



2014 – 2015 Budget

Adopted April 21, 2014

Robert E. Clark, Mayor

<u>City Council Members</u>	<u>Precinct</u>
Jeffery A. Hensley	1
John Iacoangeli	2
Kellie M. Vining	3
Jeremy J. Molenda (Mayor Pro Tempore)	4
Gloria Rafko	5
William D. Sisk	6

CITY OF MONROE
2014 - 2015 BUDGET

Adopted April 21, 2014

MAYOR

Robert E. Clark

FIRST PRECINCT

Jeffery A. Hensley

SECOND PRECINCT

John Iacoangeli

THIRD PRECINCT

Kellie M. Vining

FOURTH PRECINCT

Jeremy J. Molenda

FIFTH PRECINCT

Gloria Rafko

SIXTH PRECINCT

William D. Sisk

CITY MANAGER

George A. Brown

FINANCE DIRECTOR

Edward J. Sell Jr.

CITY OF MONROE
2014-2015
ANNUAL BUDGET
TABLE OF CONTENTS

BUDGET ORDINANCE 1 - 6

INTRODUCTION SECTION 7 - 15

BUDGET SUMMARIES

GENERAL FUND

Fund Balance Trend 16
Revenue 17 – 18
Expenditures 19 - 23

Expenditures

Mayor & Council 24 - 26
City Manager 27 - 30
Clerk – Treasurer 31 - 36
Assessor 37 - 42
City Attorney 43 - 46
Finance 47 - 51
Human Resources 52 - 56
Engineering 57 - 63
Public Safety 64 - 73
Public Services 74 - 81
Building Services 82 - 86
Economic & Community Development 87 - 98
Recreation 99 - 108
Non-Departmental 109

SPECIAL REVENUE FUNDS

Major Street Fund 110 - 113
Local Street Fund 114 - 116
Refuse Fund 117 - 119
Parking Fund 120 - 122
Economic Development Fund 123 - 124
Building Safety Fund 125 - 129
Budget Stabilization Fund 130
Drug Forfeiture Fund 131 - 132
Grant Fund 133
Airport Fund 134 – 135
Expendable Trust Fund 136 – 137

DEBT SERVICE FUND 138 - 140

CAPITAL PROJECTS FUND 141 - 142

ENTERPRISE FUNDS

Wastewater Fund 143 - 152
Water Fund 153 - 164
Raw Water Partnership 165 - 166

INTERNAL SERVICE FUNDS

Information Systems Fund 167 - 169
Stores and Equipment Fund 170 - 172
Employment Benefit Fund 173 - 174
Insurance Fund 175

TRUST FUND

Post-Retirement Health Care Trust 176 - 177

PERMANENT FUND

Cemetery Fund 178 - 179

COMPONENT UNITS

Monroe Downtown Development Authority (DDA) 180 - 181
Brownfield Redevelopment Authority 182 - 183
Port of Monroe 184 - 185



BUDGET ORDINANCE

ORDINANCE 14-001

Budget Appropriation Act
July 1, 2014 - June 30, 2015

An Ordinance to approve the budget for the City of Monroe for the fiscal year ending June 30, 2015, the City of Monroe Ordains.

Section 1. An Ordinance approving the expenditures for the General Fund for the fiscal year beginning July 1, 2014 and ending June 30, 2015 are hereby appropriated on a departmental and activity total basis as follows:

GENERAL GOVERNMENT

City Council	\$117,376
City Manager	281,399
Assessor	365,130
Attorney	141,662
Clerk-Treasurer	521,347
Finance	399,608
Human Resources	240,243
Engineering	304,323
City Hall Grounds	277,154

TOTAL GENERAL GOVERNMENT **\$2,648,242**

PUBLIC SAFETY

Public Safety Division Personnel	8,568,895
Police Operating Cost	607,738
Fire Operating Cost	281,018
Zoning/Code Enforcement	243,996

TOTAL PUBLIC SAFETY **\$9,701,647**

PUBLIC WORKS **\$2,299,304**

COMMUNITY DEVELOPMENT **\$281,246**

CULTURAL-RECREATION

Library	\$57,500
Social Services	140,000
Public Access TV	160,000
Parks and Recreation	1,452,463

TOTAL CULTURAL-RECREATION **\$1,809,963**

CONTINGENCIES **\$150,000**

DEBT SERVICE **\$162,283**

TRANSFERS OUT **\$833,000**

TOTAL EXPENDITURES **\$17,885,685**

Section 2. Revenues shall be raised from the following sources and are estimated as follows:

GENERAL FUND

General Revenue	\$15,940,686
Service Revenue	1,936,999
Operating Grants	8,000

TOTAL REVENUES

\$17,885,685

Section 3. The City Council hereby approves budgets for the period beginning July 1, 2014 through June 30, 2015 for the following funds in the amounts set forth below:

SUMMARY OF EXPENDITURES BY FUND

Major Street Fund	\$1,522,000
Local Street Fund	1,104,620
Refuse Fund	1,390,000
Parking Fund	168,992
Economic Development Fund	10,000
Building Safety Fund	525,720
Budget Stabilization Fund	0
Drug Forfeiture Fund	15,200
Grant Fund	410,000
Airport Fund	333,265
Expendable Trust Fund	39,000
Debt Service	405,864
Capital Project Fund	1,675,000
Wastewater Department	8,216,691
Water Department	7,694,236
Raw Water Partnership Fund	396,265
Information Systems	325,849
Stores & Equipment Fund	993,065
Employment Benefit Fund	2,217,740
Post-Retirement Health Care Fund	3,511,450
Insurance Fund	357,708
Cemetery Fund	44,222
Downtown Development Authority	225,271
Brownfield Redevelopment Authority	784,895
Port of Monroe	534,040

TOTAL

\$32,901,093

Section 4. The City Council hereby approves capital budgets for the period beginning July 1, 2014 through June 30, 2015 for the following enterprise and internal service type funds in the amounts set forth below:

SUMMARY OF CAPITAL EXPENDITURES BY FUND

Wastewater Department	\$230,000
Water Department	1,243,900
Raw Water Partnership Fund	30,000

Information Systems	40,000
Stores & Equipment Fund	239,000
Port of Monroe	250,000
TOTAL	\$2,032,900

Section 5. The City Council does hereby levy a tax of 13.726 mills for the period of July 1, 2014 through June 30, 2015 on all real and personal taxable property in the City of Monroe, according to the valuation of the same. This tax is levied for the purpose of defraying the general expense and liability of the City of Monroe.

Section 6. The City Council does hereby levy a tax of .5634 mills for the period of July 1, 2014 through June 30, 2015 on all real and personal taxable property in the City of Monroe, according to the valuation of the same. The tax is levied for the purpose of funding the unfunded actuarially accrued liability of the post-retirement healthcare system.

Section 7. The City Council does hereby levy a tax of 1.5173 mills for the period of July 1, 2014 through June 30, 2015 on all real and personal taxable property in the City of Monroe, according to the valuation of the same. This tax is levied for the purpose of defraying the cost of refuse collection and cleanup authorized by Act 298 of the Public Acts of 1917.

Section 8. The City Council does hereby levy a tax of 0.375 mills for the period of July 1, 2014 through June 30, 2015 on all real and personal taxable property in the City of Monroe, according to the valuation of the same. This tax is levied for the purpose of defraying the general expense and liability of the Port of Monroe.

Section 9. The City Council does hereby levy a tax of 0.42 mills for the period of July 1, 2014 through June 30, 2015 on all real and personal taxable property in the City of Monroe, according to the valuation of the same. This tax is levied for the purpose of funding the repayment of debt that was issued for the purpose of repairing and rehabilitating the Roessler Street, Macomb Street, and Winchester Street bridges.

Section 10. The City Council does hereby, at the request of the Lake Erie Transportation Commission, levy a tax of .7333 mills for the period of July 1, 2014 through June 30, 2015 on all real and personal taxable property in the City of Monroe, according to the valuation of the same. This tax is a voted millage that was approved by the electorate of the City of Monroe and is levied for the purpose of funding the operations of the Lake Erie Transportation Commission.

Section 11. The City Council does hereby approve the addition of a property tax administration fee of 1.0% on all taxes collected for the City of Monroe and for taxes collected for all other taxing units.

Section 12. The City Council does with the adoption of this ordinance approve the fees for service listed in Exhibit 1, effective July 1, 2014, to support the budget for the period July 1, 2014 through June 30, 2015. The rates will be implemented and charged for all services provided as may be reflected in bills or statements generated after July 1, 2014

Section 13. In consideration of and in coordination with the 2% wage adjustment scheduled for City employees who are members of collective bargaining units, the City Council does hereby with the adoption of this ordinance give the City Manager authorization to increase the salaries and

hourly rates of pay of all non-union regular full-time and regular part-time employees by 2% effective June 29, 2014.

Section 14. The City Council does hereby amend the budget for the period of July 1, 2013 through June 30, 2014 to the projected budget amounts contained in the budget documents and narratives.

Section 15. The City Manager is hereby authorized to make budgetary transfers within the appropriation centers established throughout this budget, and that all transfers between appropriations may be made only by further action of the City Council pursuant to Section 19.2 of the provisions of the Michigan Uniform and Budgeting Act. The City Manager may delegate this authority to the Finance Director.

Section 16. The Finance Director is hereby authorized to make budgetary transfers between appropriation centers at the end of the fiscal year only to rebalance the budgets among appropriation centers. The Finance Director will report these transfers to the City Council.

Section 17. The City Council did give notice of the time and place when a public hearing would be held in conformity with the provisions of the City Charter.

Section 18. The City Manager did on or before the 1st day of April, prepare and furnish to the City Council a City Budget for the period of July 1, 2014 through June 30, 2015, as provided for in the City Charter, which budget was duly signed by the City Manager and is now on file.

Section 19. The City Council hereby approves the City Budget, containing the appropriations and levy of taxes for the period of July 1, 2014 through June 30, 2015 and all sums be paid into the several funds to which they belong and any ordinance or parts of ordinance in conflict with this ordinance are hereby repealed.

First Reading	April 7, 2014
Public Hearing	April 21, 2014
Second Reading	April 21, 2014
Adoption	April 21, 2014
Publication	April 25, 2014




Michelle J. LaVoy
City Clerk-Treasurer


Robert E. Clark
Mayor

EXHIBIT 1

SERVICE	CURRENT FEE	NEW FEE JULY 1, 2014
Wastewater Commodity Rate	3.04	3.25
Wastewater Administration Fee	13.59	13.59
Wastewater Septic Dumping Rate/Gallon	0.070	0.070
Wastewater BOD Surcharge Rate>200mg/l per lb.	0.34	0.34
Wastewater TSS Surcharge Rate>750 mg/l per lb.	0.22	0.22
Wastewater Nitrogen Surcharge Rate >40 mg/l per lb.	0.95	0.95
Penalty - 28 Days or more delinquent	5.00%	5.00%
WATER RATES AND FEES		
Quarterly Debt Service Charge**		
Meter Size		
5/8"	\$ 5.40	\$ 5.52
3/4"	\$ 8.11	\$ 8.30
1"	\$ 13.51	\$ 13.82
1 1/4"	\$ 18.91	\$ 19.34
1 1/2"	\$ 27.01	\$ 27.63
2"	\$ 43.22	\$ 44.21
2 1/2"	\$ 67.53	\$ 69.08
3"	\$ 94.55	\$ 96.72
4"	\$ 162.08	\$ 165.81
6"	\$ 337.67	\$ 345.44
8"	\$ 486.24	\$ 497.42
10"	\$ 783.38	\$ 801.40
12"	\$ 1,161.57	\$ 1,188.29
Quarterly Fire Line Rates Inside City Limits		
Meter Size		
5/8"	\$ 0.48	\$ 0.52
3/4"	\$ 0.77	\$ 0.84
1"	\$ 1.65	\$ 1.80
1 1/4"	\$ 2.97	\$ 3.24
1 1/2"	\$ 4.79	\$ 5.23
2"	\$ 10.21	\$ 11.14
2 1/2"	\$ 18.37	\$ 20.04
3"	\$ 29.67	\$ 32.37
4"	\$ 63.23	\$ 68.97
6"	\$ 183.66	\$ 200.36
8"	\$ 391.39	\$ 426.97
10"	\$ 703.86	\$ 767.84
12"	\$ 1,136.92	\$ 1,240.28
Quarterly Fire Line Rates Outside City Limits		
Meter Size		
5/8"	\$ 0.96	\$ 1.04
3/4"	\$ 1.55	\$ 1.68
1"	\$ 3.30	\$ 3.60
1 1/4"	\$ 5.93	\$ 6.48
1 1/2"	\$ 9.59	\$ 10.46
2"	\$ 20.43	\$ 22.28
2 1/2"	\$ 36.74	\$ 40.08
3"	\$ 59.34	\$ 64.74
4"	\$ 126.45	\$ 137.94
6"	\$ 367.33	\$ 400.72
8"	\$ 782.78	\$ 853.94
10"	\$ 1,407.21	\$ 1,535.68
12"	\$ 2,273.84	\$ 2,480.56
Water Commodity Rate**	\$ 1.47	\$ 1.51
**-Rates Doubled Outside City Limits		
Water Administrative Fee	\$ 4.50	\$ 4.50
Quarterly Pump Surcharge Rate	\$ 0.15	\$ 0.15
Penalty - 28 Days or more delinquent	5.00%	5.00%
MULTI-SPORTS COMPLEX FEES		
Figure Skating Hourly Rate per Skater	\$ 8.00	\$ 10.00
Dry Floor Rental per Hour	\$ 90.00	\$ 100.00
Public Skating and Stick and Puck		
Adult	\$ 5.00	\$ 6.00
Child	\$ 4.00	\$ 5.00
Skate Rentals	\$ 2.00	\$ 3.00
Learn to Skate (per seven week session)	\$ 70.00	\$ 80.00



INTRODUCTION



CITY OF MONROE

Office of City Manager

April 21, 2014

Honorable Mayor Clark and Council Members:

In accordance with Section 120 of the Monroe City Charter, the Fiscal Year 2014-15 operating budget for the City of Monroe is hereby respectfully submitted for City Council review, consideration, and approval. This budget was prepared in accordance with State of Michigan statutes and Monroe City Charter requirements, and it conforms to generally accepted accounting and budgeting principles. We believe that the information provided for each department along with goals, performance measures and accomplishments allows the reader to better understand the operations of the various City departments, which must be coordinated to provide a high level of service to City residents, businesses, institutions and visitors. The budget which is presented here includes the year-end projected budget for fiscal year 2013-2014 and the proposed operating budget for fiscal year 2014-2015.

As proposed, the total number of employees budgeted will remain the same at 166.6 full-time equivalent employees (FTE). This number does not include seasonal or temporary employees. Within that number, there is a reduction of 1.0 FTE position in the Water Department with the elimination of a Meter Reader position that will become vacant, the addition of a .40 FTE Electrical Inspector that had previously been contracted, and the addition of a .60 FTE clerical position in the Building Department. The average cost of a General Fund, full-time employee is \$116,465, which includes all wage payments (including overtime) and benefits. If funding for the underfunded retiree health care liability (which also includes liabilities incurred for current retirees) is removed the average cost is reduced to \$94,726.

During the initial development of the proposed General Fund budget and prior to receipt of the final taxable value, Department Heads and I were faced with revenues that increased only minimally from the prior year. In the end total revenue in the General Fund increased by approximately 2.8%. Personnel costs continue to rise. This is primarily due to pension and current retiree-health care costs, however a 2% increase in base wages is included for all regular full-time and part-time employees. Health care costs for active employees have remained about the same from the prior year, in part due to the agreements previously negotiated with City unions, including terms which are in compliance with the State of Michigan, public employee healthcare law, i.e. Public Act 152 of 2011. While this budget proposes to fund 166.6 full-time public service employees, there are now about 240 former city employees drawing pension and health-care retirement benefits, for themselves and/or their eligible dependents, resulting in about 320 people currently receiving benefits under the retiree health care plans. The proposed budget includes a regular (non-healthcare) pension contribution

totaling \$1.622 million, with \$1.553 million of that amount being funded by the General Fund. The total pension contribution increased \$134,000 from the prior year.

Taxable Value

The City Assessor has reported the equivalent taxable value of the City of Monroe at \$926,779,250. This represents a 3.1% increase in taxable value, as compared the taxable value that was used for budgeting for fiscal year 2014. Residential taxable value has continued to decrease but, at .71%, this decrease is smaller than that of the past few years. Industrial property values actually increased, which accounts for the overall, net increase.

Millage Levies

The budget, as presented for fiscal year 2014-2015 (FY15) ,recommends that the total City Charter authorized General Millage of 14.6644 mills be levied (i.e. 15 mills less Headlee roll-backs). Of this amount, 13.726 mills is proposed to be allocated to support general City operations, 0.375 mill is proposed to be allocated to support Port of Monroe operations, and 0.5634 is proposed to be allocated to be contributed directly to the Post-Retirement Healthcare Fund, which has been deemed to be significantly underfunded by the City's actuarial consultant. All of these millage rates are the same as what was levied for fiscal year 2013-14.

The Bridge Millage, authorized by voters to raise the funds necessary to refurbish and reconstruct three City bridges, is recommended to remain the same and be levied at 0.42 mill for fiscal year 2014-2015. This is 0.1 mill less than the 0.52 mill that was approved by voters to be levied. The reasons we can recommend this lower-than-authorized millage levy is due to borrowing less than was previously estimated and the excellent interest rates which were achieved on the first two bond sales. The levy which will be recommended for future years will be dependent on factors such as the costs for the Roessler St. bridge work and total taxable values in the City.

The Refuse Fund millage is recommended to be levied at 1.5173 mills, which is a 0.015 (or 1.00%) increase over the millage levied in FY 13-14 and will provide the funding necessary to pay the cost increases specified in the trash collection contract. Trash collection expenses incurred during the current fiscal year exceeded the Refuse Fund millage revenue collected. However, the Refuse Fund fund balance was adequate to cover the difference, as was anticipated when the budget was adopted.

The total of all of the City millage levies recommended for the 2014-2015 fiscal year is 16.6017, a net change of 0.015 mill from the FY 2013-2014 levies. The property tax administration fee of 1.0%, charged on all millages collected by the City, is also recommended to continue.

General Fund

The proposed budget for the General Fund for fiscal year 2015 includes expenditures in the amount of \$17,885,685 which is \$352,451 (2.01%) higher than the fiscal year 2014 budget expenditures originally adopted. You will recall that the 2013-2014 (FY 14) General Fund budget, as initially adopted, amounted to \$17,533,234, which included a \$181,000 transfer of fund balance to capital projects. The projected General Fund budget for fiscal year 2014, if amended as proposed, is now set at \$17,543,531, which is essentially the same as the original budget.

Special Revenue Funds

Special Revenue Funds are used to budget for revenue proceeds meant for specific purposes and are legally restricted to expenditures for those purposes. Ten funds are budgeted within the Special Revenue category.

The *Major Street Fund* is focused on high traffic volume streets. This fund's primary source of revenue is the State of Michigan Gas and Weight Tax, which has been flat or declining since FY2001. This trend will continue for fiscal year 2015.

The *Local Street Fund* is the less traveled, predominately residential roadways. This fund also receives revenue from the State of Michigan Gas and Weight Tax, but at a vastly reduced rate compared to major streets. We must often depend on other revenue sources such as transfers from the General Fund and Major Street Fund to maintain the local streets. Each year we budget for reconstruction of City streets within these funds.

The *Refuse Fund* is utilized to handle solid waste pickup, including curbside pickup of recyclables and yard waste, street sweeping, and the purchase of bags for leaf collection. The City annually levies a dedicated millage to cover the costs associated with these services.

The *Parking Fund* maintains and funds capital improvements for the City's parking lots and provides for parking enforcement of all parking ordinances. Funds for this account are derived from meter revenue and parking fines.

