Schools, Hillsdale County Intermediate School District, and the State of Michigan. Reports are filed with the State of Michigan at the end of each tax season for all tax abatements issued to businesses in the City of Hillsdale.

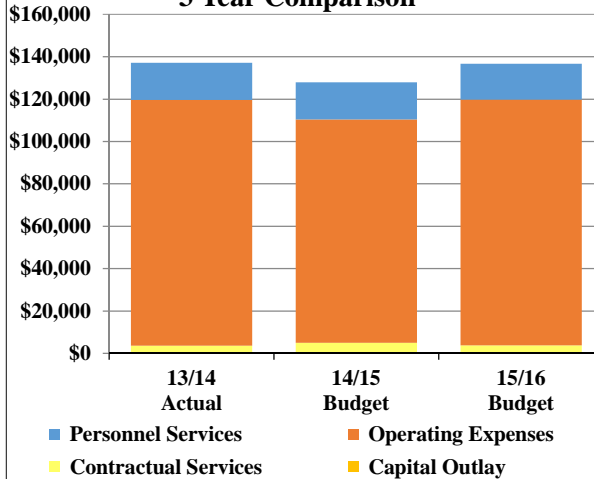
Department Goals and Objectives

1. Update Delinquent Personal Property Tax.
2. Implement online payment option for tax payers.
3. Implement credit/debit payment system.

Budget Summary

1. Personnel consists of an elected Treasurer.
2. Operating expenses are supplies, postage, training, publishing, dues and subscriptions.
3. Contractual services reflect tax software support.
4. No Capital Outlay expenditure are planned.

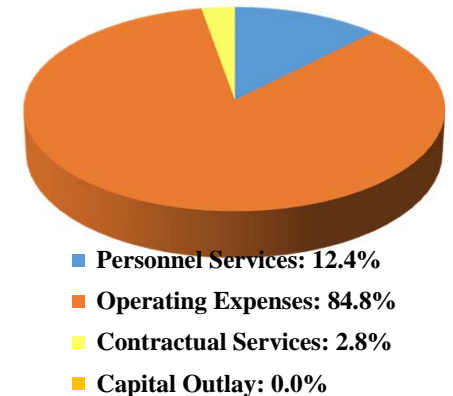
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	17,520	17,440	16,980	-2.64%
Operating Expenses	115,960	105,450	115,950	9.96%
Contractual Services	3,690	5,000	3,800	-24.00%
Capital Outlay	-	-	-	
	\$ 137,170	\$ 127,890	\$ 136,730	6.91%

Proposed Budget



		Actual	Actual	Actual	Actual	Actual Thru	Budgets	
Fund 101 GENERAL FUND EXPENDITURES		10/11	11/12	12/13	13/14	02/15	Current	Proposed
							14/15	15/16
253.000 CITY TREASURER								
<i>Personnel Services</i>								
702.000	WAGES	15,806	15,806	15,746	15,750	10,300	16,000	15,750
715.000	HEALTH AND LIFE INSURANCE	76	82	82	80	60	80	-
716.000	RETIREMENT	1,293	778	561	400	-	-	-
717.000	WORKERS' COMPENSATION	8	8	31	10	20	50	20
720.000	EMPLOYER'S FICA	1,209	1,209	1,205	1,200	790	1,220	1,210
721.000	DISABILITY INSURANCE	80	82	87	80	70	90	-
Total Personnel Services		18,472	17,965	17,712	17,520	11,240	17,440	16,980
<i>Operating Expenses</i>								
726.000	SUPPLIES	846	798	376	790	450	850	850
734.000	POSTAGE	900	2,407	2,639	2,660	2,600	2,700	2,700
810.000	DUES AND SUBSCRIPTIONS	310	108	195	190	50	200	200
860.000	TRANSPORTATION AND MILEAGE	358	293	-	270	140	400	400
861.000	TRAINING & SEMINARS	665	295	-	320	300	600	600
862.000	LODGING AND MEALS	320	471	-	390	350	700	700
900.000	PRINTING	-	-	-	-	420	-	500
964.000	REFUNDS AND REBATES	93,627	163,617	99,132	111,340	35,310	100,000	110,000
Total Operating Expenses		97,026	167,989	102,342	115,960	39,620	105,450	115,950
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	2,015	4,117	4,628	3,690	1,900	5,000	3,800
970.000	CAPITAL OUTLAY	7,930	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		9,945	4,117	4,628	3,690	1,900	5,000	3,800
TOTAL CITY TREASURER		125,443	190,071	124,682	137,170	52,760	127,890	136,730

FINANCE DEPARTMENT

517-437-6446

Bonnie Tew-Director

btew@cityofhillsdale.org

Department Summary

The Finance Department is responsible for maintaining a system of accounts which shall conform to the uniform system established by the state and is consistent with generally accepted accounting principles. It is responsible for collection of all monies, other than property taxes, received by the City, for maintaining the financial records of the City, including records of property owned by and belonging to the City, for issuance of purchase orders for goods and services requisitioned by the various administrative departments and for providing assistance to the City Clerk & City Treasurer in carrying out the duties and functions of their respective offices. This department, also, handles all City investments and debt. The two major functions of the department are to facilitate the audit and assist the City Manager in preparation of the annual budget. In addition

this department prepares and files all necessary intergovernmental reports; assists other departments with cost analysis, purchasing and capital improvement planning; and performs analysis of various financial and non-financial issues as requested by the City Manager & the City Council.

Department Goals

1. To provide useful and timely financial information to city staff, various city boards and commissions, as well as city residents in a appropriate format, maximizing the usefulness of the data.
2. To provide safety, liquidity and yield in city investments.
3. To facilitate computer and technology use in all city departments.
4. Monitor cost to reduce waste and maximize productivity and efficiency.

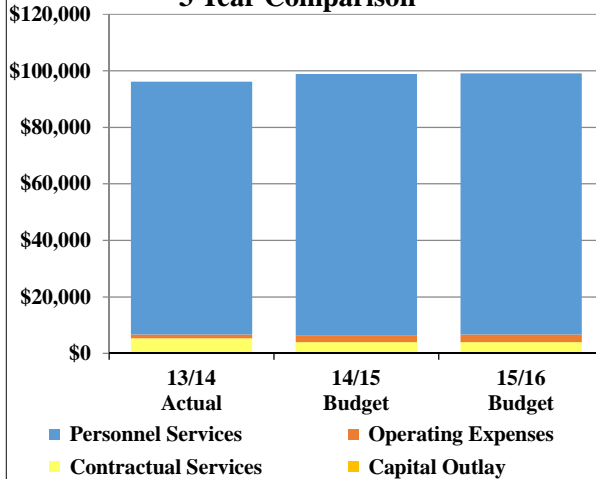
Department Objectives

1. Complete requirements for Government Finance Officers Association's (GFOA) Certificate of Excellence in Financial Reporting.
2. Utilize internet banking system to accept payments.
3. Develop a system of tracking infrastructure projects over multiple fiscal years.

Budget Summary

1. Personnel consist of one full time employee.
2. Operating expenses include supplies, training and dues for Michigan Government Finance Officers Association (MGFOA), the national Government Finance Officers Association (GFOA) and the Michigan Municipal Treasurers Association (MMTA).
3. Contractual services consist of accounting software support.
4. No capital purchases are planned for this fiscal year.

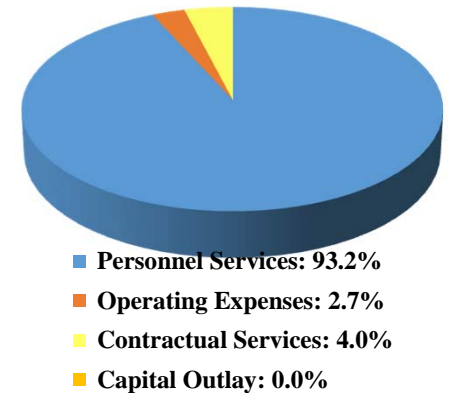
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	89,520	92,740	92,350	-0.42%
Operating Expenses	1,310	2,200	2,720	23.64%
Contractual Services	5,390	4,000	4,000	0.00%
Capital Outlay	-	-	-	
	\$ 96,220	\$ 98,940	\$ 99,070	0.13%

Proposed Budget



Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
219.000 FINANCE DEPARTMENT								
	<i>Personnel Services</i>							
702.000	WAGES	53,211	55,592	54,539	55,290	36,470	56,370	55,700
703.000	OVERTIME PAY	50	-	-	-	-	-	-
704.000	SICK TIME PAY	1,428	1,428	1,471	1,500	1,490	1,500	1,490
705.000	VACATION TIME PAY	6,428	4,166	6,618	5,240	2,980	6,000	6,210
706.000	PERSONAL TIME PAY	714	714	735	750	740	750	750
707.000	LONGEVITY PAY	1,100	1,100	1,100	1,100	1,100	1,100	1,100
710.000	HOLIDAY AND OTHER PAY	2,500	2,381	2,574	4,450	3,060	2,620	3,110
715.000	HEALTH AND LIFE INSURANCE	12,600	10,870	11,919	13,060	10,330	15,350	15,970
716.000	RETIREMENT	4,169	3,251	3,199	2,690	1,900	3,120	2,110
717.000	WORKERS' COMPENSATION	97	148	201	240	310	300	320
718.000	UNEMPLOYMENT INSURANCE	400	400	200	200	100	100	100
720.000	EMPLOYER'S FICA	4,570	4,555	4,662	4,750	3,180	5,230	5,190
721.000	DISABILITY INSURANCE	249	258	274	250	180	300	300
	Total Personnel Services	87,516	84,864	87,492	89,520	61,840	92,740	92,350
	<i>Operating Expenses</i>							
726.000	SUPPLIES	236	403	136	150	620	250	750
810.000	DUES AND SUBSCRIPTIONS	295	295	355	320	150	350	370
860.000	TRANSPORTATION AND MILEAGE	157	193	252	100	-	300	300
861.000	TRAINING & SEMINARS	139	199	309	220	-	800	800
862.000	LODGING AND MEALS	13	78	481	520	-	500	500
930.000	REPAIRS & MAINTENANCE	-	-	-	-	-	-	-
	Total Operating Expenses	840	1,168	1,533	1,310	770	2,200	2,720
	<i>Contractual Services and Capital Outlay</i>							
801.000	CONTRACTUAL SERVICES	8,305	6,705	6,180	5,390	(2,500)	4,000	4,000
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
	Total Contractual Services and Capital Outlay	8,305	6,705	6,180	5,390	(2,500)	4,000	4,000
	TOTAL FINANCE DEPT.	96,661	92,737	95,205	96,220	60,110	98,940	99,070

ASSESSING, CODE ENFORCEMENT & PLANNING

517-437-6456

Kim Thomas - Assessor

kthomas@cityofhillsdale.org

Department Summary

The department is responsible for the assessment of real and personal property, for land use planning, and for enforcement of the city's building and zoning codes. Property assessment includes description, ownership identification, inventory, valuation, and determination of qualification for any applicable statutory exemptions. Individual property records are organized and updated as needed. Assessed values are adjusted annually based on analysis of sales and physical changes to the property. The Planning and Zoning Administrator works with the Planning Commission to develop and update the City's master plan for future development and to update city ordinances and the zoning map as needed to best meet the goals and objectives identified in that process. The department also works with the police and other departments to ensure enforcement and compliance with other sections of the municipal code, including clearance of snow from sidewalks, lawn mowing and removal of solid waste.

Department Goals

1. Improve department efficiency.
2. Provide accurate property information, including its values, uses, and regulations.
3. Improve access to property information.
4. Provide joint planning opportunities.
5. Provide economic development support.
6. Better the aesthetics of the city through effective enforcement.

Department Objectives

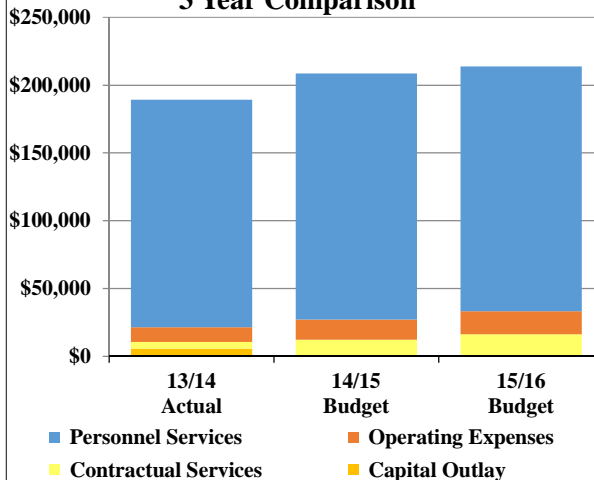
1. Update and organize departmental records and processes.
2. Review written and computerized property records and maps for accuracy.
3. Implement a plan to physically inspect 20% of properties annually for assessment review, pursuant to state guidelines.
4. Update departmental and property information available on city and county websites.

5. Conduct joint planning sessions with the Hillsdale County Planning Commission and neighboring communities.
6. Work with TIFA, EDC, EDP and Hillsdale Policy Group to identify properties for redevelopment.

Budget Summary

1. Personnel cover the cost of wages and benefits for three full time employees: the Assessor/Code Official; a Planning and Zoning Administrator and an Administrative Assistant.
2. Operating expenses are supplies, postage, training, publishing and maintenance. Training includes several educational opportunities.
3. Contractual services include software maintenance agreements, parcel mapping, appraisals for Tax Tribunal, office equipment leases, and maintenance of non-compliant properties.
4. The only capital outlay for this department is for software upgrades.

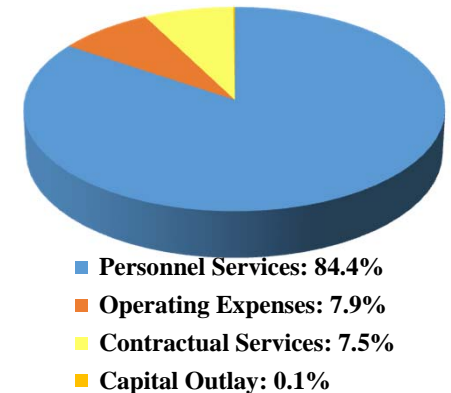
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	167,680	181,350	180,470	-0.49%
Operating Expenses	10,950	15,010	16,980	13.12%
Contractual Services	4,910	12,180	16,000	31.36%
Capital Outlay	5,650	-	300	
Total	\$ 189,190	\$ 208,540	\$ 213,750	2.50%

Proposed Budget



Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
209.000 ASSESSING DEPARTMENT								
<i>Personnel Services</i>								
702.000	WAGES	84,110	86,372	74,067	122,310	42,350	57,820	56,880
703.000	OVERTIME PAY	-	-	-	-	-	-	-
704.000	SICK TIME PAY	1,922	2,428	1,593	560	250	2,010	2,000
705.000	VACATION TIME PAY	7,162	5,443	7,713	5,800	2,380	2,520	2,500
706.000	PERSONAL TIME PAY	1,093	1,123	3,239	1,810	630	750	750
707.000	LONGEVITY PAY	1,340	1,460	1,580	-	120	120	240
710.000	HOLIDAY AND OTHER PAY	3,937	3,931	4,432	6,420	3,440	3,640	3,630
715.000	HEALTH AND LIFE INSURANCE	17,922	13,892	7,686	12,580	60	80	90
716.000	RETIREMENT	6,376	5,099	4,457	5,450	1,870	3,050	2,100
717.000	WORKERS' COMPENSATION	729	543	559	1,190	400	750	700
718.000	UNEMPLOYMENT INSURANCE	400	800	400	600	100	100	100
720.000	EMPLOYER'S FICA	6,984	7,084	6,658	10,340	3,710	5,110	5,050
721.000	DISABILITY INSURANCE	444	459	386	620	270	400	360
	Total Personnel Services	132,419	128,634	112,770	167,680	55,580	76,350	74,400
<i>Operating Expenses</i>								
726.000	SUPPLIES	296	674	1,459	2,390	560	1,000	1,000
734.000	POSTAGE	1,623	2,377	1,930	1,650	1,210	2,000	2,100
810.000	DUES AND SUBSCRIPTIONS	350	385	690	260	420	300	800
860.000	TRANSPORTATION AND MILEAGE	1,143	1,636	922	1,250	380	1,200	1,200
861.000	TRAINING & SEMINARS	665	685	425	540	200	500	700
862.000	LODGING AND MEALS	963	1,280	921	-	370	1,200	1,500
900.000	PRINTING	-	-	-	-	-	-	-
905.000	PUBLISHING / NOTICES	54	57	253	90	180	100	300
930.000	REPAIRS & MAINTENANCE	-	-	-	-	-	-	-
	Total Operating Expenses	5,094	7,093	6,600	6,180	3,320	6,300	7,600
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	2,650	2,685	17,510	4,910	5,270	10,000	13,000
970.000	CAPITAL OUTLAY	4,860	-	-	-	-	-	-
	Total Contractual Services and Capital Outlay	7,510	2,685	17,510	4,910	5,270	10,000	13,000
	TOTAL ASSESSING DEPT.	145,023	138,412	136,880	178,770	64,170	92,650	95,000

Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
400.000 PLANNING DEPARTMENT								
702.000	WAGES	-	-	-	-	20,850	35,610	35,620
704.000	SICK TIME PAY	-	-	-	-	460	1,230	1,240
705.000	VACATION TIME PAY	-	-	-	-	310	1,540	1,540
706.000	PERSONAL TIME PAY	-	-	-	-	380	460	470
707.000	LONGEVITY PAY	-	-	-	-	120	120	240
710.000	HOLIDAY AND OTHER PAY	-	-	-	-	1,230	1,610	1,620
715.000	HEALTH AND LIFE INSURANCE	-	-	-	-	12,890	19,040	20,580
716.000	RETIREMENT	-	-	-	-	1,140	1,850	1,300
717.000	WORKERS' COMPENSATION	-	-	-	-	590	500	700
718.000	UNEMPLOYMENT INSURANCE	-	-	-	-	100	100	100
720.000	EMPLOYER'S FICA	-	-	-	-	1,630	3,100	3,120
721.000	DISABILITY INSURANCE	-	-	-	-	150	270	220
	Total Personnel Services	-	-	-	-	39,850	65,430	66,750
	<i>Operating Expenses</i>							
726.000	SUPPLIES	65	-	303	220	-	500	500
810.000	DUES AND SUBSCRIPTIONS	2,468	2,427	2,427	2,300	2,430	2,500	2,500
860.000	TRANSPORTATION AND MILAGE	-	-	37	230	390	350	700
861.000	TRAINING & SEMINARS	-	-	80	1,200	1,950	2,800	2,000
862.000	LODGING AND MEALS	-	-	-	-	-	-	500
905.000	PUBLISHING / NOTICES	677	207	1,075	410	650	1,000	1,000
	Total Operating Expenses	3,210	2,634	3,922	4,360	5,420	7,150	7,200
	<i>Contractual Services and Capital Outlay</i>							
801.000	CONTRACTUAL SERVICES	-	-	-	-	240	500	500
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	300
	Total Contractual Services and Capital Outlay	-	-	-	-	240	500	800
	TOTAL PLANNING DEPARTMENT	3,210	2,634	3,922	4,360	45,510	73,080	74,750

Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
372.000 CODE ENFORCEMENT								
<i>Personnel Services</i>								
702.000	WAGES	-	-	-	-	17,670	29,630	29,640
704.000	SICK TIME PAY	-	-	-	-	-	1,020	1,030
705.000	VACATION TIME PAY	-	-	-	-	260	1,280	1,280
706.000	PERSONAL TIME PAY	-	-	-	-	260	380	390
707.000	LONGEVITY PAY	-	-	-	-	240	120	240
710.000	HOLIDAY AND OTHER PAY	-	-	-	-	1,610	2,340	2,350
715.000	HEALTH AND LIFE INSURANCE	-	-	-	-	60	80	90
716.000	RETIREMENT	-	-	-	-	970	1,540	1,110
717.000	WORKERS' COMPENSATION	-	-	-	-	130	200	230
718.000	UNEMPLOYMENT INSURANCE	-	-	-	-	100	100	100
720.000	EMPLOYER'S FICA	-	-	-	-	1,500	2,660	2,670
721.000	DISABILITY INSURANCE	-	-	-	-	140	220	190
Total Personnel Services		-	-	-	-	22,940	39,570	39,320
<i>Operating Expenses</i>								
726.000	SUPPLIES	252	92	616	410	20	1,000	100
742.000	CLOTHING / UNIFORMS	-	-	-	-	-	-	-
810.000	DUES AND SUBSCRIPTIONS	-	-	-	-	-	-	60
860.000	TRANSPORTATION AND MILEAGE	868	527	-	-	-	250	450
861.000	TRAINING & SEMINARS	650	-	-	-	390	310	450
862.000	LODGING AND MEALS	-	-	-	-	-	-	120
940.000	EQUIPMENT RENTAL	-	351	-	-	-	-	1,000
Total Operating Expenses		1,770	970	616	410	410	1,560	2,180
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	615	1,080	1,100	-	2,210	1,680	2,500
970.000	CAPITAL OUTLAY	5,400	-	-	5,650	-	-	-
Total Contractual Services and Capital Outlay		6,015	1,080	1,100	5,650	2,210	1,680	2,500
TOTAL CODE ENFORCEMENT		7,785	2,050	1,716	6,060	25,560	42,810	44,000

AIRPORT

517-437-4755

James Scheibner-Manager

james@hillsdaleaero.com

Department Summary

The City contracts with James Scheibner, President of Hillsdale Aero, Inc. to operate and manage the Airport. The Airport continues to serve the community as an important component of the transportation infrastructure and economic development. It is the responsibility of management to assure that the Airport meets or exceeds all State and Federal regulations. Keeping the facility in excellent condition is crucial to attract tenants and supporters as well as gaining local, State and Federal funding for needed improvements. Management continues its commitment to improving facilities, increasing community utilization of and enhancing safety at the Hillsdale Municipal Airport.

Department Goals

1. Continue the Land/Easement Acquisition Phase of the Improvement Project.
2. Establish a goal list for the upcoming Terminal Relocation Project
3. Pursue additional funding through federal and state grant programs for further development under the updated Airport Layout Plan (ALP).

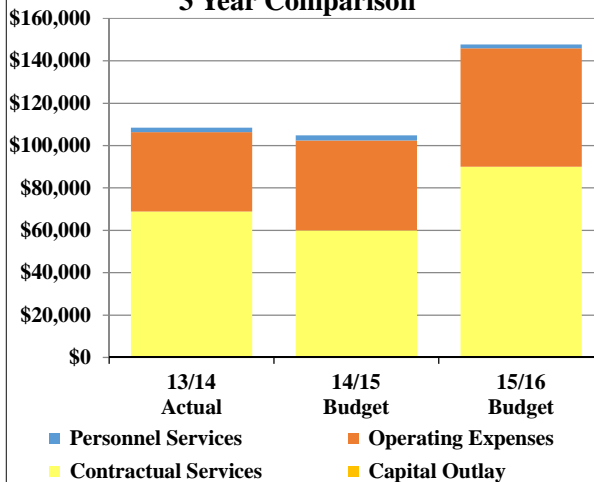
Department Objectives

1. Continue to assist in the ongoing expansion projects.
2. Market airport facilities.

Budget Summary

1. Personnel consist of Public Service hours allocated for taxi-way crack sealing and runway zone turf rolling.
2. Operating expenses are supplies, utilities, repairs and maintenance, insurance, training, transportation, lodging, dues and subscriptions, and equipment rental. This budget includes an additional appropriation of \$15,000 to repair the hanger roofs.
3. Contractual services are the Airport Manager's compensation, snow removal and grounds maintenance. This year an additional appropriation of \$20,000 was added to repair cracks in the runway.

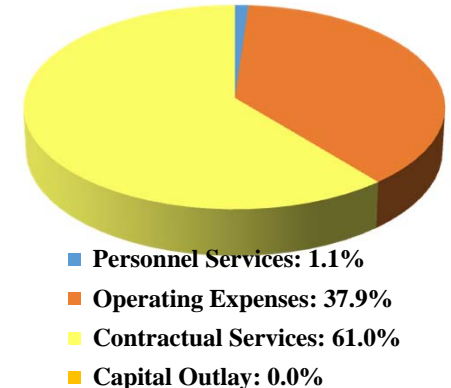
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	2,150	2,350	1,670	-28.94%
Operating Expenses	37,390	42,450	55,970	31.85%
Contractual Services	68,880	60,000	90,000	50.00%
Capital Outlay	-	-	-	
	\$ 108,420	\$ 104,800	\$ 147,640	40.88%

Proposed Budget



Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
295.000 AIRPORT								
<i>Personnel Services</i>								
702.000	WAGES	352	183	289	700	90	490	1,000
717.000	WORKERS' COMPENSATION	306	358	930	1,330	(1,310)	1,550	50
720.000	EMPLOYER'S FICA	25	13	20	50	10	40	80
725.000	FRINGE BENEFITS - ALLOCATED	164	107	82	70	150	270	540
Total Personnel Services		847	661	1,321	2,150	(1,060)	2,350	1,670
<i>Operating Expenses</i>								
726.000	SUPPLIES	271	376	412	820	340	400	15,400
810.000	DUES AND SUBSCRIPTIONS	324	220	220	70	70	350	70
850.000	INSURANCE	13,342	11,734	10,938	11,010	4,620	15,000	12,000
860.000	TRANSPORTATION AND MILEAGE	-	-	-	-	-	50	-
861.000	TRAINING & SEMINARS	-	-	-	-	-	250	-
862.000	LODGING AND MEALS	132	111	-	-	-	250	-
920.000	UTILITIES	16,576	14,029	17,508	21,390	11,660	18,000	22,500
925.000	TELEPHONE	2,023	2,283	2,439	1,820	610	2,650	2,000
930.000	REPAIRS & MAINTENANCE	3,727	4,657	8,788	2,070	3,000	5,000	3,500
940.000	EQUIPMENT RENTAL	275	211	74	210	40	500	500
Total Operating Expenses		36,670	33,621	40,379	37,390	20,340	42,450	55,970
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	43,638	47,571	53,915	68,880	39,530	60,000	90,000
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		43,638	47,571	53,915	68,880	39,530	60,000	90,000
TOTAL AIRPORT		81,155	81,853	95,615	108,420	58,810	104,800	147,640

POLICE DEPARTMENT

517-437-6460

Scott Hephner - Police Chief

police@cityofhillsdale.org

Department Summary

The City Police Department consists of a Police Chief, Administrative Assistant, three (3) Sergeants, eight (8) Patrol Officers, one (1) Detective, two (1) part time officer, one (1) part-time clerical/dispatcher, six (6) police reserve officers, one (1) full time and one (1) part time crossing guards. The Police Department is a fully staffed police agency providing 24-hour patrol for the city. The police dispatch system is handled by the Hillsdale County Central Dispatch Center 24-7. The city dispatcher/records office is open Monday-Friday 7 a.m. to 12 noon.

Department Goals

1. Increase narcotics enforcement.
2. Create a presence inside our local schools.
3. Acquire certified instructors in non-lethal force areas of G.A.G.E. and taser.
4. Institute physical standards and testing procedure.

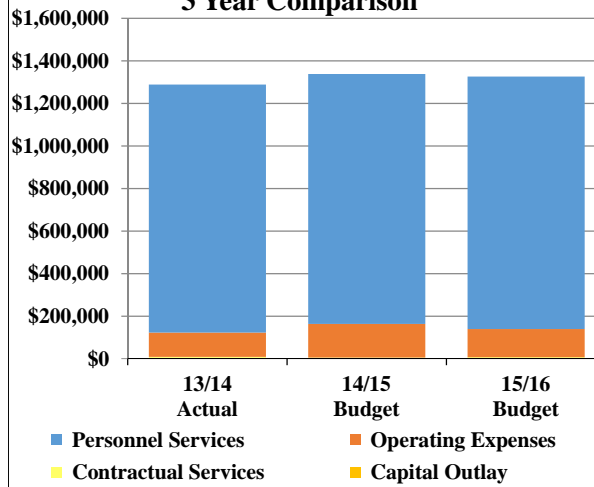
Department Objectives

1. Reduce the amount of criminal narcotic activity involving injury and death.
2. To be proactive within the schools in regards to potential threat and violence.
3. To increase our level and options in training regarding physical confrontations which relates to Officer Safety, Public Safety, and reduced liability.
4. To improve and/or maintain the physical well being of Police Officers.

Budget Summary

1. Personnel services reflects thirteen (13) full time police officers, one (1) part time police officer and one (1) full-time and one (1) part-time support staff, one (1) full-time and one (1) part-time crossing guard.
2. Operating expenses include supplies, training/education, vehicle operation, uniforms and cleaning. We will be replacing body armor for seven (7) officers in this budget. RMEF payments are \$0.65 per mile this budget year.
3. Contractual services consist of: Network Access Fee for In-Car Mobile Data Terminals, Service Agreement/Lease Fax Machine, Software License Fees, Rang, M.D.T. Fees and Program Use Fees.
4. No capital Outlay purchases were planned.

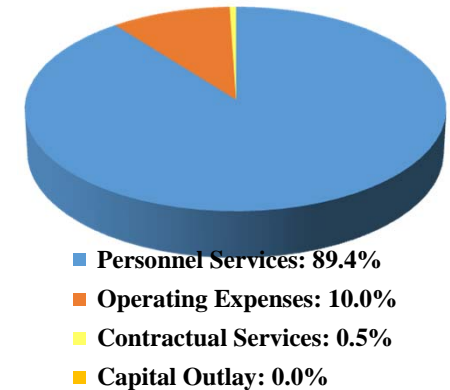
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	1,165,640	1,175,250	1,185,990	0.91%
Operating Expenses	114,750	157,200	133,000	-15.39%
Contractual Services	4,260	6,000	7,000	16.67%
Capital Outlay	4,200	-	-	
Total	\$ 1,288,850	\$ 1,338,450	\$ 1,325,990	-0.93%

Proposed Budget



Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Current 14/15	Proposed 15/16
301.000 POLICE DEPARTMENT								
<i>Personnel Services</i>								
702.000	WAGES	586,530	671,037	660,071	643,670	361,510	600,000	595,000
703.000	OVERTIME PAY	127,725	42,003	38,861	45,920	42,720	50,000	50,000
704.000	SICK TIME PAY	31,545	14,954	20,129	21,760	26,590	18,800	20,000
705.000	VACATION TIME PAY	73,314	48,195	61,801	51,910	34,650	56,000	50,000
706.000	PERSONAL TIME PAY	9,210	6,948	12,239	10,710	5,630	8,600	8,600
707.000	LONGEVITY PAY	15,228	14,150	15,045	12,950	11,420	13,500	11,360
710.000	HOLIDAY AND OTHER PAY	31,275	27,245	27,152	37,760	35,840	31,000	49,600
715.000	HEALTH AND LIFE INSURANCE	179,338	159,593	186,745	177,880	124,050	198,500	212,510
716.000	RETIREMENT	102,775	102,456	114,553	125,840	82,130	158,000	150,200
717.000	WORKERS' COMPENSATION	7,623	10,304	11,857	17,250	18,800	21,000	21,000
718.000	UNEMPLOYMENT INSURANCE	5,800	5,800	3,200	3,200	1,500	1,550	1,400
720.000	EMPLOYER'S FICA	12,062	12,330	12,390	13,710	8,300	14,800	12,600
721.000	DISABILITY INSURANCE	2,999	3,305	3,441	3,080	2,190	3,500	3,720
	Total Personnel Services	1,185,424	1,118,320	1,167,484	1,165,640	755,330	1,175,250	1,185,990
<i>Operating Expenses</i>								
726.000	SUPPLIES	6,217	6,302	8,520	6,890	5,280	8,000	8,000
742.000	CLOTHING / UNIFORMS	9,181	11,452	10,573	7,050	4,700	10,000	10,000
810.000	DUES AND SUBSCRIPTIONS	559	545	448	500	670	600	600
850	INSURANCE - POLICE				18,420	8,950	20,000	20,000
860.000	TRANSPORTATION AND MILEAGE	843	1,155	834	310	110	1,000	1,000
861.000	TRAINING & SEMINARS	1,995	3,142	2,667	1,170	1,780	4,200	4,200
861.005	STATE TRAINING FUNDS	3,077	2,729	1,120	2,480	950	3,000	3,000
862.000	LODGING AND MEALS	596	1,563	2,363	770	370	1,200	1,200
900.000	PRINTING	1,246	315	1,522	560	770	1,000	1,000
905.000	PUBLISHING / NOTICES	280	198	300	-	410	300	300
925.000	TELEPHONE	1,104	1,178	1,096	1,190	570	1,200	-
930.000	REPAIRS & MAINTENANCE	3,431	2,314	1,965	1,570	1,040	3,000	3,000
940.000	EQUIPMENT RENTAL	91,347	97,928	89,536	73,070	41,500	103,000	80,000
955.221	MISC - PHYSICAL EXAMINATIONS	72	228	79	770	790	500	500
955.222	MISC - SHOTS & TRAINING	-	100	-	-	-	200	200
	Total Operating Expenses	119,948	129,150	121,023	114,750	67,890	157,200	133,000
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	5,159	4,813	3,915	4,260	3,910	6,000	7,000
970.000	CAPITAL OUTLAY	3,365	895	2,921	4,200	-	-	-
	Total Contractual Services and Capital Outlay	8,524	5,708	6,836	8,460	3,910	6,000	7,000
	TOTAL POLICE DEPT.	1,313,896	1,253,177	1,295,343	1,288,850	827,130	1,338,450	1,325,990

FIRE DEPARTMENT

517-437-6460

Kevin Paukin - Fire Chief

fire@cityofhillsdale.org

Department Summary

The City Fire Department consists of a Chief, one (1) Captain, two (2) Lieutenants and twenty five (25) part time (on-call) firefighters. The department is licensed as a medical first responder agency and staff is trained in ice rescue, hazardous materials operations, confined space rescue, vehicle extrications as well as up to date firefighting tactics. The fire department continues to maintain an excellent I.S.O. class "5" fire rating through staffing, training, equipment purchases and water supply capabilities.

Department Goals

1. Submit grants for equipment.
2. Increase medical first responder staff.

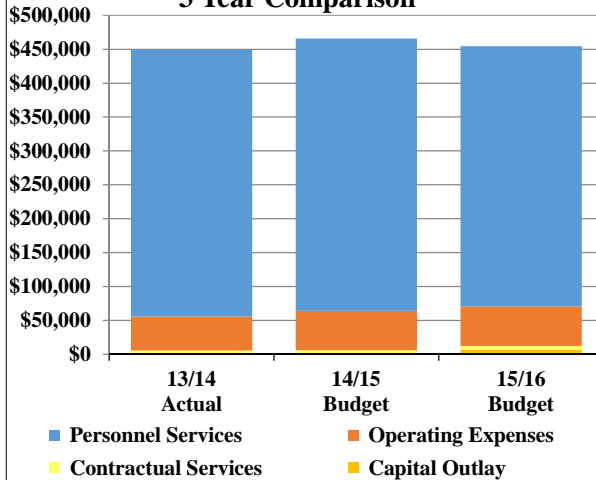
Department Objectives

1. Recruitment and training of new part time firefighters.
2. Secure funding for additional medical first responder staff.
3. Reorganization and clean-up of fire station and equipment.

Budget Summary

- 1 Personnel service reflects the full time status of four employees. In addition, the department is staffed with twenty five part time on-call firefighters.
2. Operating expenses include supplies, vehicle repairs and maintenance, utilities, fuel, training, uniform replacement and medical exams including immunizations.
3. Contractual services consist of; linen services, software licensing, compressed breathing air testing and annual maintenance of the air purification system, Hurst rescue tools, engines annual pump testing, aerial and ground ladder testing and SCBA Harness Systems test and Inspection. All of which are required by OSHA and NFPA.
4. Capital outlay requests for the **Fire Department** are as follows; Turnout Gear, Minitor VI Pagers and SCBA Masks.

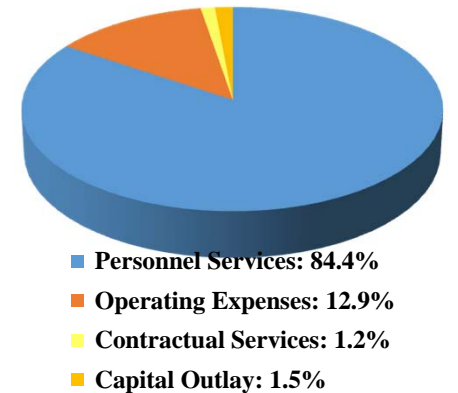
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	393,950	401,770	383,750	-4.49%
Operating Expenses	49,870	58,300	58,800	0.86%
Contractual Services	4,830	6,000	5,400	-10.00%
Capital Outlay	1,110	-	6,750	
Total	\$ 449,760	\$ 466,070	\$ 454,700	-2.44%

Proposed Budget



Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
336.000 FIRE DEPT.								
<i>Personnel Services</i>								
702.000	WAGES	187,339	193,755	193,835	194,770	111,200	193,500	175,000
702.336	WAGES - PART-TIME FIREFIGHTERS	37,189	33,203	33,291	38,350	32,040	35,000	40,000
703.000	OVERTIME PAY	22,589	19,217	19,151	21,700	14,330	23,000	21,000
704.000	SICK TIME PAY	5,860	5,404	3,847	6,360	7,730	4,100	4,200
705.000	VACATION TIME PAY	16,956	17,575	22,438	17,180	17,720	20,300	18,440
706.000	PERSONAL TIME PAY	4,628	4,695	2,762	6,040	2,480	5,300	4,290
707.000	LONGEVITY PAY	4,210	4,330	3,900	4,940	4,100	4,600	4,200
710.000	HOLIDAY AND OTHER PAY	10,302	8,210	5,368	10,290	7,770	9,800	8,720
715.000	HEALTH AND LIFE INSURANCE	51,932	40,070	43,996	52,470	42,960	59,220	67,930
716.000	RETIREMENT	24,661	27,824	30,373	25,650	11,950	29,800	20,570
717.000	WORKERS' COMPENSATION	3,488	4,594	6,142	8,940	11,530	10,300	12,500
718.000	UNEMPLOYMENT INSURANCE	1,800	1,800	1,000	1,000	400	450	400
720.000	EMPLOYER'S FICA	5,410	5,176	5,231	5,570	4,040	5,600	5,700
721.000	DISABILITY INSURANCE	686	709	754	690	570	800	800
Total Personnel Services		377,050	366,561	372,088	393,950	268,820	401,770	383,750
<i>Operating Expenses</i>								
726.000	SUPPLIES	5,072	7,088	7,008	4,840	3,980	6,000	6,000
730.000	VEH./EQUIP. MAINT. SUPPLIES	47	734	855	790	520	1,000	1,000
740.000	FUEL AND LUBRICANTS	3,579	4,005	4,441	4,500	2,560	4,400	4,500
742.000	CLOTHING / UNIFORMS	3,363	3,224	5,016	4,450	5,720	5,400	5,800
810.000	DUES AND SUBSCRIPTIONS	399	549	535	220	340	400	400
850.000	INSURANCE	6,978	7,643	8,689	9,390	9,700	10,000	10,000
860.000	TRANSPORTATION AND MILEAGE	-	-	59	-	70	300	300
861.000	TRAINING & SEMINARS	993	471	2,865	1,340	1,100	2,000	2,000
862.000	LODGING AND MEALS	169	-	95	90	-	300	300
905.000	PUBLISHING / NOTICES	-	57	-	-	-	-	-
920.000	UTILITIES	12,453	10,021	10,968	16,780	6,020	12,500	12,500
925.000	TELEPHONE	-	-	-	-	-	-	-
930.000	REPAIRS & MAINTENANCE	13,705	10,113	12,542	7,330	15,360	15,000	15,000
955.000	MISCELLANEOUS	-	-	-	-	-	-	-
955.221	MISC - PHYSICAL EXAMINATIONS	-	237	158	140	270	500	500
955.222	MISC - SHOTS & TRAINING	-	402	396	-	620	500	500
955.336	LOCAL GRANT PURCHASES	-	-	114,750	-	-	-	-
Total Operating Expenses		46,758	44,543	168,377	49,870	46,260	58,300	58,800

Fund 101 GENERAL FUND EXPENDITURES	Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
						Current 14/15	Proposed 15/16
<i>Contractual Services and Capital Outlay</i>							
801.000 CONTRACTUAL SERVICES	2,594	3,876	2,503	4,830	2,220	6,000	5,400
970.000 CAPITAL OUTLAY	-	7,499	12,548	1,110	6,650	-	6,750
970.336 CAPITAL OUTLAY - SAFETY HOUSE	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay	2,594	11,375	15,051	5,940	8,870	6,000	12,150
TOTAL FIRE DEPARTMENT	426,402	422,480	555,516	449,760	323,950	466,070	454,700

PUBLIC SERVICES

517-437-6490

Keith Richard-Director

krichard@cityofhillsdale.org

Department Summary

The Public Services Department consists of a Director, Administrative Assistant, City Forester, two (2) Mechanics, seven (7) Service employees, and three (3) seasonal employees that provide services to the general public, businesses, and other government agencies. This department is responsible for a number of budgets including; Administration, Major/Trunkline & Local Streets, Parks, Forestry, Cemeteries, Building & Grounds, Parking Lots, Sidewalk Replacement, Inventory, and RMEF (Fleet Vehicles). This department provides information services as well as maintains records, writes grants, administers street and right-of-way permits, building demolitions, select inspections and other planning activities. This department also provides support to the Airport, Dial-A-Ride, BPU and a number of Capital Improvement Projects.

Department Goals

An infrastructure system that is designed to be functional is well constructed and properly maintained to serve the people now and into the future.

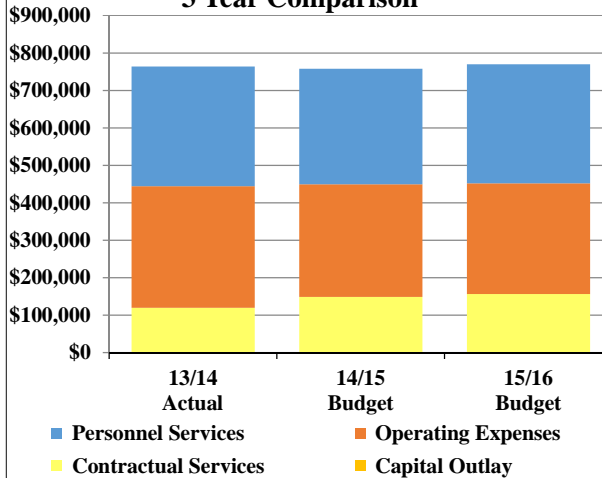
Department Objectives

1. Provide support to engineering and contractors during the construction season.
2. Assist in economic development and capital improvement projects as they come up.

Budget Summary

1. Personnel consist of a Director, Secretary, full time and seasonal employees totaling 11,329 man-hours.
2. Operating expenses include; supplies, employee training, uniforms, publishing, utilities, CDL licensing, repairs and maintenance, drug and alcohol testing, solid waste bags, equipment rental, and professional dues and subscriptions.
3. Contractual services consist of: engineering, lawn maintenance, compost site maintenance (turning, screening, and site grading), city hall cleaning, maintenance, and library maintenance.
4. Capital Outlay for the department of Public Services, Parks and Cemeteries are appropriated through the Revolving Mobile Equipment Fund and the Capital Improvement Fund.

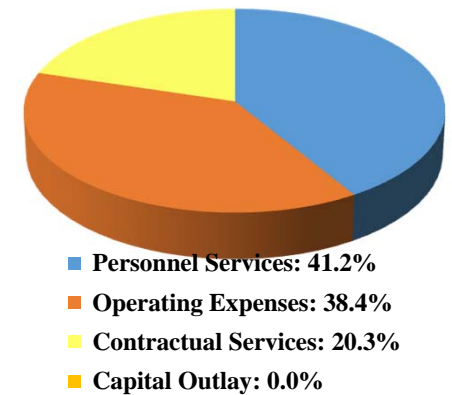
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	319,460	308,860	317,320	2.74%
Operating Expenses	324,620	300,770	295,850	-1.64%
Contractual Services	119,480	148,500	156,500	5.39%
Capital Outlay	-	-	-	
Total	\$ 763,560	\$ 758,130	\$ 769,670	1.52%

Proposed Budget



Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
441.000 PUBLIC SERVICES DEPARTMENT								
<i>Personnel Services</i>								
702.000	WAGES	105,540	92,347	100,078	104,050	68,290	103,780	102,040
703.000	OVERTIME PAY	578	916	264	860	1,690	500	500
704.000	SICK TIME PAY	2,130	3,497	341	2,450	2,350	420	2,390
705.000	VACATION TIME PAY	6,220	6,962	5,399	8,520	5,640	7,700	7,700
706.000	PERSONAL TIME PAY	1,106	1,106	2,599	1,160	1,160	1,160	1,160
707.000	LONGEVITY PAY	2,100	2,200	2,200	2,200	2,200	2,200	2,200
710.000	HOLIDAY AND OTHER PAY	3,973	4,209	3,988	4,180	3,230	4,070	4,070
715.000	HEALTH AND LIFE INSURANCE	27,889	24,305	26,811	29,360	23,180	34,370	37,250
716.000	RETIREMENT	6,232	5,230	5,028	4,210	2,640	5,330	3,700
717.000	WORKERS' COMPENSATION	313	352	391	760	670	900	900
718.000	UNEMPLOYMENT INSURANCE	800	800	400	400	200	200	200
720.000	EMPLOYER'S FICA	8,411	7,623	7,784	8,470	5,830	9,160	9,180
721.000	DISABILITY INSURANCE	417	431	458	420	340	550	550
725.000	FRINGE BENEFITS - ALLOCATED	11,823	9,121	5,714	8,180	12,030	8,470	7,090
Total Personnel Services		177,532	159,098	161,455	175,220	129,450	178,810	178,930
<i>Operating Expenses</i>								
726.000	SUPPLIES	5,349	7,827	15,251	9,260	8,460	12,000	12,000
742.000	CLOTHING / UNIFORMS	2,333	2,277	2,387	2,440	1,470	2,500	2,500
810.000	DUES AND SUBSCRIPTIONS	1,250	864	922	1,070	330	1,170	1,350
860.000	TRANSPORTATION AND MILEAGE	690	108	294	10	-	350	350
861.000	TRAINING & SEMINARS	820	469	1,113	70	190	1,200	2,000
862.000	LODGING AND MEALS	1,460	636	1,044	640	50	1,500	1,500
905.000	PUBLISHING / NOTICES	1,088	1,284	894	220	-	1,200	1,200
920.000	UTILITIES	8,672	7,996	8,938	8,880	4,470	10,000	10,000
930.000	REPAIRS & MAINTENANCE	229	324	35	330	-	2,500	2,500
940.000	EQUIPMENT RENTAL	20,202	11,144	8,734	7,890	10,890	15,000	12,000
955.000	MISCELLANEOUS	-	-	-	-	-	-	-
955.441	MISCELLANEOUS - SHOE ALLOWANCE	-	226	434	320	190	500	500
955.517	MISC - SOLID WASTE COUPONS	9,363	8,875	9,200	8,360	3,660	-	-
955.588	MISC. - CDL LICENSING/TESTING	99	631	656	690	540	850	850
Total Operating Expenses		51,555	42,660	49,902	40,180	30,250	48,770	46,750

Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	30,816	50,409	47,897	32,740	29,800	38,500	38,000
801.596	CONTRACTUAL SERVICES - TR. FACILITY	127	-	-	-	-	-	-
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		30,943	50,409	47,897	32,740	29,800	38,500	38,000
TOTAL PUBLIC SERVICES DEPARTMENT		260,030	252,167	259,254	248,140	189,500	266,080	263,680

Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
266.000 PARKING LOTS								
<i>Personnel Services</i>								
702.000	WAGES	3,784	4,383	3,393	5,280	10,100	6,520	6,300
703.000	OVERTIME PAY	777	188	232	2,140	1,180	1,000	1,000
720.000	EMPLOYER'S FICA	329	324	255	530	810	570	560
725.000	FRINGE BENEFITS - ALLOCATED	2,762	2,522	1,788	3,580	6,100	4,190	3,880
Total Personnel Services		7,652	7,416	5,668	11,530	18,190	12,280	11,740
<i>Operating Expenses</i>								
726.000	SUPPLIES	2,051	2,054	2,106	3,170	14,230	2,500	3,500
920.000	UTILITIES	3,378	3,498	3,559	3,730	2,470	4,500	4,500
940.000	EQUIPMENT RENTAL	6,775	5,037	3,851	8,790	8,580	7,000	7,000
Total Operating Expenses		12,204	10,589	9,516	15,690	25,280	14,000	15,000
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	1,900	2,172	2,197	1,650	5,270	3,500	3,500
Total Contractual Services and Capital Outlay		1,900	2,172	2,197	1,650	5,270	3,500	3,500
TOTAL PARKING LOTS		21,756	20,177	17,381	28,870	48,740	29,780	30,240

Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
265.000 BUILDING AND GROUNDS								
<i>Personnel Services</i>								
702.000	WAGES	15,380	19,335	24,023	20,660	8,090	10,520	16,660
703.000	OVERTIME PAY	78	346	228	1,480	60	100	100
717.000	WORKERS' COMPENSATION	19	374	873	1,330	1,190	1,550	1,500
720.000	EMPLOYER'S FICA	1,180	1,417	1,691	1,590	600	810	1,280
725.000	FRINGE BENEFITS - ALLOCATED	8,849	11,184	12,275	10,190	5,190	5,910	8,900
Total Personnel Services		25,506	32,656	39,090	35,250	15,130	18,890	28,440
<i>Operating Expenses</i>								
726.000	SUPPLIES	2,976	2,710	7,021	8,390	3,040	7,000	7,000
920.000	UTILITIES	24,338	26,813	29,123	36,660	20,350	30,500	30,500
925.000	TELEPHONE	15,753	19,253	21,858	21,480	9,860	20,000	17,500
930.000	REPAIRS & MAINTENANCE	4,228	4,521	10,424	4,320	2,200	10,000	10,000
940.000	EQUIPMENT RENTAL	7,769	5,712	8,401	9,870	4,140	7,500	7,500
950.000	RENTALS	-	-	-	-	-	-	-
957.000	PROPERTY TAXES	-	631	-	7,590	440	-	-
Total Operating Expenses		55,064	59,641	76,827	88,310	40,030	75,000	72,500
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	24,821	20,522	27,181	17,880	14,960	30,000	30,000
801.790	CONTRACTUAL SRV-MITCHELL BLDG	1,067	3,631	(1,035)	390	-	-	-
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		25,888	24,153	26,146	18,270	14,960	30,000	30,000
TOTAL BUILDING AND GROUNDS		106,458	116,450	142,063	141,830	70,120	123,890	130,940

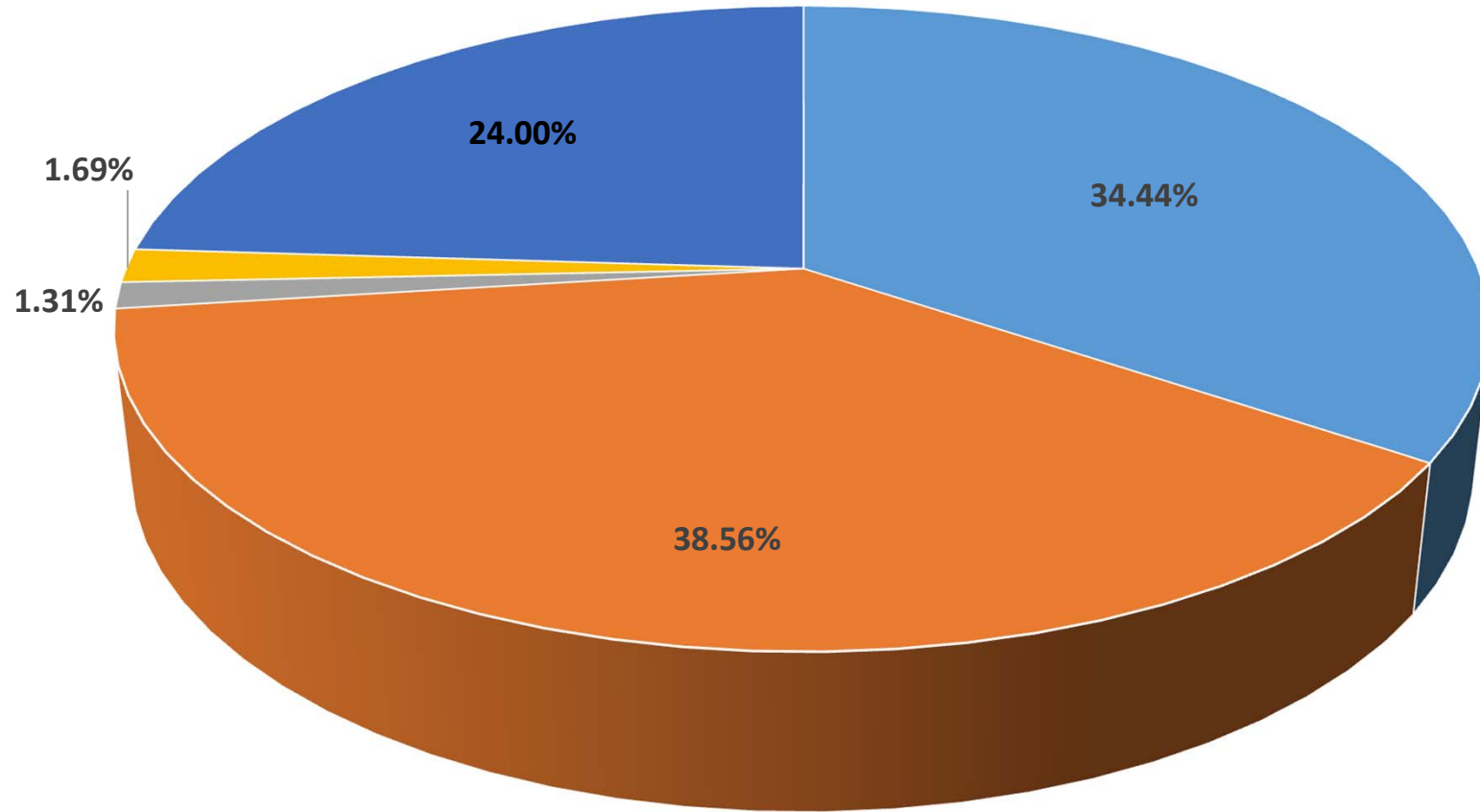
Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
276.000 CEMETERIES								
<i>Personnel Services</i>								
702.000	WAGES	40,387	34,079	36,438	25,400	14,690	28,740	29,420
703.000	OVERTIME PAY	1,682	1,161	1,521	1,190	1,140	1,500	1,500
720.000	EMPLOYER'S FICA	3,017	2,515	2,644	1,890	1,150	2,310	2,360
725.000	FRINGE BENEFITS - ALLOCATED	23,829	19,802	18,380	13,650	9,150	16,830	16,420
Total Personnel Services		68,915	57,557	58,983	42,130	26,130	49,380	49,700
<i>Operating Expenses</i>								
726.000	SUPPLIES	5,479	2,407	3,243	3,430	1,760	3,000	3,500
920.000	UTILITIES	641	808	949	1,020	450	1,000	1,000
930.000	REPAIRS & MAINTENANCE	77	150	231	180	40	500	500
940.000	EQUIPMENT RENTAL	33,733	44,121	46,883	40,810	17,310	45,000	42,500
Total Operating Expenses		39,930	47,487	51,306	45,440	19,560	49,500	47,500
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	9,586	10,434	21,638	13,080	8,440	18,500	20,000
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		9,586	10,434	21,638	13,080	8,440	18,500	20,000
TOTAL CEMETERIES		118,431	115,478	131,927	100,650	54,130	117,380	117,200