The *Economic Development Fund* provides seed money for various development projects or to provide local match for grant applications. The fund provided start-up resources to the Brownfield Redevelopment Authority. This fund is also used to account for the revenue and expenditure of major projects such as the Mason Run, Townes on Front Street and the River Raisin Battlefield environmental response activities where federal or state funds have been received to fund those activities.

The *Building Safety Fund* was created when Public Act 245 of 1999 was signed into law. P.A. 245 requires that fees generated by the operation of the Building Department be used only for the operation of that department and should be accounted

for in a separate fund.

The *Budget Stabilization Fund* was created by ordinance of the City Council in 1997. The fund was established to protect the future financial integrity of the City and to fund unanticipated nonrecurring events. Appropriation of funds available in the fund require a resolution or ordinance of the city council with a 2/3 vote of the members elected and serving. The potential uses of the funds are set by statute.

The *Drug Forfeiture Fund* revenues are derived from property forfeitures related to narcotic offenses. These funds, by law, can only be used for drug related law enforcement activities.

The *Grant Fund* is used to account for state and federal grants requiring special reporting requirements, generally segregation of funds, such as the Community Development Block Grant.

The *Airport Fund* is the mechanism by which we track the operation of the airport, including work accomplished by DPS personnel such as snow-plowing and grass mowing. We also use these funds as match money for state and federal grants for Airport Capital Improvement Projects.

Enterprise Funds

The Enterprise Funds consist of the *Water, Raw Water Partnership, and Wastewater*. These funds must be accounted for and operated in the same manner as a private business. Revenues to operate these enterprises are derived from charges to system users for services rendered. Besides normal operating costs there is the added burden of meeting environmental requirements which continue to increase the cost of doing business.

In the *Wastewater Fund* we will continue working on last year's capital projects and an additional \$230,000 in projects this year. New investments in updated equipment and technology along with some reshaping of the organizational structure and responsibilities will result in long term cost reductions and enhanced operational efficiencies.

The *Water Fund* continues to maintain a healthy financial position. The Water Fund's capital improvements for fiscal year 2015 amount to \$1.244 million. Efficiencies, updates and re-investments developed and implemented in Water Department operations over the past few years have resulted in long-term cost reductions.

The *Raw Water Partnership* is an interlocal agreement with Frenchtown Charter Township that allows for the joint operation of the Lake Erie intake and treatment of water that is ultimately utilized for both systems potable water. Funds to operate come from both water systems' rates and are based upon gallons of water utilized.

Internal Service Funds

Internal Service Funds include *Stores and Equipment*, *Information Systems*, *Employee Benefit*, and *Insurance*. This group of funds provides service to other funds within the city.

The *Stores and Equipment Fund* rents and maintains cars, trucks and other equipment for the use of departments within the City. Revenue to operate this fund comes from equipment rental rates. In the past, the fund struggled to generate enough rental income to finance its operations in part because of high personnel overhead. With reductions in personnel overhead, brought about through implementation of the Operations Study recommendations, and more focus on efficient reshaping of this function, we intend to bring this fund into long term balance. The fund will manage more of the city's cars and trucks as the operations of the fund are reshaped. For fiscal year 2010, the Police Department's vehicles came under the management of the Stores and Equipment operation. General use vehicles of all departments will be managed by this department in the future.

The *Information Systems Fund* ensures that all computer equipment purchased is compatible and that staff is properly trained. Revenue from this fund comes from rental rates from various departments based upon various cost allocation methods. The IT function is supervised by the Finance Director and the staffing of the function is provided by Monroe County through a contractual agreement.

The *Employee Benefit Fund* handles all of the City's employment related insurance requirements including health care, workers compensation, life insurance, and long term disability, as well as termination pay. Departments are charged for their costs based upon their number of personnel and premiums charged per employee. The fund then bids out the insurance for the entire city and covers all of the associated costs. Termination pay is a long-term liability that is fully funded. The termination pay benefit has been eliminated for all current employees. The only liability that remains is for terminated employees that have deferred their vested benefit in the retirement system.

The *Insurance Fund* is used to account for general property and liability insurance costs. Each fund contributes to the Insurance Fund based upon an allocation of the insurance premium costs and the Insurance Fund secures coverage for the entire city. Insurance deductible payments related to claims against the City are also paid from this fund.

Debt Service Fund

The *Debt Service Fund* is used to account for the retirement of various bond issues. The statutory debt limit by law is 10% of our State Equalized Value. The principal and interest payments on the bonds to be issued for the rehabilitation of the City bridges and the bonds issued for the DDA parking project will be paid from this fund. The property tax millage approved for the bridge rehabilitation will be deposited

into this fund for payment of the debt service installments. From a debt perspective, the City of Monroe is in excellent financial health.

Capital Project Fund

The *Capital Project Fund* is used to account for capital projects, which are large ticket items (at least \$10,000) and have a useful life of five years or more. The Capital Improvement Project budget was adopted in February as a planning tool. Funding for Capital Projects come from a variety of sources including the General Fund, Major and Local Street Funds, Water and Wastewater Funds and State and Federal grants. The Capital Project budget, as adopted by the City Council in February, is included in this budget recommendation. As you will recall, the Council adopted a fiscal year 2015 General Fund, Capital Project Budget of \$880,000. This amount increased \$36,500 from the previous year and is approximately .97 mills of the operating millage levied.

Cemetery Fund

The *Cemetery Fund* was established to deal with the Woodland Cemetery and allows us to record the revenue and expenditures associated with the contractual arrangement with Roselawn Cemetery to maintain Woodland Cemetery. The fund also accounts for the perpetual care funds that have been set aside for the cemetery.

Component Units

Component Units are a group of funds which are legally separate organizations for which the City has overall financial responsibility. This group of funds includes the *Downtown Development Authority, Port of Monroe, and Brownfield Redevelopment Authority.*

Trust Funds

The *Post-Retirement Health Care Fund* was established to fund future and present retiree health care costs. In 2012, the City Council created a trust to hold and invest funds to be set-aside and the funds already set-aside, to secure them from creditors and protect them from being used for other City purposes. The trust was also set up to protect the employee contributions that began to be made to the fund in 2013. The funding included in this budget for retiree health care costs is based on per employee amount for each city employee. While the City had historically failed to adequately fund this liability, beginning in fiscal year 2013 the City Council began to fully fund the actuarial required contribution, using the revenue derived from the levy of the remaining Charter authorized millage. This funding is also allocated for fiscal year 2014 and is proposed for fiscal year 2015. The 2015 budget includes approximately \$3.9 million in funding for the cost of current retiree health care benefits and for investment through the Trust, with \$510,000 of that amount coming from the levy of the remaining available operating millage, as previously mentioned.

While the retiree health care benefit was established for most city employees about thirty (30) years ago, the City did not establish a fund to help finance this benefit until the late-1990s, well after the unfunded accrued liability had already become significant. Since that time, and prior to the establishment of the Trust, the City had intermittently been setting aside and investing funds on a voluntary basis, under provisions of State law governing the investment of these funds. The previous lack of adequate funding during the period when the liability was being incurred has severely impacted our ability to fund current city services. The result has been that current taxpayers and utility-rate payers are effectively paying part of the costs of city services which were provided in the past, that amount being about \$3.27 million for fiscal year 2014. With the establishment of the Trust in 2012 and annually funding the actuarial-determined Annual Required Contribution (ARC) since then, the City Council has displayed an intention to eventually eliminate the Unfunded Accrued Liability for retiree health care, which was estimated at \$37.3 million on December 31, 2012. With that accomplished, retiree health care costs can eventually be paid from the Retiree Health Care Trust Fund, which will result in the recovery of the City's full financial capacity to provide ongoing services.

Retiree Healthcare Expenses

As noted above, for FY 14-15, and before it allocates resources for currently needed services, the City needs to set-aside the first \$3.27 million of the tax and utility revenue it collects to fund the annual healthcare benefits for current retirees. The FY 14-15 budget submitted recommends total retiree healthcare funding in the amount of \$3.9 million, which includes the estimated cost of annual retiree healthcare for current retirees, the amount needed to pre-fund the liability incurred in FY 14-15 for current employees who are eligible for the benefit and a contribution toward reducing the City's unfunded, actuarially accrued liability. The .5634 mill levy proposed specifically for retiree healthcare, would generate approximately \$510,000 of the funding proposed to reduce this unfunded accrued liability. The City's most recent actuarial study for the retiree healthcare system recommended a contribution of \$3.708 million for fiscal year 2014-15. The contribution we are budgeting, which is in excess of that amount, will help to slightly accelerate the reduction of the previously accrued unfunded liability. As already noted, this study reported an estimated, unfunded accrued liability of approximately \$37 million.

During the most recent collective bargaining negotiations in 2011-12, current City employees agreed to assist with the partial funding of future retiree healthcare benefits. Beginning in 2013 and 2014, employees eligible to receive the benefit will be required to contribute 3% of the average base wage of all City full-time employees to the plan. The Police and Fire unions began making the contribution in January 2013. The remaining City employees eligible for the benefit will begin contributing in July 2014. In the beginning, this will amount to approximately \$224,000 per year in additional funding for the plan, which will be invested in order to be available to partially pay for their healthcare benefits after they retire. In addition, employees agreed to changes in retiree healthcare benefits during previous collective bargaining cycles, which have also

resulted in the ability to better control costs. These included the mirroring of the health benefit to that of active employees, capping the amount of the employer-share the City will pay to 4% per year of service, and eliminating the city-provided benefit for employees hired after July 1, 2008. If City employees, the Council and management had not partnered to be proactive in reducing the large unfunded accrued liability and better controlling future benefit costs, the City would have realized more drastic reductions to city services and associated employment in the future.

Conclusion

The combination of Monroe being a mature, “built-out” community along with the slowly recovering economy in Michigan and the nation, has resulted in limited new real property value growth in the City over the past few decades and in a significant decline in residential values during the “Great Recession”. The combination of limited revenue growth and increased operating costs has continued to make the task of sustaining City services levels and quality very challenging. However, the City of Monroe has been able to maintain services and service quality at a relatively high level by developing and implementing more productive and lean service delivery methods and practices and implementing more innovative and progressive operational procedures. Through the fiscal direction provided by the Mayor and Council and the implementation of that policy direction by City staff, Monroe continues to operate in a responsible and fiscally sound fashion. In partnership with the Mayor and Council and the members of our City workforce, we will continue to search for ways to implement additional efficiencies and improvements, as we continue to provide Monroe City residents, businesses and visitors with quality public services in the coming years.

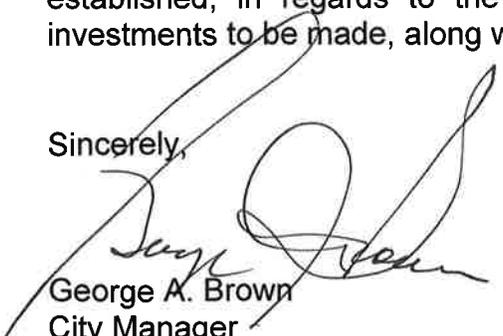
It is with pride that I mention below the Certificate of Achievement for Financial Reporting. This recognition is something we can all be proud of and are clear indications of the teamwork and commitment to excellence exhibited by the staff.

- The Government Finance Officers Association of the United States and Canada (GFOA) has presented a “Certificate of Achievement for Excellence in Financial Reporting.” This is the eleventh consecutive time the City of Monroe has received this prestigious award. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

Department Heads are to be congratulated for the continued initiative and the extra effort they have contributed while helping to develop this budget. Finance Director Ed Sell deserves special recognition for his constant vigilance to a fast changing fiscal and regulatory environment and the capabilities and patience he displays while assisting all of us as we explore multiple options. Monroe City employees as a whole are also to be congratulated for their continued efforts to provide Monroe residents with high quality public services, especially during such challenging times and in the course of exceptionally dynamic organizational changes.

The Mayor and Council have provided Monroe City administrators and me with policy direction and objectives which have been clear and resolute. This clarity of direction is a primary and essential factor for guiding us during the annual budget development process, as we develop our strategic and operational recommendations and as we help guide our co-workers in the delivery of quality public services. Members of the City-workforce and I appreciate the guidance you have provided and the professional and considerate manner in which you have provided it. I believe the budget as presented provides a financial plan which fairly reflects the priorities you have established, in regards to the City services to be provided and the infrastructure investments to be made, along with the resources necessary to do so.

Sincerely,



George A. Brown
City Manager



GENERAL FUND

**GENERAL FUND
FUND BALANCE TREND**

	Actual FY10-11	Actual FY11-12	Actual FY12-13	Amended Budget FY13-14	Projected Actual FY13-14	Budget Request FY14-15
REVENUE:						
General Revenue:						
General Government	\$ 14,556,088	\$ 14,934,266	\$ 15,218,764	\$ 15,441,678	\$ 15,464,588	\$ 15,940,686
Service Revenue:						
General Government	781,281	852,867	834,612	889,487	891,387	938,992
Public Safety	305,255	280,300	301,358	330,663	337,683	334,934
Public Works	67,417	56,277	63,790	59,500	87,500	77,500
Recreation & Culture	719,840	634,369	580,972	622,906	562,698	585,573
Operating Grants:						
Public Safety	149,796	168,344	117,062	8,000	8,329	8,000
Economic Development			1,000	-	11,000	-
Recreation & Culture	340	-	-	-	-	-
Capital Grants						
Public Safety	16,303	-	-	-	-	-
Total Revenue	16,596,320	16,926,423	17,117,558	17,352,234	17,363,185	17,885,685
Total Expenditures	16,392,998	16,757,656	17,216,544	17,583,801	17,543,531	17,885,685
Excess (Deficiency) of Revenues over Expenditures	203,322	168,767	(98,986)	(231,567)	(180,346)	-
Beginning Fund Balance	3,194,748	3,289,947	3,458,714	3,540,728	3,540,728	3,360,382
Committed Fund Balance	(108,123)	-	181,000		-	-
Ending Fund Balance	\$ 3,289,947	\$ 3,458,714	\$ 3,540,728	\$ 3,309,161	\$ 3,360,382	\$ 3,360,382

**GENERAL FUND
REVENUE DETAIL**

	Actual FY10-11	Actual FY11-12	Actual FY12-13	Amended Budget FY13-14	Projected Actual FY13-14	Budget Request FY14-15
General Revenue						
General Government						
Real Property Taxes	10,852,120	10,833,600	10,767,284	10,795,947	10,800,000	11,085,940
Real Property Taxes-PRHC	-	-	441,596	443,133	443,000	455,035
Tif Capture Real Property	(336,464)	(343,182)	(310,194)	(295,496)	(292,325)	(264,506)
Personal Property Taxes	1,106,319	1,138,612	1,152,651	1,241,707	1,240,000	1,202,546
Personal Property Taxes-PRHC	-	-	47,061	50,968	50,800	49,346
Tif Capture-Personal Property	(5,128)	(3,953)	(21,370)	(27,291)	(21,936)	(25,000)
Industrial Facilities Tax	137,391	126,821	220,573	279,965	285,000	422,512
Industrial Facilities Tax-PRHC	-	-	7,678	11,491	11,700	17,342
Payment In Lieu Of Taxes	23,007	22,972	25,544	23,184	25,000	25,500
Int & Pen Delinquent Taxes	81,589	80,086	94,097	80,640	80,640	81,000
Property Tax Admin Fee	430,799	433,241	439,896	444,730	447,000	449,000
Cab Driver Licenses	150	75	130	150	150	150
Vendor License	1,755	1,040	1,190	1,700	1,200	1,200
Zoning Permits	7,700	6,700	9,690	8,000	8,000	8,000
Other Licenses & Permits	-	-	4,900	-	15,000	15,000
State Rev Share-Sales Tax	1,719,528	2,100,260	1,797,585	1,834,911	1,850,000	1,900,000
State Rev Share-Liquor License	15,766	15,577	14,515	15,500	15,500	15,000
Interest On Investments	89,668	66,450	38,465	70,000	50,000	50,000
Rent-Land	4,208	4,744	4,696	4,650	4,666	9,000
Rent-Buildings	45,964	48,316	58,415	62,789	50,869	49,221
Franchise Fees	303,680	307,837	319,517	315,000	315,000	320,000
Right Of Way Fee	58,420	61,094	62,319	61,000	62,000	62,000
Sale Of Assets	4,957	769	1,207	5,000	1,000	5,000
Contrib from Private Source	-	-	50	-	424	-
Reimb-Other	3,659	12,511	1,640	4,000	8,500	4,000
Refunds/Rebates	-	686	9,729	-	3,200	3,200
Transfer In-Economic Development	-	-	9,881	-	-	-
Transfer In-DDA	10,000	20,000	20,000	10,000	10,000	-
Miscellaneous Revenue	1,000	10	20	-	200	200
Total General Revenue	14,556,088	14,934,266	15,218,765	15,441,678	15,464,588	15,940,686
Service Revenue						
General Government						
Witness Fees	114	-	13	100	100	100
Zoning Board Of Appeals Fees	1,400	750	1,750	1,500	2,500	1,800
Plans & Specifications Review	3,251	1,689	335	1,000	1,000	1,000
Gis Enhanced Access Fee	5,711	8,558	8,252	8,000	8,000	8,200
Admin Services-Water Fund	408,583	452,140	448,444	440,383	440,383	463,418
Admin Services-Wastewater Fund	309,349	325,910	321,315	346,584	346,584	371,846
Admin Services - Building Safety	28,540	31,646	29,269	30,406	30,406	35,400
Admin Services - Stores & Equipment	-	-	-	38,214	38,214	35,028
Duplicating Charge	1,318	1,757	539	1,000	1,000	1,000
Sales-Miscellaneous	637	217	58	300	300	300
Plans & Specifications Sales	6,180	6,420	5,700	6,500	6,500	6,500
Vending Commissions/Sales	971	1,576	1,008	1,400	1,400	1,400
Other Charges For Services	8,333	12,280	11,327	6,600	6,500	5,000
Penalties	1,053	4,857	3,275	2,500	3,500	3,000
Miscellaneous Revenue	5,841	5,067	3,327	5,000	5,000	5,000
Total General Government	781,281	852,867	834,612	889,487	891,387	938,992
Public Safety						
Excavation Permit	15,380	22,500	17,799	22,000	7,000	7,000
Police Liaison	78,345	70,086	71,918	75,000	75,000	75,000
Emergency Medical Service Fees	(4,973)	3,092	974	-	-	-
Accident Cost Recovery Fees	29,921	2,417	-	-	-	-
Fire Inspection Fees	14,050	6,850	7,650	12,000	18,000	14,000
Plans & Specifications Review	3,350	14,350	12,550	12,000	12,000	13,000
Sex Offender Registration Fee	-	-	-	-	20	-
Police/Fire Service-Water	88,399	92,026	89,370	88,663	88,663	93,934
Quil Fines	1,417	5,942	17,231	6,000	13,000	13,000
Penal Fines	58,044	49,506	62,582	55,000	65,000	60,000
Civil Fines	2,200	2,100	800	2,000	1,000	1,000
Zoning/Blight Fines	1,900	2,050	1,300	1,000	1,000	1,000
Reimb-Demolitions	11,309	1,757	9,800	50,000	50,000	50,000

	Actual FY10-11	Actual FY11-12	Actual FY12-13	Amended Budget FY13-14	Projected Actual FY13-14	Budget Request FY14-15
Miscellaneous Revenue	5,913	7,624	9,384	7,000	7,000	7,000
Total Public Safety	305,255	280,300	301,358	330,663	337,683	334,934
Public Works						
Blight Pickup	22,331	22,973	13,229	23,000	15,000	15,000
Weed Cutting	28,505	20,873	32,621	22,000	50,000	42,000
Charges For Services-Banners	1,155	650	1,750	1,500	1,500	1,500
Miscellaneous Revenue	15,426	11,781	16,190	13,000	21,000	19,000
Total Public Works	67,417	56,277	63,790	59,500	87,500	77,500
Recreation & Culture						
Skate Sharpening	6,457	5,820	4,465	5,025	5,000	3,950
Youth Ball Program	25,820	17,852	20,808	18,000	20,000	20,800
Adult Ball Program	33,405	34,993	39,343	35,000	39,000	39,000
Adult Volleyball	12,116	5,315	4,115	4,000	3,610	3,610
Youth Basketball	6,765	6,733	6,654	5,550	6,593	6,600
Football Program	-	-	-	-	2,500	2,500
Track Program	938	1,007	1,044	600	1,055	1,055
Tennis Program	102	708	747	700	427	430
Skating Lessons	8,480	15,869	13,822	23,112	17,121	19,533
Sales-Concessions	52,973	36,735	35,790	36,300	36,020	33,700
Sales-Pro Shop	11,287	8,688	5,321	7,300	7,041	3,775
Sales-Miscellaneous	1,232	1,112	915	1,250	1,100	1,100
Admission-Swimming	13	-	-	-	-	-
Admission-Public Skating	13,270	19,300	23,484	18,290	22,929	23,700
Admission-Drop In Hockey	17,507	13,313	13,314	11,275	12,630	13,800
Admission-Sports Camp	8,707	4,746	11,095	4,800	3,344	-
Admission-Inflatables	138,451	107,265	93,995	103,800	86,829	71,450
Rent-Park Facilities	7,563	8,747	7,374	8,100	7,375	7,375
Rent-Ice Surface	302,053	246,998	221,508	264,366	219,601	246,100
Rent-Dry Floor	38,530	66,184	42,001	45,750	47,511	52,930
Rent-Meeting Room	6,018	9,368	10,200	10,200	4,450	13,800
Rent-Ice Skates	1,835	5,332	5,406	4,353	4,141	6,950
Rent-Lockers	152	150	270	360	284	315
Rent-Advertising Space	2,228	-	-	-	-	-
Commissions-Video Games	3,263	3,140	3,452	3,425	3,225	3,200
Commissions-Vending Machines	12,469	5,779	5,544	5,850	5,412	4,400
Miscellaneous Revenue	5,312	9,215	10,055	5,500	5,500	5,500
MMSC Miscellaneous Revenue	2,894	-	250	-	-	-
Total Recreation & Culture	719,840	634,369	580,972	622,906	562,698	585,573
Total Service Revenue	1,873,793	1,823,813	1,780,732	1,902,556	1,879,268	1,936,999
Operating Grants						
Public Safety						
Miscellaneous Federal Grants	-	-	-	-	329	-
COPS Grant	145,681	162,492	63,427	-	-	-
Police Training-Act 302	4,115	5,852	4,635	8,000	8,000	8,000
EVIP Grant	-	-	49,000	-	-	-
Total Public Safety	149,796	168,344	117,062	8,000	8,329	8,000
Recreation and Culture						
Comm Development Block Grant	-	-	-	-	10,000	-
State Recreation Grant	340	-	-	-	-	-
Contrib from Private Source	-	-	1,000	-	1,000	-
Total Recreation and Culture	340	-	1,000	-	11,000	-
Total Operating Grants	150,136	168,344	118,062	8,000	19,329	8,000
Capital Grants						
Public Safety						
Equipment Grant	16,303	-	-	-	-	-
Total Capital Grants	16,303	-	-	-	-	-
Total General Fund Revenue	16,596,320	16,926,423	17,117,559	17,352,234	17,363,185	17,885,685

GENERAL FUND EXPENDITURE DETAIL BY DEPARTMENT

Department Name	Actual FY11-12	Actual FY12-13	Amended Budget FY13-14	Projected FY13-14	Requested FY14-15	Pct of Budget
Mayor And Council	112,827	104,336	112,751	114,042	117,376	0.66%
City Manager	262,422	280,096	298,815	303,760	281,399	1.57%
Elections	29,298	30,443	21,060	21,060	27,265	0.15%
Clerk/Treasurer	406,040	427,188	430,218	430,727	439,082	2.45%
Assessor's Office	343,971	363,500	361,313	365,703	363,246	2.03%
Board Of Review	888	1,264	1,508	1,508	1,884	0.01%
Attorney's Office	134,044	132,896	135,325	135,325	141,662	0.79%
Audit	41,715	43,967	45,286	43,245	43,500	0.24%
Finance	352,998	381,263	365,466	357,545	356,108	1.99%
Human Resources	322,299	284,966	285,962	281,090	240,243	1.34%
Engineering	266,174	326,255	287,539	259,722	304,323	1.70%
Police Operating	5,193,875	5,548,966	5,850,988	5,973,042	584,738	3.27%
Police Training	5,852	4,635	8,000	8,000	8,000	0.04%
Liquor Law Enforcement	-	4,056	15,500	15,500	15,000	0.08%
Public Safety Division Personnel	-	-	-	-	8,568,895	47.91%
Fire Operating	3,132,329	2,992,048	3,187,335	3,180,653	281,018	1.57%
DPS General Operations	1,315,908	1,422,203	1,357,522	1,392,519	1,479,304	8.27%
Forestry	471,765	470,475	479,500	451,500	444,500	2.49%
Parks & Playgrounds	190,110	233,395	252,233	341,020	411,500	2.30%
City Hall/Grounds	220,873	263,429	256,883	264,532	277,154	1.55%
Planning Commission	3,146	4,557	4,078	3,541	4,240	0.02%
Community Development	213,952	243,010	252,425	253,803	275,026	1.54%
Historical District Commission	322	763	1,950	1,980	1,980	0.01%
Zoning/Ordinance Enforcement	115,109	98,392	179,527	238,483	243,996	1.36%
Administration & General	202,048	222,949	236,985	242,964	236,958	1.32%
Multi-Sports Complex	1,166,978	1,120,894	1,082,556	1,044,502	1,079,002	6.03%
Parks And Rec. Programs	64,993	86,878	106,936	99,745	100,503	0.56%
Non-Departmental	2,187,721	2,123,721	1,966,140	1,718,020	1,557,783	8.71%
Total	16,757,657	17,216,545	17,583,801	17,543,531	17,885,685	100%

GENERAL FUND EXPENDITURE DETAIL BY CLASSIFICATION

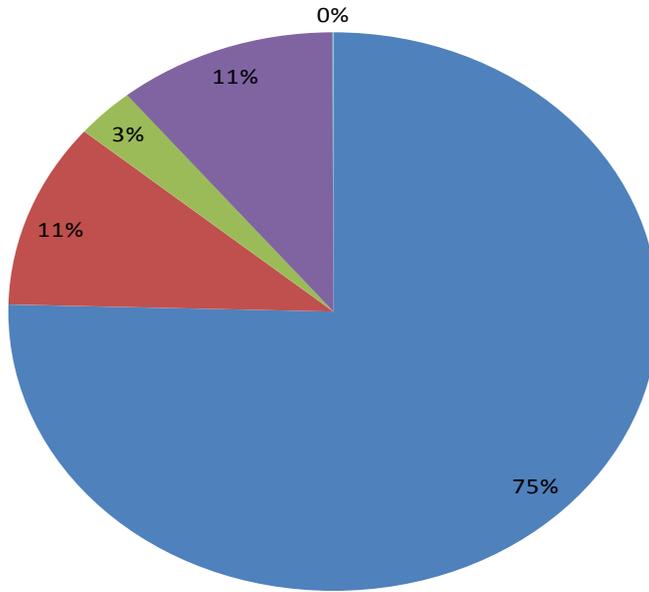
Description	Actual FY11-12	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15	Pct of Budget
PERSONNEL						
Full Time Salaries & Wages	\$ 5,848,789	\$ 5,724,750	\$ 5,885,549	\$ 5,801,932	\$ 6,056,643	33.86
Part Time Salaries & Wages	156,614	198,180	191,622	218,984	258,937	1.45
Overtime	723,623	601,801	547,600	601,200	522,210	2.92
Overtime-Part-Time	-	3,198	-	351	-	0.00
Shift Premium	19,546	22,525	23,000	23,000	23,000	0.13
Clothing Allowance	38,303	26,399	33,900	26,850	27,500	0.15
Food Allowance	7,589	6,239	4,950	5,019	4,500	0.03
Car Allowance	6,000	6,000	6,000	6,000	6,000	0.03
Uniform Allowance	18,998	27,733	22,550	29,600	29,800	0.17
Longevity	61,148	54,775	54,528	54,375	55,125	0.31
Sick Pay Bonus	65,068	65,106	71,737	75,523	82,159	0.46
On Call Bonus	1,500	1,241	1,500	1,500	1,500	0.01
Team Callout Pay	3,476	3,320	3,360	3,360	3,360	0.02
Report Time Pay	11,242	11,350	12,000	12,000	12,000	0.07
Holiday Pay	98,658	88,454	202,672	180,630	181,990	1.02
Fees & Per Diem	12,476	21,193	12,484	11,684	20,250	0.11
Proficiency Pay	124,693	149,073	184,350	187,500	210,250	1.18
Waiver-Health Insurance	12,410	18,150	19,938	17,429	18,250	0.10
Fica	176,582	175,057	182,946	185,704	191,074	1.07
Medicare	96,000	96,811	104,148	105,675	107,353	0.60
Life Insurance	29,705	30,289	24,800	24,800	21,314	0.12
Disability Insurance	2,023	1,975	1,932	1,932	1,824	0.01
Workers' Comp Insurance	124,781	113,505	129,113	129,636	128,964	0.72
Unemployment	29,737	34,436	21,367	21,626	7,343	0.04
Medical Insurance	948,493	814,024	875,876	864,207	898,108	5.02
Flexible Benefit Plan	141	91	-	30	60	0.00
Prescription Insurance	70,963	97,825	114,555	93,205	89,004	0.50
Dental Insurance	79,489	71,672	68,006	68,614	81,866	0.46
Post Retirement Health Care	1,952,382	2,591,205	2,605,801	2,605,801	2,547,673	14.24
Retiree Healthcare Savings Plan	-	-	-	-	33,852	0.19
Pension Contribution	1,224,324	1,286,597	1,425,015	1,425,373	1,553,612	8.69
Deferred Compensation	4,972	5,002	5,473	5,473	5,578	0.03
PERSONNEL	11,949,725	12,347,976	12,836,772	12,789,013	13,181,099	73.70
SUPPLIES						
Office Supplies	35,435	24,856	36,269	32,510	31,405	0.18
Copies	5,599	7,070	7,200	7,535	7,435	0.04
Postage	22,651	23,838	24,333	25,133	25,125	0.14
Operating Supplies	126,835	141,097	138,618	135,072	140,750	0.79
Operating Supplies - Vehicles	23,127	22,586	21,840	21,949	18,875	0.11
Ammunition	13,153	2,697	13,883	13,883	13,800	0.08
Uniforms/Clothing	22,112	46,050	28,696	28,496	28,900	0.16
Quarters Supplies	1,192	1,941	4,000	4,000	3,000	0.02
Safety Equipment	3,332	5,143	4,000	4,000	4,000	0.02
Fire Prevention Supplies	2,783	4,532	4,000	4,000	4,000	0.02
Medical Supplies	8,140	9,165	9,000	9,000	9,000	0.05
De-Icing Agent	1,226	2,597	2,500	2,500	2,500	0.01
Crime Prevention Supplies	1,217	1,457	1,500	1,500	1,500	0.01
SUPPLIES	266,802	293,029	295,839	289,578	290,290	1.62

Description	Actual FY11-12	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15	Pct of Budget
OTHER OPERATING						
Mileage	283	268	410	310	365	0.00
Planting Materials	-	1,252	2,000	2,000	2,000	0.01
Vending Supplies	1,090	757	1,400	1,400	1,400	0.01
Repair & Maint Supplies	7,836	10,818	13,000	44,000	47,500	0.27
Resale Merch - Pro Shop	6,096	4,246	4,380	4,391	2,265	0.01
Resale Merch - Concessions	25,042	23,089	21,780	22,349	19,896	0.11
Info Sys User Fee	164,389	159,183	153,913	153,913	162,933	0.91
Legal Services	221,930	213,336	219,000	204,000	200,000	1.12
Actuarial Services	5,000	2,250	2,500	2,500	2,500	0.01
Audit Services	41,715	43,967	45,286	43,245	43,500	0.24
General Contract Services	466,716	483,446	334,694	344,732	359,676	2.01
Billing Service	13	-	-	-	-	0.00
Demolition Service	38,432	4,800	84,125	134,125	100,000	0.56
Personnel	301,665	265,097	263,865	232,159	228,591	1.28
Employee Physicals	11,668	14,298	8,500	12,000	8,500	0.05
Contractual - Ptax Sharing	4,229	4,294	4,750	4,743	5,000	0.03
Transaction Processing Costs	58	4,710	2,500	2,300	2,500	0.01
City Property Grass Mowing Services	-	-	120,000	130,000	122,000	0.68
High Grass/Weed Mowing Services	-	-	30,000	50,000	50,000	0.28
Witness Fees	73	158	100	100	100	0.00
Civil Service Commission	-	195	-	-	-	0.00
Legal Services-Civil Service Commission	1,010	-	3,500	3,500	2,000	0.01
Telephone	53,617	56,894	57,210	57,148	53,975	0.30
Training & Travel	46,537	56,374	70,960	76,560	74,800	0.42
Prisoner Transfer	146	43	350	250	250	0.00
Recruiting	-	871	1,000	1,000	1,000	0.01
Community Promotion	16,314	19,400	21,250	21,250	20,250	0.11
Awards & Gifts	528	387	1,000	500	500	0.00
Publishing/Advertising	30,396	24,185	28,800	27,986	29,400	0.16
Insurance Premium	182,570	145,189	130,032	130,407	114,474	0.64
Electric	213,267	224,633	190,475	193,825	196,775	1.10
Street Lighting	448,531	463,888	440,000	460,000	455,000	2.54
Natural Gas	56,997	67,182	89,000	93,508	90,500	0.51
Water & Wastewater	17,840	23,646	25,200	33,525	23,625	0.13
Maintenance - Buildings	61,678	96,068	101,809	81,290	83,400	0.47
Maintenance - Equipment	20,151	41,690	34,745	38,398	80,700	0.45
Maintenance - Vehicles	12,367	27,413	18,000	18,000	13,000	0.07
Maintenance - Radios	3,232	9,028	7,500	7,500	7,500	0.04
Maintenance - Office Equipment	7,731	4,393	8,967	7,967	8,375	0.05
Rental-Vehicle	298,826	295,025	304,425	306,725	323,325	1.81
Rental-Building	529,552	482,804	496,242	526,242	498,799	2.79
Rental-Equipment	248,642	246,034	236,356	257,442	229,649	1.28
Miscellaneous Expense	93	14	-	9	-	0.00
Property Taxes	2,368	6,530	7,100	4,217	3,700	0.02
Licenses, Fees & Permits	15,902	13,860	25,876	25,725	22,400	0.13
Reference Material	9,631	6,961	10,369	9,724	8,975	0.05
Memberships & Dues	24,011	23,701	32,486	32,624	35,220	0.20
Michigan Municipal League	6,380	6,553	6,600	6,710	6,800	0.04
Semcog	2,657	2,663	2,700	2,670	2,700	0.02
City Share SAD	4,043	2,457	9,268	9,268	102,275	0.57
Refund - Bor Settlement	77,067	31,874	60,132	60,000	50,000	0.28
Program Exp-Sports Complex	4,923	1,850	2,695	2,006	4,130	0.02
Program Exp-Hockey	1,329	2,826	1,950	1,730	1,500	0.01
Program Exp-Inflatables	22,939	21,932	25,165	19,321	16,215	0.09
Grant-Lesow Comm Ctr	140,000	140,000	140,000	140,000	140,000	0.78
Grant-Mpact	153,918	159,758	157,500	157,500	160,000	0.89

Description	Actual FY11-12	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15	Pct of Budget
Grant-Monroe Cnty Library Sys	57,500	57,500	57,500	57,500	57,500	0.32
Loss in fair value of land inventory	374,091	507,488	-	-	-	0.00
Cash (Over)/Short	-	(25)	-	-	-	0.00
Contingencies	-	-	132,575	61,000	150,000	0.84
OTHER OPERATING	4,443,019	4,507,253	4,250,940	4,321,294	4,427,438	24.75
CAPITAL OUTLAY						
Operating Equipment	92,804	62,688	66,000	66,000	66,000	0.37
Office Equipment & Furniture	-	-	-	-	-	0.00
CAPITAL OUTLAY	92,804	62,688	66,000	66,000	66,000	0.37
FORCE LABOR & EXPENDITURE CREDITS						
F/L Construction	354,074	402,799	370,000	410,720	460,500	2.57
Exp Cr-General Fund Departments	(311,801)	(370,738)	(336,000)	(375,220)	(425,500)	(2.38)
Exp Cr-Major Street Fund	(314,044)	(231,673)	(325,725)	(343,136)	(259,150)	(1.45)
Exp Cr-Local Street Fund	(310,939)	(221,065)	(290,600)	(363,299)	(274,000)	(1.53)
Exp Cr-Refuse Fund	(142,308)	(150,196)	(135,000)	(134,403)	(135,000)	(0.75)
Exp Cr-Parking Fund	(5,235)	(7,407)	(12,000)	(39,000)	(13,000)	(0.07)
Exp Cr-Grant Fund	(54,884)	(61,750)	(76,500)	(76,500)	(76,500)	(0.43)
Exp Cr-Airport Fund	(3,314)	(9,590)	(7,000)	(28,800)	(11,500)	(0.06)
Exp Cr-Capital Project Fund	(47,017)	(111,409)	(79,000)	(49,862)	(51,500)	(0.29)
Exp Cr-Wastewater Fund	(49,186)	(25,972)	(33,800)	(22,303)	(21,500)	(0.12)
Exp Cr-Water Fund	(156,130)	(113,012)	(77,500)	(120,086)	(155,500)	(0.87)
Exp Cr-Raw Water Partnership	(545)	(279)	-	-	-	0.00
Exp Cr-Stores & Equipment Fund	(5,305)	(27,169)	-	-	-	0.00
Exp Cr-Expendable Trust Fund	(940)	(4,784)	(4,000)	(974)	(2,000)	(0.01)
Expenditure Credit - BRA	(4,603)	(7,323)	(6,000)	(7,500)	(7,500)	(0.04)
FORCE LABOR & EXP. CREDITS	(1,052,177)	(939,568)	(1,013,125)	(1,150,363)	(972,150)	(5.44)
DEBT SERVICE						
Principal-City Hall	307,287	22,183	23,260	23,260	24,387	0.14
Principal-Fire	36,307	-	-	-	-	0.00
Interest-Adv From Other Funds	8,160	8,160	8,160	8,160	8,160	0.05
Interest - City Hall	23,949	10,219	9,143	9,143	8,015	0.04
Interest-Fire	1,521	-	-	-	-	0.00
DEBT SERVICE	377,224	40,562	40,563	40,563	40,562	0.23
OPERATING TRANSFERS						
Transfer Out-Major St	-	130,000	68,000	68,000	70,000	0.39
Transfer Out-Local St	493,000	297,290	456,224	457,224	470,000	2.63
Transfer Out-Parking Fund	-	-	-	80,000	-	0.00
Transfer Out-Economic Development	-	-	-	50,000	-	0.00
Transfer Out-Debt Service	19,160	19,053	19,102	19,736	19,446	0.11
Transfer Out-Capital Project	143,100	432,262	536,486	485,486	265,000	1.48
Transfer Out-Cemetery	25,000	26,000	27,000	27,000	28,000	0.16
OPERATING TRANSFERS	680,260	904,605	1,106,812	1,187,446	852,446	4.77
TOTAL APPROPRIATIONS	\$ 16,757,657	\$ 17,216,545	\$ 17,583,801	\$ 17,543,531	\$ 17,885,685	100.00

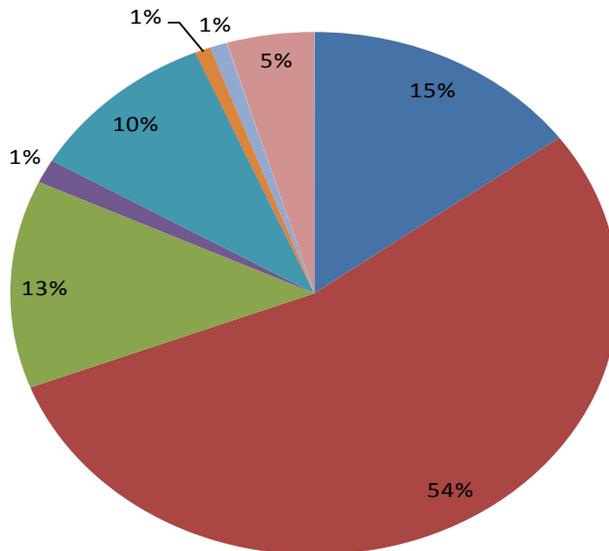
General Fund Revenue Sources

- Property Taxes
- State Revenue Sharing
- Other General Revenue
- Charges for Services
- Operating Grants



General Fund Expenditures by Function

- General Government
- Public Safety
- Public Works
- Community Development
- Cultural-Recreation
- Contingencies
- Debt Service
- Transfer to Other Funds





GENERAL FUND EXPENDITURES

MAYOR AND COUNCIL

The Mayor and City Council exclusively hold and exercise all policy forming and legislative functions and all powers and rights relative to control of city property. They declare and define either through ordinance or resolution all general practices and principles relative to the conduct of city services. One of the main duties of the City Council is to establish policies. Policy tools include adoption of the Capital Improvement Budget and the annual operating budget; adoption of goals and objectives; establishment of priorities for public services; and approval of programs throughout the City. The City Council also ratifies contracts, zoning ordinances and changes and resolves appeals. Public leadership is provided by the City Council through verbal and written communications with constituents. Their wishes are brought forth and addressed by the City Council. The City Council is responsible for the arbitration of conflicting interests, which arise during the course of city business. The City Council appoints the City Manager as the Chief Administrative Officer of the City and appoints the Director of Finance as the Chief Financial Officer.