							Budgets	
Fund 101 GENERAL FUND EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
756.000 PARKS								
<i>Personnel Services</i>								
702.000	WAGES	37,617	35,249	31,738	33,490	24,690	29,310	29,170
703.000	OVERTIME PAY	838	485	563	1,530	1,150	1,000	1,000
720.000	EMPLOYER'S FICA	2,739	2,537	2,201	2,470	1,840	2,320	2,310
725.000	FRINGE BENEFITS - ALLOCATED	21,608	20,063	15,630	17,840	15,790	16,870	16,030
Total Personnel Services		62,802	58,334	50,132	55,330	43,470	49,500	48,510
<i>Operating Expenses</i>								
726.000	SUPPLIES	4,545	5,162	8,859	12,340	9,730	5,000	5,000
726.470	SUPPLIES - REPLACEMENT TREES	-	-	-	490	-	-	-
920.000	UTILITIES	5,687	6,168	6,941	7,300	4,660	7,000	7,000
930.000	REPAIRS & MAINTENANCE	1,873	2,234	2,001	1,620	430	2,500	2,500
940.000	EQUIPMENT RENTAL	25,651	25,371	25,424	43,090	20,180	28,000	28,000
Total Operating Expenses		37,756	38,935	43,225	64,840	35,000	42,500	42,500
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	54,599	51,896	53,070	53,740	48,460	58,000	65,000
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		54,599	51,896	53,070	53,740	48,460	58,000	65,000
TOTAL PARKS		155,157	149,166	146,427	173,910	126,930	150,000	156,010

							Budgets	
Fund 101 GENERAL FUND EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
448.000 STREET LIGHTING								
<i>Operating Expenses</i>								
920.202	UTILITIES - MAJOR STREETS	58,879	58,253	60,368	67,220	39,960	68,000	68,500
920.203	UTILITIES - LOCAL STREETS	2,794	3,049	2,508	2,940	1,860	3,000	3,100
Total Operating Expenses		61,673	61,302	62,876	70,160	41,820	71,000	71,600
TOTAL STREET LIGHTING		61,673	61,302	62,876	70,160	41,820	71,000	71,600

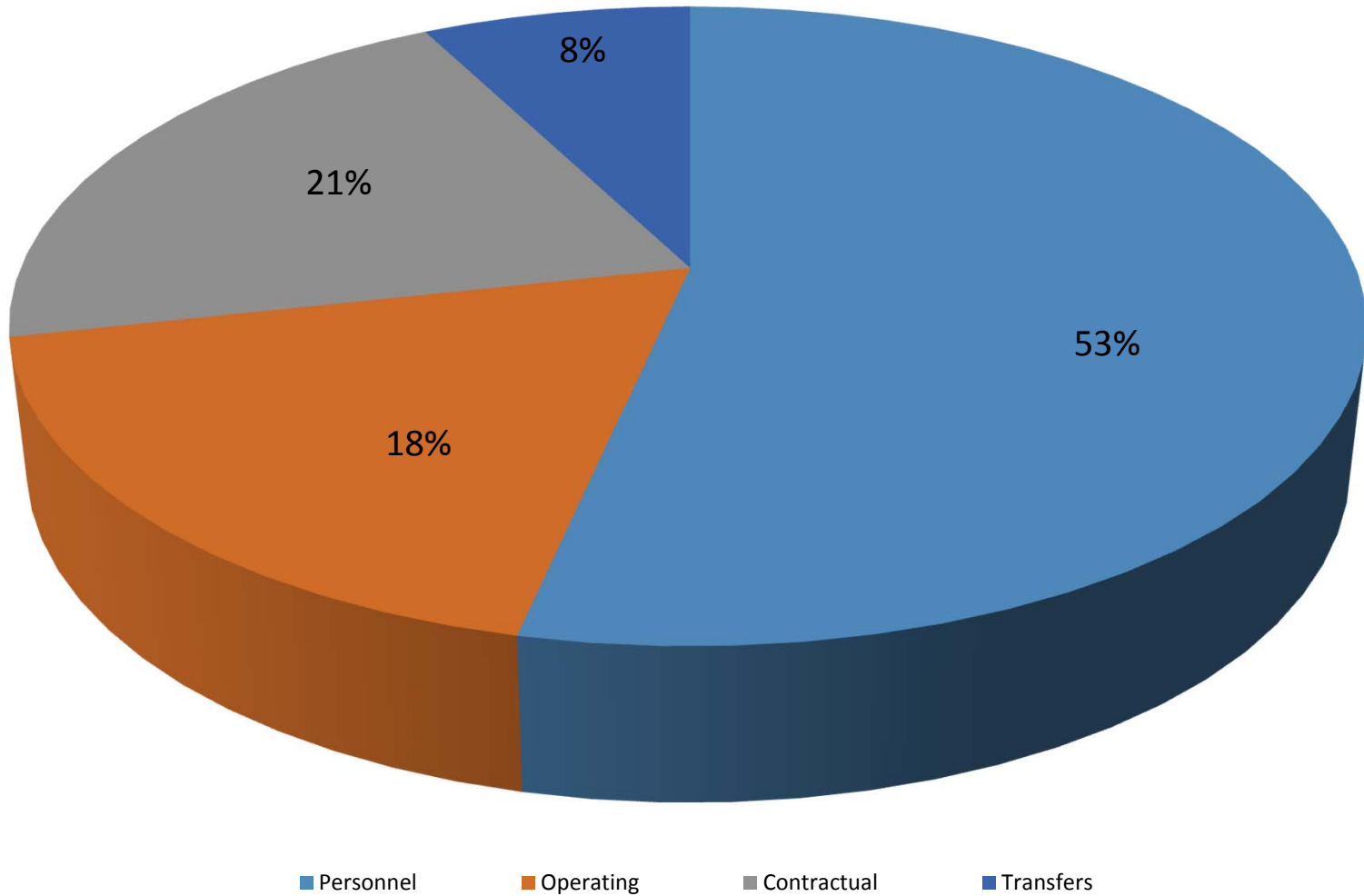
Fund 101 GENERAL FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
965.000 TRANSFERS TO OTHER FUNDS								
999.203	TRANSFER - LOCAL ST.	101,405	68,535	65,000	156,750	14,170	114,165	100,000
999.208	TRANSFER - RECREATION	39,500	47,555	47,965	59,150	50,000	60,020	62,070
999.244	TRANSFER - ECON. DEVL. CORP.	-	-	-	-	-	-	-
999.362	TRANSFER - BOND & INT. REDEM.	78,000	178,000	24,994	-	-	-	-
999.401	TRANSFER - CAPITAL IMPROVEMENT	345,255	477,800	365,000	170,000	-	50,000	80,000
999.408	TRANSFER - FIELDS OF DREAMS	-	-	-	-	-	-	-
999.481	TRANSFER - AIRPORT IMPROVEMENTS	50,000	-	50,000	50,000	-	-	-
999.496	TRANSFER - THREE MEADOWS	-	-	-	-	-	-	-
999.588	TRANSFER - DIAL-A-RIDE	56,475	75,000	100,000	87,950	-	109,260	118,420
999.640	TRANSFER - REVLE. MOBILE EQPT.	3,400	423	-	-	-	-	-
999.663	TRANSFER - FIRE VEHICLE & EQPT	-	-	25,000	25,000	-	-	-
999.699	TRANSFER - DPS LEAVE & BENEFIT	-	-	-	-	-	-	-
TOTAL TRANSFERS TO OTHER FUNDS		674,035	847,313	677,959	548,850	64,170	333,445	360,490

General Fund Expenditures By Function

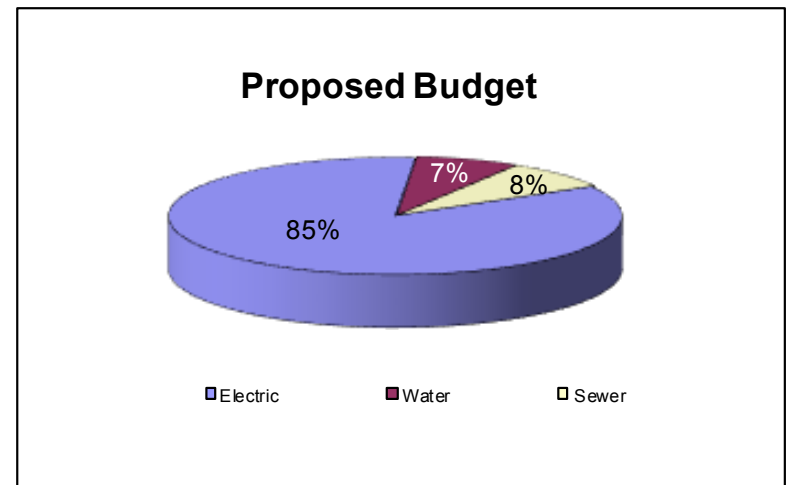
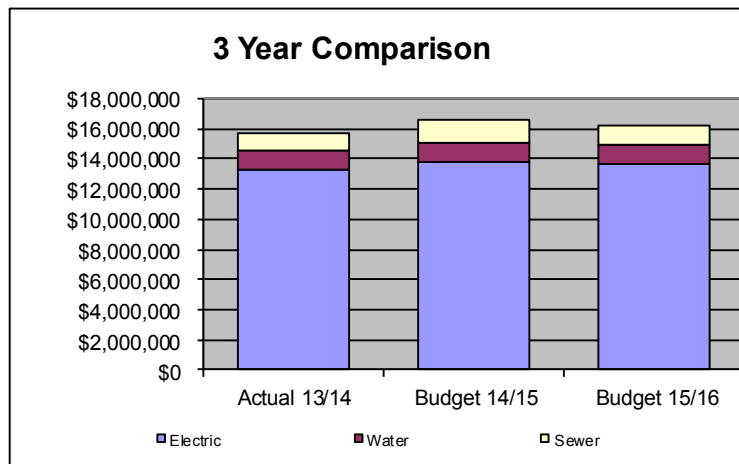


■ General Government ■ Public Safety ■ Recreation & Culture ■ Capital & Debt ■ Public Services

Total General Fund Expenditures By Type



BOARD OF PUBLIC UTILITIES REVENUES *	Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Budgets	
					Current 14/15	Proposed 15/16
Electric Department						
Customer Sales	10,677,388	10,528,738	11,376,509	13,198,597	13,778,600	13,670,700
Other Revenue from Operations	45,436	40,143	39,895	45,479	40,000	42,000
Non-operating Revenues	45,953	(193,251)	22,653	32,795	(23,050)	(14,500)
Electric Department Total Revenues	10,768,777	10,375,630	11,439,057	13,276,871	13,795,550	13,698,200
Water Department						
Customer Sales	1,441,128	1,232,234	1,259,068	1,269,575	1,358,000	1,223,000
Other Revenue from Operations	7,677	7,596	4,918	4,445	5,000	6,000
Non-operating Revenues	(55,660)	(57,018)	(37,561)	(19,635)	(33,300)	(31,800)
Total Water Department Revenues	1,393,145	1,182,812	1,226,425	1,254,385	1,329,700	1,197,200
Sewer Department						
Customer Sales	715,558	1,261,665	1,210,237	1,171,888	1,416,000	1,278,000
Other Revenue from Operations	12,827	9,551	9,158	4,415	5,000	5,200
Non-operating Revenues	32,647	4,287	514	2,634	(14,500)	(11,000)
Total Sewer Department Revenues	761,032	1,275,503	1,219,909	1,178,937	1,406,500	1,272,200
TOTAL UTILITY REVENUE	12,922,954	12,833,945	13,885,391	15,710,193	16,531,750	16,167,600

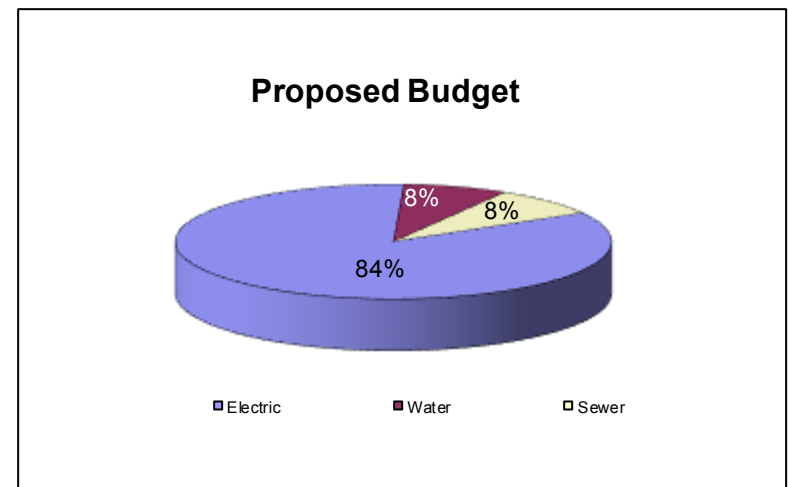
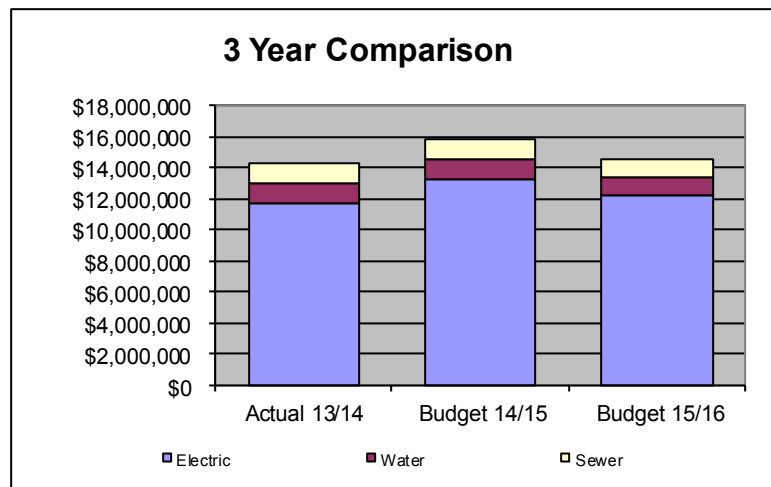


* Specific detail of the Board of Public Utilities' budget is contained in a separate document, consequently their numbers are not included in any of the City's charts and graphs contained in this document.

BOARD OF PUBLIC UTILITIES EXPENSES *	Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Budgets	
					Current 14/15	Proposed 15/16
Electric Department						
Purchased Power Cost	7,852,501	8,138,350	10,513,057	8,760,283	10,360,100	9,375,138
Total Production Expense	676,309	661,722	452,295	480,104	433,750	452,700
Total Transmission & Distribution Expense	1,849,500	1,241,340	1,159,017	1,269,810	1,210,450	1,210,400
Total Administration & General Expense	986,126	892,561	1,108,453	1,247,646	1,268,900	1,191,125
Total Electric Department Expense	<u>11,364,436</u>	<u>10,933,973</u>	<u>13,232,822</u>	<u>11,757,843</u>	<u>13,273,200</u>	<u>12,229,363</u>
Electric Department Net Income (Revenues less Expenses)	(595,659)	(558,343)	(1,793,765)	1,519,028	522,350	1,468,837
Water Department						
Total Production Expense	63,845	62,783	91,481	114,154	135,550	114,561
Total Purification Expense	246,850	250,408	285,006	278,868	340,100	288,422
Total Distribution Expense	342,415	359,727	391,079	508,418	411,200	385,861
Total Administration & General Expense	294,385	262,649	319,409	309,152	369,075	338,841
Total Water Department Expense	<u>947,495</u>	<u>935,567</u>	<u>1,086,975</u>	<u>1,210,592</u>	<u>1,255,925</u>	<u>1,127,685</u>
Water Department Net Income (Revenues less Expenses)	445,650	247,245	139,450	43,793	73,775	69,515

* Specific detail of the Board of Public Utilities' budget is contained in a separate document, consequently their numbers are not included in any of the City's charts and graphs contained in this document.

BOARD OF PUBLIC UTILITIES EXPENSES *	Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Budgets	
					Current 14/15	Proposed 15/16
Sewer Department						
Total Collection Expense	194,337	217,627	214,139	253,907	264,050	220,572
Total Treatment Expense	589,150	608,249	809,512	845,483	753,800	677,784
Total Administration & General Expense	307,249	322,372	324,339	304,871	359,650	285,538
Total Sewer Department Expenses	1,090,736	1,148,248	1,347,990	1,404,261	1,377,500	1,183,894
Sewer Department Net Income (Revenues less Expenses)	(329,704)	127,255	(128,081)	(225,324)	29,000	88,306
Total Utility Expenses	13,402,667	13,017,788	15,667,787	14,372,696	15,906,625	14,540,942
Total Utility Net Income (Loss)	(479,713)	(183,843)	(1,782,396)	1,337,497	625,125	1,626,658



* Specific detail of the Board of Public Utilities' budget is contained in a separate document, consequently their numbers are not included in any of the City's charts and graphs contained in this document.

BOARD OF PUBLIC UTILITIES CAPITAL PROJECTS *	Budget 10/11	Budget 11/12	Budget 12/13	Budget 13/14	Budget 14/15	Budget 15/16
Electric Department Capital Projects	1,005,000	1,195,000	989,000	510,000	704,000	1,190,000
Water Department Capital Projects	145,000	226,000	245,000	251,000	144,000	240,500
Sewer Department Capital Projects	320,000	41,500	106,000	51,400	155,000	231,000
Administration Capital Projects	72,000	85,000	75,000	120,000	110,000	110,000
Total Capital Projects	1,542,000	1,547,500	1,415,000	932,400	1,113,000	1,771,500

MAJOR/TRUNKLINE AND LOCAL STREETS

517-437-6491

Keith Richard-Director

krichard@cityofhillsdale.org

Department Summary

The Public Services Department is responsible for the maintenance and repair of a large portion of infrastructure found along 18.86 miles of major streets, 3.03 miles of State trunkline, and 25.58 miles of local streets within the City of Hillsdale. These areas of responsibility include surface, right-of-way, forestry, traffic, storm drains, and winter maintenance. Maintenance tasks include street sweeping, asphalt patching, crack sealing, curb & gutter replacement, catch basin repairs, storm sewer repairs, pavement markings, tree trimming, removal and replacement, brush pickup, issuance and inspection of right-of-way permits, road condition surveys, traffic counts, snow removal, and any other work done within the street right-of-way. In addition, this department maintains a state trunk line (M-99) under a state contract where, with few exceptions, the City is reimbursed dollar for dollar for any maintenance work done along this portion of highway.

Department Goals

1. An infrastructure system that is designed to be functional is well constructed and properly maintained to serve the people now and into the future.

Department Objectives

1. Assist in the completion of the update process and maintaining of a Capital Improvement Plan, as requested by City Council. First and foremost, this will require the establishment of a long term funding stream for Local streets. We will continue to seek grant funding for Major streets such as we have successfully done in the past with the Small Urban Grant applications (\$375,000 for State St. in 2012, \$212,200 for E. Fayette St. in 2010, \$374,400 for E. Bacon St. in 2008 and \$212,000 for W. Fayette St. in 2006)

2. Assist in the continued development phase of Three Meadows Subdivision via E.D.C. Development Plan.

Budget Summary

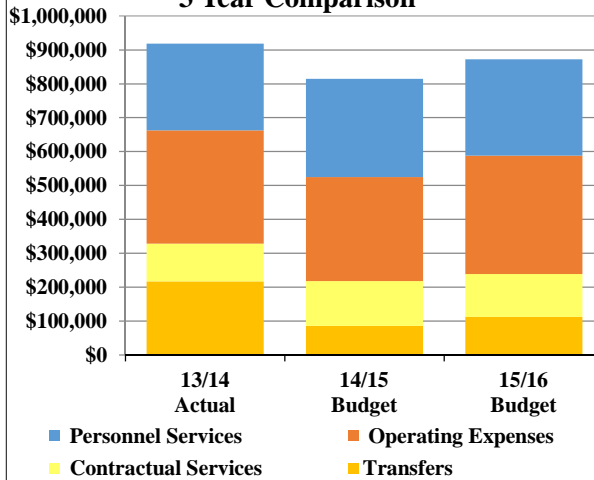
1. Personnel consist of 9,280 man-hours plus fringe benefits.

2. Operating expenses include supplies (asphalt, road salt, signs, etc.), equipment rental, and general maintenance activities.

3. Contractual services include lawn maintenance, tree trimming, tree removal, pavement marking, railroad signal maintenance, televising and cleaning storm sewers, and traffic signal maintenance and street light maintenance.

4. Capital Outlay items for the street reconstruction, paving, etc. are funded through the Capital Improvement Fund.

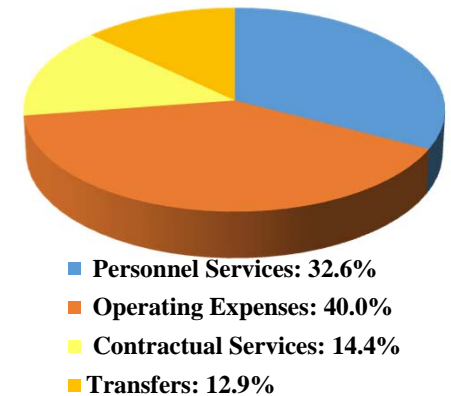
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	255,590	290,140	284,530	-1.93%
Operating Expenses	334,330	307,100	349,170	13.70%
Contractual Services	110,840	132,000	126,000	-4.55%
Transfers	217,430	85,700	112,700	31.51%
	\$ 918,190	\$ 814,940	\$ 872,400	7.05%

Proposed Budget



Fund 202 MAJOR STREET FUND REVENUES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
MAJOR STREET FUND REVENUES								
546.000	STATE GRANT - GAS & WEIGHT TAX	404,304	426,430	432,392	481,900	222,860	435,000	450,000
546.048	STATE GRANT-METRO ROW ACT	12,533	13,661	13,934	13,180	-	13,500	13,500
546.110	STATE GRANT - ACT 110	-	-	-	-	-	-	-
547.000	STATE GRANT - TRUNKLINE MAINT.	39,983	29,673	29,931	46,650	14,280	30,000	30,000
665.000	INTEREST	657	476	977	700	420	1,000	750
692.000	OTHER REVENUE	3,102	445	1,907	1,780	2,030	1,000	1,500
692.039	OTHER REVENUE - BPU	-	-	-	-	-	-	-
692.470	OTHER REVENUE - TREES	-	2,396	-	3,930	1,000	-	1,000
TOTAL MAJOR STREET FUND REVENUES		460,579	473,081	479,141	548,140	240,590	480,500	496,750

Fund 202 MAJOR STREET FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
175.000 ADMINISTRATIVE SERVICES								
<i>Operating Expenses</i>								
955.000	MISCELLANEOUS	-	-	-	-	-	-	-
<i>Transfers</i>								
999.101	TRANSFER - GENERAL FUND	40,430	42,643	43,239	48,110	22,290	43,500	45,000
999.203	TRANSFER - LOCAL ST.	-	-	50,000	-	25,000	25,000	50,000
999.401	TRANSFER - CAPITAL IMPROVEMENT	-	-	-	150,000	-	-	-
Total Operating Expenses & Transfers		40,430	42,643	93,239	198,110	47,290	68,500	95,000
TOTAL ADMINISTRATIVE SERVICES		40,430	42,643	93,239	198,110	47,290	68,500	95,000
175.500 ADMIN. SERVICES - TRUNKLINE								
999.101	TRANSFER - GENERAL FUND	3,998	2,967	2,993	4,670	1,430	3,000	3,000
TOTAL ADMIN. SERVICES - TRUNKLINE		3,998	2,967	2,993	4,670	1,430	3,000	3,000

		Actual	Actual	Actual	Actual	Actual Thru	Budgets	
Fund 202 MAJOR STREET FUND EXPENDITURES		10/11	11/12	12/13	13/14	02/15	Current	Proposed
							14/15	15/16
450.000 STREET SURFACE								
<i>Personnel Services</i>								
702.000	WAGES	20,955	13,625	11,123	15,070	7,960	18,230	18,040
703.000	OVERTIME PAY	1,766	382	539	630	460	1,000	1,000
720.000	EMPLOYER'S FICA	1,619	980	810	1,070	570	1,470	1,460
725.000	FRINGE BENEFITS - ALLOCATED	13,116	7,922	5,649	8,200	5,410	10,700	10,110
	Total Personnel Services	37,456	22,908	18,121	24,970	14,400	31,400	30,610
<i>Operating Expenses</i>								
726.000	SUPPLIES	12,524	4,231	4,332	25,660	11,350	27,500	27,500
940.000	EQUIPMENT RENTAL	28,185	18,679	14,578	23,100	10,530	25,000	25,000
	Total Operating Expenses	40,709	22,910	18,910	48,760	21,880	52,500	52,500
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	5,810	5,432	2,407	3,940	2,020	15,000	15,000
	Total Contractual Services and Capital Outlay	5,810	5,432	2,407	3,940	2,020	15,000	15,000
	TOTAL STREET SURFACE	83,975	51,250	39,438	77,670	38,300	98,900	98,110
450.500 TRUNKLINE SURFACE								
<i>Personnel Services</i>								
702.000	WAGES	1,083	977	965	3,190	1,500	4,550	4,540
703.000	OVERTIME PAY	84	-	18	200	100	250	250
720.000	EMPLOYER'S FICA	82	69	68	240	110	360	370
725.000	FRINGE BENEFITS - ALLOCATED	656	558	458	1,970	860	2,670	2,540
	Total Personnel Services	1,905	1,604	1,509	5,600	2,570	7,830	7,700
<i>Operating Expenses</i>								
726.000	SUPPLIES	268	112	210	1,650	410	500	1,000
940.000	EQUIPMENT RENTAL	4,106	3,123	1,517	4,890	2,590	3,000	5,000
	Total Operating Expenses	4,374	3,235	1,727	6,540	3,000	3,500	6,000
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	28	61	45	30	-	500	500
	Total Contractual Services and Capital Outlay	28	61	45	30	-	500	500
	TOTAL TRUNKLINE SURFACE	6,307	4,900	3,281	12,170	5,570	11,830	14,200