The final category of responsibility, which falls to the City Council, is the decision-making duty. City Council studies problems, reviews the alternatives and determines the best course of public policy. This public policy is then provided to the City Manager and staff to carry out.

City Council adopts goals and objectives for the entire city and establishes those with priorities – a high priority and then a lesser priority. These will be dealt with in other areas of the budget but they do become the policy guidelines for preparing the budget by all departments.

FUNDING LEVEL SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Personnel Services	\$ 64,368	\$ 64,317	\$ 63,712	\$ 64,869
Supplies	662	1,100	1,100	1,100
Other Operating	39,306	47,334	49,230	51,407
Total	\$ 104,336	\$ 112,751	\$ 114,042	\$ 117,376
Expenditures as a % of the General Fund	0.61%	0.64%	0.65%	0.66%



City of Monroe 2012 - 2013 City Council Goals

GOAL: Stabilize and Assist in the Revitalization of Neighborhoods

- Objective: Develop and implement a communications plan to inform residents and property owners of property maintenance requirements and community standards
- Objective: Improve the timeliness and results of blight prevention and abatement efforts through more proactive programs and enforcement
- Objective: Implement programs to recognize, and assist where possible, those property owners who improve and reinvest in their properties
- Objective: Establish program for monitoring vacant and foreclosed properties

GOAL: Enhance Quality of Life through Investments in Recreational, Cultural and Historical Assets

- Objective: Increase awareness of community amenities and activities through improved public information and marketing
- Objective: Leverage investments in City parks and River Raisin enhancements to expand recreational opportunities
- Objective: Expand and enhance recreational, cultural and historical based partnerships with governmental and not-for-profit partners

GOAL: Continue Cost Containment Measures While Maintaining Focus on the Quality of City Services and Infrastructure Investment

- Objective: Explore and implement inter-organizational collaboration for providing services and programs
- Objective: Sustain strong investments and re-investments in capital improvements
- Objective: Partner with stakeholders to evaluate and develop strategies to advance the Port of Monroe and Custer Airport as self-sustaining, regional economic development assets
- Objective: Regularly monitor and assess the quality and effectiveness of new and modified service delivery methods

GOAL: Promote Community Awareness and Involvement

- Objective: Expand and enhance the effectiveness of electronic communications to members of the community
- Objective: Develop programs and methods for more effective neighborhood engagement with City policy-makers and staff
- Objective: Elevate the acknowledgement of individuals and organizations engaged in community service
- Objective: Increase continuing education and support for City Boards, Commissions, and Committees

 Robert E. Clark, Mayor 

City Council Members: Jeffery A. Hensley, Jerry McKart, Christopher M. Bica,
Mayor Pro-Tem Jeremy J. Molenda, James R. Kansier, and Brian P. Beneteau

CITY COUNCIL ACTIVITY MEASURES					
	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Est.	FY15 Est.
Regular City Council Meetings	24	24	25	24	24
Special City Council Meetings	13	5	7	6	6
Council Work Sessions	9	18	15	15	15
Education & Trng Sessions Attended	5	5	5	5	5
Ordinances & Amendments Adopted	11	7	7	7	7
Public Hearings Held	28	35	24	28	28
Agenda Items Reviewed & Acted Upon	266	261	276	270	270
National and State Conferences Attended	3	3	4	4	4

CITY MANAGER

The City Manager's Office Mission is to manage the delivery of city services, effectively and efficiently, in accordance with the guidelines and policies established by the Mayor and City Council.

Objectives

1. In partnership with the City Council, develop the resources to carry out the goals and objectives established by the Council.
2. Provide leadership, coordination, assistance and support to all city departments.
3. Continue to improve the budget process so that operations of the city are clearly defined in a result oriented budget that promotes creativity, flexibility, and most importantly accountability to respond to community needs.
4. To better utilize available time and financial and personnel resources to improve the overall delivery of city services.

As the City's Chief Administrative Officer, the City Manager is ultimately responsible for all operations of the municipal corporation. The City Manager is hired to serve the Mayor and Council and the community and to bring to the local government the benefits of education, training, and experience in administering local government projects and programs on behalf of the governing body. The Manager prepares a recommended budget for the Council's consideration, recruits, appoints and supervises the government staff, serves as the Council's Chief Advisor, and ensures the implementation of the Council's policies. Council depends upon the Manager to provide complete and objective information, including the pros and cons of alternatives, and long term consequences.

Maintaining good relations with the Mayor and City Council is an important aspect of this office. This involves maintaining effective communications and being available to the City Council as necessary. This office strives to convey an image of vitality, fairness, professionalism, and quality service to residents, businesses and institutions. These duties will be performed with the highest standards of ethical conduct expected of those who maintain the public trust.

ACCOMPLISHMENTS – FISCAL YEAR 2013/2014

In addition to providing general oversight for all City operations and initiatives, special focus was provided in a few significant areas. These include:

- Provided leadership and direction during the development of the annual budget, following the general guidelines of Council policy objectives and

within an environment of continuing economic challenges.

- Continued to provide guidance and support for City-focused, professional economic development initiatives, with the La-Z-Boy Headquarters development and construction, further implementation of the 2nd-phase Gerdeau, expansion of Fluid Equipment Development Company and active partnership with the National Park related initiatives, as notable results.
- Provided continued support and strategic leadership for additional progress and implementation of a more comprehensive public safety services operation.
- Provided oversight and direction for implementation of the actions necessary to achieve full statutory State Shared Revenue funding, under State mandates included in the Economic Vitality Incentive Program (EVIP)
- Helped achieve further progress toward bringing unsustainable, underfunded long-term liabilities closer to reaching sustainable levels.
- Assisted with continued efforts to maintain financing levels to undertake capital and infrastructure investment and reinvestment
- Provided continuing support for additional progress on improving equipment, facility and vehicle maintenance procedures, quality and efficiencies
- Guided, supporting and encouraged staff exploration and implementation of additional operational efficiencies and enhanced service initiatives
- Developed and instituted a performance evaluation process for division and department managers
- Initiated revamping of the City website

GOALS FOR FY 2014/2015

Work with Mayor, Council and staff to develop and initiate action strategies to pursue and achieve 2012-2014 Council goals and objectives.

- Guide organizational efforts toward increasing attention to enhancing, linking and highlighting the features and assets within the City which mark its more unique quality of life; characteristics such as its River corridor, downtown, parks, recreation and cultural opportunities, trails and walkways and historic legacies.

- Continue to provide leadership, support and encouragement for the planning and direct City-involvement in economic development initiatives, including the commencement of focused neighborhood redevelopment initiatives as opportunities are unfolding.
- Ensure the development, refinement and implementation of policies and procedures to improve the timeliness and results of neighborhood stabilization and improvement programs. Direct actions necessary to better inform members of the public about property maintenance standards and city programs established to ensure and assist with their compliance.
- Working with Public Safety leadership, continue to develop strategies and implementation plans for enhanced public safety services integration, which comports with staffing mix, service demand, priorities and experience-assessment.
- Continue to initiate the actions needed to update and improve the effectiveness of the City's outreach, communications and public information.
- Help lead additional efforts to identify and expand beneficial public and private partner collaboration.
- Focus on enhanced forecasting and pro-active adaptation to the financial impacts of the reduction and eventual elimination portions of the Personal Property Tax. Undertaking early actions to minimize the negative impact of the continued erosion of municipal funding, caused by State legislative actions, will be an ongoing priority. .
- Further refine the goals and service-quality oriented process to more clearly establish and document annual personnel performance expectations, monitor progress and constructively evaluate achievement.
- Continue providing organizational leadership and direction for providing effective and efficient municipal services, under the priorities set and policy guidance provided by the Mayor and City Council.

CITY MANAGER PERFORMANCE INDICATORS					
	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Est.	FY15 Est.
Council Requests Responded To	45	50	45	45	55
Agenda Items Reviewed & Processed	266	261	276	270	270
Activities & Issues Reports	25	25	25	25	25
Policy Resolutions Developed	2	8	5	5	5
Legislative Issues Monitored	10	8	12	12	12
Intergovernmental Relation Contacts	70	55	55	40	45
New Programs Developed	5	5	4	5	5
Labor Relations Meetings	55	55	60	55	55
Economic or Community Development Meetings Attended	75	55	40	40	40

FUNDING LEVEL SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
City Manager's Office				
Personnel	\$ 268,793	\$ 285,304	\$ 285,971	\$ 265,233
Supplies	1,802	3,300	2,550	2,550
Other Operating	9,501	10,211	15,239	13,616
Total	280,096	298,815	303,760	281,399
Expenditures as a % of the General Fund	1.63%	1.70%	1.73%	1.57%

CLERK-TREASURER OFFICE
BUDGET NARRATIVE
2014/2015

OVERVIEW

The Clerk-Treasurer's office maintains two distinct and important functions within the City of Monroe. The Clerk-Treasurer is an elected position responsible for maintaining the official documents of the City as well as administering all elections held within the City. Additionally the position is responsible for collecting all monies due to the City and providing administrative oversight of such collection on a daily basis. Being a new Clerk-Treasurer has meant a time of transition for the department. We are utilizing this transition as an opportunity to review existing procedures related to the execution of our responsibilities to insure the most efficient and relevant delivery of service for both external and internal constituents.

The Clerk-Treasurer's office continues to offer a high level of service tailored to the individual needs of our customers including responses to general inquiries not related to our department.

Treasurer Function:

Currently the City of Monroe contracts with the Monroe County Community Credit Union to collect monies for the City. While the Treasurer's office no longer provides the cashier function that it once did we are still responsible for oversight of that function and continue to carry out daily duties related to proper accounting and collection of monies due to the City on behalf of the citizens of Monroe.

The following are the Treasurer functions conducted by the Clerk-Treasurer and Deputy Treasurer with some assistance from the Secretary/Clerical Assistant. Responsibilities include but are not limited to:

- Daily oversight of collections taken at the Credit Union including daily balance, and production of various reports for internal constituents. Work with the Credit Union and Bank when necessary to resolve error(s) with the deposit(s).
- Responds to customer inquiries/complaints. Provide invoices to customers who have come to city hall to pay their tax bill. Investigate/track payments made by customers that may have been posted incorrectly and insure corrections are made.
- Print various bills (excluding water bills) for checks received by the Credit Union that did not have remittances enclosed. Provide account

numbers/special instructions for more complex transactions. Correspond with customer/businesses as necessary.

- Calculate/generate/mail special assessment bills for all Special Assessment Districts established by Council. Refund overpayments/adjustments. Provide various reports to Finance/Assessor/Council. After due date, calculate and apply penalties to outstanding balances. Calculate payoff's for title companies/citizens as needed. At the end of each month, prepare report of all collections to the Finance Dept. Prepare necessary documents once a year for transfer of delinquencies to the tax system.
- Enter all hand written parking tickets into the database for collection. Perform maintenance as needed on records. Validate parking tickets from the DMBN on a weekly basis.
- Pursue and collect unpaid parking fines.
- Generate summer and winter tax bills for approximately 5830 parcels and to mortgage companies for another 2630 parcels.
- Balance and import payments from mortgage companies directly into the tax system via electronic file.
- Update mortgage code information/create new mortgage codes throughout the year to ensure proper mailing of tax bills to escrow companies.
- Prepare necessary documents and mail public hearing notices for delinquent invoices to be placed on the tax roll (demolitions, sidewalk, weed mowing, blight/board-up, rental inspections, snow removal). Prepare reports/resolutions for council.
- Provide tax information/lien searches to citizens, banks, realtors, mortgage companies and title companies on a daily basis.
- Prepare various reports to insure the tax system stays in balance. Refund all overpayments whether due to discrepancy when issuing check or adjustments from the Board of Review, Michigan Tax Tribunal, STC, etc...
- Provide reports to the Monroe County Treasurers Office according to stated deadlines and as requested throughout the year. Work in partnership with the County to ensure new legislation is being followed for tax collections.

- Prepare reports for Council regarding tax collections. Settle out taxes every March with the Monroe County Treasurer's Office for payoff to the City for Ad Valorem-Real Property taxes.
- Export delinquent Personal Property taxes, IFT's, OPT's, Lessee User, Building on Leased Land parcels to the Delinquent Personal database.
- Pursue the collection of delinquent Personal Property taxes utilizing established procedures.
- Work with auditors of various institutions to explain adjustments, collections and settlement balances of tax millages.
- Provide annual reports to State Tax Commission for Industrial Facility Taxes (IFT's).

The following are the Clerk functions conducted by the Clerk-Treasurer, Deputy Clerk and Secretary/Clerical Assistant. Responsibilities include but are not limited to:

Clerk Function:

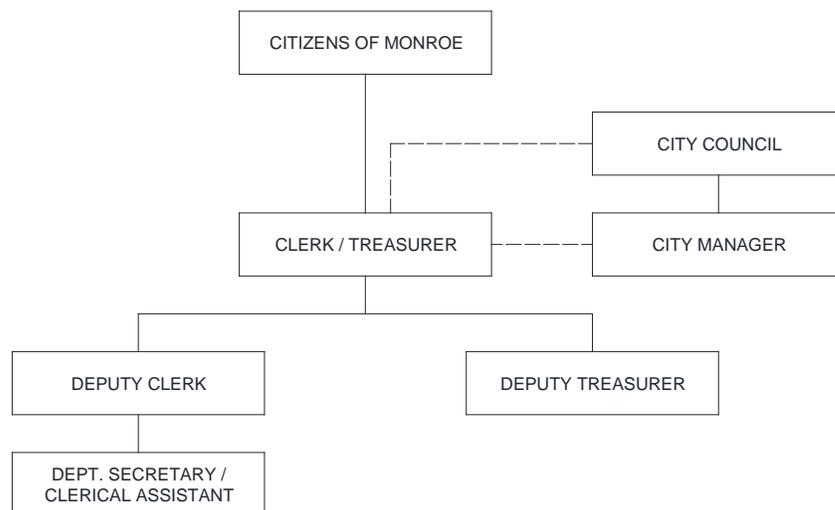
- Maintain the City's official documents including but not limited to: Meeting minutes and agendas, Ordinances, Resolutions, Deeds, Easements, Agreements and Contracts
- Arrange and prepare meeting agendas and meeting materials for the City Council, Pension Board, Civil Service Commission and other boards and commissions.
- Prepare, publish and post public notices for City Council, Pension Board, and Civil Service Commission meetings as well as other Boards and Committees. These include Public Hearings, Ordinances, some Resolutions and Special Assessments.
- Maintain the City's record retention and record storage process as well as oversight of the destruction of outdated and obsolete records.
- Update, codify and publish changes in the Codified Ordinances of the City of Monroe.
- Prepare, publish and post all notices pertaining to Election Day and City Election results.

- Provide oversight, implementation and administration of the voting process within the City of Monroe. Duties Involved in the Election Process include but are not limited to: Voter registration, maintenance of the Qualified Voter File (QVF), procurement of election supplies including ballots, train and maintain list of election chair, vice chair and inspectors, process absentee voter applications and ballots
- Report election results to the Monroe County Clerk's Office
- Prepare and administer the Oaths of Office for Police Officers, Board Members, Election Workers and other City Officials as required.
- Attend City Council meetings, Civil Service Commission meetings and serve as secretary to the Pension Board, as directed.
- Respond to phone, walk-in and mail inquiries, and provide the public with information, direction and referral to the appropriate department or person.
- Receive and process sealed bids according to established policies and procedures.
- Log and number approved engineering contracts and maintain related files.
- Provide and process Freedom of Information Request, FOIA forms.
- Process applications, issue and record licenses and permits for ice cream vendors, taxi cab owners/drivers, hawker/peddlers and transient merchants and charitable solicitations.
- Issues downtown parking permits and residential parking permits.
- Provide Notary service to the general public and notarize and certify official documents, including Ordinances, Resolutions, Easements, etc.
- Conduct and compile research for City Council, City departments and the public. Prepare and process correspondence, reports and record document with the County.

GOALS AND OBJECTIVES

- Clerk-Treasurer to complete Clerk Accreditation process as stipulated by Michigan election law, MCL 168.31(k)
- Review contractual agreement with Monroe County Community Credit Union to insure contractual obligations are being met and high level of customer service is being maintained.
- Review of all Clerk-Treasurer department procedures to maintain and improve delivery of customer service to external and internal constituents.
- Enhance Clerk-Treasurers on-line presence and outreach to the community
- Increase access to training and networking opportunities for staff of Clerk-Treasurer office through State of Michigan Bureau of Elections training opportunities and Monroe County Clerk and Treasurer Associations.

CLERK - TREASURER ORGANIZATIONAL CHART



FUNDING LEVEL SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Elections				
Personnel	\$ 17,914	\$ 8,084	\$ 8,084	\$ 16,000
Supplies	10,002	9,616	9,616	8,600
Other Operating	2,527	3,360	3,360	2,665
Elections Total	30,443	21,060	21,060	27,265
Clerk/Treasurer's Office				
Personnel	394,643	367,807	361,143	375,558
Supplies	9,155	9,750	10,750	9,200
Other Operating	23,390	52,661	58,834	54,324
Clerk/Treasurer's Total	427,188	430,218	430,727	439,082
City Clk/Treas Dept. Total	\$ 457,631	\$ 451,278	\$ 451,787	\$ 466,347
Expenditures as a % of the Total General Fund	2.66%	2.57%	2.58%	2.61%

ASSESSOR'S OFFICE

OVERVIEW

As required by the Michigan General Property Tax Act and City of Monroe Charter, the Assessor's Office must annually appraise all real and personal property not exempt by law at its true cash value or market value as of December 31. All such property is accordingly assessed the following year at one-half of its true cash value as required by state statute and City Charter. This assessed value ultimately becomes the state equalized value (SEV), which, subject to the provisions of Proposal A passed by the state electorate in March, 1994, may become the taxable value upon which millage rates are applied by local taxing authorities for operating revenues.

The assessment roll as prepared by the Assessor's Office for presentation to the March Board of Review is literally two rolls. Each parcel requires an assessed value upon which county and state equalization occurs, and a taxable value upon which levies are made by local taxing authorities. Taxable value, the annual growth of which is limited to the lesser of the rate of inflation or five percent, cannot exceed SEV. Exceptions to the annual taxable value growth limitation are transfers of ownership, and new construction.

The mass assessment of a universe of real property is typically based on a combination of the comparative sales approach to value and a variation of the cost approach to value. Vacant land is typically assessed based on the comparative sales approach, while improved parcels are typically assessed based on the cost approach variation.

The cost approach begins with land or site values which have been estimated by a mass application of the comparative sales approach. Buildings and other site improvements are measured, priced as new from standardized cost schedules, and then depreciated to arrive at building/improvement values. The sum of the land and building/improvement values is the market value of a parcel of property, one-half of which becomes the assessed value of that parcel. The variation in the cost approach occurs in the development of an economic condition factor (ECF), which adjusts the standardized cost schedules to neighborhood market conditions.

Commercial and industrial real property is typically mass-appraised by utilizing the foregoing cost approach variation in conjunction with the income capitalization approach, which measures the market value of property based on its ability to produce rental income. The comparative sales approach is applied as a check against the values estimated by the cost and income capitalization approaches.

The Assessor's Office monitors real estate market activity throughout the year and makes adjustments for changing market conditions and building permit activity in preparing the assessment roll. Residential sales (i.e., approximately 400 real

parcels per year) are closely monitored in 56 residential neighborhoods and used as benchmarks to estimate neighborhood ECFs and market values of approximately 6,900 residential real parcels.

Commercial and industrial sales (i.e., approximately 35 real parcels per year) are closely monitored in 18 commercial and industrial neighborhoods and used as benchmarks to estimate neighborhood ECFs and market values of approximately 770 commercial and industrial real parcels. Additionally, income and expense information is solicited bi-annually for all leased commercial and industrial real property (i.e., approximately 375 parcels) and extensively analyzed for estimation of stabilized net operating incomes and capitalization rates by property type for utilization in the income capitalization approach.

Personal property is assessed in Michigan on a type of honor system whereby a property owner annually reports original acquisition costs of all taxable personal property on an affidavit or statement. The Assessor's Office depreciates these original costs based on standardized State Tax Commission (STC) multipliers to arrive at the true cash value, and resultant assessed and taxable value, of such property. For approximately 1,220 personal property parcels, approximately 750 returned statements are processed annually to arrive at assessments, while the remaining (i.e., unreturned statements) personal property assessments are estimated on a per square foot basis of similar occupancies for which statements were returned.

An ad valorem, or value-based, tax may invite disputes relative to the value of one's property. If a dissatisfied property owner is not relieved by the action taken by the City Board of Review, the Assessor's Office must defend value estimates before the Michigan Tax Tribunal when necessary. Approximately 150 assessments are typically appealed to the City March Board of Review annually, while 147 appeals were made to the 2013 March Board of Review. 16 assessments are under appeal at the Michigan Tax Tribunal.

The Assessor's Office processes approximately 900 property ownership changes and approximately 560 principal residence exemption changes annually, calculates millage rollback fractions and prepares assessment and summer and winter tax rolls including ad valorem (9,236 parcels), lessee-user (31 parcels), Michigan Department of Natural Resources (3 parcels), Michigan Land Bank Fast Track Authority (1 parcel), Industrial Facilities Tax (32 parcels), Obsolete Properties Tax (44 parcels), Downtown Development Authority (747 parcels), and Brownfield Redevelopment Authority (302 parcels in 8 rolls).

Additionally, the Assessor's Office prepares special assessment rolls, works with other departments as necessary in operations relating to tax levies/certifications, property ownership/acquisitions/sales, and lot splits/combinations, and assists the general public over the counter or on the telephone. Property assessment information has been posted to the city's web site and is available free of charge for general data with a nominal charge for detailed data.

ECF studies utilizing sales from October, 2011 to September, 2013 were performed for all residential neighborhoods for the 2014 assessment roll. This traditional two-year cycle of sales was lengthened from the recent one-year cycle studies in order to more smoothly transition from declining to improving market conditions. The one-year cycle of residential sales for the 2014 assessment roll would have been from October, 2012 to September, 2013. 2014 residential assessed values increased from 2013 levels by approximately 2.4% overall in the 56 residential neighborhoods. However, Individual neighborhoods experienced decline typically ranging from approximately 2% to 8%, while others experienced improvement typically ranging from approximately 1% to 15%.

Based on a sales study utilizing the two-year cycle of sales from October, 2011 to September, 2013, 2014 assessed values in commercial real neighborhoods declined by approximately .5% overall including Michigan Tax Tribunal reductions. Similar to residential neighborhoods, this two-year cycle of sales was lengthened from the recent one-year cycle studies in order to more smoothly transition from declining to improving market conditions. Based on an appraisal study due to limited industrial sales, 2014 assessed values in the industrial real neighborhood declined by approximately 1% overall uniformly with the exception of the Detroit Edison Power Plant.

Values were changed as necessary for the 2014 roll as a result of building permit work performed during 2013 for all real classes. The usual annual canvass, or field survey, for taxable personal property in the City was performed during late December, 2013 and early January, 2014 for the 2014 roll.

Interestingly, the performance of the Assessor's Office is measured from two perspectives. Property owners will typically notify the Assessor's Office of any concerns regarding excessive assessments, while the application of multipliers in excess of 1.0000 through the equalization process will provide incentive to the Assessor's Office to avoid generally deficient assessments (i.e., less than 50% of true cash value). Conversely, in a declining market, application of multipliers less than 1.0000 through the equalization process will provide incentive to the Assessor's Office to avoid generally excessive assessments (i.e., greater than 50% of true cash value).

STAFFING/STRUCTURE

Before 2010, each city and township in the State of Michigan was rated by the State Assessor's Board (SAB) as a Level I (lowest), II, III, or IV (highest) assessing unit based on total SEV or commercial and industrial SEV (i.e., complexity of the property type mix in the tax base). Starting 2010, due to abolishment of the SAB by Executive Reorganization Order 2009-36 (Michigan Compiled Laws [MCL] 209.131), each city and township in the State of Michigan is rated by the STC as a Michigan Certified Assessing Officer (MCAO, former SAB Levels I and II, lowest),

Michigan Advanced Assessing Officer (MAAO, former SAB Level III), or Michigan Master Assessing Officer (MMAO, former SAB Level IV, highest) assessing unit based on total SEV or commercial and industrial SEV.

This STC rating requires that an individual licensed by the STC at that level of certification must certify the assessment roll. The City of Monroe is rated at MMAO, and although budgeted staffing consists of the City Assessor (MMAO) and two Property Appraisers (MAAO), one of the property appraisers is licensed as MMAO. Non-appraisal duties (i.e., property transfers, principal residence exemptions, and clerical) are shared by the Property Appraisers.

GOALS AND OBJECTIVES

The primary objective of the Assessor's Office has been, and will continue to be, assessment of all property not exempt by law at one-half of its market value as of December 31. A concurrent goal of the Assessor's Office is to continue performing physical inspections in cases of new construction, repair/remodeling, demolition, and the like where market value of a property is affected, and to continue canvassing for taxable personal property.

Likely in an effort to ensure that the State of Michigan receives all State Education Tax monies it is entitled to, the STC has been performing random 14-point reviews or mini-reviews of assessing practices throughout the state during recent years. The STC performed mini-reviews in all assessing units in Monroe County during 2010. Although the City of Monroe passed its mini-review, the STC frowned on the lack of annual cyclical property inspections.

In accordance with International Association of Assessing Officers recommendations, the Assessor's Office started 5-year (20% per year) cyclical city-wide physical reviews/inspections of real property parcels in 2011. During 2011, 1,312 residential parcels were field reviewed/inspected in the Toll, Roessler, and Lavender Streets area, and the area south of the Raisin River between Monroe and Roessler Streets.

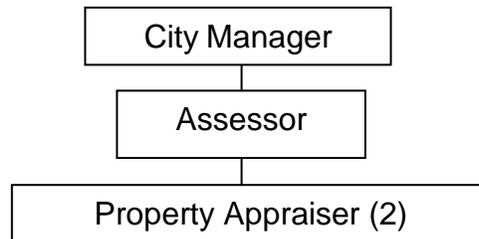
During 2012, 1,347 residential parcels were field reviewed/inspected on Godfroy, Borgess, and St. Mary's Avenues, Stedman to Sylvan Drives, Monroe Street north of Noble Avenue, the Orchard, Lemerand, Sheridan, East Grove, Sackett, and Glendale Streets area, and the area south of the Raisin River between Monroe Street and Kentucky Avenue except: 1. east of Half and Jerome Streets; 2. Liberty Court; 3. Cherry and Walnut Streets; and 4. Monroe Crossings Condos.

During 2013, 1,228 residential parcels were field reviewed/inspected in the following areas: 1. streets south of the Raisin River and west of South Telegraph Road, and Stone Street and Toledo Avenue; 2. along the west side of Kentucky Avenue from East First Street to, and including, Liberty Court, and along East Second, Third, and Fourth Streets westerly to Half Street; 3. Cherry and Walnut

Streets; 4. East Elm Avenue between North Dixie Highway and Detroit Avenue; 5. Detroit and Harbor Avenues, Rose Street, and Dixie Drive; 6. Riverview and Arbor Avenues from East Elm Avenue to, but excluding, Scottwood Avenue; 7. Maple Boulevard and Michigan Avenue from East Elm Avenue to the Mason Run Drain; and 8. East Elm and Noble Avenues and East Lorain Street between Riverview and Michigan Avenues.

In addition to the above field review/inspection undertaking, the Assessor's Office will continue its mission of producing market value based assessment rolls which exceed all statutory requirements while providing prompt and courteous service with funding and staffing consistent with MMAO municipalities.

ASSESSOR'S OFFICE ORGANIZATIONAL CHART



FUNDING LEVEL SUMMARY				
	Actual	Budget	Projected	Requested
	FY12-13	FY13-14	FY13-14	FY14-15
Assessor's Office				
Personnel	\$ 346,865	\$ 343,424	\$ 342,627	\$ 341,685
Supplies	5,647	5,849	5,984	6,260
Other Operating	10,988	12,040	17,092	15,301
Total Assessor's Office	363,500	361,313	365,703	363,246
Board of Review				
Personnel	\$ 1,264	\$ 1,508	\$ 1,508	\$ 1,884
Total Board of Review	1,264	1,508	1,508	1,884
Total Assessor's Department	\$ 364,764	\$ 362,821	\$ 367,211	\$ 365,130
Expenitures as a % of the General Fund	2.12%	2.06%	2.09%	2.04%

CALENDAR YEAR	Actual 2011	Actual 2012	Actual 2013	Projected 2014	Projected 2015
Residential sales	337	378	398	380	380
Commercial/industrial sales	13	32	45	30	30
Income/expense statements	376	0	374	0	0
Personal property statements	725	724	758	740	740
Personal property estimates	463	441	415	440	440
Valuation notices	8,879	8,859	8,856	8,860	8,860
Value-affected building permits	106	122	119	125	125
March BOR appeals	169	110	147	150	150
July BOR changes	72	90	86	90	90
December BOR changes	49	31	52	50	50
MTT appeals	37	21	16	20	20
Property ownership changes	900	961	907	900	900
Homestead exemption updates	249	221	281	260	260
Homestead exemption rescissions	298	285	255	270	270
Homestead exemption denials	56	10	25	25	25
Rolls	14	15	15	15	15
Special assessment rolls	1	4	4	4	4
Property splits	12	15	10	10	10
Property combinations	5	14	5	5	5
City property value estimates	6	3	2	3	3
Poverty exemption applications	21	18	21	20	20
Field reviews/inspections	1,312	1,347	1,228	1,400	1,400

CITY ATTORNEY'S OFFICE

MISSION STATEMENT

To administer and provide for the delivery of legal services to the Municipal Corporation of the City of Monroe, Michigan; including the Mayor and City Council, the various Departments, Administrators, Employees, Boards and Entities that comprise the Municipal Corporation of the City of Monroe, Michigan.

DUTIES PURSUANT TO CITY CHARTER, STATE STATUTE AND THE STATE BAR OF MICHIGAN RULES OF PROFESSIONAL CONDUCT

Pursuant to Section 106 of the City of Monroe Charter, and consistent with Michigan Compiled Law §87.20, "(t)he City Attorney shall be the legal advisor of the Council and of all officers of the City, and shall act as the attorney and solicitor for the corporation in all legal proceedings in which the corporation is interested, and he shall make investigation of and prosecute all offenses against the ordinances of the City, and shall be a member of the Board of Review. He shall attend all sessions of the Council unless excused by the Council, and shall render his opinion in writing when requested."

DEPARTMENT DESCRIPTION

The Office of the City Attorney is currently contracted to the law firm of Ready, Heller, Ready, PLLC. Some of the responsibilities of the Office of City Attorney include:

- 1) Acting as legal advisor to the Municipal Corporation, which includes the Mayor, Council Members, City Manager, Department Heads, and their staff concerning legal positions, contract development and review, real property related issues, ordinance preparation and implementation and document interpretation and development.
- 2) Answering inquires from the Mayor, Council Members, City Manager, Department Heads, and their staff concerning legal issues that affect the Municipal Corporation, as well as legal positions taken by the Municipal Corporation.
- 3) Attending City Council Sessions and acting as the legal advisor and parliamentarian to the City Council body; as well as attending various meetings of City of Monroe boards, committees and related authorities.
- 4) Researching, drafting, and providing advice and information concerning the City Charter, Ordinances, Resolutions, and other information necessary to the legislative process of the City of Monroe.

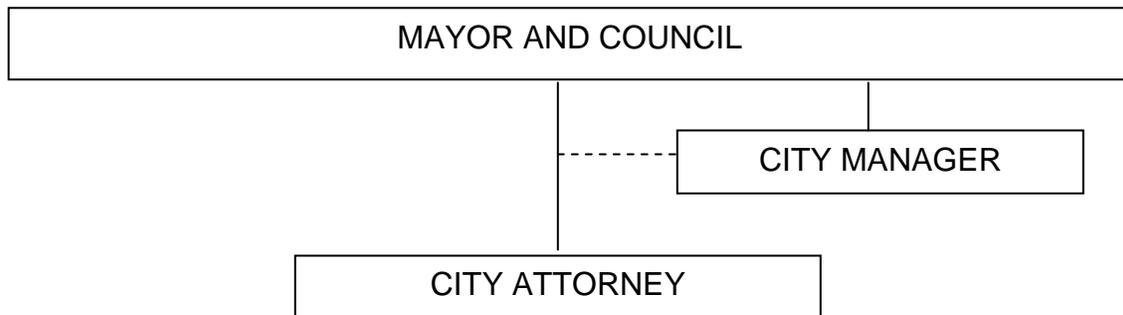
- 5) Representing the legal interests of the City of Monroe in civil legal proceedings; drafting and filing pleadings, motions and other legal documents; appearing as Counsel for the City of Monroe in all Monroe County Courts (District, Circuit and Probate), as well as all Michigan and Federal Courts (such as the Federal Bankruptcy Court).
- 6) Prosecuting all City of Monroe Ordinance violations, including misdemeanor offenses, civil infraction offenses, and municipal civil infraction offenses; representing the City of Monroe in Probate Court proceedings concerning offenders under the age of 17, who are accused of violating a City of Monroe Ordinance; as well as representing the City of Monroe in probation violation hearings concerning offenders previously convicted of violating a City of Monroe misdemeanor Ordinance.
- 7) Coordinating with legal counsel retained through the Michigan Municipal League Liability Pool when the City of Monroe is named as a Defendant in a civil lawsuit for which legal defense is provided by insurance contract.
- 8) Representing the City of Monroe in administrative proceedings and hearings, such as Dangerous Building Hearings, and Post Deprivation of Residential Rights Hearings concerning Condemned Residential Structures
- 9) Drafting, reviewing, and assisting in the development and implementation of contracts and legal documents concerning municipal services and goods which are necessary for the operation of the municipal government.
- 10) Developing and coordinating necessary information to insure that the legal interests of the City of Monroe are met when it is necessary to take legal action on behalf of the City of Monroe.
- 11) 24-hour liaison with the Monroe Police Department to provide information and feedback concerning the authorization of drunk driving blood draw search warrants and providing legal opinions and expertise concerning police-legal issues.
- 12) Close liaison with the Monroe County Court System, the County Prosecutor's Office, the Sheriff's Department, State Police, Federal Law Enforcement Agencies, as well as other Monroe County, State and Federal Agencies to insure that matters of mutual concern are given maximum attention and handled in the best interest of the City of Monroe.
- 13) Liaison with the Police Department Training Officer regarding criminal justice and legal issues for the continuing education and training of police officers, such as, conducting in-house training sessions concerning legal updates, police procedure and courtroom testimony techniques.

- 14) Managing Freedom of Information Act requests and providing legal opinions concerning Freedom of Information Act related issues.
- 15) Providing assistance to the various municipal Boards.
- 16) Member of the Board of Review concerning property tax assessments.
- 17) Member of the Monroe Municipal Building Authority.
- 18) Answering inquires from citizens concerning municipal related legal issues.
- 19) Other duties as assigned.

FUNDING LEVEL SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Supplies	\$ 395	\$ 475	\$ 475	\$ 475
Other Operating	132,501	134,850	134,850	141,187
Total	\$ 132,896	\$ 135,325	\$ 135,325	\$ 141,662
 Expenditures as % of General Fund	0.77%	0.77%	0.77%	0.79%

ATTORNEY'S ORGANIZATIONAL CHART



FINANCE DEPARTMENT

The Finance Director, appointed by the Mayor and City Council, administers a department consisting of three divisions, accounting, purchasing, and information systems. Accounting and Purchasing are budgeted within the General Fund while Information Systems is accounted for as an internal service fund. The Director also acts as the City's Risk Manager and Treasurer to the Monroe Building Authority.

The Finance Department performs the functions of financial advisory and financial administrator in support of city operations. Specific duties include:

- budget preparation
- budget control
- maintenance and control of accounting records
- accounts payable
- payroll processing
- debt service
- investment of City funds (except trust funds)
- accounts receivable
- coordination of insurance coverage
- capital asset accounting
- financial reporting
- coordination of the annual audit
- administration of information systems
- supervision of purchasing function
- administration of insurance claims

The accounting division is responsible for the accuracy of the accounting systems including individual funds, grants and capital projects, payroll, accounts payable and accounts receivable. Coordination of budget and annual financial report preparation are included as a part of Accounting's responsibilities. Accounting also reviews all City Council meeting agenda items, with budgetary impact, for accuracy of accounting and availability of funding.

Unlike the majority of the City's operations, grants and capital projects are not restricted to the City's fiscal year, thus requiring separate tracking systems. The accounting division maintains a project accounting system for all approved projects.

Accounts payable processing requires reconciliation of invoices with receiving reports, data entry, and filing of invoices by vendor and generation of an accounts payable listing for approval at each City Council meeting. Check issuance and 1099 reporting are also responsibilities of the accounts payable function.

Payroll processing includes time entry, production of payroll checks and direct deposits for employees, withholding and reporting of income taxes and other deductions and maintenance of individual earnings records. Payroll is responsible for quarterly and annual tax reporting, including W2 generation and

reporting. Payroll is also responsible for maintenance of employee leave records. The Payroll Clerk also ensures that timesheets submitted by departments comply with the various bargaining agreements in place and documents payroll related accounting information for the City's annual audit.

Fiscal 2013 saw several significant accomplishments and some shortfalls.

The City of Monroe received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the Fiscal 2012 Comprehensive Annual Financial Report (CAFR). We have also submitted the Fiscal 2013 CAFR for certification. The City has received the award every year beginning with the 2001 (June 30, 2001) fiscal year.