Fund 202 MAJOR STREET FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
460.000 R.O.W. MAINTENANCE								
<i>Personnel Services</i>								
702.000	WAGES	19,695	16,984	22,488	16,020	10,830	13,440	13,510
703.000	OVERTIME PAY	449	-	1,154	180	120	200	200
720.000	EMPLOYER'S FICA	1,449	1,238	1,628	1,150	780	1,040	1,050
725.000	FRINGE BENEFITS - ALLOCATED	9,459	9,312	11,407	7,950	9,180	7,590	7,280
	Total Personnel Services	31,052	27,535	36,677	25,300	20,910	22,270	22,040
<i>Operating Expenses</i>								
726.000	SUPPLIES	1,492	1,093	12,013	2,410	1,890	1,500	2,500
940.000	EQUIPMENT RENTAL	30,969	27,625	32,496	25,140	20,000	30,000	27,500
	Total Operating Expenses	32,461	28,718	44,509	27,550	21,890	31,500	30,000
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	23,994	12,973	25,644	20,830	12,050	20,000	20,000
	Total Contractual Services and Capital Outlay	23,994	12,973	25,644	20,830	12,050	20,000	20,000
	TOTAL R.O.W. MAINTENANCE	87,507	69,225	106,830	73,680	54,850	73,770	72,040
460.500 TRUNKLINE R.O.W. MAINTENANCE								
<i>Personnel Services</i>								
702.000	WAGES	1,580	407	209	360	350	750	740
703.000	OVERTIME PAY	-	-	-	-	-	100	100
720.000	EMPLOYER'S FICA	118	29	15	30	20	60	60
725.000	FRINGE BENEFITS - ALLOCATED	964	411	103	180	350	470	450
	Total Personnel Services	2,662	847	327	570	720	1,380	1,350
<i>Operating Expenses</i>								
726.000	SUPPLIES	27	-	-	-	-	-	-
940.000	EQUIPMENT RENTAL	3,212	722	708	930	870	1,000	1,000
	Total Operating Expenses	3,239	722	708	930	870	1,000	1,000
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	5,173	2,676	4,780	3,720	3,520	6,500	6,500
	Total Contractual Services and Capital Outlay	5,173	2,676	4,780	3,720	3,520	6,500	6,500
	TOTAL TRUNKLINE R.O.W. MAINTENANCE	11,074	4,245	5,815	5,220	5,110	8,880	8,850

Fund 202 MAJOR STREET FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
470.000 TREES								
<i>Personnel Services</i>								
702.000	WAGES	17,286	14,096	13,082	10,040	5,240	13,750	13,740
703.000	OVERTIME PAY	632	454	302	270	30	250	250
720.000	EMPLOYER'S FICA	1,276	1,015	919	720	360	1,070	1,070
725.000	FRINGE BENEFITS - ALLOCATED	8,614	7,966	6,565	5,300	3,100	7,790	7,430
Total Personnel Services		27,808	23,532	20,868	16,330	8,730	22,860	22,490
<i>Operating Expenses</i>								
726.000	SUPPLIES	1,543	1,007	563	1,170	270	1,500	1,500
726.470	SUPPLIES - REPLACEMENT TREES	-	-	3,838	2,160	-	-	-
940.000	EQUIPMENT RENTAL	7,266	5,721	5,727	2,920	1,480	5,000	5,000
Total Operating Expenses		8,809	6,728	10,128	6,250	1,750	6,500	6,500
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	17,704	15,096	13,489	15,840	3,470	16,000	16,000
Total Contractual Services and Capital Outlay		17,704	15,096	13,489	15,840	3,470	16,000	16,000
TOTAL TREES		54,321	45,356	44,485	38,420	13,950	45,360	44,990
470.500 TRUNKLINE TREES								
<i>Personnel Services</i>								
702.000	WAGES	163	438	257	130	370	320	320
703.000	OVERTIME PAY	95	53	101	-	-	-	-
720.000	EMPLOYER'S FICA	18	34	25	10	30	20	20
725.000	FRINGE BENEFITS - ALLOCATED	182	115	84	30	260	180	170
Total Personnel Services		458	639	467	170	660	520	510
<i>Operating Expenses</i>								
726.000	SUPPLIES	-	-	-	-	-	-	-
940.000	EQUIPMENT RENTAL	321	137	76	40	-	100	100
Total Operating Expenses		321	137	76	40	-	100	100
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	22	11	50	-	-	100	100
Total Contractual Services and Capital Outlay		22	11	50	-	-	100	100
TOTAL TRUNKLINE TREES		801	787	593	210	660	720	710

		Actual	Actual	Actual	Actual	Actual Thru	Budgets	
Fund 202 MAJOR STREET FUND EXPENDITURES		10/11	11/12	12/13	13/14	02/15	Current	Proposed
							14/15	15/16
480.000 DRAINAGE								
<i>Personnel Services</i>								
702.000	WAGES	7,062	12,326	7,849	9,180	5,610	10,830	10,960
703.000	OVERTIME PAY	12	118	209	650	10	250	250
720.000	EMPLOYER'S FICA	502	878	547	690	410	850	860
725.000	FRINGE BENEFITS - ALLOCATED	4,072	7,108	3,985	4,750	3,330	6,160	5,950
Total Personnel Services		11,648	20,431	12,590	15,270	9,360	18,090	18,020
<i>Operating Expenses</i>								
726.000	SUPPLIES	712	2,962	1,183	4,180	1,880	3,500	3,500
940.000	EQUIPMENT RENTAL	6,809	15,983	9,208	7,570	4,170	7,500	7,500
Total Operating Expenses		7,521	18,945	10,391	11,750	6,050	11,000	11,000
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	1,621	2,925	1,203	9,130	1,620	10,000	10,000
Total Contractual Services and Capital Outlay		1,621	2,925	1,203	9,130	1,620	10,000	10,000
TOTAL DRAINAGE		20,790	42,300	24,184	36,150	17,030	39,090	39,020
480.500 TRUNKLINE R.O.W. DRAINAGE								
<i>Personnel Services</i>								
702.000	WAGES	687	813	25	250	30	1,490	1,500
703.000	OVERTIME PAY	428	-	-	440	10	100	100
720.000	EMPLOYER'S FICA	80	58	2	50	-	120	120
725.000	FRINGE BENEFITS - ALLOCATED	771	474	21	120	10	890	850
Total Personnel Services		1,966	1,345	48	860	50	2,600	2,570
<i>Operating Expenses</i>								
726.000	SUPPLIES	-	-	-	-	-	250	250
940.000	EQUIPMENT RENTAL	3,611	2,541	72	430	20	2,000	2,000
Total Operating Expenses		3,611	2,541	72	430	20	2,250	2,250
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	-	262	6	20	-	300	300
Total Contractual Services and Capital Outlay		-	262	6	20	-	300	300
TOTAL TRUNKLINE R.O.W. DRAINAGE		5,577	4,148	126	1,310	70	5,150	5,120

Fund 202 MAJOR STREET FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
490.000 TRAFFIC								
<i>Personnel Services</i>								
702.000	WAGES	7,156	19,489	9,455	7,470	8,090	10,860	10,290
703.000	OVERTIME PAY	322	382	207	200	330	250	250
720.000	EMPLOYER'S FICA	534	1,420	675	540	610	850	810
725.000	FRINGE BENEFITS - ALLOCATED	4,263	11,336	4,654	3,600	5,530	6,180	5,600
Total Personnel Services		12,275	32,628	14,991	11,810	14,560	18,140	16,950
<i>Operating Expenses</i>								
726.000	SUPPLIES	3,355	6,736	6,500	3,200	4,010	7,000	7,000
920.000	UTILITIES	4,241	4,290	4,394	5,050	3,100	4,000	5,000
940.000	EQUIPMENT RENTAL	3,374	7,680	3,897	3,150	2,780	5,500	5,500
Total Operating Expenses		10,970	18,706	14,791	11,400	9,890	16,500	17,500
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	3,747	14,076	5,929	8,060	21,370	16,500	14,000
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		3,747	14,076	5,929	8,060	21,370	16,500	14,000
TOTAL TRAFFIC		26,992	65,409	35,711	31,270	45,820	51,140	48,450
490.500 TRUNKLINE TRAFFIC								
<i>Personnel Services</i>								
702.000	WAGES	258	200	8	250	160	670	660
703.000	OVERTIME PAY	54	18	49	-	-	70	70
720.000	EMPLOYER'S FICA	22	15	4	20	10	60	60
725.000	FRINGE BENEFITS - ALLOCATED	178	115	32	130	100	410	390
Total Personnel Services		512	349	93	400	270	1,210	1,180
<i>Operating Expenses</i>								
726.000	SUPPLIES	261	36	-	-	40	500	500
920.000	UTILITIES	4,347	4,345	4,451	4,980	3,020	4,000	5,000
940.000	EQUIPMENT RENTAL	136	18	24	60	50	250	250
Total Operating Expenses		4,744	4,399	4,475	5,040	3,110	4,750	5,750
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	108	12	198	260	160	600	600
Total Contractual Services and Capital Outlay		108	12	198	260	160	600	600
TOTAL TRUNKLINE TRAFFIC		5,364	4,760	4,766	5,700	3,540	6,560	7,530

							Budgets	
Fund 202 MAJOR STREET FUND EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
500.000 WINTER MAINTENANCE								
<i>Personnel Services</i>								
702.000	WAGES	10,307	5,801	9,703	17,060	9,330	15,400	15,180
703.000	OVERTIME PAY	3,615	2,448	2,916	6,730	3,220	6,500	6,500
720.000	EMPLOYER'S FICA	990	577	907	1,660	890	1,670	1,660
725.000	FRINGE BENEFITS - ALLOCATED	8,127	4,400	6,088	12,030	7,590	12,180	11,520
Total Personnel Services		23,039	13,227	19,614	37,480	21,030	35,750	34,860
<i>Operating Expenses</i>								
726.000	SUPPLIES	23,912	17,752	26,340	26,470	20,940	22,500	27,500
940.000	EQUIPMENT RENTAL	21,658	14,013	18,632	42,530	23,210	25,000	35,000
Total Operating Expenses		45,570	31,766	44,972	69,000	44,150	47,500	62,500
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	2,857	1,082	234	-	1,590	1,500	1,500
Total Contractual Services and Capital Outlay		2,857	1,082	234	-	1,590	1,500	1,500
TOTAL WINTER MAINTENANCE		71,466	46,074	64,820	106,480	66,770	84,750	98,860
500.500 TRUNKLINE WINTER MAINTENANCE								
<i>Personnel Services</i>								
702.000	WAGES	1,938	695	1,202	5,760	1,510	2,790	2,800
703.000	OVERTIME PAY	1,336	910	978	2,110	860	2,500	2,500
720.000	EMPLOYER'S FICA	233	112	151	550	170	400	400
725.000	FRINGE BENEFITS - ALLOCATED	1,932	889	1,066	3,740	1,520	2,940	2,820
Total Personnel Services		5,439	2,606	3,397	12,160	4,060	8,630	8,520
<i>Operating Expenses</i>								
726.000	SUPPLIES	9,551	7,000	11,909	10,390	6,170	6,500	10,000
940.000	EQUIPMENT RENTAL	6,217	3,261	4,369	15,000	5,370	7,500	7,500
Total Operating Expenses		15,768	10,262	16,278	25,390	11,540	14,000	17,500
TOTAL TRUNKLINE WINTER MAINTENANCE		21,207	12,868	19,675	37,550	15,600	22,630	26,020
TOTAL MAJOR STREET FUND EXPENDITURES		439,809	396,934	445,956	628,610	315,990	520,280	561,900

Budgets

Fund 203 LOCAL STREET FUND REVENUES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
LOCAL STREET FUND REVENUES								
546.000	STATE GRANT - GAS & WEIGHT TAX	133,346	140,102	141,985	146,470	73,160	142,000	147,000
546.048	STATE GRANT - METRO ROW ACT	12,533	13,661	13,934	13,180	-	13,500	13,500
634.000	MAINT. ADJACENT MUNICIPAL STRS	-	-	-	-	-	-	-
692.000	OTHER REVENUE	411	-	62	160	-	-	-
692.039	OTHER REVENUE - BPU	-	-	-	-	-	-	-
692.470	OTHER REVENUE - TREES	2,200	-	5,309	-	250	-	-
699.101	TRANSFERS IN - GENERAL FUND	101,405	68,535	65,000	156,750	14,165	114,160	100,000
699.202	TRANSFERS IN - MAJOR STREETS	-	-	50,000	-	25,000	25,000	50,000
Total Revenues		249,895	222,299	276,290	316,560	112,575	294,660	310,500

Fund 203 LOCAL STREET FUND EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Budgets	
		10/11	11/12	12/13	13/14	02/15	Current	Proposed
							14/15	15/16
999.101	TRANSFER - GENERAL FUND	13,336	14,010	14,199	14,650	7,320	14,200	14,700
TOTAL ADMINISTRATIVE SERVICES		13,336	14,010	14,199	14,650	7,320	14,200	14,700

450.000 STREET SURFACE								
<i>Personnel Services</i>								
702.000	WAGES	11,007	13,946	16,392	15,500	7,720	18,020	17,980
703.000	OVERTIME PAY	54	192	151	170	890	1,000	1,000
720.000	EMPLOYER'S FICA	801	998	1,136	1,090	620	1,455	1,450
725.000	FRINGE BENEFITS - ALLOCATED	6,063	7,991	8,118	7,400	7,220	10,585	10,080
Total Personnel Services		17,925	23,126	25,797	24,160	16,450	31,060	30,510
<i>Operating Expenses</i>								
726.000	SUPPLIES	16,444	12,847	13,949	20,390	25,010	25,000	25,000
940.000	EQUIPMENT RENTAL	9,820	15,579	16,744	17,820	8,290	20,000	20,000
Total Operating Expenses		26,264	28,425	30,693	38,210	33,300	45,000	45,000
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	2,142	2,522	8,067	7,020	2,660	5,000	5,000
Total Contractual Services and Capital Outlay		2,142	2,522	8,067	7,020	2,660	5,000	5,000
TOTAL STREET SURFACE		46,331	54,073	64,557	69,390	52,410	81,060	80,510

Budgets

Fund 203 LOCAL STREET FUND EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
460.000 R.O.W. MAINTENANCE								
<i>Personnel Services</i>								
702.000	WAGES	18,664	12,147	10,818	16,400	10,050	18,100	17,930
703.000	OVERTIME PAY	580	64	18	180	30	250	250
720.000	EMPLOYER'S FICA	1,372	878	734	1,160	710	1,410	1,390
725.000	FRINGE BENEFITS - ALLOCATED	7,566	6,876	5,091	9,530	7,460	10,210	9,660
Total Personnel Services		28,182	19,964	16,661	27,270	18,250	29,970	29,230
<i>Operating Expenses</i>								
726.000	SUPPLIES	549	69	854	4,700	2,620	2,500	4,570
940.000	EQUIPMENT RENTAL	33,018	21,315	19,757	27,420	18,700	20,000	25,000
Total Operating Expenses		33,567	21,384	20,611	32,120	21,320	22,500	29,570
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	11,835	7,876	16,891	11,320	7,620	10,000	10,000
Total Contractual Services and Capital Outlay		11,835	7,876	16,891	11,320	7,620	10,000	10,000
TOTAL R.O.W. MAINTENANCE		73,584	49,224	54,163	70,710	47,190	62,470	68,800
470.000 TREES								
<i>Personnel Services</i>								
702.000	WAGES	14,710	14,593	13,762	11,040	8,790	13,470	13,470
703.000	OVERTIME PAY	385	134	863	270	120	300	300
720.000	EMPLOYER'S FICA	1,078	1,019	1,017	780	620	1,060	1,050
725.000	FRINGE BENEFITS - ALLOCATED	8,409	8,275	7,124	5,660	4,880	7,660	7,310
Total Personnel Services		24,582	24,021	22,766	17,750	14,410	22,490	22,130
<i>Operating Expenses</i>								
726.000	SUPPLIES	1,436	1,088	800	720	1,220	2,500	2,500
726.470	SUPPLIES - REPLACEMENT TREES	2,373	-	-	1,830	-	-	-
940.000	EQUIPMENT RENTAL	6,852	6,843	6,583	3,010	3,160	7,500	7,500
Total Operating Expenses		10,661	7,931	7,383	5,560	4,380	10,000	10,000
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	32,404	20,673	16,729	23,170	6,850	17,500	20,000
Total Contractual Services and Capital Outlay		32,404	20,673	16,729	23,170	6,850	17,500	20,000
TOTAL TREES		67,647	52,625	46,878	46,480	25,640	49,990	52,130

Budgets

Fund 203 LOCAL STREET FUND EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
480.000 DRAINAGE								
<i>Personnel Services</i>								
702.000	WAGES	5,794	5,233	5,469	7,610	5,730	6,760	6,650
703.000	OVERTIME PAY	149	36	110	130	130	50	50
720.000	EMPLOYER'S FICA	417	370	376	540	400	520	510
725.000	FRINGE BENEFITS - ALLOCATED	3,517	2,761	2,710	3,230	5,600	3,800	3,560
Total Personnel Services		9,877	8,400	8,665	11,510	11,860	11,130	10,770
<i>Operating Expenses</i>								
726.000	SUPPLIES	2,540	585	486	2,550	1,820	1,500	2,500
940.000	EQUIPMENT RENTAL	5,849	3,260	5,351	1,240	5,540	5,000	5,000
Total Operating Expenses		8,389	3,846	5,837	3,790	7,360	6,500	7,500
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	6,182	262	2,148	5,650	2,320	4,000	4,000
Total Contractual Services and Capital Outlay		6,182	262	2,148	5,650	2,320	4,000	4,000
TOTAL DRAINAGE		24,448	12,508	16,650	20,950	21,540	21,630	22,270
490.000 TRAFFIC								
<i>Personnel Services</i>								
702.000	WAGES	771	2,874	3,223	2,630	1,780	3,070	3,110
703.000	OVERTIME PAY	-	-	379	170	100	150	150
720.000	EMPLOYER'S FICA	55	204	251	200	140	250	250
725.000	FRINGE BENEFITS - ALLOCATED	481	1,941	1,584	980	1,470	1,790	1,730
Total Personnel Services		1,307	5,020	5,437	3,980	3,490	5,260	5,240
<i>Operating Expenses</i>								
726.000	SUPPLIES	746	2,262	2,882	2,040	2,010	2,500	2,500
940.000	EQUIPMENT RENTAL	334	1,152	1,022	820	470	2,000	2,000
Total Operating Expenses		1,080	3,414	3,904	2,860	2,480	4,500	4,500
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	895	5,812	1,112	1,840	7,560	8,000	2,000
Total Contractual Services and Capital Outlay		895	5,812	1,112	1,840	7,560	8,000	2,000
TOTAL TRAFFIC		3,282	14,246	10,453	8,680	13,530	17,760	11,740
Fund 203 LOCAL STREET FUND EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Budgets	
		10/11	11/12	12/13	13/14	02/15	Current	Proposed
							14/15	15/16

500.000 WINTER MAINTENANCE

Personnel Services

702.000	WAGES	8,980	5,444	7,809	11,490	6,920	9,480	9,850
703.000	OVERTIME PAY	315	113	240	1,050	540	2,500	2,500
720.000	EMPLOYER'S FICA	666	389	569	880	530	910	940
725.000	FRINGE BENEFITS - ALLOCATED	5,450	3,107	4,125	6,580	4,220	6,660	6,560

Total Personnel Services

15,411	9,054	12,743	20,000	12,210	19,550	19,850
--------	-------	--------	--------	--------	--------	--------

Operating Expenses

726.000	SUPPLIES	14,353	9,389	16,861	17,430	15,360	12,500	17,500
940.000	EQUIPMENT RENTAL	14,229	7,668	11,806	21,280	11,350	15,000	22,500

Total Operating Expenses

28,582	17,057	28,667	38,710	26,710	27,500	40,000
--------	--------	--------	--------	--------	--------	--------

Contractual Services and Capital Outlay

801.000	CONTRACTUAL SERVICES	-	251	217	10	540	500	500
---------	----------------------	---	-----	-----	----	-----	-----	-----

Total Contractual Services and Capital Outlay

-	251	217	10	540	500	500
---	-----	-----	----	-----	-----	-----

TOTAL WINTER MAINTENANCE

43,993	26,362	41,627	58,720	39,460	47,550	60,350
--------	--------	--------	--------	--------	--------	--------

TOTAL LOCAL ST. FUND EXPENDITURES

272,621	223,048	248,527	289,580	207,090	294,660	310,500
---------	---------	---------	---------	---------	---------	---------

DIAL-A-RIDE

517-437-3385

Judy Buzo - Dispatch/Manager

jbuzo@cityofhillsdale.org

Department Summary

Dial-a-Ride provides demand-response public transportation service of City of Hillsdale residents. They transport a wide variety of people to and from school, work, appointments, shopping facilities, and various other sites located within the city limits. The system does not run regular routes, services are provided upon request between the hours of 7:15 a.m. and 4:15 p.m. Monday through Friday.

The bus fleet consists of four (4) buses with wheelchair lifts, which are purchased with federal and state grant funding. Three (3) of these buses are in use daily and one is used as a standby or back-up bus. Approximately 150-175 people ride our buses each day, except during the summer months of June to August, when school is not in session. During this time, buses transport approximately 90 fares per day.

Adults pay \$3.00 per ride, with children and senior/disabled passengers paying \$1.50 per ride. Dial-a-Ride is funded from federal sources (16%), state sources (39%), fares (15%) and a local subsidy from general fund (30%). Buses are funded through federal and state grants at 100%.

Department Goals

1. Provide safe and efficient transportation for residents of the city.
2. Maintain a courteous and professional attitude at all times.
3. Improve response time to each call.
4. Reduce local subsidy to 30%.

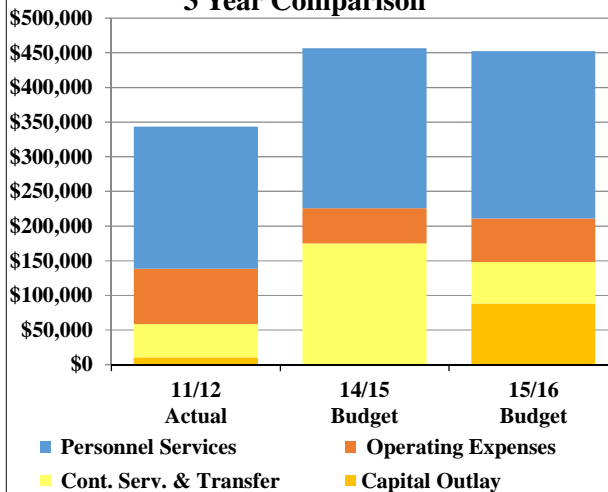
Department Objectives

1. Maintain a well trained courteous staff.
2. Increase operating revenues.
3. Decrease operating costs.

Budget Summary

1. Personnel costs cover wages and benefits for three full time drivers and one dispatcher.
2. Operating expenses include everything essential for daily operations (supplies, fuel, parts, etc.), building utilities/maintenance, and administrative services.
3. Contractual services consist of bus repairs not done by city mechanics.
4. No capital items are proposed for this fiscal year.

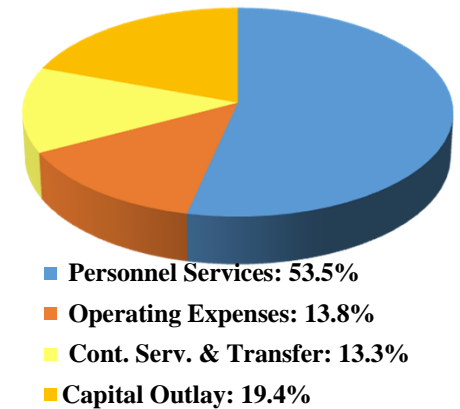
3 Year Comparison



Summary

	Actual 11/12	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	204,993	231,010	242,040	4.77%
Operating Expenses	80,007	50,650	62,670	23.73%
Cont. Serv. & Transfer	47,482	175,000	60,000	-65.71%
Capital Outlay	10,778	-	88,000	
Total	\$ 343,260	\$ 456,660	\$ 452,710	-0.86%

Proposed Budget



							Budgets	
Fund 588 D.A.R.T. REVENUES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	11/12	02/15	14/15	15/16
529.000	FEDERAL GRANT	90,635	54,778	51,177	54,778	42,210	53,630	58,350
569.000	STATE GRANT	115,400	106,049	118,137	106,049	86,830	128,790	132,940
569.001	STATE GRANT - MARKETING	-	-	-	-	-	-	-
569.588	STATE GRANT - CAPITAL	118,333	26,171	124,594	26,171	-	115,000	88,000
651.000	USE AND ADMISSION FEES	47,863	49,896	49,693	49,896	34,860	50,000	55,000
673.000	SALE OF CITY PROPERTY	1,625	1,600	2,761	1,600	-	-	-
692.000	OTHER REVENUE	429	514	396	514	190	-	-
699.101	TRANSFERS IN - GENERAL FUND	56,475	75,000	100,000	75,000	-	109,260	118,420
TOTAL D.A.R.T. REVENUES		430,760	314,007	446,758	314,007	164,090	456,680	452,710

							Budgets	
Fund 588 D.A.R.T. EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	11/12	02/15	14/15	15/16
175.000 ADMINISTRATIVE SERVICES								
999.101	TRANSFER - GENERAL FUND	46,249	43,850	46,731	43,850	-	50,000	50,000
TOTAL ADMINISTRATIVE SERVICES		46,249	43,850	46,731	43,850	-	50,000	50,000
588.000 DIAL-A-RIDE								
<i>Personnel Services</i>								
702.000	WAGES	118,155	116,991	119,057	116,991	80,000	130,000	132,500
703.000	OVERTIME PAY	870	1,602	1,897	1,602	760	1,750	1,350
704.000	SICK TIME PAY	3,846	3,470	6,315	3,470	4,270	4,140	3,800
705.000	VACATION TIME PAY	9,676	8,384	8,003	8,384	7,060	11,260	8,950
706.000	PERSONAL TIME PAY	1,431	1,431	1,676	1,431	1,470	1,550	1,600
707.000	LONGEVITY PAY	4,400	4,400	4,400	4,400	4,400	4,400	3,420
710.000	HOLIDAY AND OTHER PAY	5,007	4,948	5,094	4,948	4,610	5,440	5,500
715.000	HEALTH AND LIFE INSURANCE	53,759	45,547	40,290	45,547	37,830	48,120	61,500
716.000	RETIREMENT	2,188	1,712	1,749	1,712	1,210	1,940	1,350
717.000	WORKERS' COMPENSATION	1,633	2,389	2,654	2,389	4,840	4,900	5,100
718.000	UNEMPLOYMENT INSURANCE	1,600	1,600	800	1,600	400	400	400
720.000	EMPLOYER'S FICA	9,809	9,721	9,933	9,721	7,180	12,890	13,170
721.000	DISABILITY INSURANCE	526	554	590	554	440	620	650
725.000	FRINGE BENEFITS - ALLOCATED	2,636	2,245	2,101	2,245	1,530	3,600	2,750
Total Personnel Services		215,536	204,993	204,559	204,993	156,000	231,010	242,040
<i>Operating Expenses</i>								
726.000	SUPPLIES	2,110	1,140	1,881	1,140	750	1,500	1,500
730.000	VEH./EQUIP. MAINT. SUPPLIES	3,386	3,547	3,712	3,547	3,380	5,000	7,000
740.000	FUEL AND LUBRICANTS	20,536	23,637	25,771	23,637	11,750	26,000	24,000
742.000	CLOTHING / UNIFORMS	-	-	-	-	-	-	-
850.000	INSURANCE	6,254	8,565	6,669	8,565	21,560	10,000	20,000
861.000	TRAINING & SEMINARS	431	295	722	295	190	-	500
900.000	PRINTING	439	-	400	-	170	100	300
905.000	PUBLISHING / NOTICES	183	76	264	76	-	100	120
920.000	UTILITIES	5,602	5,138	5,428	5,138	3,140	5,500	5,500
925.000	TELEPHONE	1,081	1,093	960	1,093	840	1,000	1,500
930.000	REPAIRS & MAINTENANCE	2,803	422	395	422	410	500	750
940.000	EQUIPMENT RENTAL	0	0	446	-	720	750	1,200
950.000	RENTALS	-	-	0	-	-	-	-
955.000	MISCELLANEOUS	302	452	399	452	-	200	300
955.588	MISC. - CDL LICENSING/TESTING	30,087	35,643	53,139	35,643	130	-	-
Total Operating Expenses		73,214	80,007	100,186	80,007	43,040	50,650	62,670

Fund 588 D.A.R.T. EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	2,939	3,632	3,467	3,632	1,590	10,000	10,000
801.588	CONT SERV - ENGINEERING	-	-	-	-	-	-	-
970.000	CAPITAL OUTLAY	7,363	10,778	1,505	10,778	-	115,000	88,000
Total Contractual & Capital Outlay		10,302	14,410	4,972	14,410	1,590	125,000	98,000
TOTAL D.A.R.T. EXPENDITURES		345,301	263,253	356,448	343,260	200,630	456,660	452,710

HILLSDALE COMMUNITY LIBRARY

517-437-7790

LeAnn Beckwith - Director

lbeckwith@hillsdale-library.org

Department Summary

The Hillsdale Community Library is dedicated to providing access to informational, educational, cultural, and recreational needs of the citizens of Hillsdale. The library is committed to achieving these goals within the context of the needs of the local community. The library cooperates with other organizations, agencies, and institutions to provide library service.