New auditing standards were in place for the city's fiscal year 2008 audit. The standards significantly lowered the level at which something would be considered a significant weakness in the city's financial system. A significant weakness was reported in the 2013 audit regarding the Port of Monroe's accounting practices, but no significant weaknesses were reported with the 2013 audit in regard to functions supervised and managed by the Finance Department.

The Finance and Public Services Departments worked with DTE Energy on a first phase of a cost saving program that will convert some of our street lights south of the River Raisin to LED lighting technology. The change is expected to save approximately \$20,000 per year in street lighting costs. Phase two of the project for some of the lights north of the river was recently approved by the City Council and this change is expected to save an additional \$13,500 per year in street lighting costs.

The Finance Director worked with the Clerk/Treasurer and Monroe County Community Credit Union (MCCCU) officials to create a contract for MCCCU to take over the cash receipting process for the City. The contract cost is expected to result in an approximate \$15,000 savings for the City.

The Finance Director successfully prepared all the reports and other documentation required to qualify the City for funding under the Economic Vitality Incentive Program, which replaced statutory revenue sharing. The EVIP funding for the fiscal year ending June 30, 2013 amounted to \$272,340. The EVIP categories for the 2013 fiscal year were Accountability and Transparency, Consolidation of Services, and Employee Compensation.

The Finance Department staffing was transitioned from 4 full-time employees to 3.5.

No additional progress was made in regard to submitting the annual budget for GFOA award certification. In the past, the City Council adopted a set of budget

policies. Adoption of the budget policies is a significant step towards being able to submit our budget document for GFOA award certification.

Department FY2014 and FY2015 goals include the following:

- Continue transitioning the budget document towards GFOA certification eligibility
- Evaluate the possibility of making the accounts payable process a paperless process with the use of Laserfiche
- Implement paperless timesheet reporting through a module available through BS&A Software
- Evaluate the possibility of making employee payroll information available to employees on the internet or intranet
- Continue the financial projection process
- Work with the Port of Monroe to improve its accounting processes

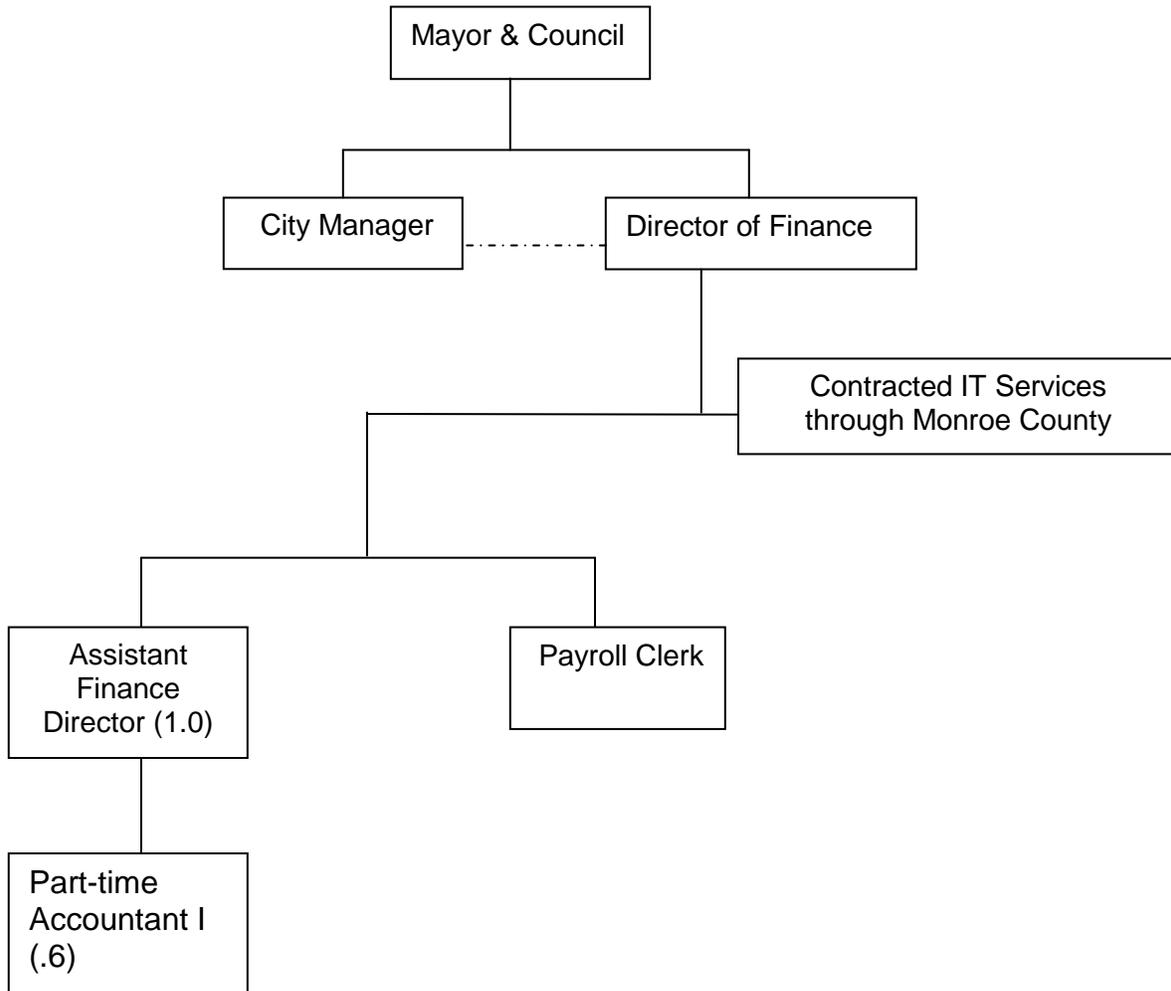
Performance Measures

Measure	FY2011 Actual	FY2012 Actual	FY2013 Actual	FY2014 Est.	FY2015 Est,
A/P Invoices Processed Monthly (Avg)	671	704	761	750	750
Non-Payroll Checks Issued Monthly (Avg)	207	185	191	185	185
Auditor Review Comments Received/Addressed	0/0	0/0	1/1	0/0	0/0
No. Void/Rewritten Payroll Checks/Month	.25	0	.25	.25	.25
Paid Overtime Hours	31.5	38.5	25	30	30
Budget Amendments Prepared	313	219	336	300	300
Staff Outside Training Sessions	4	6	5	8	7

FUNDING LEVEL SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Audit				
Other Operating	\$ 43,967	\$ 45,286	\$ 43,245	\$ 43,500
Total Audit	43,967	45,286	43,245	43,500
Finance				
Personnel	343,732	347,395	334,130	340,373
Supplies	3,538	4,448	4,050	4,250
Other Operating	36,372	16,623	21,865	13,985
Expenditure Credits	(2,379)	(3,000)	(2,500)	(2,500)
Total Finance	381,263	365,466	357,545	356,108
Finance Dept. Total	\$ 425,230	\$ 410,752	\$ 400,790	\$ 399,608
Expenditure as a % of Total	2.47%	2.34%	2.28%	2.23%

Department of Finance Organization Chart



HUMAN RESOURCES DEPARTMENT Fiscal Year 2014-2015

Mission Statement: The Human Resources Department is committed to support the goals of the City and its departments by providing all employees and its retirees with excellent service, while maintaining the highest standards of integrity, leadership, innovation, knowledge, efficiency, and honesty.

Department Summary

The Department oversees the following functions or assignments:

1. Recruitment – Responsible for the City’s employment program, which includes the responsibility for preparing job advertisements, providing screening and background verification checks, pre-employment testing, as well as the orientation process.
2. Labor Relations – Represents the City in collective bargaining, contract administration, contract interpretation, conflict resolution, grievances, and discipline. Investigates and advises Department Heads on employee discipline issues, harassment issues, and other employee issues.
3. Wage and Salary Administration – Administers the City’s wage and salary program, including conducting salary surveys to ensure that the City remains competitive in the employment market. Responsible for job analysis, job evaluation (new and existing jobs) and serves as a member of the City's job reclassification committee.
4. Policies and Procedures – Responsible for the development and interpretation of City policies and procedures in order to ensure compliance, including implementing changes adopted by the Council. The City is also mandated to have certain policies and programs in effect protecting the rights of workers, i.e., OSHA compliance, COBRA compliance, Fair Labor Standards Act, Employee Right to Know, HIPAA compliance, Bloodborne Pathogens, just to name a few. Research personnel laws and regulations to determine the implications for the City.
5. Personnel Records – Maintains personnel management information systems, records retention, and employment statistics.
6. Benefits Administration – Responsible for administering the employee and retiree insurance benefit programs, which includes medical, drug, dental, life, unemployment insurance, workers’ compensation, and disability, as well as meeting with carriers on the more unusual or complex issues and responding to questions regarding employee benefits.

7. Health and Safety – Responsible for overseeing loss control, employee safety and health, accident prevention, wellness programs, counseling and employee assistance programs.
8. Training and Development – Responsible for employee training programs related to human resources, employee relations, and management issues.
9. Agent for the Civil Service Commission as it relates to the employment process.

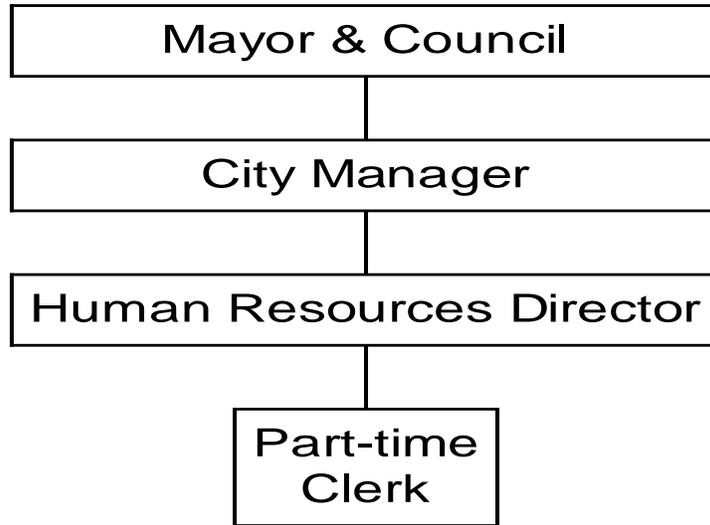
ACCOMPLISHMENTS FOR FY 2013/2014

- Two successful collective bargaining agreement extensions expiring on 12/31/15 with POAM/Police & COAM/Command Unit.
- Successful revision and update of the City's Title VI Non-Discrimination Plan.
- Planned and coordinated a successful employee recognition luncheon and employee/retiree flu clinic.
- Successfully administered the recruitment & testing of 7 new hires and/or internal promotions.
- Successful administration of the City's Medicare Part D – Retiree Subsidy reimbursement program.
- Development, implementation and administration of the City's HIPAA, Driver's License, and Employee Parking policies.

GOALS FOR FY 2014/ 2015

- Provide leadership and guidance in the continued development, implementation and administration of policies & procedures.
- Invest in professional development programs to improve leadership capabilities, job skills, and employee productivity.
- Continue to be proactive in addressing employment issues by offering regular training and consultations with employees, supervisors, and managers.
- Continue to advise management on employment law and employee relation issues.
- Update the City's classification and compensation programs.
- Successfully negotiate contract re-openers with IAFF/Local 326, Teamsters/Local 214, COMEA Unit I and COMEA Unit II.
- Continue to streamline our HR processes in order to decrease costs and improve service to offer flexible, user-friendly and integrated systems, including the expanded use of employee self-service.
- Continue to promote employee safety through education, training and compliance.

HUMAN RESOURCES DEPARTMENT
ORGANIZATIONAL CHART



ACTIVITY MEASURES – INDICATORS

	Projected FY 12/13	Actual FY 12/13	Projected FY 13/14	Projected FY 14/15
Performance Indicators				
<i>Job Openings – Internal/External</i>	8	13	7	8
Full Time Employees Hired	8	13	7	8
Applications For Open Positions	90	57	63	75
Reclassification Requests Received	3	1	2	3
Job Descriptions Up-Dated	5	3	6	8
Police/Fire Promotional Test	3	2	1	1
Labor Contracts Negotiated	0	0	2	4
Labor Contracts Negotiated in #312	0	0	0	0
Labor Grievances Processed	10	7	10	9
Grievances Arbitrated	2	0	2	2
Employee Turnover % of Total Budgeted Positions	4.9%	2.4%	8.9%	5.0%
Retirements % of Total Budgeted Positions	4.9%	4.1%	2.4%	2.4%
% Minorities in Work Force	2%	3%	3%	3%

FUNDING LEVEL SUMMARY

	Actual FY12-13	Requested FY13-14	Projected FY13-14	Requested FY14-15
Personnel	\$129,568	\$112,386	\$112,178	\$113,934
Supplies	\$3,148	\$3,950	\$3,950	\$3,950
Other Operating	\$152,250	\$169,626	\$164,962	\$122,359
Total	<u>\$284,966</u>	<u>\$285,962</u>	<u>\$281,090</u>	<u>\$240,243</u>
 Expenitures as a % of the General Fund	1.66%	1.60%	1.60%	1.34%

ENGINEERING DEPARTMENT

Engineering Department Administration Program

The primary responsibility of the Engineering Department is to plan and maintain the City's infrastructure system to protect the safety, health, and welfare of its citizenry. The Department implements the Capital Improvements Program for the City's vital infrastructure including streets, water mains, sanitary sewers, storm sewers, parking lots, bridges, dams, retaining walls, and airport and park facilities. The Engineering Department also provides technical support and responds to the needs of the Mayor, City Manager, City Council and many City Departments. The support to the City Council includes scheduling and implementing activities that provide for the Council's goals and objectives to be met. Any petitioned or City Council ordered special assessment improvements are also implemented by the Department. Historically, the Engineering Department has provided a full range of surveying, computer-aided drawing preparation, design, bidding, and inspection for all of our core activities. However, as full-time staffing levels decline due to budget restrictions and attrition losses, it is becoming more difficult to maintain a full range of technical competence and available flexibility during peak periods, so some private consulting assistance is used when needed during peak seasons.

The Engineering Department also prepares and updates the various standards and specifications that affect the City's infrastructure. This information is provided to the general public and developers and then the Department follows through with inspection activities to confirm adherence to these regulations. This includes not only projects within the City limits, but also developments in Frenchtown, Monroe, Raisinville, Ida, and Exeter Townships that utilize the City's water distribution or sanitary collection systems.

Activities are performed to permanently maintain and back up vital records of the City's infrastructure and to respond to inquiries of the general public and potential developers. All utility record drawings have been linked up to the City's Geographic Information System (GIS), which is now available to the public through the City's web page and is maintained by the Department, and are included in the City's LaserFiche document retrieval system, both of which can be accessed by all computers on the City's network. The GIS, which is constantly updated by the department, can produce customized aerial mapping in conjunction with layers such as water mains, sanitary and storm sewers, and property information. All infrastructure record information is provided to prospective developers, builders, consulting engineers and other interested parties for future development considerations.

Engineering Department Description

The Engineering Department Director, two Engineering Technicians, and CAD-GIS Section Leader all have offices in the first floor of City Hall, and workstation area is also provided for the Departmental Aide, CAD Operator / Inspector, and

Survey Crew Leader. In 2008, the Engineering Department was merged administratively with the Public Services Department, in that the Department Director position is now being shared and former Engineering personnel have filled key supervisory roles with the Public Services Department. This arrangement appears to be beneficial over the long term, and is expected to continue indefinitely. Further, some Engineering personnel have been trained as backup “on call” supervisors within the Public Services Department, adding flexibility to that function as well.

The proposed budgeted staffing level is six (6) employees, plus the Department Director’s position, which is shared with Public Services. To supplement full-time operations, the Engineering Department has been partnering with the University of Toledo, and has generally hired an intern most semesters. These part-time staffers are assisting with drawing preparation, the survey crew, and minor project inspection as their skills allow. In conformance with the Operational Assessment report in 2007, the Department has reduced its full-time staffing level from 10.5 positions in 2004 to 6.5 positions at the present time, and it is believed that this level is sustainable for the foreseeable future based on typical project loading. Based on overall City clerical needs, the Departmental Aide has been providing services to other departments from time to time as needed. Further facilitating clerical redundancy and efficiency, the Public Services Departmental Aide was relocated to City Hall in 2010, and both clerical positions now cover public interface functions for both departments.

From 2008 to 2011, the project loading, especially water main replacement work, was so high that consulting firms were tapped to assist occasionally with design activities, and regularly with inspection, often with multiple contract individuals used at a time. This has historically been a very cost-effective solution that has enabled substantial staff attrition while still completing a very high level of projects, as the key City staff has still been able to focus attention on their project management and surveying priorities, using them for higher-level duties as their skills allow. For the foreseeable future, it is likely that consulting firms will still be tapped for specialized expertise and for extensive projects where reliance on solely City staff would demand a disproportionate amount of time and effort and would detract from other projects. However, the present internal staffing level is believed to be appropriate for the routine street, infrastructure, and utility work that is normally funded in any given year, and at present still allows the City to retain a significant amount of valuable expertise and experience in key areas.

The Department is equipped with six (6) computer stations tied into the City Hall computer network, and all but one are set up as AutoCAD stations to be used for project design purposes and as-built drawing preparation. The Department also has the City’s license for ArcGIS, used to edit the City’s GIS. A 2009 purchase of a Hewlett-Packard 4520 printer / copier / scanner that will accept up to 42” media has proved very essential for efficient operations, as drawings can now be scanned in-house for permanent storage, and reproduction is done much quicker

than before. A Hewlett-Packard DesignJet 500 plotter is also utilized to provide for backup purposes, as it is also compatible with the new unit as well. The Department possesses electronic total station surveying equipment, transits, level, level rods, and other miscellaneous equipment to perform all of the field surveying. The Department purchased a new data collector in 2009, and a new AutoCAD / survey interface software package, since the department now annually updates its AutoCAD licenses to the current version for maximum efficiency.

The Engineering Department office area is the primary storage location of all of the City infrastructure records. All construction drawings and all document files are stored in the Department, and a fire proof file cabinet is located in the Engineering Department to provide a backup storage facility for some critical as-yet unscanned documents. The Engineering Department also has space within the Department of Public Services building to house all of the testing equipment used to assure that the City specifications are being met. The Department's survey stake supply, concrete testing equipment, aggregate testing equipment, and overflow project file storage are housed in this facility. Recently, departmental clerical personnel have begun what is expected to be a lengthy project to scan all project files into the City's LaserFiche document retrieval system, which is heavily used by the Department. Once completed, the vast majority of older paper files can be discarded, freeing up needed space in City Hall.

The Engineering Department is a general fund department, however, survey, design, and inspection time are charged to projects from the various City and Enterprise funds. In general, 15% of a project's construction costs will be spent on Engineering activities, though this varies based on the size and complexity of the project. In some years past there has been a subsidy of more than 50% of the Department's Expenditures from the City's General Fund, however, this has been substantially reduced in recent years, as the staffing level has gradually decreased while the annual project loading has remained relatively constant or even increased in many years. Starting with the 2010-11 budget year, the Director's time has been allocated to some projects as appropriate as well, and it is hoped that the General Fund subsidy can be decreased even further, though some of the capital project budgets will need to be increased to account for these charges.

Engineering Department Goals, Accomplishments, and Shortfalls

Since the Engineering Department's primary mission is to implement the City's funded Capital projects, the Department can said be to successful insofar as it is able to complete all funded projects within the time frame desired by the City Council. It should be recognized, however, that overall City funding constraints do not allow for the maintenance of roadway and storm sewer projects on recommended schedules, so even carrying out all of the projects within a given year is often inadequate for the City's ideal long-term needs. The Water

Department has recently completed an aggressive plan to replace or rehabilitate a large number of their mains, and the Wastewater Department is expecting similar activities with the City collection system following its plant rehabilitation over the next few years. It is hoped that both utilities will continue replacing their facilities on a regular schedule for the foreseeable future in order to follow recommended capital facility replacement schedules.

During calendar year 2013, the Engineering Department again successfully implemented the City's Capital Improvements Program as budgeted by the City Council. The City also continued its street maintenance program in 2013, which focuses largely on crack sealing and / or slurry sealing all roadways that were last resurfaced in the past twenty (20) years, in order to keep as many roadway surfaces in good shape as possible. This contract included some minor patching, including water main and sanitary sewer-related repairs. These maintenance-type activities are all important to prolonging the life span of the City's street system, especially when funding is inadequate to address the full City-wide funding needs for full replacement or resurfacing.

2013 saw the value of City construction contracts of totaling \$6.125 million. The two largest of these were administered and inspected by consulting firms, with the first being the Macomb Street Bridge replacement (funded through the City's bridge millage) that was completed in 2013. The second project is nearing completion and is funded through the Great Lakes Restoration Initiative to promote fish passage and spawning, consisting of modifications to two low-head dams, the Waterloo Dam, and Grape Dam.

The remaining \$4.6 million in construction consisted of a variety of different types of infrastructure projects, including some that involved the completion and carry-over of some work from contracts originally awarded in 2012 and earlier, including new projects that were sometimes added to older contracts as change orders for timing and cost reasons. Space prohibits listing all projects individually, but the following table represents the construction contracts administered by the Department, and dollars expended in 2013. In some cases, particularly on older contracts, the dollar amounts listed reflect payment of monies retained until final completion only, and not necessarily any construction actually occurring in 2013, but in prior years. The vast majority of the remaining work was designed, inspected, and administered internally by Engineering Department staff.

2013 Construction Contracts

Contract Name	2013 Work
Macomb St. Bridge Rehabilitation	\$ 842,343.93
River Raisin Dam Remediation - Ph. 2	\$ 678,627.43
2013 Water Main Repl. Prog. - Loc. A	\$ 674,376.86
N. Dixie Highway Resurfacing (MDOT)	\$ 651,632.47
Dunbar Road Water Main Replacement	\$ 647,250.47
2012 Concrete Paving Program	\$ 446,068.74
2012 Sanitary Sewer Rehabilitation Prog.	\$ 250,058.00
2013 Curb Replacement & Resurfacing	\$ 242,004.53
2013 Water Main Repl. Prog. - Loc. B	\$ 203,628.34
River Raisin Dam Remediation - Ph. 1	\$ 199,765.35
MCC A & B Replacement	\$ 192,897.00
Building Improvements - ALCC	\$ 148,730.61
Monroe Street Water Main Replacement	\$ 130,900.17
2012 Downtown Sidewalk Repl. Program	\$ 97,227.63
2013 Bituminous Pavement Maintenance	\$ 89,886.04
2013 Sidewalk Replacement Program	\$ 84,426.64
MWTP Filter Chamber Rehabilitation	\$ 84,128.20
Maybee Elevated Tank Repainting / Rep.	\$ 70,400.00
Fiber Optic Backbone	\$ 63,228.60
Detroit Avenue Reconstruction	\$ 51,953.91
Munson Park Ball Diamond Restroom R.	\$ 43,659.00
2010 Sanitary Sewer Rehabilitation	\$ 41,646.23
Lighting Modifications - Navarre Library	\$ 38,397.84
P.A.P. Pump Addition - Phase One	\$ 38,099.85
2011 Curb Replacement / Resurfacing	\$ 24,412.75
2012 Resurfacing Program	\$ 18,896.88
RR AOC - Sterling Island Restoration	\$ 18,315.00
2012 Sidewalk Replacement Program	\$ 13,905.65
W. Front / S. Monroe Parking Lot	\$ 13,242.30
Franklin Street Water Main / Pymt. Rec.	\$ 8,675.00
Glendale Ct. / Gee Dr. Utility / Paving	\$ 8,503.24
W. Front St. Reconstruction	\$ 7,980.87
Totals	\$ 6,125,269.53

Among the larger contracts this year were replacement of water mains on North Telegraph Road, West Dunbar Road, Borgess Avenue (including its extension through St. Joseph Cemetery), and Monroe Street. Our largest roadway project was the Federally-funded resurfacing of North Dixie Highway, which included a reconfiguration from 4 to 3 lanes and other enhancements funded through a supplemental discretionary Federal grant. As usual, the City administered a contract for sidewalk replacement, and replaced several downtown corners in stamped concrete. The 2012 Concrete Paving Program was extended into 2013 and included full reconstruction of Lavender Street between Calkins and Hendricks, as well as a number of other smaller projects, and the 2013 Curb Replacement and Resurfacing Program included work on Cass Street, East Second Street, and Maple Boulevard. A separate contract for both water main replacement and resurfacing was awarded for Western Avenue, Huron Street,

Western Court, and Custer Court, but work was postponed until spring 2014 due to late season weather concerns. As per normal, there were also a variety of smaller projects, including some facility work as well. All in all, the Department was highly successful again in 2013 in continuing to manage a high project loading.

Like the previous few years, the principal shortfall of the Department relates to the ever-increasing numbers of drawings and files that must be added to the City's infrastructure record. Great strides have been made in the permanent record-keeping procedures due to the ongoing development of the GIS and document and drawing scanning projects, although the ongoing challenge will be the ability of the Department to ensure that all documents are added on a yearly basis. Fortunately, clerical staff is now beginning to address this issue, with hopes that significant progress can be made in the next year.

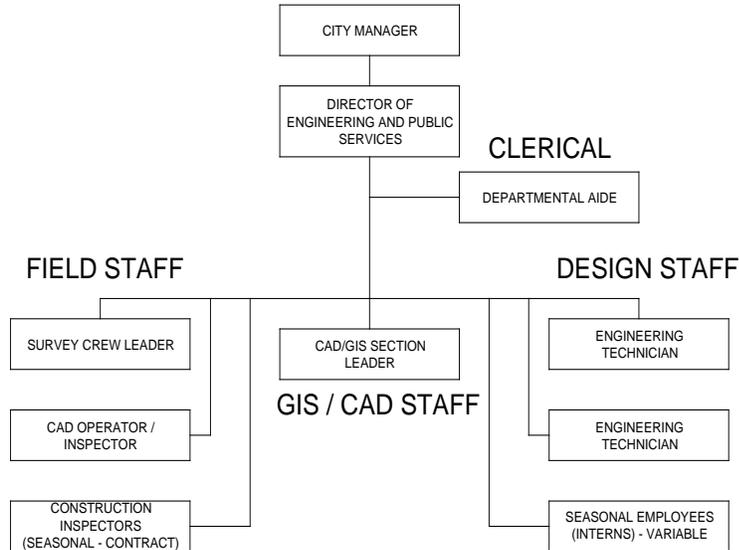
FUNDING LEVEL SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Personnel	\$ 724,576	\$640,852	\$ 648,480	\$ 647,518
Supplies	11,378	12,544	12,400	12,300
Other Operating	49,783	53,998	65,752	65,005
Operating Total	785,737	707,394	726,632	724,823
Expenditure Credits	(459,482)	(419,855)	(466,910)	(420,500)
Total	\$ 326,255	\$ 287,539	\$ 259,722	\$ 304,323
 Expenditures as a % of the Total General Fund	 1.90%	 1.64%	 1.48%	 1.70%

ENGINEERING DEPARTMENT ACTIVITY MEASURES - CALENDAR YEAR

Performance Indicator	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Estimate
Site Plan Reviews	73	45	42	38	29	40
Contracts Awarded	18	20	11	14	16	12
Contract Value (\$Millions)	\$7.156	\$8.506	\$6.536	\$9.087	\$6.125	\$5.000
Special Assessment Districts	1	0	1	3	2	1
Engineering & Inspection Fees	\$408,309	\$541,547	\$611,996	\$511,446	\$414,078	\$480,000
Private Developments Monitored	1	1	0	1	1	1
Parking Lot Program Projects	0	0	0	2	0	0
Streets Resurf., Curbs Repl.(mi.)	1.66	2.67	2.16	1.98	1.50	2.28
Miles of Streets Crack Sealed	3.60	2.37	1.91	1.22	5.46	3.00
Miles of Streets Slurry Sealed	0.28	0.48	0.33	0.32	0.58	0.50
Miles of New Streets Added	0.61	0.00	0.00	0.00	0.00	0.00
Total City Street Mileage	82.72	82.72	82.72	82.72	82.72	82.72
Water Mains Replaced (miles)	3.82	4.20	5.71	0.58	2.71	1.25
Water Mains Rehabilitated (miles)	1.85	0.59	0.00	0.00	0.00	0.00
New Water Mains Installed (miles)	14.70	0.82	0.14	16.25	8.49	2.00
Total City Water Mains (miles)	351.15	351.97	352.11	368.36	376.85	378.85
Sanitary Sewer Rehab. (miles)	0.33	2.46	0.66	2.16	0.61	0.50
New Sanitary Sewers (miles)	6.16	0.48	0.00	0.14	0.00	0.15
Total City Sanitary Sewers (miles)	240.21	240.69	240.69	240.83	240.83	240.98
Storm Sewers Replaced (miles)	0.09	0.10	0.05	0.01	0.00	0.10
Storm Sewers Installed (miles)	0.00	0.00	0.00	0.05	0.21	0.15
Total City Storm Sewers (miles)	60.90	60.90	60.90	60.95	61.16	61.31
Squ. Ft. of Sidewalk Replaced	86,354	23,911	19,008	32,565	20,150	22,000
Squ. Ft. of New Sidewalk	18,500	2,083	4,677	3,892	0	2,000
Mileage of all City Sidewalks	171.59	171.69	171.91	172.25	172.25	172.25

ENGINEERING DEPARTMENT ORGANIZATIONAL CHART



PUBLIC SAFETY DIVISION

POLICE DEPARTMENT

MISSION

The mission of the Monroe Police Department is to protect the freedom and safety of the residents of Monroe and its visitors by preventing crime and disorder and ensuring the safe efficient flow of traffic.

The members of the Monroe Police Department carry out this mission in a fair and unbiased manner that respects the rights of the individual and encourages an open partnership with the law-abiding citizens of Monroe. Our approach to policing adheres to Sir Robert Peel's Nine Principles of Policing, which are included herein.

- The basic mission for the police department is to prevent crime and disorder.
- The ability of police officers to perform their duties is dependent upon public approval of police actions.
- Police must secure the willing co-operation of the public in voluntary observance of the law to be able to secure and maintain the respect of the public.
- The degree of cooperation of the public that can be secured diminishes proportionately to the necessity of the use of physical force.
- Police seek to preserve public favor, not by pandering to public opinion, but by constantly demonstrating absolutely impartial service to law, in complete independence of policy, and without regard to the justice or injustices of the substance of individual laws; by ready offering of individual service and friendship to all members of the public without regard to their wealth or social standing; by ready exercise of courtesy and friendly good humor; and by ready offering of individual sacrifice in protecting and preserving life.
- Police use physical force only when the exercise of persuasion, advice and warning is found to be insufficient to obtain public co-operation to an extent necessary to secure observance of law or to restore order; and to use only the minimum degree of physical force which is necessary on any particular occasion for achieving a police objective.
- Police, at all times, should maintain a relationship with the public that gives reality to the historic tradition that the police are the public and the public are the police; the police being only members of the public who are

paid to give full-time attention to duties which are incumbent on every citizen in the interests of community welfare and existence.

- Police must recognize always the need for strict adherence to police-executive functions, and to refrain from even seeming to usurp the powers of the judiciary of avenging individuals or the state, and of authoritatively judging guilt and punishing the guilty.
- The test of police efficiency is the absence of crime and disorder, not the visible evidence of police action in dealing with it.

THE DEPARTMENT

The Police Department provides a 24/7 service to the residents of Monroe through an authorized staff of forty three sworn officers and four general fund civilian full-time employees. Currently thirty three officers are cross trained as fire fighters. All new officers hired will also be cross trained as firefighters with a goal of the entire Department being cross trained as PSO's.

The department's fleet of vehicles consists of fifteen marked patrol units, three of which are four wheel drive, five unmarked administrative and investigative cars, and one Explorer for prisoner transports. The department also has four marked police motorcycles that are used for regular patrol functions. The Department also utilizes a Polaris Ranger 6 person side by side 4x4 for off road and border patrol functions. Located in the combined city/county Law Enforcement Center, the department's records hours are weekdays 6:00 AM to 5:30 PM, and Saturdays 8:00 AM to 2:30 P.M. Dispatch services are provided by Monroe County Central Dispatch.

MAJOR CRIME ANALYSIS

	04	05	06	07	08	09	10	11	12	13	Avg.
Murder	0	2	4	3	1	0	0	0	1	1	1
Rape	31	21	35	22	37	27	40	32	33	36	31
Robbery	12	14	10	22	27	18	33	25	27	24	21
Aggravated Assault	55	61	80	44	54	53	69	59	63	57	61
Burglary	155	114	125	153	211	170	231	253	250	171	183
Larceny	516	512	410	496	509	511	413	574	516	441	490
Auto Theft	54	55	43	54	39	28	51	40	34	40	44
Arson	9	7	4	9	10	5	8	5	8	9	7

Note – For this table, rape is defined as all CSC's that include penetration or forcible contact.

PERFORMANCE MEASURES

Measure	Actual	Actual	Actual	Actual	Actual	Projected
	2009	2010	2011	2012	2013	2014
Original Complaints	19,075	19,656	19,248	19,200	20851	21,221
Supplemental Complaints	541	672	522	611	852	884
Complaints	19,616	20,328	19,770	19,811	21,703	21,945
Traffic Citations	2,151	1,918	1,669	1,688	2,533	2,895
Traffic Warnings	1,320	1,230	902	1,114	1,815	1,900
Traffic Contacts	3,471	3,148	2,571	2,802	4,348	4,560
Parking Citations	5,975	8735	6352	6811	6472	6,869
OUIL Arrests	99	101	79	119	108	123
All Arrests	1,039	1,032	1,045	1,055	1,109	1,156
Roadway Accidents	651	587	617	611	578	609
Private Property Accidents	166	127	144	152	135	145
Hit & Run Accidents	62	54	55	86	74	66
Traffic Accidents	879	768	816	849	787	820
Subpoena's Served	1,023	1,100	1,091	1,097	1,043	1,071
Writs/Transports	40	42	52	48	41	45
Gun Permits	373	394	455	597	521	582
Miles Patrolled	292,133	276,063	263,474	280,812	310,287	312,443
Training Hours Per Officer	102	103	100	102	102	102

Note- crime analysis and performance measurements are based on calendar years to allow for the accurate compilation of current year statistics.

MAJOR CRIME CLEARANCE RATE

2004	55%	<p>The clearance rate basically translates to the percentage of cases solved by the police. Crime can be cleared by arrest or by exceptional means. A crime is cleared by arrest when the offender is arrested, charged with the commission of the offense, or turned over to the court for prosecution. A crime is cleared by exceptional means when the police identify the offender, gather enough evidence to support an arrest, and know where the offender is but for reasons outside law enforcement's control cannot arrest or prosecute the offender. A murder suicide would be an example of a crime that would be cleared by exceptional clearance.</p>
2005	51%	
2006	54%	
2007	52%	
2008	52%	
2009*	36%	
2010*	36%	
2011*	38%	
2012*	37%	
2013*	38%	

*A review of Exceptional Clearance criteria & discussion of this criteria with State Auditors in June 2010, revealed tighter constraints for the Exceptional Clearance classification than had been accepted in previous years. These tighter

constraints are reflected in the noticeable percentage change from 2008 forward.

ACCOMPLISHMENTS AND SHORTFALLS

A major accomplishment for FY 13/14 was the training of two additional officers as firefighters and Medical First Responders. This training was done as a continued effort to further enhance the Departments response capabilities and in conjunction with the Public Safety initiative and bringing the total number of cross trained officers to thirty five. Cross trained officers (PSO's) are now routinely responding to fire calls and actively participated on the fire ground fighting fires. The PSO'S continue routine training with officers from the MFD. The Department has also hired an additional three officers, two who will also be crossed trained as PSO's, and one who is already a State Certified Fire Fighter, adding to the compliment.

FY 2013/14Goals

A continued goal for the department in FY 13/14 will be to further enhance its accustomed excellent level of service by the continued Public Safety initiative. This will be done by continued education and training of staff and through continued monitoring of operations and adjusting these operations as we move forward to maximize efficiency and our service model to the public.

FIRE DEPARTMENT

MISSION STATEMENT

Our mission is to protect life and property while minimizing suffering and damage due to fire, medical and environmental emergencies. We are dedicated to protecting the lives and property of the citizens of Monroe through public education, code enforcement and incident management.

FIRE ADMINISTRATION

The Chief's office is responsible for maintaining and coordinating Fire Suppression, EMS, Hazardous Materials, Maintenance and Fire Inspection Divisions. The Chief directs the planning, development and implementation of all department programs. The Chief ensures the latest techniques and methodologies are incorporated into our standard operating procedures to ensure the department provides the finest in public education, code enforcement and incident management. The Chief's office oversees the collection and maintenance of employee, payroll, training and vehicle maintenance records. The Chief conducts meetings with his staff and attends biweekly Department Head meetings. The Chief administers discipline and assures compliance to all Department and City policies. The Chief ensures compliance with Federal, State

and local laws and acts as a liaison to other governmental agencies. The Chief maintains a safe work environment for department employees and a safer community for the citizens of Monroe.

FIRE SUPPRESSION

The primary function of the Fire Suppression Division is to save lives and property and minimize suffering due to fire and environmental emergencies. Suppression personnel function under the National Incident Management System to effectively manage all emergency incidents utilizing available resources.

Three shifts operate under the direction of a Shift Commander to perform fire suppression, emergency medical response, and hazardous materials response, rescue operations at vehicle accidents, emergency management of floods, tornadoes and downed wire incidents. Suppression personnel provide mutual aid to surrounding communities upon request.

The Suppression Division strives to provide the best protection attainable by reducing hazard risk and fire loss, thus, making our community a safer place for our families, friends, homes and businesses.

EMERGENCY MEDICAL SERVICES

Department personnel provide Paramedic Advanced Life Support services in a non-transport capacity.

TRAINING

The Training Division is responsible for monitoring all Federal, State and local mandated training requirements. They develop, coordinate, and facilitate all department training which includes disaster planning, fire strategy and tactics, hazardous materials mitigation and State mandated continuing education for division Paramedics, EMT's and MFR's. The department provides training to the 33 Public Safety Officers who are responding to fire and other emergency incidents.

INSPECTION DIVISION

The Inspection Division oversees fire prevention, public education, fire code inspection and enforcement. Fire Inspectors interact with the suppression division serving as technical specialists. They review site plans for new and existing buildings and fire control systems.

The Inspectors have the responsibility to inspect for and enforce adopted State and local fire codes, standards and ordinances that provide for fire safety in public occupancies located within the City of Monroe. They conduct inspections of high hazard buildings such as schools, public and private, public assemblies and locations where large loss of life and property could occur.

They are responsible for the creation, administration and evaluation of all public education activities.

MAINTENANCE DIVISION

Maintenance Division personnel inspect and maintain fire apparatus, self contained breathing apparatus and equipment utilized on the fire ground. Maintenance personnel maintain equipment for the upkeep of buildings and grounds, station emergency generators and vehicle exhaust removal systems. They oversee annual pump testing, hose testing and maintain records for all maintenance, pump testing, and breathing apparatus records.

DEPARTMENTAL ACCOMPLISHMENTS

Emergency Medical Services (EMS) continues to be our largest service to the community. Our EMS call volume accounts for 80 percent of our emergency response.

Public Safety Administration continues to maintain the mandates of the National Incident Management System. This involves training for all street level first responders and advanced training for all management level personnel who may be involved in the management of an incident.