Department Goals

1. To provide responsive service that meets the community's needs and interests.
2. To increase staff productivity and ensure the delivery of library services to the community.
3. To update and expand the library's collection both in house and electronically.
4. To increase community awareness regarding the vital role of the library and all we have to offer.

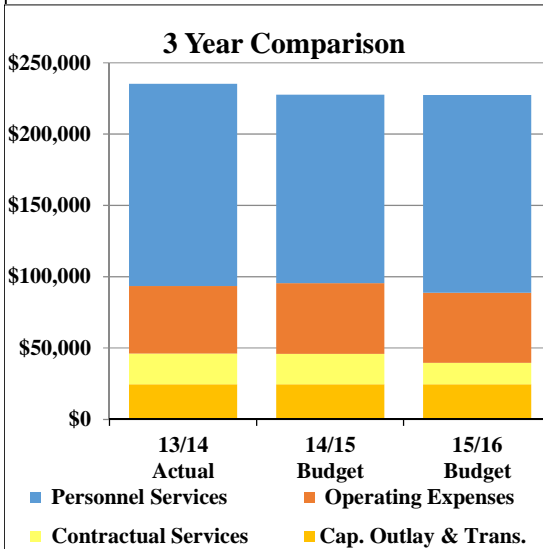
5. To educate the community on the challenge of funding.
6. To increase programming to serve all ages and interests.

Department Objectives

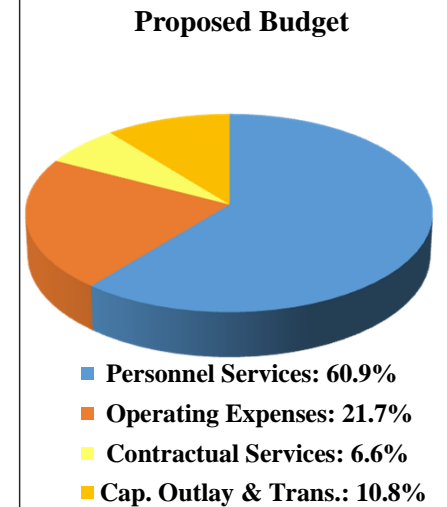
1. Provide opportunities for staff development.
2. Continue to work with the Woodlands Library Cooperative to offer the most up-to-date electronic material available.
3. Continue to collaborate with other Hillsdale County libraries.

Budget Summary

1. Personnel services cover the cost of wages and benefits for one (1) full time and ten (10) part-time employees.
2. Operating expenses include those things essential for operations such as non-print materials, supplies, staff training, and building maintenance.
3. Contractual services include payments for equipment upkeep, computer maintenance, membership payment to Woodlands Library Cooperative and service contracts for the fire alarm system, and the library automation system.
4. Capital outlay items are new book purchases and a transfer to the General Fund for building and grounds maintenance.



	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	141,700	132,290	138,570	4.75%
Operating Expenses	47,350	49,670	49,320	-0.70%
Contractual Services	21,600	21,250	15,000	-29.41%
Cap. Outlay & Trans.	24,530	24,500	24,500	0.00%
Total	\$ 235,180	\$ 227,710	\$ 227,390	-0.14%



							Budgets	
Fund 271 LIBRARY FUND REVENUES	Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed	
	10/11	11/12	12/13	13/14	02/15	14/15	15/16	
402.000	CURRENT TAXES	144,545	143,729	135,363	131,170	119,820	123,000	125,000
412.000	DELINQUENT TAXES	769	1,908	112	110	60	1,000	100
437.000	INDUSTRIAL FACILITIES TAX	4,907	3,244	2,367	2,230	3,230	3,500	3,370
520.000	FEDERAL GRANTS -LITERACY	-	-	-	-	-	-	-
523.000	FEDERAL GRANTS - REC & CULTURE	-	-	-	-	-	-	-
569.000	STATE GRANT	6,335	5,397	8,344	7,120	3,910	5,000	5,000
574.000	STATE REVENUE SHARING	8,105	8,105	8,105	8,100	-	8,100	8,100
587.000	CONT./LOCAL UNITS-CULTURE/REC.	16,800	16,800	13,800	13,800	-	13,800	13,800
588.000	SUBSCRIPTION CARD SALES	2,517	3,077	2,579	4,550	2,840	3,000	4,500
629.000	COPIES / DUPLICATING	4,171	3,635	4,323	5,210	3,680	4,000	4,500
656.000	PENAL FINES	43,985	32,004	43,820	38,570	-	37,000	38,500
657.000	BOOK FINES	3,551	3,005	3,266	2,640	1,930	4,000	2,500
658.000	ORDINANCE FINES	2,012	4,131	4,599	3,340	1,300	3,000	2,500
665.000	INTEREST	169	153	203	90	100	200	120
667.000	RENTS	399	264	267	240	120	300	200
667.271	RENTS-MEETING ROOMS	7,312	5,181	6,571	2,250	650	3,000	1,200
675.000	CONTRIBUTIONS AND DONATIONS	4,235	13,120	4,307	12,160	2,730	2,000	2,000
675.471	CONT. & DONAT. - LIBRARY EXPAN	28,950	15,610	22,623	850	10,700	20,000	10,000
675.790	CONTR. & DON'T. - BOOK CLUB	-	-	1,365	940	5,820	1,500	1,500
675.791	CONTR. & DON'T. - BIG READ	-	-	-	-	-	-	-
675.792	CONTR. & DON'T. - CHILD. LIBRARY	2,181	6,002	1,689	510	30	2,000	2,000
692.000	OTHER REVENUE	2,874	6,936	4,677	5,050	-	1,000	1,000
692.002	OTHER Rev. - N.B. REVENUE CNTR	-	5,575	-	-	-	-	-
694.000	CASH OVER & (SHORT)	-	-	-	-	-	-	-
TOTAL LIBRARY REVENUES		283,817	277,875	268,380	238,930	156,920	235,400	225,890

							Budgets	
		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
Fund 271	LIBRARY FUND EXPENDITURES	10/11	11/12	12/13	13/14	02/15	14/15	15/16
790.000 LIBRARY								
<i>Personnel Services</i>								
702.000	WAGES	100,166	107,792	102,024	102,600	68,960	113,000	118,640
704.000	SICK TIME PAY	811	491	612	2,710	320	1,270	1,300
705.000	VACATION TIME PAY	3,838	2,446	2,683	4,690	810	1,590	2,400
706.000	PERSONAL TIME PAY	1,232	1,000	844	1,360	490	475	500
707.000	LONGEVITY PAY	940	800	854	1,000	240	360	360
710.000	HOLIDAY AND OTHER PAY	2,852	2,572	2,644	3,210	2,040	3,750	3,300
715.000	HEALTH AND LIFE INSURANCE	17,922	22,899	11,915	13,800	(2,170)	85	80
716.000	RETIREMENT	4,267	3,451	3,500	2,830	1,240	2,000	1,530
717.000	WORKERS' COMPENSATION	123	131	165	260	280	300	400
718.000	UNEMPLOYMENT INSURANCE	800	800	400	400	100	100	100
720.000	EMPLOYER'S FICA	8,098	8,435	8,123	8,530	5,500	9,130	9,730
721.000	DISABILITY INSURANCE	308	247	338	310	150	230	230
Total Personnel Services		141,357	151,063	134,102	141,700	77,960	132,290	138,570
<i>Operating Expenses</i>								
726.000	SUPPLIES	7,077	6,024	6,403	5,660	3,030	7,000	6,000
726.002	SUPPLIES- N.B. RESOURCE CENTER	-	3,094	1,135	-	-	-	-
726.003	SUPPLIES- TECHNOLOGY GRANT	-	-	7,797	1,660	7,420	8,000	4,000
726.791	SUPPLIES - BIG READ	1,504	-	-	-	-	-	-
734.000	POSTAGE	101	29	146	310	270	300	300
750.000	PERIODICALS / MAGAZINES	1,146	1,138	1,434	1,430	1,430	1,500	1,500
810.000	DUES AND SUBSCRIPTIONS	517	1,395	1,012	470	-	1,500	1,000
860.000	TRANSPORTATION AND MILEAGE	645	710	1,140	780	510	500	650
861.000	TRAINING & SEMINARS	240	435	185	650	350	500	500
862.000	LODGING AND MEALS	30	6	31	300	-	500	500
865.000	INTEREST EXPENSE	5,465	4,807	3,736	2,230	870	870	20
905.000	PUBLISHING / NOTICES	666	554	398	520	80	500	500
920.000	UTILITIES	16,483	15,529	17,300	22,650	12,540	18,000	22,500
925.000	TELEPHONE	2,601	3,153	3,753	3,850	1,840	3,500	3,850
930.000	REPAIRS & MAINTENANCE	2,613	4,011	4,889	4,950	2,300	5,000	6,000
Total Operating Expenses		39,088	40,883	49,359	45,460	30,640	47,670	47,320

Fund 271 LIBRARY FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	11,973	13,318	19,669	21,600	7,090	21,250	15,000
970.000	CAPITAL OUTLAY	-	-	1,112	670	-	-	-
982.000	BOOKS	16,202	16,659	13,096	14,150	8,530	15,000	15,000
982.001	BOOKS - FROM DONATION MONIES	2,735	68	1,221	1,870	460	1,500	1,500
<i>Transfers</i>								
999.101	TRANSFER - GENERAL FUND	2,000	2,000	2,000	2,000	2,000	2,000	2,000
999.471	TRANSFER TO LIBRARY IMPR FUND	175,000	-	-	-	-	-	-
Total Contractual Services and Capital Outlay/Transfers		207,910	32,046	37,098	40,290	18,080	39,750	33,500
TOTAL LIBRARY		388,355	223,992	220,559	227,450	126,680	219,710	219,390

Fund 271 LIBRARY FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
792.000 LIBRARY - CHILDREN'S AREA								
726.000	SUPPLIES	1,680	1,518	1,283	1,380	210	1,500	1,500
726.010	SUPPLIES-SUMMER READING	-	-	482	230	-	1,000	1,000
726.792	SUPPLIES - SUMMER READING PROGRAM	2,586	3,698	4,361	1,890	670	2,000	2,000
982.000	BOOKS	3,800	3,988	5,954	5,840	4,060	6,000	6,000
982.001	BOOKS - FROM DONATION MONIES	-	323	-	-	-	-	-
TOTAL LIBRARY - CHILDREN'S AREA		8,066	9,527	12,080	9,340	4,940	10,500	10,500
TOTAL LIBRARY EXPENDITURES		396,421	233,519	232,639	236,790	131,620	230,210	229,890

							Budgets	
Fund 471 LIBRARY IMPROVE. REVENUES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
665.000	INTEREST	-	-	-	-	-	-	-
675.000	CONTRIBUTIONS AND DONATIONS	(467)	14,341	1,352	-	-	1,000	-
698.790	PROCEEDS FROM NOTE ISSUANCE	-	-	-	-	-	-	-
699.271	TRANSFER IN - LIBRARY	-	-	-	-	-	-	-
TOTAL LIBRARY IMPROVE. REVENUES		(467)	14,341	1,352	-	-	1,000	-

							Budgets	
Fund 471 LIBRARY IMPROVE. EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
790.000 LIBRARY								
726.000	SUPPLIES	-	-	2,049	120	-	122	-
801.000	CONTRACTUAL SERVICES	-	-	-	-	-	-	-
970.000	CAPITAL OUTLAY	-	-	500	-	-	-	-
999.362	TRANSFER - BOND & INT. REDEM.	-	-	-	-	-	-	-
TOTAL LIBRARY IMPROVE. EXPENDITURES		-	-	2,549	120	-	122	-

RECREATION DEPARTMENT

517-437-6457

Michelle Loren-Director

recreation@cityofhillsdale.org

Department Summary

The City of Hillsdale Recreation Department provides the City and County residents with leisure and competitive recreation programs, activities and facilities.

The Recreation Department serves as the events coordinator and planner for all City recreation programs and use of facilities within the City Park System, i.e.; Baw Beese Park System, Mrs. Stock's Park, Cold Springs Park, Fields of Dreams, and the Baw Beese Bike Trail. The department continually works to further the improvement and development of each facility and programs in order to enhance the recreational experience.

Department Goals

1. Provide and develop a diverse range of quality programs and facilities.
2. Continually utilize and improve the community's existing resources.
3. Work collaboratively with neighboring communities in order to join communities together and create recreation destinations throughout the county.

Department Objectives

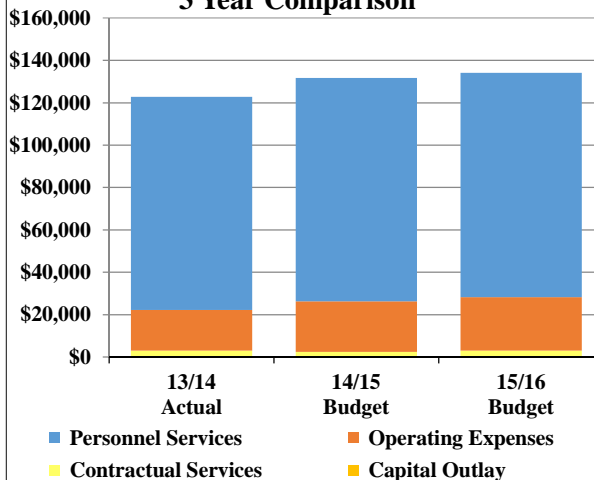
1. Continue to improve website capabilities in order to provide the community with current program and event information in order to broaden the participation base.
2. Work with area service groups on community park renovations, i.e., Sandy Beach, Cold Springs Park, and Mrs. Stock's Park.

3. Continue working collaboratively with the community schools and Hillsdale College.

Budget Summary

1. Department personnel consists of one full-time director and several part-time/seasonal staff (summer staff, referees, program supervisors, umpires, etc.).
2. Operating expenses include: supplies, utilities, equipment rentals, items for pass-through sale, etc.
3. Contractual Services consist of water testing, uniform cleaning, maintenance fees and other outside program fees.
4. No capital outlay items are planned for this budget year.

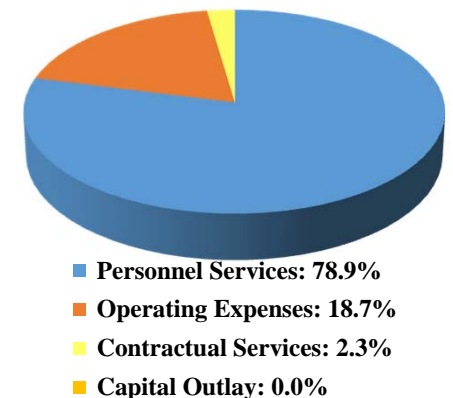
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	100,530	105,410	105,920	0.48%
Operating Expenses	19,210	23,850	25,150	5.45%
Contractual Services	3,030	2,500	3,100	24.00%
Capital Outlay	-	-	-	
	\$ 122,770	\$ 131,760	\$ 134,170	1.83%

Proposed Budget



								Budgets	
Fund 208 RECREATION FUND REVENUES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed	
		10/11	11/12	12/13	13/14	02/15	14/15	15/16	
644.000	CONCESSION SALES	-	-	1,692	4,150	2,570	4,250	4,000	
646.000	AMUSEMENT TICKET SALES	(174)	250	-	-	-	-	-	
651.000	USE AND ADMISSION FEES	-	1,950	4,172	10,640	6,040	10,000	10,600	
653.000	TEAM AND EVENT FEES	6,816	7,258	7,512	7,460	6,020	7,500	7,500	
653.001	YOUTH PROGRAM FEES	27,451	26,080	24,355	21,650	9,770	24,000	24,000	
667.000	RENTS	22,353	20,390	20,120	18,270	8,730	20,000	20,000	
675.000	CONTRIBUTIONS AND DONATIONS	-	1,893	(1,893)	-	-	-	-	
692.000	OTHER REVENUE	5,295	5,050	6,125	4,090	2,620	6,000	6,000	
699.101	TRANSFERS IN - GENERAL FUND	39,500	47,555	47,965	59,150	50,000	60,010	62,070	
TOTAL RECREATION REVENUES		101,241	110,426	110,048	125,410	85,750	131,760	134,170	

Budgets

Fund 208 RECREATION FUND EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
751.000 RECREATION DEPARTMENT								
<i>Personnel Services</i>								
702.000	WAGES	57,603	58,210	62,266	70,280	51,880	70,500	70,500
704.000	SICK TIME PAY	1,152	1,114	1,258	1,650	1,090	1,460	1,460
705.000	VACATION TIME PAY	1,970	1,498	1,963	2,380	720	2,930	2,930
706.000	PERSONAL TIME PAY	494	518	719	550	540	550	550
707.000	LONGEVITY PAY	900	1,000	1,100	1,100	1,100	1,100	1,100
710.000	HOLIDAY AND OTHER PAY	1,727	1,789	1,887	1,100	1,910	1,920	1,920
715.000	HEALTH AND LIFE INSURANCE	12,600	10,870	11,919	13,060	10,310	15,330	16,590
716.000	RETIREMENT	2,856	2,323	2,501	2,170	1,660	2,270	1,600
717.000	WORKERS' COMPENSATION	1,054	1,234	1,555	2,360	3,030	2,950	3,000
718.000	UNEMPLOYMENT INSURANCE	400	400	200	200	100	100	100
720.000	EMPLOYER'S FICA	4,447	4,627	5,010	5,570	4,200	6,180	6,050
721.000	DISABILITY INSURANCE	106	109	116	110	90	120	120
	Total Personnel Services	85,309	83,691	90,494	100,530	76,630	105,410	105,920
<i>Operating Expenses</i>								
726.000	SUPPLIES	19,290	15,295	20,105	13,300	8,530	18,000	18,000
726.006	CONCESSION SUPPLIES	-	-	2,429	3,910	1,900	2,500	4,000
761.000	ITEMS FOR PASS THRU SALES	-	-	-	-	-	-	-
810.000	DUES AND SUBSCRIPTIONS	630	276	210	290	-	300	300
812.000	OUTSIDE PROGRAM FEES	615	926	1,438	550	-	1,100	1,100
860.000	TRANSPORTATION AND MILEAGE	239	-	-	-	-	250	150
861.000	TRAINING & SEMINARS	347	-	-	-	-	350	350
862.000	LODGING AND MEALS	464	-	317	330	-	500	350
905.000	PUBLISHING / NOTICES	530	-	-	-	-	-	-
925.000	TELEPHONE	411	513	785	830	370	850	900
	Total Operating Expenses	22,526	17,010	25,284	19,210	10,800	23,850	25,150
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	724	300	554	3,030	350	2,500	3,100
	Total Contractual Services and Capital Outlay	724	300	554	3,030	350	2,500	3,100
TOTAL RECREATION EXPENDITURES		108,559	101,001	116,332	122,770	87,780	131,760	134,170

CAPITAL IMPROVEMENTS

Department Summary

The Capital Improvement Fund is used to account for most major capital and infrastructure improvements made in the city. The fund depends on grants or transfers from other funds (i.e., General Fund, TIFA) for revenue as it has no specific source for collection of revenues. Projects included in the CIF represent significant investments in organizational and/or community infrastructure. There will not be any impact on future operating budgets from these projects except through non-quantifiable efficiencies.

The 2015-2019 presentation includes the following projects to be undertaken this year that can be funded with available cash, grants and donations.

CAPITAL PROJECTS

Capital Improvement Fund (401)

Major Street Reconstruction - \$650,000

The city has applied for grant funding through the State of Michigan's Small Urban Program to complete the reconstruction of State Street from Wolcott to the City limits. The projects considered for this grant program come from the Hillsdale County Road Commission, the City, and the City of Jonesville. These funds are restricted for use to those arterial roads which connect to the urban boundary. It was agreed by the participating entities that the 2016 funding be appropriated to the City for the State Street project. This project would also provide needed help with drainage issues on Wolcott which are, in part, caused from the water shed from State Street.

The engineers have convinced the State to include a lift station on Wolcott to take the water accumulating there, up the hill to the storm system on State Street depositing it then into the rearing ponds. The project would also include the installation of a sidewalk on the south side of State from Wolcott to the City limits. The County Road Commission has agreed to pay for the extension of this project beyond the City limits. This would allow for safe pedestrian travel from the City out to the rearing ponds.

This project is estimated to cost approximately \$500,000 plus engineering costs of \$150,000. The Small urban grant is for a maximum of \$375,000 leaving the remaining \$275,000 as the City's share.

Mill Pond Dam Repair – \$50,000

In 2012 City Council approved funding of \$15,000 to repair the existing corrugated metal pipe that holds the overflow drain for the Mill Pond Dam. However, Michigan Department of Environmental Quality (MDEQ) modified the plan submitted by the city's engineer prior to issuing the permit. Due to these modification, the contracted wanted significantly more money to make the repairs in accordance with MDEQ's modifications. The City did receive a permit from MDEQ to make the repairs back in June 2014 but due to the increased cost new bids will have to sought to complete this work. The permit is good until June of 2016. It is estimated that the cost of this work will be approximately \$50,000.

TIFA – Infrastructure Repairs - \$20,000

The City of Hillsdale (TIFA) was established in 1984 to facilitate the redevelopment, re-use and economic viability of Downtown Hillsdale. Financing for projects within the approximate 22 block TIFA district is derived from incremental property taxes that are in excess of a base year amount set when the district was established in 1984. These revenues can only be expended on projects within the geographical boundaries of the TIFA. The TIFA Board has set aside \$20,000 for infrastructure improvements within the district that are yet City

Hall Roof Repairs - \$20,000

City Hall went through an extensive renovation back in 1996-97, which included putting down new materials on the flat portion of the roof. As it has now been about more than 19 years since this work was done, the roof is in need of resurfacing. At the same time the Fire Department has requested that the Emergency Service Siren and support tower on the roof at City Hall, be removed. The siren is no longer in operation and the newer unit is located down the street on the 'high rise' apartment complex. The approximate cost to reroof City Hall and remove the siren and tower is \$20,000.

CAPITAL IMPROVEMENTS

Continued

CAPITAL PROJECTS (continued)

Computers - \$10,000

This budget anticipates the purchase of inventory tracking software for the Department of Public Services. This software will track purchase and use of various materials used by the department and works in conjunction with the work order and financial software. This appropriation also includes funding for the replacement of the city's file server and continued replacement/upgrading of computer hardware/software throughout the various city departments.

TIFA – Building Purchases - \$250,000

The City of Hillsdale's Tax Increment Finance Authority (TIFA) Board has set aside \$250,000 for the purchase of deteriorating buildings within their geographical boundaries in hopes of encouraging building preservation and rehabilitation. They hope to assist the business community in preserving the historic character of the TIFA district especially the downtown area. At the same time they would be providing entrepreneurial support for current, new and expanding businesses.

Mrs. Stocks Park Fund (409) - \$10,050

Now that the fencing project is almost completed, the committee is turning its attention to plantings and provide ongoing expansion of the memorial walking path. It is also working to build its perpetual maintenance fund to ensure the continued maintenance of the gardens into the future.

Airport Improvement Fund (481)

Partial parallel taxiway - \$1,666,667

The next phase of the multi-year expansion of the City's airport, is the construction of a partial parallel taxiway and the relocation of the airport entrance driveway. The funding for this project comes primarily from the federal and state sources. This year's budget appropriates a local match for the project of \$241,667. This includes the city's usual five percent (5%) match plus an advance on future federal and state grants for 2016. The city will be reimbursed \$158,333 for this advance once the 2016 grants are released.

FUTURE PLANS

Major & Local Street Reconstruction (2016-19)

Staff will continue to seek all available grant funding sources for street improvements which continues to be one of Council's top priorities. Decisions regarding future improvements will be driven by the direction of Council and the citizens as a steady and secure funding source is sought.

							Budgets	
Fund 401 CAPITAL IMPROVEMENTS REVENUES	Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed	
	10/11	11/12	12/13	13/14	02/15	14/15	15/16	
529.000	FEDERAL GRANT	10,569	-	377,474	-	-	375,000	375,000
566.000	STATE GRANTS-RECREATION CULTURAL	-	-	-	-	-	-	13,225
569.000	STATE GRANT	-	-	-	-	26,450	-	-
587.000	CONT./LOCAL UNITS-CULTURE/REC.	-	-	-	-	-	-	-
665.000	INTEREST	-	-	-	-	-	-	-
672.000	SPECIAL ASSESSMENTS	-	-	-	-	-	-	-
675.000	CONTRIBUTIONS AND DONATIONS	(105)	-	97,334	53,210	3,000	-	-
692.000	OTHER REVENUE	2,592	-	41,353	53,960	-	-	-
698.000	PROCEEDS-SALE OF BONDS/NOTES	-	-	-	-	-	-	-
699.101	TRANSFERS IN - GENERAL FUND	345,255	477,800	365,000	170,000	-	50,000	80,000
699.202	TRANSFERS IN - MAJOR STREETS	-	-	-	150,000	-	-	-
699.244	TRANSFERS IN - EDC FUND	-	-	-	-	-	-	-
699.247	TRANSFERS IN - T.I.F.A FUND	-	78,433	12,614	3,300	24,750	275,650	270,000
699.408	TRANSFERS IN - F.O.D.	-	-	-	-	-	-	-
699.517	TRANSFER IN - TRANSFER FACILITY	-	-	-	-	-	-	-
699.711	TRANSFERS IN - CEMETERY CARE	-	-	-	15,600	-	-	-
699.715	TRANSFERS IN - OWENS PARK	6,000	5,997	3,675	-	-	-	-
	TOTAL CAPITAL IMPROVEMENTS REVENUES	364,311	562,230	897,450	446,070	54,200	700,650	738,225

							Budgets	
Fund 401 CAPITAL IMPROVEMENTS EXPENDITURES	Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed	
	10/11	11/12	12/13	13/14	02/15	14/15	15/16	
276.000 CEMETERIES								
<i>Personnel Services</i>								
702.000	WAGES	-	-	-	-	-	-	
703.000	OVERTIME PAY	-	-	-	-	-	-	
720.000	EMPLOYER'S FICA	-	-	-	-	-	-	
725.000	FRINGE BENEFITS - ALLOCATED	-	-	-	-	-	-	
	Total Personnel Services	-	-	-	-	-	-	
<i>Operating Expenses</i>								
726.000	SUPPLIES	-	-	-	-	-	-	
940.000	EQUIPMENT RENTAL	-	-	-	-	-	-	
	Total Operating Expenses	-	-	-	-	-	-	
<i>Contractual Services</i>								
801.000	CONTRACTUAL SERVICES	-	-	222	15,600	-	-	
	Total Contractual Services and Capital Outlay/Transfers	-	-	222	15,600	-	-	
	TOTAL CEMETERIES	-	-	222	15,600	-	-	

							Budgets	
Fund 401 CAPITAL IMPROVEMENTS EXPENDITURES	Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed	
	10/11	11/12	12/13	13/14	02/15	14/15	15/16	
443.000 SIDEWALKS								
<i>Personnel Services</i>								
702.000	WAGES	12,334	874	10,606	11,060	-	-	
703.000	OVERTIME PAY	64	-	831	300	-	-	
720.000	EMPLOYER'S FICA	886	59	778	790	-	-	
725.000	FRINGE BENEFITS - ALLOCATED	7,282	489	5,465	5,730	-	-	
Total Personnel Services		20,566	1,422	17,680	17,880	-	-	
<i>Operating Expenses</i>								
726.000	SUPPLIES	11,431	420	7,883	10,350	-	-	
940.000	EQUIPMENT RENTAL	5,540	115	2,855	4,230	-	-	
Total Operating Expenses		16,971	535	10,738	14,580	-	-	
<i>Contractual Services</i>								
801.000	CONTRACTUAL SERVICES	64,130	1,100	92,912	88,950	-	-	
otal Contractual Services and Capital Outlay/Transfers		64,130	1,100	92,912	88,950	-	-	
TOTAL SIDEWALKS		101,667	3,057	121,330	121,410	-	-	

							Budgets	
Fund 401 CAPITAL IMPROVEMENTS EXPENDITURES	Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed	
	10/11	11/12	12/13	13/14	02/15	14/15	15/16	
452.000 MAJOR STREET RECONSTRUCTION								
<i>Personnel Services</i>								
702.000	WAGES	-	-	13	-	-	-	
703.000	OVERTIME PAY	-	-	-	-	-	-	
720.000	EMPLOYER'S FICA	-	-	1	-	-	-	
725.000	FRINGE BENEFITS - ALLOCATED	-	-	-	-	-	-	
Total Personnel Services		-	-	14	-	-	-	
<i>Operating Expenses</i>								
726.000	SUPPLIES	-	-	-	-	-	-	
905.000	PUBLISHING / NOTICES	-	-	-	-	-	-	
940.000	EQUIPMENT RENTAL	-	-	-	-	-	-	
Total Operating Expenses		-	-	-	-	-	-	
<i>Contractual Services</i>								
801.000	CONTRACTUAL SERVICES	89,608	90,595	725,451	10,310	-	650,000	
807.000	ENGINEERING SERVICES - CONTRAC	-	-	-	-	-	-	
Total Contractual Services		89,608	90,595	725,451	10,310	-	650,000	
TOTAL MAJOR ST. RECONSTRUCTION		89,608	90,595	725,465	10,310	-	650,000	

							Budgets	
Fund 401 CAPITAL IMPROVEMENTS EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
453.000 LOCAL STREET RECONSTRUCTION								
<i>Personnel Services</i>								
702.000	WAGES	-	-	-	10	-	-	-
703.000	OVERTIME PAY	-	-	-	-	-	-	-
720.000	EMPLOYER'S FICA	-	-	-	-	-	-	-
725.000	FRINGE BENEFITS - ALLOCATED	-	-	-	10	-	-	-
Total Personnel Services		-	-	-	20	-	-	-
<i>Operating Expenses</i>								
726.000	SUPPLIES	-	-	-	-	-	-	-
940.000	EQUIPMENT RENTAL	-	-	-	-	-	-	-
Total Operating Expenses		-	-	-	-	-	-	-
<i>Contractual Services</i>								
801.000	CONTRACTUAL SERVICES	-	-	10,400	251,530	-	-	-
807.000	ENGINEERING SERVICES - CONTRAC	-	-	-	-	-	-	-
Total Contractual Services		-	-	10,400	251,530	-	-	-
LOCAL STREET RECONSTRUCTION		-	-	10,400	251,550	-	-	-

							Budgets	
Fund 401 CAPITAL IMPROVEMENTS EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
480.000 DRAINAGE								
<i>Personnel Services</i>								
702.000	WAGES	-	-	220	10	-	-	-
703.000	OVERTIME PAY	-	-	-	-	-	-	-
720.000	EMPLOYER'S FICA	-	-	16	-	-	-	-
725.000	FRINGE BENEFITS - ALLOCATED	-	-	-	-	-	-	-
Total Personnel Services		-	-	236	10	-	-	-
<i>Operating Expenses</i>								
726.000	SUPPLIES	-	-	-	-	-	-	-
940.000	EQUIPMENT RENTAL	-	-	-	-	-	-	-
Total Operating Expenses		-	-	-	-	-	-	-
<i>Contractual Services</i>								
801.000	CONTRACTUAL SERVICES	3,422	7,140	77,753	160	-	-	-
Total Contractual Services		3,422	7,140	77,753	160	-	-	-
TOTAL DRAINAGE		3,422	7,140	77,989	170	-	-	-

Fund 401 CAPITAL IMPROVEMENTS EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
756.000 PARKS								
<i>Personnel Services</i>								
702.000	WAGES	-	-	-	-	-	-	-
703.000	OVERTIME PAY	-	-	-	-	-	-	-
720.000	EMPLOYER'S FICA	-	-	-	-	-	-	-
725.000	FRINGE BENEFITS - ALLOCATED	-	-	-	-	-	-	-
Total Personnel Services		-	-	-	-	-	-	-
<i>Operating Expenses</i>								
726.000	SUPPLIES	-	-	-	39,850	-	-	-
940.000	EQUIPMENT RENTAL	-	-	-	-	-	-	-
Total Operating Expenses		-	-	-	39,850	-	-	-
<i>Contractual Services</i>								
801.000	CONTRACTUAL SERVICES	6,000	5,997	3,675	-	-	-	-
Total Contractual Services		6,000	5,997	3,675	-	-	-	-
TOTAL PARKS		6,000	5,997	3,675	39,850	-	-	-

Fund 401 CAPITAL IMPROVEMENTS EXPENDITURES	Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
						Current 14/15	Proposed 15/16
900.000 CAPITAL OUTLAY							
975.002 POST OFFICE EXPANSION	-	-	-	-	-	-	-
975.004 HILLSDALE'S PROJECT PRESERVE	-	-	-	-	-	-	-
975.004 FIELDS OF DREAMS - BIKE PATH	-	-	-	-	-	-	-
975.005 INDUSTRIAL PARK EXPANSION - LAND	-	-	-	-	-	-	-
975.006 TIFA PROJECT-ALLEY REPAVING	-	-	-	-	-	-	-
975.007 DOWNTOWN TRASH RECEPTALS	-	-	-	-	-	-	-
975.008 FERRIS STREET PARKING LOT	-	-	-	-	-	-	-
975.009 TELEPHONE EQUIPMENT	-	-	-	-	-	-	-
975.010 BIKE PATH - BAW BEESE TRAIL	-	-	-	-	-	-	-
975.011 TIFA BUILDING DEMOLITION	-	-	-	-	-	-	-
975.013 STREETScape/M-99 - TIFA PROJECT	-	-	-	-	-	-	-
975.014 MITCHELL BUILDING IMPROVEMENTS	-	78,433	12,613	3,300	4,750	5,650	-
975.015 COUNTY GARAGE BUILDING/LAND	-	-	-	-	-	-	-
975.016 T.I.F.A. - FERRIS PK LOT STAIRS	-	-	-	-	-	-	-
975.017 D.A.R.T. FACILITY	-	-	-	-	-	-	-
975.018 MILLPOND DAM REPAIRS	-	-	5,690	170	3,810	-	50,000
975.019 T.I.F.A. - PARKING LOT REPAIRS	-	-	-	-	19,040	20,000	-
975.021 COMPREHENSIVE PLAN UPDATE	-	-	13,000	-	-	-	-
975.022 INCOME TAX FEASIBILITY STUDY	3,500	20,292	1,060	-	-	-	-
975.024 T.I.F.A. - BUILDING PURCHASES	-	-	-	-	-	250,000	250,000
975.023 SANDY BEACH RENOVATIONS	-	3,100	135,098	16,220	-	-	-
975.031 RESURFACE ELKS PARKING LOT	-	-	-	-	-	-	-
975.034 DPS SITE IMPROVEMENTS	4,816	-	61,725	26,900	-	-	-
975.035 DPS UNDERGROUND FUEL TANKS	-	-	-	-	-	-	-
975.038 CITY HALL RENOVATION	-	-	-	-	-	-	20,000
975.040 COMPREHENSIVE COMPUTER UPDATE	5,032	2,505	9,851	53,780	1,460	20,000	10,000
975.041 CITY CENTER STUDY	-	-	-	-	-	-	-
975.042 T.I.F.A. PROJECT CITY CENTER	-	-	-	-	-	-	-
975.043 T.I.F.A. - 2003 SIDEWALK PROJECT	-	-	-	-	-	-	-
975.044 FACILITIES IMPROVEMENT	7,086	-	-	-	-	-	-
975.045 M-99 RECONSTRUCTION	63,041	944	478	-	-	-	-
975.050 INDUSTRIAL PARK SIGN	-	-	-	-	-	-	-
975.051 HOUSING DEVELOPMENT	-	-	-	-	-	-	-
975.054 MRS. STOCKS PACK CAPITAL IMPRV	-	-	-	-	-	-	-
975.055 TIFA 2015 INFRASTRUCTURE IMPORVEMENTS	-	-	-	-	-	-	20,000
975.999 WORK IN PROGRESS-TO BE BILLED	-	-	-	-	-	-	-
TOTAL CAPITAL OUTLAY	83,475	105,274	239,515	100,370	29,060	295,650	350,000

Fund 408 FIELDS OF DREAMS REVENUES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
523.000	FEDERAL GRANTS - REC & CULTURE	-	-	-	-	-	-	-
665.000	INTEREST	4	8	11	10	10	20	50
675.000	CONTRIBUTIONS AND DONATIONS	8,500	-	-	-	17,200	16,500	-
692.408	OTHER REVENUE - TOURNAMENTS	4,172	3,386	3,198	7,810	1,680	4,000	4,000
699.101	TRANSFERS IN - GENERAL FUND	-	-	-	-	-	-	-
TOTAL FIELDS OF DREAMS REVENUES		12,676	3,394	3,209	7,820	18,890	20,520	4,050

Fund 408 FIELDS OF DREAMS EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
751.000 RECREATION DEPARTMENT								
<i>Personnel Services</i>								
702.000	WAGES	-	-	-	-	-	-	-
720.000	EMPLOYER'S FICA	-	-	-	-	-	-	-
725.000	FRINGE BENEFITS - ALLOCATED	-	-	-	-	-	-	-
Total Personnel Services		-	-	-	-	-	-	-
<i>Operating Expenses</i>								
726.000	SUPPLIES	-	-	-	-	30	520	50
726.006	CONCESSION SUPPLIES	-	-	-	-	-	-	-
734.000	POSTAGE	-	-	-	-	10	-	50
900.000	PRINTING	-	-	-	-	-	-	-
905.000	PUBLISHING / NOTICES	-	-	-	-	-	-	-
940.000	EQUIPMENT RENTAL	-	-	-	-	-	-	-
Total Operating Expenses		-	-	-	-	40	520	100
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	8,534	-	609	280	25,190	20,000	-
999.401	TRANSFER - CAPITAL IMPROVEMENT	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		8,534	-	609	280	25,190	20,000	-
TOTAL FIELDS OF DREAMS EXPENDITURES		8,534	-	609	280	25,230	20,520	100

Fund 409 MRS. STOCK'S PARK REVENUES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
665.000	INTEREST	73	21	84	20	20	20	50
675.000	CONTRIBUTIONS AND DONATIONS	16,511	18,663	12,781	21,280	8,000	10,000	10,000
675.409	CONT. & DON'T. - PAVILION	-	-	-	800	-	-	-
TOTAL MRS. STOCK'S PARK REVENUES		16,584	18,684	12,865	22,100	8,020	10,020	10,050

Fund 409 MRS. STOCK'S PARK EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
756.000 PARKS DEPARTMENT								
<i>Operating Expenses</i>								
726.000	SUPPLIES	6,699	7,106	3,696	2,450	6,270	10,020	5,050
Total Operating Expenses		6,699	7,106	3,696	2,450	6,270	10,020	5,050
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	4,593	10,234	9,616	15,420	9,270	15,000	5,000
975.053	MACRITCHIE PAVILION	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay		4,593	10,234	9,616	15,420	9,270	15,000	5,000
<i>Transfers</i>								
999.101	TRANSFER - GENERAL FUND	-	-	-	-	-	-	-
999.712	TRANSFER-STOCKS PK PERPT MAINT	-	-	-	-	6,000	-	-
Total Transfers		-	-	-	-	6,000	-	-
TOTAL STOCKS PARK EXPENDITURES		11,292	17,340	13,312	17,870	21,540	25,020	10,050

							Budgets	
Fund 481 AIRPORT IMPROVE. REVENUES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
515.000	FEDERAL GRANT - AIRPORT	975,846	64,784	10,933	346,550	-	918,000	1,350,000
569.000	STATE GRANT	-	-	-	-	-	51,000	75,000
665.000	INTEREST	-	15	21	40	70	50	50
667.000	RENTS-Farmland	(1,823)	506	25,617	32,590	30,600	25,620	30,600
667.481	RENTS - AIRPORT HANGARS	8,809	5,524	5,535	5,630	2,810	5,400	5,600
667.482	RENTS - GROUND LEASE	-	870	-	1,740	270	870	870
690.000	OTHER REFUNDS	-	-	-	320	-	-	-
692.000	OTHER REVENUE	3,724	486	502	4,310	870	-	1,000
690.481	OTHER REFUNDS-LANDING FEES	-	-	-	-	-	-	-
690.957	OTHER REFUNDS-PROPERTY TAXES	-	-	-	-	-	-	-
692.000	OTHER REVENUE-Fuel Sales	6,899	56,138	72,189	50,150	27,000	75,000	50,000
698.000	PROCEEDS-SALE OF BONDS/NOTES	-	-	-	-	-	-	-
699.101	TRANSFERS IN - GENERAL FUND	50,000	-	50,000	50,000	-	-	-
TOTAL AIRPORT IMPROVE. REVENUES		1,043,455	128,323	164,797	491,330	61,620	1,075,940	1,513,120

							Budgets	
Fund 481 AIRPORT IMPROVE. EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
900.000 CAPITAL OUTLAY								
<i>Contractual Services and Capital Outlay</i>								
726.000	SUPPLIES-FUEL PURCHASES	18,491	-	-	-	-	5,000	-
740.295	FUEL AND LUBRICANTS - AVIATION	-	69,034	55,886	54,110	30,060	60,000	55,000
801.000	CONTRACTUAL SERVICES	211	3,657	7,274	3,780	2,670	7,500	5,000
801.481	CONTRACTUAL SERV- A.W.O.S.	2,724	2,364	2,862	2,030	1,340	3,000	3,000
806.000	LEGAL SERVICES	555	-	-	-	-	-	-
957.000	PROPERTY TAXES	43	-	-	-	-	-	-
970.000	CAPITAL OUTLAY	8,000	-	-	-	-	-	-
975.481	AIRPORT RUNWAY PROJECT	1,071,851	-	23,179	349,240	3,910	1,020,000	1,666,670
<i>Transfers</i>								
999.362	TRANSFER - BOND & INT. REDEM.	-	65,534	-	-	-	-	-
Total Contractual Services and Capital Outlay/Transfers		1,101,875	140,589	89,201	409,160	37,980	1,095,500	1,729,670
TOTAL AIRPORT IMPROVE. EXPENDITURES		1,101,875	140,589	89,201	409,160	37,980	1,095,500	1,729,670

DEPARTMENTAL CAPITAL OUTLAY

Department	Capital Item (s)	Approved
Fire	Two (2) sets of turn-out gear (\$1,725 per set) \$3,450 Three (3) SCBA masks (\$755 each) \$2,265 Two (2) Minitor VI pagers (\$520 each) \$1,040	Approved Approved Approved
Planning and Zoning	Adobe Acrobat XI Standard software upgrage \$300	Approved
Revolving Mobile Equipment	One Ton HD 4X4 Dump Truck \$65,000 Front-end payloader \$188,000 Turbine leaf blower attachment for mower \$7,000 Overhead Coffing Hoist \$2,900 Police patrol car \$35,000 Computer for maintenance shop \$2,900 ARC welder \$850 Two (2) OSHA compliant fuel storage cabinets \$2,900 Tire inflation cage \$1,100	TBD TBD TBD TBD Approved TBD TBD TBD TBD
		TBD = To Be Determined

REVOLVING MOBILE EQUIPMENT

517-437-6490

Keith Richard-Director

krichard@cityofhillsdale.org

Department Summary

This department consists of (2) full-time mechanics that are responsible for the maintenance and repair of more than 130 city owned vehicles and pieces of equipment from Public Services, Police, and Dial-A-Ride. In addition, this fund allocates money used for purchase of vehicles/ equipment used by the Public Services and Police departments, tools and equipment needed to maintain these vehicles, purchase of fuel used by these vehicles, maintenance of the repair facility, as well as funds for the labor costs of our mechanics. This department is self-supporting in that it generates its revenues from rent charged through the use of any equipment, interest and the sale of used vehicles/ equipment.

Department Goals

1. Keep City owned vehicles and equipment in a functional and presentable condition that best represents the City of Hillsdale by repairing, maintaining, and replacing these vehicles or equipment when needed.

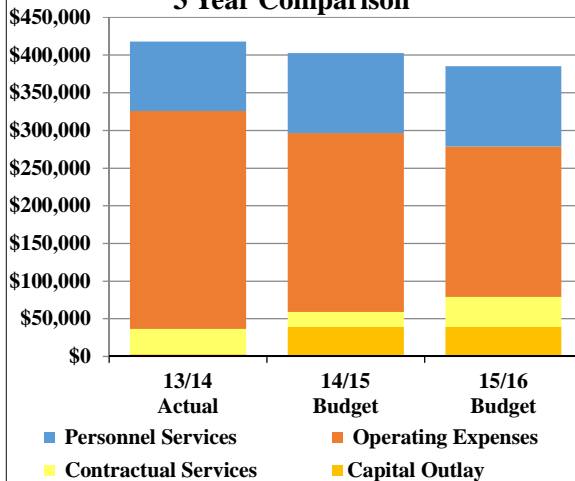
Department Objectives

1. Recondition three (3) salt spreaders used during the winters
2. Refurbish the dump box on one DPS large dump truck
3. Make body repairs on various DPS vehicles

Budget Summary

1. Personnel consist of two (2) full-time mechanics totaling 3440 manhours.
2. Operating expenses are supplies, equipment rental, and general maintenance activities.
3. Contractual Services includes various types of repairs, recycling of waste oil, antifreeze and tires, parts cleaner service, uniforms, and computer software maintenance and upgrades.
4. The capital equipment purchases planed are: one patrol car; replacement of (1)snow blower, (1)power generator, (1)trim mower, (2)string trimmers and (1)chain saw.

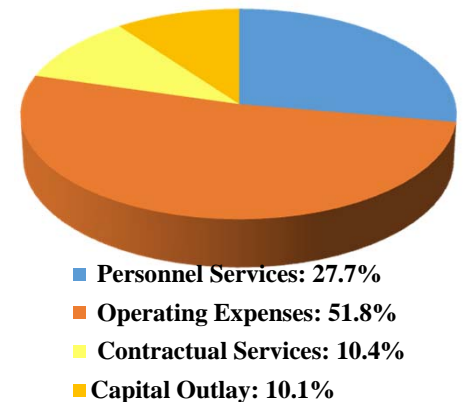
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	92,410	106,085	106,680	0.56%
Operating Expenses	289,070	237,625	199,620	-15.99%
Contractual Services	33,660	20,000	40,000	100.00%
Capital Outlay	3,030	39,000	39,000	0.00%
	\$ 418,170	\$ 402,710	\$ 385,300	-4.32%

Proposed Budget



Fund 640 R.M.E.F. REVENUES		Actual 08/09	Actual 09/10	Actual 10/11	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
665.000	INTEREST	5,114	972	1,292	240	170	400	300
667.000	RENTS	408,101	283,331	292,141	310,570	183,400	275,000	300,000
667.301	RENTS - POLICE VEHICLES	-	91,490	91,347	73,070	41,500	103,000	80,000
673.000	SALE OF CITY PROPERTY	2,668	5,846	4,144	2,410	-	3,000	-
692.000	OTHER REVENUE	6,671	9,006	10,249	5,490	9,980	10,000	5,000
692.039	OTHER REVENUE - BPU	-	-	-	550	-	-	-
699.101	TRANSFERS IN - GENERAL FUND	70	2,530	3,400	-	-	-	-
699.247	TRANSFERS IN - T.I.F.A FUND	-	-	-	-	-	-	-
TOTAL R.M.E.F. REVENUES		422,624	393,175	402,573	392,330	235,050	391,400	385,300

Fund 640 R.M.E.F. EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
444.000 MOBILE EQUIPMENT MAINTENANCE								
<i>Personnel Services</i>								
702.000	WAGES	52,774	53,954	51,744	45,070	23,970	51,210	50,100
703.000	OVERTIME PAY	180	124	98	120	20	1,000	960
704.000	SICK TIME PAY	3,529	2,576	402	1,350	2,280	2,360	2,360
705.000	VACATION TIME PAY	6,692	5,957	6,011	3,550	3,140	4,685	4,680
706.000	PERSONAL TIME PAY	648	864	728	950	600	295	880
707.000	LONGEVITY PAY	2,100	2,200	2,200	1,220	1,340	1,340	1,460
710.000	HOLIDAY AND OTHER PAY	2,859	3,023	3,062	3,100	2,660	3,100	3,170
715.000	HEALTH AND LIFE INSURANCE	25,735	29,314	32,987	28,800	24,530	32,150	33,470
716.000	RETIREMENT	3,350	3,351	2,662	1,620	1,140	1,825	1,280
717.000	WORKERS' COMPENSATION	2,245	1,724	965	2,230	2,370	2,600	2,750
718.000	UNEMPLOYMENT INSURANCE	200	200	800	400	200	200	200
720.000	EMPLOYER'S FICA	4,374	4,543	4,407	3,670	2,320	4,895	4,950
721.000	DISABILITY INSURANCE	316	316	316	330	270	425	420
Total Personnel Services		105,002	108,146	106,382	92,410	64,840	106,085	106,680
<i>Operating Expenses</i>								
726.000	SUPPLIES	5,076	10,048	5,808	5,190	1,900	8,000	8,000
726.005	SUPPLIES - POLICE	-	80	-	-	-	500	500
730.000	VEH./EQUIP. MAINT. SUPPLIES	55,744	49,059	39,862	34,590	22,920	40,000	40,000
730.301	POLICE VEH/EQUIP MAINT SUPPLIES	385	5,776	354	1,310	150	500	500
740.000	FUEL AND LUBRICANTS	70,432	41,359	56,733	66,410	30,540	60,000	60,000
740.301	FUEL AND LUBRICANTS -POLICE	-	23,527	33,923	36,510	14,680	40,000	40,000
742.000	CLOTHING / UNIFORMS	835	882	863	790	470	900	900
801.000	CONTRACTUAL SERVICES	-	-	-	-	-	-	-
801.301	POLICE VEHICLE REPAIR	-	-	-	-	-	-	-
850.000	INSURANCE	27,587	26,382	23,256	29,680	31,450	32,500	32,500
850.301	INSURANCE - POLICE	-	2,384	4,596	6,660	7,560	7,000	8,000
861.000	TRAINING & SEMINARS	-	-	-	-	-	-	-
920.000	UTILITIES	11,593	8,416	8,408	8,600	4,250	9,000	9,000
955.000	MISCELLANEOUS	-	-	-	-	-	-	-
955.441	MISCELLANEOUS - SHOE ALLOWANCE	-	-	-	-	-	100	100
955.588	MISC. - CDL LICENSING/TESTING	-	-	62	-	-	125	120
968.000	DEPRECIATION	87,674	113,383	107,597	96,300	-	-	-
981.000	CAPITAL OUTLAY - VEHICLES	5,012	3,659	2,458	-	-	-	-
981.301	CAPITAL OUTLAY - POLICE VEH.	-	-	-	-	34,040	35,000	-
983.000	CAPITAL OUTLAY-SMALL EQUIP	3,817	2,160	3,949	3,030	-	4,000	-
Total Operating Expenses		268,155	287,115	287,869	289,070	147,960	237,625	199,620

Fund 640 R.M.E.F. EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
	<i>Contractual Services</i>							
801.000	CONTRACTUAL SERVICES	23,490	23,291	10,268	33,660	4,410	20,000	20,000
801.039	CONTRACTUAL SERVICES - BPU EQP	-	-	-	-	-	-	-
801.301	CONTRACTUAL SERVICES - POLICE VEHICLE REPAIR	-	-	-	-	-	-	20,000
	Total Contractual Services Expenses	23,490	23,291	10,268	33,660	4,410	20,000	40,000
	<i>Capital Outlay</i>							
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
981.000	CAPITAL OUTLAY - VEHICLES	5,012	3,659	2,458	-	-	-	-
981.301	CAPITAL OUTLAY - POLICE VEHICLES	-	-	-	-	34,040	35,000	35,000
983.000	CAPITAL OUTLAY - SMALL EQUIPMENT	3,817	2,160	3,949	3,030	-	4,000	4,000
	Total Capital Outlay Expenses	8,829	5,819	6,407	3,030	34,040	39,000	39,000
	TOTAL R.M.E.F. EXPENDITURES	405,476	424,371	410,926	418,170	251,250	402,710	385,300

		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
Fund 663 FIRE VEHICLE & EQUIP. REVENUES								
665.000	INTEREST	585	126	57	40	60	50	80
690.000	OTHER REFUNDS	700	825	-	820	-	650	650
699.101	TRANSFERS IN - GENERAL FUND	10,000	-	-	25,000	-	-	-
TOTAL FIRE VEHICLE & EQUIP. REVENUES		11,285	951	57	25,860	60	700	730

		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
Fund 663 FIRE VEHICLE & EQUIP. REVENUES								
336.000 FIRE DEPARTMENT								
970.000	CAPITAL OUTLAY	-	-	14,932	-	-	-	-
TOTAL FIRE VEH. & EQUIP. EXPENDITURES		-	-	14,932	-	-	-	-

PUBLIC SERVICES 10-YEAR EQUIPMENT REPLACEMENT SCHEDULE

Equipment Number - Description	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Requested	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
Vehicle 1 - 2003 4x4 Pick-up trk [2016 4X4 Pick-up trk]		34,500								38,000
Vehicle 2 - 1997 Pick-up trk [w/lift gate]				29,500						
Vehicle 3 - 1994 Pick-up trk [Rpl w/ 1 Ton 4x4 Utility box trk w/liftgate]						65000				
Vehicle 4 - 2008 4X4 Pick-up trk [w/liftgate]									35,500	
Vehicle 5 - 2009 Pick-up trk [w/liftgate]										
Vehicle 6 - 2011 4X4 Pick-up trk [w/liftgate]										
Vehicle 7 - 1995 S-10 Pick-up trk [2017 Pick-uptrk w/liftgate]			29,000							
Vehicle 8 - 2002 1 Ton HD Dump [w/frnt plow & sprdr]										75000
Vehicle 9 - 2001 1 Ton HD 4x4 Dump [w/frnt plow & sprdr]								72,500		
Vehicle 10 - 1992 1 Ton Stake Rack trk [w/lift gate]					60,000					
Vehicle 11 - 1994 1 T Dump(1 Ton HD 4x4 Dump [w/frnt plow & sprdr]) *	65,000									
Vehicle 13 - 2008 1 Ton HD Dump [w/arrow board]										
Vehicle 14 - 2000 1 Ton HD 4x4 Dump [w/frnt plow & sprdr]							49,000			
Vehicle 15 - 2008 1 Ton HD 4x4 Dump [w/frnt plow & sprdr]										
Vehicle 16 - 2006 12 yd Tandem Dump [w/frnt and und. plows & sprdr.]								165,000		
Vehicle 17 - 1991 5 yd Dump [w/und. plow]			125,000							
Vehicle 39 - 2009 6 yd Dump [w/sprdr. & und. plow]										
Vehicle 40 - 1993 6 yd Dump [w/sprdr. & und. plow]					135,000					
Vehicle 41 - 2014 6 yd Dump [w/spreader & underbody plow]										
Vehicle 42 - 1996 6 yd Dump [w/sprdr & und. plow]							145,000			
Vehicle 43 - 2001 6 yd Dump [w/frnt and und. plows & sprdr.]									150,000	

* Purchases TBD

PUBLIC SERVICES 10-YEAR EQUIPMENT REPLACEMENT SCHEDULE

Equipment Number - Description	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Requested	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
Vehicle 18 - 2000 Backhoe					92,000					
Vehicle 19 - 1989 Backhoe		77,000								
Vehicle 20 - 1996 Wheel End Loader						165,000				
Attach 20.4 - 2001 Claw Bucket						18,000				
Vehicle 21 - 1994 Wheel End Loader *	170,000									
Attach 21.4 - 1998 Claw Bucket *	18,000									
Vehicle 22 - 1999 1 T Utility [w/ Aerial Lift]			77,500							
Vehicle 24 - 1954 Road Grader										
Vehicle 25 - 2003 Fork Lift										
Unit 27 - 1995 Leroi Air Compressor									16,000	
Unit 28 - 2006 Ingersall Air Compressor										
Unit 32 - 2006 Vermeer Brush Chipper									35,000	
Unit 33- Utility Vehicle/ Loader/ Sweeper		35,500								
Vehicle 34 - 2004 Sterling Vactor/Sweeper				225,000						
Unit 35 - 2004 Trailer Mounted Arrow Board			4,500							
Unit 37 - 2004 Line Lazer IV Paint Striper							11,000			
Unit 46 - 1972 Mower Trailer										
Unit 47 - 1999 Water Trailer										
Unit 48 - 2000 Sidewalk Forms Trailer							11,500			
Unit 50 - 1986 Tractor			26,000							
Unit 51 - 1995 Tractor [w/broom] FOD Ball Field Grooming		17,000								
Unit 52 - 1999 Z-Trak Mower					10,500					13,000
Unit 53 - 2005 Off-Road Utility Vehicle - J.D. Gator or equal			13,000							

* Purchases TBD

PUBLIC SERVICES 10-YEAR EQUIPMENT REPLACEMENT SCHEDULE

Equipment Number - Description	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Requested	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
Unit 54 - 2001 4x4 Tractor [w/broom]				33,500						
Unit 54.4 - 2008 Broom attachment				8,000				8,000		
Unit 58 - 1997 Sidewalk Grinder										19,000
Unit 70 - 1994 Crackfilling Machine										39,250
Unit 71 - 1998 Pre-Mix Asphalt Heater		30,000								23,000
Unit 108- 2002 Z-Track Mower							9,500			
Unit 109 - 2007 Z-Track Mower										
Unit 78 - 1998 4 ton Asphalt Roller		9,500								
Unit 140 - 2010 Zero Turn Mower										17500
Unit 140.1 - [2014] Zero Turn Mower Turbine Leaf/Material Blower attchmt *	7,000									
Chipper Box- 1 ton HD dump truck mounted on #14							6,500			
PUBLIC SERVICES EQUIPMENT REPLACEMENT TOTALS *	260,000	203,500	275,000	296,000	297,500	248,000	232,500	245,500	236,500	224,750
SMALL EQUIPMENT REPLACEMENT SCHEDULE (below)	Requested	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
Unit 29 - 1987 Vibrator Compactor		2,700								
Unit 31 - 2008 Vibrator Plate					1,650					
Unit 59 Thru 63 - Snow Blower(s)				1,300			1,400			1500
Unit 55 - Concrete Cutting Saw - Hand-Held				900						
Unit 65 - Concrete Cutting Saw - Walk Behind			3,200			3,500		3,500		
Unit 68 - Power Generator	1200	1325			1,450				1,500	
Unit 82 Thru 91- Leaf Blowers	1,200		1,300		1,400		1,500		1,600	
Unit 92 Thru 102 - String Trimmers	700	975		1,000		1000		1,000		1000
Unit 103 Thru 107 - Push Lawn Mowers	450			950			1,000		1,000	
Unit 110 Thru 123 - Chain Saws/ Equip	450		500	850	500	500	1,100	500	900	500
P. S. SMALL EQUIPMENT REPLACEMENT TOTALS	4,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	3,000

* Purchases TBD

POLICE VEHICLE REPLACEMENT SCHEDULE

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Car 2-1 - 2012 Patrol Vehicle Dodge Charger		35,000				35,000				35,000
Car 2-2 - 2011 Patrol Vehicle Dodge Charger	35,000				35,000				35,000	
Car 2-3 - 2015 Patrol Vehicle Ford Explorer				35,000				35,000		
Car 2-4 - 2014 Patrol Vehicle Ford Explorer			35,000				35,000			
Car 2-9 - 2010 Chief's Vehicle Ford Crown Victoria			35,000			35,000				
Car 2-6 - 2010 Detective's Vehicle Chevy Impala					30,000					
TOTAL	35,000	35,000	70,000	35,000	65,000	70,000	35,000	35,000	35,000	35,000

FIRE EQUIPMENT & VEHICLE REPLACEMENT SCHEDULE

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	FUTURE
Unit 331				\$425,000					
Unit 333									\$600,000
Unit 341			\$400,000						
Unit 374		\$45,000							
TOTALS		\$45,000	\$400,000	\$425,000	\$0	\$0	\$0	\$0	\$600,000
Date Acquired	Unit #		Vehicle I.D. #	Original Cost		Description			
Mar-92	331		46JRBA88K1002849	\$119,000	1989 FEDERAL MOTOR E1 PUMPER				
Jul-00	333		4PICT02S9YA000725	\$349,556	2000 PIERCE FIRE PUMPER				
Jul-02	341		1PQCA01F0DA040498	\$796,556	1983 PIERCE LTI PLATFORM TRUCK				
Mar-94	374		1FTJW36M2REA21057	\$24,834	1994 FORD PICKUP TRUCK 4X4				
Jul-70			68015	\$30,000	1931 SEAGRAVE ANTIQUE PUMPER				
Oct-09	351		1FDKE30FXVHA29560	DONATED	1997 FORD-MARQUE AMBULANCE				

MISCELLANEOUS FUNDS

Special Revenue Funds

Police Public Relations Fund

This fund had been used in the past to finance such projects as the youth bike helmets, coloring books, fingerprint cards (children's I.D.) and gun safety locks that promote public safety. Funds were raised through donations and charitable events like the annual Police Golf Outing. It also supported the D.A.R.E./T.E.A.M. programs which were designed to encourage youth to avoid being involved in drugs and to work against the spread of drug abuse. Last year this fund used its remaining balance. No fundraising or purchases are planned for fiscal year 2015-16.

Drug Forfeiture/Grant Fund

This fund is used to account for all money and property seized by police during a drug investigation. It must be used to pay expenses of processing the forfeiture and sale as well as enhance law enforcement efforts pertaining to drug law enforcement.

Internal Service Funds

Public Services Inventory

This fund tracks the purchase and use of inventory items such as salt and asphalt. Departments purchase goods from this fund as necessary to support operations.

DPS Leave & Benefits

This fund accounts for all leave time pay and other benefits associated with personnel in the Department of Public Safety. Operating funds for which services are rendered pay charges into this fund on a pay for use basis.

Unemployment Insurance

The City of Hillsdale is self-insured against unemployment claims rather than pay a third-party insurer. This fund accounts for all unemployment claims and is supported by transfers from the operating funds.

Fiduciary Funds

Cemetery Care

This fiduciary fund is primarily funded by portions of the fees charged for services at the Lakeview and Oak Grove Cemeteries. Funds are used to provide for the perpetual upkeep of the cemeteries.

R. L. Owen Park Memorial

Owen Park was created with donated funds and property and is maintained with the interest and principal in this fiduciary fund.

Stock's Park Perpetual Maintenance

A citizen initiative group has worked to raise money to renovate Mrs. Stock's Park. In 2006 this committee received designated donations for the expressed purpose of establishing an endowment fund to help with future maintenance costs of this park. The earnings from these investments will be used to maintain the park.

							Budgets	
		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
Fund 274 POLICE DPT. PUB. REL. REVENUES		10/11	11/12	12/13	13/14	02/15	14/15	15/16
505.000	FEDERAL GRANT - PUBLIC SAFETY	-	-	-	-	-	-	-
675.000	CONTRIBUTIONS AND DONATIONS	6,466	2,065	4,144	-	-	-	-
692.000	OTHER REVENUES	275	-	-	-	-	-	-
TOTAL POLICE DPT. PUB. REL. REVENUES		6,741	2,065	4,144	-	-	-	-

							Budgets	
		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
Fund 274 POLICE DPT. PUB. REL. EXPENDITURES		10/11	11/12	12/13	13/14	02/15	14/15	15/16
301.000 POLICE DEPARTMENT								
<i>Operating Expenses</i>								
726.000	SUPPLIES	5,056	5,536	3,016	810	-	-	-
726.301	GOLF OUTING SUPPLIES	3,259	-	1,665	-	-	-	-
723.301	DARE GOLF OUTING SUPPLIES	-	-	-	-	-	-	-
810.000	DUES AND SUBSCRIPTIONS	-	-	-	-	-	-	-
861.000	TRAINING & SEMINARS	-	-	-	-	-	-	-
900.000	PRINTING	-	-	-	-	-	-	-
Total Operating Expenses		8,315	5,536	4,681	810	-	-	-
<i>Transfers</i>								
999.101	TRANSFER - GENERAL FUND	-	-	-	-	-	-	-
TOTAL POLICE DPT. PUB. REL. EXPENDITURES		8,315	5,536	4,681	810	-	-	-

							Budgets	
Fund 265 DRUG FORFEITURE REVENUES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
543.000	STATE GRANTS - PUBLIC SAFETY	-	-	-	-	-	-	-
659.000	DRUG FORFEITURES	-	-	-	1,000	-	1,000	1,000
665.000	INTEREST	-	-	-	-	-	-	-
692.000	OTHER REVENUE	-	-	-	1,000	-	1,000	1,000
TOTAL DRUG FORFEITURE REVENUES								

							Budgets	
Fund 265 DRUG FORFEITURE EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
301.000 POLICE DEPARTMENT								
<i>Operating Expenses</i>								
726.000	SUPPLIES	-	-	-	-	-	1,000	1,000
925.000	TELEPHONE	-	-	-	-	-	-	-
940.000	EQUIPMENT RENTAL	-	-	-	-	-	-	-
950.000	RENTALS	-	-	-	-	-	-	-
Total Operating Expenses		-	-	-	-	-	1,000	1,000
<i>Contractual Services and Capital Outlay</i>								
801.000	CONTRACTUAL SERVICES	-	-	-	-	-	-	-
970.000	CAPITAL OUTLAY	-	-	-	-	-	-	-
<i>Transfers</i>								
999.101	TRANSFER - GENERAL FUND	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay/Transfers		-	-	-	-	-	-	-
TOTAL DRUG FORFEITURE EXPENDITURES		-	-	-	-	-	1,000	1,000

							Budgets	
Fund 633 PUBLIC SERVICES INV. REVENUES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
650.000	SALE OF MATERIALS	99,475	68,723	110,209	129,600	72,660	194,280	198,110
699.999	OTHER REFUNDS	-	-	-	-	-	-	-
TOTAL PUBLIC SERVICES INV. REVENUES		99,475	68,723	110,209	129,600	72,660	194,280	198,110

							Budgets	
Fund 633 PUBLIC SERVICES INV. EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
233.000 PUBLIC SERVICES INVENTORY								
<i>Personnel Services</i>								
702.000	WAGES	2,295	3,445	3,942	2,670	1,460	2,620	2,360
703.000	OVERTIME PAY	-	-	-	-	-	-	-
720.000	EMPLOYER'S FICA	163	240	277	190	110	200	180
725.000	FRINGE BENEFITS - ALLOCATED	15	-	138	40	740	1,460	1,260
Total Personnel Services		2,473	3,685	4,357	2,900	2,310	4,280	3,800
<i>Operating Expenses</i>								
726.000	SUPPLIES	52,256	38,790	87,577	115,620	60,810	135,000	134,310
940.000	EQUIPMENT RENTAL	5,511	3,103	7,613	6,020	2,620	5,000	5,000
Total Operating Expenses		57,767	41,894	95,190	121,640	63,430	140,000	139,310
<i>Contractual Services</i>								
801.000	CONTRACTUAL SERVICES	3,796	30,049	246	130	4,340	50,000	55,000
Total Contractual & Capital Outlay		3,796	30,049	246	130	4,340	50,000	55,000
TOTAL PUBLIC SERVICES INV. EXPENDITURES		64,036	75,628	99,793	124,670	70,080	194,280	198,110

							Budgets	
Fund 699 DPS LEAVE & BENEFIT REVENUES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
690.000	OTHER REFUNDS	154,302	142,769	125,322	143,390	109,360	159,080	207,810
699.101	TRANSFERS IN -GENERAL FUND	-	-	-	-	-	-	-
TOTAL DPS LEAVE & BENEFIT REVENUES		154,302	142,769	125,322	143,390	109,360	159,080	207,810

							Budgets	
Fund 699 DPS LEAVE & BENEFIT EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
441.000 PUBLIC SERVICES DEPARTMENT								
<i>Personnel Services</i>								
704.000	SICK TIME PAY	13,679	6,199	11,002	3,410	2,950	6,910	10,130
705.000	VACATION TIME PAY	16,229	17,339	13,365	12,240	5,200	18,300	14,950
706.000	PERSONAL TIME PAY	3,321	2,898	3,139	3,300	1,910	3,420	3,800
707.000	LONGEVITY PAY	7,240	7,652	5,734	4,940	4,520	6,480	5,080
710.000	HOLIDAY AND OTHER PAY	11,823	11,333	11,323	11,560	8,630	13,000	13,860
715.000	HEALTH AND LIFE INSURANCE	86,018	79,258	63,594	70,780	65,510	86,480	132,450
716.000	RETIREMENT	1,962	1,897	1,881	1,590	1,120	1,780	1,240
717.000	WORKERS' COMPENSATION	5,487	8,000	9,241	14,250	15,720	16,500	20,000
718.000	UNEMPLOYMENT INSURANCE	3,200	3,200	1,600	1,600	800	800	900
720.000	EMPLOYER'S FICA	4,074	3,799	3,094	3,820	1,690	3,680	3,660
721.000	DISABILITY INSURANCE	1,269	1,194	1,349	1,220	950	1,730	1,740
TOTAL DPS LEAVE & BENEFITS EXPENDITURES		154,302	142,769	125,322	128,710	109,000	159,080	207,810

Fund 677 UNEMPLOYMENT INS. REVENUES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
665.000	INTEREST	60	45	61	40	40	50	50
692.000	OTHER REVENUE	17,600	17,884	9,200	9,400	4,400	4,500	4,200
TOTAL UNEMPLOYMENT INS. REVENUES		17,660	17,929	9,261	9,440	4,440	4,550	4,250

Fund 677 UNEMPLOYMENT INS. EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
175.000 ADMINISTRATIVE SERVICES								
964.000	REFUNDS AND REBATES	6,823	21,909	1,053	310	4,590	10,000	5,000
TOTAL UNEMPLOYMENT INS. EXPENDITURES		6,823	21,909	1,053	310	4,590	10,000	5,000

							Budgets	
Fund 711 CEMETERY CARE REVENUES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
642.100	SALE OF CEMETERY LOTS-LAKEVIEW	4,400	6,575	3,450	11,960	4,400	6,000	12,000
642.200	SALE OF CEMETERY LOTS-OAK GROVE	8,735	6,800	6,675	6,500	2,810	6,000	7,500
665.000	INTEREST	25,571	21,302	17,818	12,450	6,790	15,000	15,000
670.000	GAIN (LOSS) ON SALE OF INVEST.	(707)	(15)	(12,870)	(1,590)	-	-	-
TOTAL CEMETERY CARE REVENUES		37,999	34,662	15,073	29,320	14,000	27,000	34,500

							Budgets	
Fund 711 CEMETERY CARE EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
276.000 CEMETERIES								
761.000	ITEMS FO PASS THRU SALES	-	-	500	350	-	-	-
TOTAL CEMETERIES DEPARTMENT		-	-	500	350	-	-	-
965.000 TRANSFERS TO OTHER FUNDS								
999.101	TRANSFER - GENERAL FUND	20,000	20,000	20,000	20,000	20,000	20,000	20,000
999.401	TRANSFER - CAPITAL IMPROVEMENT	-	-	-	15,600	-	-	-
TOTAL TRANSFERS		20,000	20,000	20,000	35,600	20,000	20,000	20,000
TOTAL CEMETERY CARE EXPENDITURES		20,000	20,000	20,500	35,950	20,000	20,000	20,000

							Budgets	
Fund 712 STOCK'S PK. PERPETUAL. MAINT. REV.		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
665.000	INTEREST	216	168	116	120	60	120	120
675.000	CONTRIBUTIONS AND DONATIONS	2,520	1,075	325	5,690	4,710	2,500	5,000
699.409	TRANSFER IN - STOCKS PARK FUND	-	-	-	-	6,000	-	-
TOTAL STOCK'S PK. PERPETUAL. MAINT. REV.		2,736	1,243	441	5,810	10,770	2,620	5,120

							Budgets	
Fund 712 STOCK'S PK. PERPETUAL. MAINT. EXPENDITURES		Actual	Actual	Actual	Actual	Actual Thru	Current	Proposed
		10/11	11/12	12/13	13/14	02/15	14/15	15/16
756.000 PARKS								
999.101	TRANSFER - GENERAL FUND	-	-	-	-	-	-	-
TOTAL STOCK'S PK. PERPETUAL. MAINT. EXP.		-	-	-	-	-	-	-

Fund 715 R.L. OWEN MEMORIAL REVENUES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
665.000	INTEREST	5,654	6,081	5,870	3,350	6,260	5,900	6,500
TOTAL R.L. OWEN MEMORIAL REVENUES		5,654	6,081	5,870	3,350	6,260	5,900	6,500

Fund 715 R.L. OWEN MEMORIAL EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
265.000 BUILDING AND GROUNDS								
999.101	TRANSFER - GENERAL FUND	-	-	-	-	-	-	-
999.401	TRANSFER - CAPITAL IMPROVEMENT	6,000	5,997	3,675	-	-	-	-
TOTAL R. L. OWEN MEMORIAL EXPENDITURES		6,000	5,997	3,675	-	-	-	-

ECONOMIC DEVELOPMENT CORPORATION

Economic Development Corporation Summary

The City of Hillsdale Economic Development Corporation (EDC) was incorporated in 1978 to undertake projects relative to the economic development of the City of Hillsdale. The EDC can function much like any private corporation and may make loans, grants, transfers, or conveyance of funds and property; it may create subsidiary neighborhood development corporations; it may receive funds and property. EDC funds may be used to support a broad range of economic development activities. The EDC currently owns Three Meadows Subdivision and takes an active role in the oversight of the Hillsdale Manufacturing and Technology Park.

Corporation Goals

1. Attract new business to the Hillsdale Manufacturing & Technology Park.
2. Promote further development of Three Meadows Subdivision.

3. Encourage economic development and community revitalization activities.

4. Provide support for existing, expanding or new businesses.

5. Market the City of Hillsdale as an attractive place to live, work and play.

Corporation Objectives

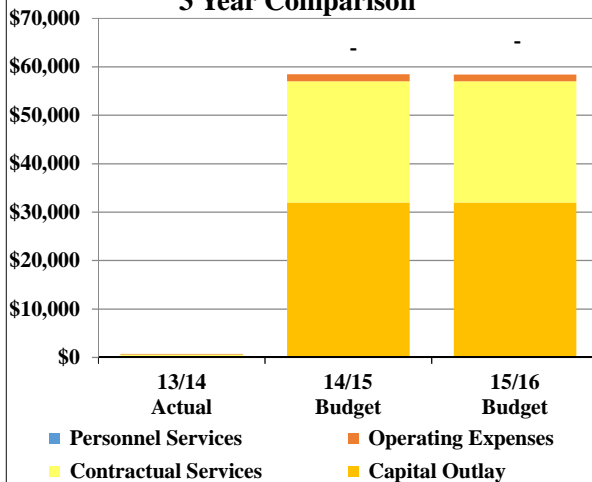
1. Promote the new fiber optic network.
2. Populate vacant buildings and reduce the number of obsolete properties.
3. Pursue funding opportunities for site assessment and remediation of contamination at industrial facilities.
4. Implement infrastructure improvements to the City of Hillsdale, as suggested by thermal Town Design Initiative - Community Revitalization Plan.
5. Work with the City of Hillsdale Office of Economic Development in the implementation of business retention and attracting plans and marketing strategy.

6. Partner with other organizations and institutions such as the Tax Increment Finance Authority (TIFA), the Hillsdale Planning Commission, the Michigan Economic Development Corporation (MEDC) and Hillsdale College in marketing and promotion efforts for the City of Hillsdale.

Budget Summary

1. There is no personnel budget within this fund. Hillsdale Policy Group, LTD, contracted by Hillsdale Board of Public Utilities, serves in a consultant capacity to the EDC Board.
2. Operating expenses include fees for permits, applications and real estate transactions along with marketing materials.
3. Contractual services include legal, engineering, marketing and planning work necessary to encourage development activities and marketing efforts.
4. Capital outlays in this budget include signs and infrastructure projects.

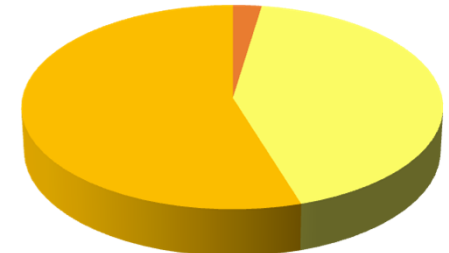
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	-	-	-	
Operating Expenses	90	1,500	1,400	-6.67%
Contractual Services	630	25,000	25,000	0.00%
Capital Outlay	-	32,000	32,000	0.00%
	\$ 720	\$ 58,500	\$ 58,400	-0.17%

Proposed Budget



- Personnel Services: 0.0%
- Operating Expenses: 2.4%
- Contractual Services: 42.8%
- Capital Outlay: 54.8%

Fund 244 E.D.C. FUND REVENUES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
665.000	INTEREST	141	114	146	70	80	100	100
673.000	SALE OF CITY PROPERTY	-	14,033	-	-	9,990	10,000	10,000
692.000	OTHER REVENUE	-	-	-	-	-	-	-
699.101	TRANSFER IN - GENERAL FUND	-	-	-	-	-	-	-
TOTAL E.D.C. REVENUES		141	14,147	146	70	10,070	10,100	10,100

Fund 244 E.D.C. FUND EXPENDITURES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
174.000 ECONOMIC DEVELOPMENT								
<i>Operating Expenses</i>								
726.000	SUPPLIES	66	-	-	-	-	200	200
806.000	LEGAL SERVICES	300	235	52	-	340	500	500
860.000	TRANSPORTATION AND MILAGE	-	-	-	-	-	500	500
862.000	LODGING AND MEALS	-	-	-	-	-	200	200
955.000	MISCELLANEOUS	-	-	-	-	-	-	-
957.000	PROPERTY TAXES	201	184	-	90	-	100	-
Total Operating Expenses		567	419	52	90	340	1,500	1,400
<i>Capital Outlay and Contractual Services</i>								
801.000	CONTRACTUAL SERVICES	680	1,528	655	630	740	25,000	25,000
970.000	CAPITAL OUTLAY	-	-	-	-	-	32,000	32,000
999.101	TRANSFER - GENERAL FUND	-	-	-	-	-	-	-
999.401	TRANSFER - CAPITAL IMPROVEMENT FUND	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay/Transfers		680	1,528	655	630	740	57,000	57,000
TOTAL E.D.C. EXPENDITURES		1,247	1,947	707	720	1,080	58,500	58,400

TAX INCREMENT FINANCING AUTHORITY

TIFA Summary

The City of Hillsdale Tax Increment Finance Authority (TIFA) was established in 1984 to facilitate the redevelopment, re-use and economic viability of Downtown Hillsdale. Financing for projects within the approximate 22 block TIFA district is derived from incremental property taxes that are in excess of a base year amount set when the district was established in 1984. These revenues can only be expended on projects within the geographical boundaries.

Authority Goals

1. Prevent the further deterioration of the infrastructure within the TIFA district.
2. Prevent the further deterioration of the building stock within the TIFA district.
3. Encourage building preservation and rehabilitation in keeping with the historic character of the TIFA district, especially the downtown area.
4. Encourage economic development of the TIFA district.

4. Provide entrepreneurial support for existing, expanding, or new businesses.
5. Market the TIFA district as an attractive place to live, work, and play.

Authority Objectives

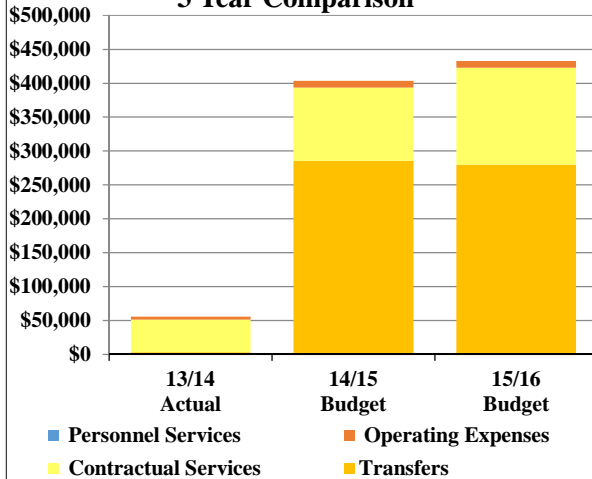
1. Provide funds for the acquisition of buildings in order to facilitate redevelopment.
2. Continue financial support for long-term infrastructure improvements.
3. Encourage the rehabilitation of the building facades through the TIFA Façade Improvement Program.
4. Continue implementation of the Downtown Hillsdale Blueprint Plan and the Small Town Design Initiative community revitalization plan.
5. Seek out and apply for funding opportunities such as the Michigan State Housing Development Authority (MSHDA) rental rehabilitation program.

5. Encourage new full-service restaurants in the downtown through the Restaurant Attraction Program.
6. Support local beautification, marketing and promotional efforts.

Budget Summary

1. There is no personnel budgeted within this fund.
2. Consultants of the Office of Economic Development and staff from the Planning Office provide support for TIFA.
3. Operating expenses include meeting supplies and marketing materials.
3. Contractual services include legal, design and installation of a new sign and landscaping at City Hall, marketing expenses, business startup through attraction programs and building improvements through the facade grant program.
5. Capital outlays in this budget include building acquisition and infrastructure improvements.

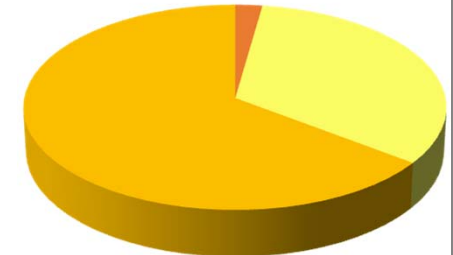
3 Year Comparison



Summary

	Actual 13/14	Amended Budget 14/15	Proposed Budget 15/16	Percent of Change
Personnel Services	-	-	-	
Operating Expenses	4,230	9,750	9,750	0.00%
Contractual Services	48,080	108,000	143,000	32.41%
Transfers	3,300	285,650	280,000	-1.98%
	\$ 55,610	\$ 403,400	\$ 432,750	7.28%

Proposed Budget



- Personnel Services: 0.0%
- Operating Expenses: 2.3%
- Contractual Services: 33.0%
- Transfers: 64.7%

Fund 247 T.I.F.A. FUND REVENUES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
402.000	CURRENT TAXES	124,226	142,733	138,075	124,390	105,600	110,000	76,730
412.000	DELINQUENT TAXES	-	-	-	-	-	-	-
437.000	INDUSTRIAL FACILITIES TAX	-	-	-	-	-	-	-
665.000	INTEREST	516	423	544	310	250	250	450
667.000	RENTS	-	-	-	-	-	-	-
692.000	OTHER REVENUE	-	92	-	-	-	-	-
TOTAL T.I.F.A. REVENUES		124,742	143,248	138,619	124,700	105,850	110,250	77,180

Fund 247 T.I.F.A. FUND REVENUES		Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
900.000 CAPITAL OUTLAY								
<i>Operating Expenses</i>								
726.000	SUPPLIES	7,027	5,844	1,940	3,920	1,170	8,750	8,750
806.000	LEGAL SERVICES	600	365	75	310	830	1,000	1,000
817.000	ECONOMIC DEVELOPMENT GRANT EXP	-	-	-	-	-	-	-
850.000	INSURANCE	-	-	-	-	-	-	-
862.000	LODGING AND MEALS	-	-	-	-	-	-	-
920.000	UTILITIES	-	-	-	-	-	-	-
957.000	PROPERTY TAXES	-	-	-	-	-	-	-
964.000	REFUNDS AND REBATES	-	-	-	-	-	-	-
968.000	DEPRECIATION	21,445	25,445	12,722	-	-	-	-
Total Operating Expenses		29,072	31,654	14,737	4,230	2,000	9,750	9,750
<i>Contractual Services</i>								
801.000	CONTRACTUAL SERVICES	19,456	7,831	1,457	11,000	-	68,000	83,000
801.247	CONTRACTUAL SERVICES - FAÇADE GRANTS	29,765	24,493	12,275	37,080	19,860	40,000	60,000
<i>Transfers</i>								
999.101	TRANSFER - GENERAL FUND	4,716	8,977	10,000	-	-	10,000	10,000
999.401	TRANSFER - CAPITAL IMPROVEMENT	-	78,433	12,614	3,300	24,750	275,650	270,000
999.640	TRANSFER - R.M.E.F.	-	-	-	-	-	-	-
Total Contractual Services and Capital Outlay/Transfers		53,937	119,733	36,346	51,380	44,610	393,650	423,000
TOTAL TIFA FUND EXPENDITURES		83,009	151,387	51,083	55,610	46,610	403,400	432,750

“LONG-TERM” DEBT SERVICE

The City of Hillsdale maintains a fairly low debt service relative to the total budget, issued primarily for capital projects such as water and sewer improvements, expansion of the Industrial Park, and infrastructure improvements. The City prefers to use dedicated funds to support debt service rather than relying on general obligation debt. State law does not allow the City to issue general obligation debt in excess of 10% of the State Equalized Value (SEV), which is \$ 13,856,400 for 2014. In Fiscal Year 2015-16, the City has only one outstanding debt of \$1,202,567 for the electrical utility that is attributable toward that limit.

There is no limit on other types of debt except as necessary to maintain high ratings with the bond rating agencies. These other debts are financed through specific revenues such as water and sewer rates or direct charges to individual recipients of services such as special assessments. Debts with dedicated financing sources are not counted against the 10% of State Equalized Value (SEV) limit. Debt service payments for all types of debts in Fiscal Year 2015-16 equal \$412,199. This includes a payment on BPU 2009 Series revenue bonds.

Standard and Poors’ underlying bond rating for the City of Hillsdale is BBB.

On March 10, 2015 the City Council and the Hillsdale Board of Public Utilities jointly approved a resolution to purchase, acquire and construct improvements to the City of Hillsdale Sanitary Sewer system and to publish a notice of intent to issue revenue bonds in the amount of \$7,616,000. It is anticipated that the bonds will be issues in September of 2015. Construction of these improvements will begin in November 2015, with an expected completion date of May 2017.

Purpose	Principal	Interest	Fiscal Year Total
Water System Improvements (Iron Removal Treatment Plant)	\$175,000	\$10,462	\$185,462
Capital Lease Agreement—Electric Meters & AMI System	\$182,940	\$43,797	\$226,737
TOTALS	\$357,940	\$54,259	\$412,199

“LONG-TERM” DEBT SERVICE

continued

Legal Debt Margin as of June 30, 2014

2014 State Equalized Value (SEV)		\$139,856,400
Debt Limit		13,985,640
Debt Outstanding	\$2,09,079	
Less: Exempt Obligations	\$719,000	
Debt applicable to limit		1,379,079
Additional Debt which can be legally incurred		\$12,606,561,
Debt applicable to limit as a percent of SEV	0.99%	

Net City Share (1)

	<u>Gross</u>	<u>City Share as % of Gross</u>	<u>Net City Share</u>	<u>Per Capita</u>	<u>% of Taxable Valuation</u>
City Direct Debt	\$1,379,079	100.00%	\$1,379,079	\$166.05	1.05%
City Overlapping Debt (2)					
Hillsdale Community School District	\$0	44.75%	\$0		
Hillsdale County	\$11,367,000	10.94%	\$1,243,550		
Hillsdale Intermediate School District	\$0	12.85%	\$0		
Total Overlapping Debt	\$11,367,000		\$1,243,550	\$149.74	0.94%
Total City Direct & Overlapping Debt	\$12,746,079		\$2,622,629	\$315.79	1.99%

(1) Based upon the 2010 Census population of 8,305 and 2014 Ad Valorem Taxable Valuation of \$131,931.584

(2) Overlapping debt is the portion of other taxing units debt for which a City taxpayer is responsible in addition to debt of the City.

SOURCE: City of Hillsdale as of June 30, 2014 and the Municipal Advisory Council of Michigan as of June 30, 2014

OUTSTANDING DEBT SUMMARY

Purpose	Original Issue	Date Issued	Date Due	Interest Rate	Interest Remaining	Principal Remaining	Total Remaining To Maturity
Water System Improvements (Iron Removal Treatment Plant)	\$1,156,000	2009	2016	3.80%	\$14,030.50	\$358,000.00	\$372,030.50
Capital Lease Agreement—Electric Meters & AMI System	1,379,079	2014	2020	3.61%	\$157,855.81	\$1,202,567.03	\$1,360,422.84
TOTALS	\$2,535,079				\$171,886.31	\$1,560,567.03	\$1,732,453.34

Fund 362	BOND & INT. REDEM. REVENUES	Actual 10/11	Actual 11/12	Actual 12/13	Actual 13/14	Actual Thru 02/15	Budgets	
							Current 14/15	Proposed 15/16
665.000	INTEREST	-	-	-	-	-	-	-
699.101	TRANSFERS IN - GENERAL FUND	78,000	178,000	24,994	-	-	-	-
699.271	TRANSFER IN - LIBRARY	175,000	-	-	-	-	-	-
699.471	TRANSFERS IN - LIBRARY IMPROVEMENT	-	-	-	-	-	-	-
	TOTAL BOND & INT. REDEM. REVENUES	253,000	178,000	24,994	-	-	-	-

Fund		Actual	Actual	Actual	Actual	Actual Thru	Budgets	
							Current	Proposed
362	BOND & INT. REDEM. EXPENDITURES	10/11	11/12	12/13	13/14	02/15	14/15	15/16
	900.000 CAPITAL OUTLAY - IND'L PARK - MEDC							
991.000	DEBT SERVICE - PRINCIPAL	50,000	150,000	-	-	-	-	-
	TOTAL CAPITAL OUTLAY	50,000	150,000	-	-	-	-	-
	905.000 DEBT SERVICE - CITY HALL							
	TOTAL DEBT SERVICE - CITY HALL	-	-	-	-	-	-	-
	910.000 DEBT SERVICE-INDUSTRIAL PARK							
801.000	CONTRACTUAL SERVICES	-	-	-	-	-	-	-
991.000	DEBT SERVICE - PRINCIPAL	28,000	28,000	28,000	-	-	-	-
995.000	DEBT SERVICE - INTEREST	-	-	-	-	-	-	-
	TOTAL DEBT SERVICE-INDUSTRIAL PARK	28,000	28,000	28,000	-	-	-	-
	915.000 DEBT SERVICE-LIBRARY EXPANSION							
991.000	DEBT SERVICE - PRINCIPAL	175,000	-	-	-	-	-	-
995.000	DEBT SERVICE - INTEREST	2,088	-	-	-	-	-	-
	TOTAL CAPITAL OUTLAY	177,088	-	-	-	-	-	-
	920.000 DEBT SERVICE-3 MEADOWS DEVELOPMENT							
	TOTAL CAPITAL OUTLAY	-	-	-	-	-	-	-
	TOTAL BOND & INT. REDEM . FUND EXP.	255,088	178,000	28,000	-	-	-	-

CITY OF HILLSDALE

STATEMENT OF BOND INDEBTEDNESS

July 1, 2015

WATER SUPPLY AND SEWAGE DISPOSAL

Series 2009 System Revenue Bonds - Debt of August 27, 2009

Original Issue of \$1,156,000.00

				FISCAL YEAR			
	COUPON RATE	PRINCIPAL	INTEREST		PRINCIPAL	INTEREST	TOTAL
Oct. 1, 2015	3.800%	\$175,000.00	\$6,893.50	Apr. 1, 2016	\$0.00	\$3,568.50	\$185,462.00
Oct. 1, 2016	3.900%	\$183,000.00	\$3,568.50				\$186,568.50
TOTALS		\$358,000.00	\$10,462.00			\$3,538.50	\$372,030.50
INTEREST REMAINING		\$30,981.00					

Purpose: Water System Improvements (Iron Removal Treatment Plant)

CITY OF HILLSDALE

STATEMENT OF INDEBTEDNESS

July 1, 2015

Michigan Installment Purchase Agreement
Capital Lease for Electric Meters
Michigan PA 99 of 1933

Debt of September 16, 2013

Original Issue of \$1,379,078.59

	TOTAL PAYMENT	PRINCIPAL	INTEREST	OPTION TO PURCHASE
September 16, 2015	\$226,737.14	\$182,940.06	\$43,797.08	N/A
September 16, 2017	\$226,737.14	\$189,602.67	\$37,134.47	\$844,823.58
September 16, 2018	\$226,737.14	\$196,507.94	\$30,229.20	\$642,586.32
September 16, 2019	\$226,737.14	\$203,664.69	\$23,072.45	\$434,484.18
September 16, 2020	\$226,737.14	\$211,082.09	\$15,655.05	\$220,347.08
	\$226,737.14	\$218,769.58	\$7,967.56	\$1.00
TOTALS	\$1,360,422.84	\$1,202,567.03	\$157,855.81	

Total Interest Expense: \$208 081.39

Purpose: Electric Meters & AMI System

FINANCIAL POLICIES

Balanced Budget Policy

The City of Hillsdale operates under the fundamental principle of a balanced budget for all funds. This means that projected expenditures match projected revenues. Occasionally a fund will have projects that take more than one year to complete or are accumulating funds to be spent at a later time. In these cases expenditures and revenues would not be equal. In years where expenditures were larger than the revenues, a decrease in that fund’s unrestricted fund balance would occur. In years when revenues were larger than expenditures, an increase would occur in the fund balance.

Any year end operating surpluses revert to unappropriated balances for use in maintaining reserve levels set by policy.

Budget Document Policy

The operating budget shall serve as the annual financial plan for the city. The budget shall provide staff the resources necessary to accomplish City Council determined goals and objectives.

The City Manager shall annually prepare and present a proposed operating budget to the City Council no later than the first Council meeting in April; a public hearing shall be held in May; and the budget shall be approved at the first Council meeting in June.

Budget Control and Accountability Policy

The City will maintain a budgetary control system to ensure adherence to the budget and will prepare monthly reports comparing actual revenues, and expenditures to budgeted amounts.

Budget accountability rests primarily with the operating departments of the City and their expenditures will be monitored on a monthly basis to ensure conformity to budgets and decide on actions to bring the budget into balance, if necessary.

The annual budget will provide for adequate maintenance and replacement of capital assets.

The Enterprise Funds shall be supported by their own rates and not subsidized by the General Fund.

Fund Balance Reserve Policy

In October 1992 City Council passed a motion that set the desired fund balance in its General Fund at 15% of revenues. The purpose of this motion is to insure that the City has adequate reserves on hand should unexpected circumstances require expenditures of an emergency nature.

Accounting, Auditing, and Financial Reporting Policy

The City of Hillsdale will have an independent audit performed annually. The auditing firm will produce comprehensive annual financial reports in

accordance with Generally Accepted Accounting Principles (GAAP), the body of accounting and financial reporting standards, conventions, and practices that have authoritative support from standard setting bodies such as the Governmental Accounting Standards Board (GASB) and the Financial Accounting Standards Board (FASB).

Cash Management Policy

The City of Hillsdale has set numerous cash management policies in place to secure appropriate depositories; ordering and purchasing procedures; bid requirements; payroll and disbursement regulations; and infrastructure replacement guidelines. Many of these cash management policies are mandated by the charter, local ordinance, and/or state law.

Investment Policy

This policy applies to all financial assets of the City of Hillsdale except pension funds. The surplus funds of the City shall be invested in accordance with State of Michigan laws, policies, and written administrative procedures. It is the City’s intention to provide safe, diversified, liquid investments that will provide the maximum rate of return possible while meeting its daily cash flow demands.

Debt Management Policy

Although there is no formal written debt management policy, the City of Hillsdale’s Council has unofficially adopted the philosophy of “pay-as-

FINANCIAL POLICIES

continued

you-go.” For the past decade or more, the City Council has been unwilling to borrow money for major infrastructure projects. Rather than incurring large debts that need to be repaid, limiting future capital projects, the Council has chosen to fund these projects from existing cash supplies and grants as they become available. Consequently the City’s debt as a percent of SEV is only .62%, with the bulk of that utility revenue bond debt.

Capitalization Policy

This policy is a guideline for management used to track and report fixed assets. Any individual item purchased for \$5,000 or more with a useful life of two or more years is recognized as a fixed asset and is capitalized.

ASSESSMENT DATA

Real Property Taxable Values	2013 Board of Review	% of Total	2014 Board of Review	% of Total	2015 Board of Review	% of Total
Agricultural	9,268	0.01%	0	0.00%	0	0.00%
Commercial	38,233,098	27.84%	36,757,641	27.86%	34,262,449	25.59%
Industrial	13,620,968	9.92%	12,820,867	9.72%	13,406,043	10.01%
Residential	67,734,587	49.32%	65,927,061	49.97%	65,949,396	49.25%
Developmental	0	0	9,415	0.00%	0	0.00%
Personal Property						
Commercial	7,970,528	5.80%	6,392,700	4.85%	9,134,900	6.82%
Industrial	9,017,502	6.56%	9,013,500	6.83%	10,111,400	7.55%
Utility	751,090	0.55%	1,010,400	0.77%	1,046,300	0.78%
TOTALS	137,337,041	100.00%	131,931,584	100.00%	133,910,488	100.00%
Real Property	2014 Parcel Count		% of Total	2015 Parcel Count		% of Total
Agricultural	0		0.00%	0		0.00%
Commercial	347		11.83%	361		12.28%
Industrial	84		2.87%	83		2.83%
Residential	2,211		75.41%	2,209		75.16%
Exempt	288		9.82%	286		9.73%
Developmental	2		0.07%	0		0.00%
TOTALS	2,932		100.00%	2939		100.00%

FEE SCHEDULE

<u>Parks</u>		<u>Permits</u>		<u>Cemeteries</u>			
	<u>Resident</u>	<u>Non-Resident</u>			<u>Resident</u>	<u>Non-Resident</u>	
<i>Dock Rentals:</i>			<i>Right-of-Way:</i>		Cemetery Lots	\$500.00	\$750.00
Dock Space	\$200.00	\$325.00	Application	\$10.00	Cremation	\$225.00	\$250.00
Premium Dock Space	\$250.00	\$375.00	Annual Blanket	\$150.00	Single Niche	\$500.00	\$750.00
			Sidewalk over 25'	\$50.00	Double Niche	\$750.00	\$1,000.00
<i>Pavilions:</i>			Storm Sewer Connection	\$150.00	<i>Grave Openings:</i>		
Pavilion #1 w/Electric		\$75.00	Driveway	\$50.00	Adult	\$400.00	\$400.00
Pavilion #2 w/Electric		\$75.00	Street Openings	\$100.00	Child	\$325.00	\$325.00
			Terrace/Curb Cuts	\$50.00	Infant	\$200.00	\$200.00
<i>Mrs. Stock's Park</i>			<i>Zoning:</i>		<i>Niche Openings:</i>		
Pavilion		\$100.00	Fence *	\$25.00	Weekdays	\$200.00	\$200.00
Island Ceremony		\$100.00	Signs - Permanent *	\$50.00	Saturdays	\$275.00	\$275.00
Pavilion & Island		\$400.00	Signs - Temporary *	\$5.00	Sundays	\$500.00	\$500.00
Deposit (refundable)		\$150.00	Awnings *	\$50.00	<i>Shutter Lettering</i>		
			<i>Other Miscellaneous:</i>		Single Niche	\$275.00	\$275.00
			Site Plan Review:		Double Niche	\$325.00	\$325.00
			Residential	\$25.00	Date Lettering	\$100.00	\$100.00
			Commercial	\$50.00			
Adult	\$3.00		Use & Occupancy	\$25.00			
Children	\$1.50		<i>Zoning Board of Appeals:</i>				
Senior/Disabled	\$1.50		Filing Fee	\$300.00			
			Rezoning Fee	\$500.00			
			<i>Code Enforcement</i>				
			Board of Appeals	\$50.00			

* Additional cost may be added dependent upon construction factors.

GLOSSARY

A

Accounting System: the total set of records that are used to record, classify, and report information on the financial status and operation of an entity.

Accrual Basis of Accounting: basis of accounting that records the financial effects of transactions and other events that have cash consequences in the periods in which those transactions or events occur rather than only in the periods in which cash is received or paid by the enterprise.

Adopted Budget: a budget that has been approved by the City Council.

Adoption: the formal action taken by the City Council to authorize or approve the budget.

Allocation: the distribution of available monies, personnel and equipment among various City functions.

American Recovery & Reinvestment Act 2009 (ARRA): On February 17, 2009 President Barack Obama signed the ARRA of 2009. This act is an unprecedented effort to jumpstart our economy, create or save millions of jobs, and put a down payment on addressing long-neglected challenges so our country can thrive in the 21st century. ARRA is an extraordinary response to a crisis unlike any since the Great Depression. With much at stake, the Act provides for unprecedented levels of transparency and accountability so that you will be able to know how, when, and where your tax dollars are being spent. Spearheaded by a new Recovery Board, this Act contains built-in measures to root out waste, inefficiency, and unnecessary spending. This website,

Recovery.gov, will be the main vehicle to provide each and every citizen with the ability to monitor the progress of the recovery.

Annual Budget: an estimate of expenditures for specific purposes during the fiscal year and the proposed means (estimated revenues) for financing those activities.

Appropriation: an authorization made by the legislative body of a government that permits officials to incur obligations and to make expenditures of governmental resources.

Assessed Value: a valuation set upon real or personal property by the City Assessor as a basis for levying taxes.

Audit: a study of the City's accounting system to ensure that financial records are accurate and in compliance with all legal requirements for the handling of public funds, including State law and the City Charter.

B

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

Budget (Operating): a plan of financial operation embodying an estimate of proposed expenditures for a given period of time and the proposed means of

financing them.

Budget Calendar: the schedule of key dates or milestones that a government follows in the preparation and adoption of the budget.

Budget Message: a general discussion of the submitted budget and financial conditions of the City presented in writing by the City Administrator as part of the budget document.

C

Capital Budget: a plan of proposed capital expenditures and the means of financing them. The capital budget is enacted as part of the annual budget, which includes both capital operating and capital outlays. The capital budget is based on the Capital Improvement Program (CIP).

Capital Improvement Program (CIP): a plan for capital expenditures to be incurred each year over a fixed period of years setting forth each capital project, the duration of the project and the amount to be expended each year in financing those projects.

Capital Outlay: the purchase of items that cost over \$1,000 and have a useful life of more than one year.

Cash Basis of Accounting: records all revenues and expenditures when cash is either received or disbursed.

Cash Flow Budget: a projection of the cash receipts and disbursements anticipated during a given period.

Component Unit: a legally separate organization for

GLOSSARY

continued

Department: an organizational and/or budgetary unit established by City Council to carry out specified public services and implement policy directives.

Depreciation: the portion of the cost of a fixed asset (i.e. a car or treatment plant) charged as an expense during the fiscal year. Eventually the entire cost of the fixed asset will be charged off as an expense.

Direct Expenses: expenses specifically incurred as the result of providing a product or service (e.g., labor and material used).

Disbursements: funds actually expended.

E

Economic Development Corporation (EDC): is a component unit of the City chartered by the Council to enhance commercial and industrial development.

Encumbrance: an obligation in the form of a purchase order, contract or salary commitment that is chargeable to an appropriation, and for which part of an appropriation is reserved. These obligations become disbursements upon payment.

Enterprise Funds: a fund established to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that the full costs of providing the goods or services be financed primarily through charges and fees, thus removing the expenses from the tax rate.

Expenditures: the amount of money, cash or checks actually paid or obligated for payment from the treasury.

F

Fiscal Year: a twelve month period for which an organization plans the use of its funds. In Hillsdale, the fiscal year is July 1 to June 30.

Fixed Charges: expenses that are generally recurring and constant.

Full Time Equivalent (FTE): the amount of funding budgeted for a particular position; expressed in fractions of one year.

Fund: a set of interrelated accounts which record assets and liabilities related to a specific purpose. Also, a sum of money available for specified purposes.

Fund Balance: the excess of an entity's assets over its liabilities.

G

General Fund: the major municipally owned fund which is created with city receipts and which is charged with expenditures from such revenues.

General Obligation (G.O.) Bond: a type of bond that is backed by the full faith, credit, and taxing power of the city.

Goal: a broad statement of direction or purpose. A goal is general and often timeless in nature.

Grant: a contribution of assets by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the State and Federal governments. Grant monies are usually dedicated for specific purposes.

I

Infrastructure: vital facilities such as roads, sewers, bridges, waterlines, public buildings, parks, airports, that are fixed in location.

Intergovernmental: revenue from another governmental agency such as the State of Michigan or the Federal government. Some revenues from local units are treated as charges for service.

Internal Transfers: payments from one administrative budget fund to another which result in the recording of a receipt and an expenditure.

Internal Service Fund: centralized services that serve all or many funds are established in separate funds. The other funds are charged a fee for the services provided by the internal service fund.

GLOSSARY

continued

L

Local Development Finance Authority (L.D.F.A.): Public Act 281 of 1986, as amended, allows a city, village, or urban township to utilize tax increment financing to fund public infrastructure improvements. The tool is designed to promote economic growth and job creation. The City of Hillsdale established an LDFA that encompasses a majority of the industrial park in 2006.

Liability: debt or other legal obligation arising out of transactions in the past which must be liquidated, renewed or refunded at some future date.

Longevity: monetary payments to permanent full-time employees who have been in the employ of the City for a minimum of one year.

M

Millage: rate used in calculating taxes based upon the value of the property (SEV), expressed in mills per dollar of property value.

Materials & Supplies: includes chemicals, office supplies, postage, repair parts, and inventory purchases.

Modified Accrual: basis of accounting for all governmental funds and expendable trust and agency funds under which revenues are recorded when they become measurable and available. Expenditures are recorded when the liability is incurred, except for interest on general long term obligations which is recorded when due.

O

Objective: desired output oriented accomplishments, which can be measured and achieved within a set time period. Achievement of objectives advances the organization toward a goal.

Operating Budget: authorized expenditures for on-going municipal services (e.g., police and fire protection, street maintenance, etc.)

Operating Expenses: an expenditure group that includes materials and supplies, charges, equipment and other miscellaneous expenses.

Ordinance: a law set forth by a governmental authority; a municipal regulation.

P

Payment in Lieu of Taxes: contributions paid to the local governing unit instead of a property tax.

Payroll Fringes: the cost of employee benefits including insurances, retirement, uniforms etc.

Per Capita Cost: cost expressed as an amount per city resident.

Personnel Services: expenditures that represent the cost of salaries and wages and related benefits.

Policy: a definite course of action adopted after a review of information and directed at the realization of goals.

Position: a position is present if an employee is permanent and their duties have been authorized by the City Manager or City Council.

Priority: a value that ranks goals and objectives in order of importance relative to one another.

Procedure: a method used in carrying out a policy or plan of action.

Program: collections of work-related activities initiated to accomplish a desired end.

Property Tax: a tax levied on real estate as well as commercial and industrial personal property based on the value of the property as determined by the SEV.

Proposal A: a 1994 Michigan property tax initiative that limits increases in the taxable value assessments on properties to the rate of inflation unless title is transferred.

Purchase Order: an authorization and incurrence of debt for the delivery of specific goods or services.

R

Recommended Budget: the proposed budget that has been prepared by the City Administrator and forwarded to the City Council for approval.

Reimbursements: fees received as payment for the provision of specific municipal services.

GLOSSARY

continued

Reserves: an account used to indicate that portion of fund equity which is legally restricted for a specific purpose or not available for appropriation and subsequent spending.

Revenue: additions to the City's financial assets (such as taxes and grants) which do not, in themselves, increase the City's liabilities or cancel out a previous expenditure.

Revenue Bond: a bond that is backed by a particular revenue source such as water user fees.

Revenue Sharing: State distribution of monies raised through State Sales, Income and Single Business Taxes to local governments.

Right-of-Way: land dedicated for public use that is primarily for the distribution of infrastructure, i.e. water, sewer, roads, lights, cable (usually 66 feet in width).

S
Special Revenue Funds: a fund used to account for the revenue and expenditure of special earmarked or legally restricted monies.

Shared Revenue: money coming into a fund (other than a transfer) such as taxes, user fees, grants, fines and any other source of money.

Special Assessment: a compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to

benefit primarily those properties.

State Equalized Valuation (SEV): the value placed on a piece of real or personal property as certified by the State. The value is 50% of market value.

T
Tax Increment Financing Authority (T.I.F.A.): a component unit of the City that has the responsibility of improving a designated district with revenue generated by the increase value in SEV reserved to pay for certain capital projects within the district.

Tax Levy: the total amount of revenue raised from general property taxes.

Taxable Value: the value of real property used to calculate property taxes under the provisions of Proposal A which limits increases in assessments as well as increases in taxes levied upon individual properties.

Tax Rate: the amount of tax levied for each \$1,000 of assessed valuation which is often called a millage rate.

Transfer: a transfer is movement of money or assets from one fund to another that is not a payment for service. Sometimes a transfer is one fund subsidizing another fund.

Trunkline: the State Highway M-99 that goes all the way through the City.

U
User Fee: revenue paid by a party directly benefiting from the use or receipt of a public service.

Z
Zoning Board of Appeals (ZBA): refers to the board that governs the City's zoning ordinance.