Partnerships with neighboring jurisdictions and regional response teams will be looked at for additional resources in 2014/2015.

A major initiative continues in community risk analysis. After assessing water supply, and gathering available building information, Engine Company pre-fire inspections are updated to better acquaint firefighters with hazards in our community. This information is readily available on vehicle mounted laptops for access during an emergency.

Water/Ice rescue training continues to improve our response capability. Partnerships with local automatic aid response teams are now in place for water rescue emergencies.

In compliance with Federal, State, and Local laws we continue to receive information about hazards being stored and transiting through our community. Fire personnel maintain this current information within our database. Recent software program updates track response information for fire and EMS response, personnel information, training and maintenance records.

To facilitate interoperability with other response agencies such as law enforcement, EMS and Emergency Management the Monroe Fire Department has installed laptop computers with computer aided dispatch (CAD) software. This state of the art equipment allows the responding apparatus to see the location of the incident, cross streets, and any information Central Dispatch adds to the call in real time. The computers facilitate field viewing of the City's GIS system, hazmat reference guides, hazmat plume mapping and internet access for real time Doppler radar and resource guides for incident management.

Firefighter safety remains the top priority for this department. A replacement program for personal protective equipment has been established with 12 new Scott SCBA's placed into service this year and plans for 6 more in FY 2014. To facilitate the addition of new Public Safety Officers, additional turnout gear is planned for 2014.

The Department has 3 Thermal Imaging Cameras for use on emergency scenes. The units allow fire crews to "see" through smoke, find the fire and locate victims. These units greatly enhance our safety and ability to find trapped civilians and Firefighters.

DEPARTMENT SHORTFALLS

An aging Central Fire Station needs to be replaced with the concept of a new public safety building, housing fire and law enforcement personnel with shared facilities. The building was erected in 1969 and is in major disrepair. Kitchen and bathroom areas are in need of refurbishing. The bedroom is uninhabitable due to roof leaks and mold issues. Additional space is required to house equipment and support staff to perform the administrative duties required for a Public Safety Department.

Performance Indicators

Activities	2010	2011	2012	2013
Post Incident Contact Activity	12	12	12	15
Staff Meetings	10	10	10	5
SOG's Reviewed	50	225	189	189
Periodicals/Journals Reviewed	80	80	48	10
Incident Reports Reviewed	400	2200	350	220
Safety Committee Recommendations/Implemented	2/4	2/4	1/2	1/1
Internal Inspections	20	20	20	15

Activities	2010	2011	2012	2013
Total Fire Department Incidents	2943	3289	3274	3360
EMS Related Incidents	2177	2588	2536	2587
Actual Fire Incidents	31	85	89	62
Alarm System Activations	186	164	195	236
Carbon Monoxide Calls	10	12	6	5

Other Incidents	539	440	448	465
Average Service Time per Structure Fire	2.5	2.5	2.09	2.5
Hours on Vehicle Maintenance	333	225	204	95
Hours on Equip. Maintenance	99	100	100	6
Maintenance Recordkeeping/Training	297	225	203	
EMS Training Hours	40	24	30	273
Hazmat Training Hours	12	12	30	108
Other Training Hours	12	12	127	80

FIRE ADMINISTRATION & SUPPRESSION

FIRE INSPECTIONS

	2010	2011	2012	2013
Initial Inspections	200	210	117	169
Follow up Inspections	100	60	40	86
Complaint Investigations	25	25	1	2
Fire Investigations	20	20	7	11
Inspector Training	15	15	20	21
Plan Reviews	12	12	24	2
<u>Station Visitor Tours</u>				
Fire Safety Program Reached	3000	3000	3000	3000
Pre- School Program Participants	250	250	250	250

GOALS

Increase public education programs

Objective: Increase the number of school age children reached by our Fire Safety programs with a target number of 3,500. Establish an educational program for presentation to the elderly community for the prevention of falls and general fire safety.

Response and mitigation

Objective: Establish additional automatic mutual aid agreements with our neighboring communities for safety and efficiency.

Community risk analysis

Objective: Compile data on water supply, building construction, building layout and hazards within our community. Develop a database for on scene utilization during incident management.

Inspect all commercial buildings annually.

Continue training for fire officers and new PSO's

Objective: Budget overtime and find training programs for new officers and PSO's.

Replacement of the Central Fire Station

Objective: Purchase property for the construction of a new public safety building housing fire and law enforcement personnel with shared facilities and operations.

FUNDING LEVEL SUMMARY				
	Actual	Budget	Projected	Requested
	FY12-13	FY13-14	FY13-14	FY14-15
Police Operating				
Personnel Services	\$ 5,125,165	\$ 5,405,277	\$ 5,383,157	\$ -
Supplies	50,699	63,171	62,463	62,380
Other Operating	346,245	362,540	507,422	502,358
Capital Outlay	26,857	20,000	20,000	20,000
Total Police	5,548,966	5,850,988	5,973,042	584,738
Police Training-State Funded				
Other Operating	\$ 4,635	\$ 8,000	\$ 8,000	\$ 8,000
Liquor Law Enforcement-State Funded				
Supplies	\$ -	\$ 2,300	\$ 2,300	\$ 1,800
Other Operating	4,056	13,200	13,200	13,200
Capital Outlay	-	-	-	-
Total Liquor Law Enforce.	4,056	15,500	15,500	15,000
Public Safety Division Personnel				
Personnel Services	\$ -	\$ -	\$ -	\$ 8,568,895
Fire Operating				
Personnel Services	\$ 2,751,732	\$ 2,962,196	\$ 2,906,239	\$ -
Supplies	86,106	59,896	59,896	60,100
Other Operating	118,379	119,243	168,518	174,918
Capital Outlay	35,831	46,000	46,000	46,000
Total Fire	2,992,048	3,187,335	3,180,653	281,018
Total Public Safety	\$ 8,549,705	\$ 9,061,823	\$ 9,177,195	\$ 9,457,651
Expenditures as a % of the Total General Fund	49.66%	51.54%	52.31%	52.88%

DEPARTMENT OF PUBLIC SERVICES

Department of Public Services Operations

The Department of Public Services (DPS) is responsible for a wide range of maintenance services throughout the City. These services include year-round street maintenance and winter operations, traffic signals and signs, storm sewers and drains, trees and floral displays, parks and grounds, administration and maintenance at Custer Airport, oversight of the refuse collection, parks maintenance, and lawn maintenance contracts, fleet maintenance, and maintenance of City parking lots. Additionally, DPS forces maintain City alleys, conduct mosquito control activities when funding allows, provide support for special events and festivals, install street banners and seasonal decorations, and the Department is the City's enforcement arm for the weed and blight ordinances when corrective action is needed.

The DPS is prepared seven (7) days a week, twenty-four (24) hours a day to respond to hazardous conditions resulting from weather, accidents, fire, or other unforeseen situations. DPS Supervisors are "on call" on a rotation basis for this purpose and notified by Monroe Police Dispatch as necessary, and a voice mail system is also available for placing non-emergency service requests after normal working hours. Since fall 2012, key Engineering Department personnel have also been cross-trained in this function to ensure sufficient redundancy during emergency situations. DPS has been highly involved in the City's Action Line system on the City's web site where citizens can log service requests in online, and has been responsible for handling over 80 percent of the issues posted since its inception, usually around 2,000 each year.

Other budgeted funds that include DPS duties and functions are Major Street Fund, Local Street Fund, Refuse Fund, Parking Fund, Airport Fund, and Stores and Equipment Fund.

Department Description

DPS operations are headquartered at 222 Jones Avenue, the former Jones Transfer building. At the present time, the Department Superintendent, Operations Supervisor, and Stores and Equipment / Forestry Supervisor have offices at this location, and DPS field personnel, job leaders, equipment operators, fleet mechanics, and general labor are dispatched from the Jones Avenue location. The Jones Avenue location was closed to the public in June 2010 and the Departmental Aide was relocated to City Hall. While there was some initial negative feedback from this move, the additional clerical redundancy and efficiency gained by relocating the Public Services Departmental Aide and coordinating duties with the Engineering Departmental Aide has made the transition a positive one on balance and it is expected to continue indefinitely.

The Department possesses a variety of equipment to accomplish maintenance tasks, including dump trucks, backhoes, and front end loaders for construction

and snow removal operations; aerial work platforms, log loader, chipper trucks and wood chippers for tree maintenance; grass mowing equipment ranging from tractor mounted decks capable of mowing twenty-foot swaths to twenty-inch deck walk behind mowers; street sweepers for clearing dirt and small debris along curbs; and combination vacuum, jet rodder, and sewer cleaning truck for storm sewer and catch basin maintenance. Numerous pieces of small equipment such as pumps, generators, snow blowers, compressors, string trimmers, and blowers are also available. The Department also possesses and operates a computer capable of designing and producing signs, and this has enabled the Department to produce custom signs for a variety of uses in the City, as well as partnering with other local government agencies and non-profit organizations.

The Jones Avenue facility also houses the fleet maintenance garage. This is a full service facility with lifts, hoists, and sufficient parts inventory capable of keeping City equipment operating in all situations and at all hours. All vehicle maintenance records are on file in the garage office, and are now being tracked using the CarteGraph and JetFleet software programs. Additionally, the Jones Avenue facility is the site where residents may dispose of certain non-hazardous unwanted items not included as a part of regular refuse collection by appointment for a fee, including construction materials when associated with a City-issued building permit.

The DPS has undergone a radical transformation in staffing levels and contracted operations in the past several years. In the first half of 2008, all but one of the previous supervisory personnel retired from City service, and the Department was merged with the Engineering Department for administrative purposes. The Parks Maintenance function moved under DPS from their former reporting responsibility to Recreation, and numerous positions were eliminated through attrition. This drastic change, coupled with strategic out-sourcing of functions that are inefficiently performed by City staff, has yielded cost savings and other efficiencies for the City, and the addition of some personnel with a background in the Engineering Department have brought added professional and organizational skills to the Department.

In addition to the staff reductions that were designed to reduce the costs within DPS, nearly all grass cutting work was contracted out starting in 2008, with a five-year renewal again awarded in March 2014. This proved to result in a large cost savings as this is typically lower-skilled work and commonly available in the private sector. Beginning with the 2011 season, parks maintenance contracts were awarded, including restroom cleaning, weekly shelter cleaning, trash collection, and ball diamond preparation, though City staff was relied upon for sporadic facility and equipment repairs as needed. The present parks contracts run through 2015. The Department will continue to look for other opportunities to pursue assistance from the private sector when it appears in the City's financial best interest, while still maintaining sufficient internal staffing to provide appropriate emergency response activities when necessary.

For the 2014-15 fiscal year, the full-time DPS staffing is again proposed to consist of a shared Director with Engineering, one Superintendent in charge of day-to-day operations, Operations Supervisor, Stores and Equipment / Forestry Supervisor, and Departmental Aide plus fifteen (15) full-time Teamster personnel, for a total of 19.5 positions.

Department of Public Services Accomplishments & Shortfalls

Given the highly transitional nature of the past five years from a staff standpoint, the primary accomplishment of DPS is that there has not appeared to be a noticeable decrease in core service activities or response time to the citizenry at large. In addition, all of the recommendations contained within the 2007 City-wide Operational Assessment report have been carried out in large part, modified when it was felt appropriate, resulting in nearly a halving of the number of full time positions since 2007. In such a fashion, the Department has been able to be a trend-setter for leaner government through the combination of a more professional orientation to the supervisory staff, use of automated systems such as the CarteGraph program for force labor tracking and the electronic citizen Action Line, and out-sourcing of activities that cannot be performed as efficiently from an internal standpoint.

Perhaps the largest general shortfall, and one that continues to be difficult to manage given the available revenues, is beyond the control of the City. Since the revenues available for roadway and the associated storm drainage system cannot keep up with the expenditures needed to replace over 60 miles of storm sewer and over 2000 storm structures, maintenance activities are gradually becoming more and more intense to keep them in a serviceable condition. The Department has made great strides in the last few years in organizing the record-keeping and addressing the most chronic structures and pipes, but intense work on other structures has resulted in falling further behind on storm sewer cleaning.

Department of Public Services Operational Goals

In any given year, there are certain general goals that the Department attempts to meet as follows:

- Respond to all citizen complaints received at DPS within 48 hours
- Replace all City trees removed within two years of removal
- Respond to reported hazardous conditions within one hour of notification
- Clear Major streets of snow within eight hours after the completion of a non-emergency storm event and clear Local streets and dead ends within 36 hours of the completion of a non-emergency storm event
- Complete trimming of all City trees every ten (10) years
- Sweep each street in the City every other week from April 1 to November 15
- Maintain City storm sewer system in good operating condition with each catch basin and associated piping cleaned at least once every five (5) years
- Successfully manage contracts for refuse collection, grass mowing, and parks maintenance with a minimum of citizen complaints

DPS Goals and Objectives FY 2014-15

In addition to the on-going maintenance goals, a broader, more specific set of long-range goals were developed to aid in the vision to keep the new DPS organization moving forward. These were originally presented to the City Council in 2008 and are continually refined as objectives are met.

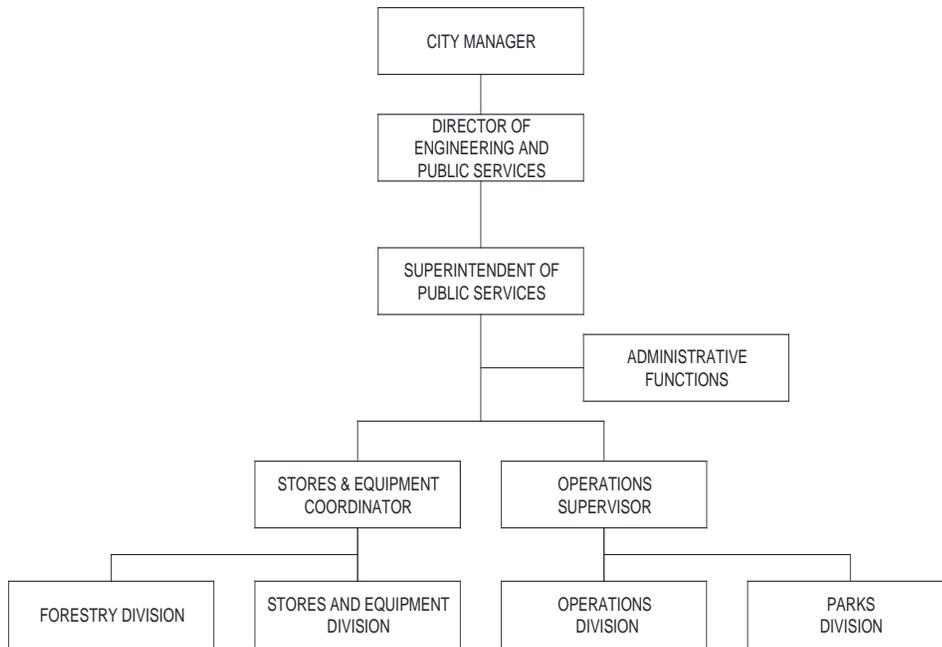
1. Fully integrate, develop, and train adequate supervisory staff for Engineering and Public Services Department – this is mostly completed, but will be continued and refined as necessary.
2. Determine Capital and Operating Facility Needs and Upgrades – this is being undertaken through capital project requests for paving of the Jones Avenue site, but more work is needed long-term to address potential roofing issues, other site layout issues, and the potential purchase of an emergency backup generator.
3. Redevelop the Stores and Equipment Section as a true enterprise-type activity – this is well underway as well, and it is felt that the changes made within the staffing level and the addition of the Police vehicles to the fleet have now addressed the structural deficit to the fund previously present.
4. Contract or Otherwise Divest Public Services of Inefficient or Costly Internal Operations – this has been done in the areas of snow hauling (DDA cost), holiday decoration installation and removal (DDA cost except skylines), grass cutting, and parks maintenance.
5. Address Backlogs in Streets Divisions and Promote Flexibility – this has been mentioned earlier in discussing present DPS shortfalls, and will certainly continue for the near future. The Traffic Control / Electrical / Facilities Division personnel and work activities were folded into Operations in January 2013, which further helps promote flexibility.
6. Create or Update Inventories of City Facilities, Integrate with Geographic Information System – this goal consists of improvements in the City's tree and sign inventories, and involves creation of landscaping plans for City parks, and inventory of disabled accessibility needs in City parks. The tree and sign inventories were funded with the 2013-14 CIP, and work is expected to begin on this task in 2014.
7. Update and Publicize Policies and Procedures – this is underway as well, as the use of the City's Action Line has highlighted many of the steps that can assist the public, and the City's snow removal policy and high grass / weed control policy are updated and published annually. Other facets are ongoing as needed. The Director is also developing a comprehensive Operations Manual for staff use, hopefully by the end of 2014.

Department of Public Services Functional Organization Chart

<p>Public Services Dept. Administration</p> <ul style="list-style-type: none"> -Prepare the Annual Public Services operating budget -Determine personnel policy in accordance with Union contracts and administrative rules and regulations. -Receive all service request calls and Action line requests and distribute to appropriate DPS division. -Monitor overall Department performance -Annual inspection of City streets, alleys, and parking lots 	<p>Operations Division Services</p> <ul style="list-style-type: none"> -Provide a safe and clean road surface for vehicular traffic -Clean and repair all drainage structures on City Streets -Perform Winter maintenance, (salting, plowing, etc.) as necessary -Pavement patching as necessary -Roadside clean up -Parking lot maintenance -Airport maintenance -Weed and blight ordinance mitigation 	<p>Operations Division Services (continued)</p> <ul style="list-style-type: none"> -Maintain electrical service to City buildings and equipment -Repair and /or replace traffic control signage as necessary -Maintenance of all traffic signals -Maintenance of downtown decorative street lights -Assist with Installation of seasonal decorations -Installation of street banners -Electrical support for special events/festivals -Perform pavement marking
---	--	--

<p>Forestry Division Services</p> <ul style="list-style-type: none"> -Plant street trees in right-of-ways of new subdivisions and in locations where trees have been removed -Remove dead or diseased trees from City right-of-ways, parks and other City owned properties -Trim trees on City right-of-ways, parks, and other City owned properties. -Plant floral displays at various City parks 	<p>Parks Division Services</p> <ul style="list-style-type: none"> -Ensure that City parks are mowed, clean, and safe. -Maintain all soccer fields, and sport courts in a safe and playable condition -Provide support services for special events/festivals held in City parks -Maintain City Monuments 	<p>Stores and Equipment Division Services</p> <ul style="list-style-type: none"> -Perform repair service for the City owned fleet of vehicles and equipment -Provide twenty-four hour "ready to serve" maintenance on snow removal and other emergency repair equipment -Perform welding, cutting, and fabrication services on variety of equipment and facilities -Maintain an up-to-date computerized inventory system
---	--	---

DEPARTMENT OF PUBLIC SERVICES ORGANIZATIONAL CHART



FUNDING LEVEL SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Operations				
Personnel	\$ 1,491,050	\$ 1,585,025	\$ 1,634,927	\$ 1,679,957
Supplies	42,966	38,900	39,250	39,100
Other Operating	701,999	614,367	728,515	688,398
Operating Total	2,236,015	2,238,292	2,402,692	2,407,455
Expenditure Credits	(813,812)	(880,770)	(1,010,173)	(928,150)
Operations Total	1,422,203	1,357,522	1,392,519	1,479,305
Forestry				
Personnel	\$ 302,201	\$ 300,000	\$ 300,000	\$ 300,000
Supplies	14,306	16,000	14,000	16,000
Other Operating	153,968	163,500	137,500	128,500
Forestry Total	470,475	479,500	451,500	444,500
Parks Maintenance				
Personnel	\$ 98,238	\$ 70,000	\$ 109,720	\$ 160,000
Supplies	7,367	7,500	7,500	7,500
Other Operating	96,775	144,733	188,800	208,000
Parks Maint. Total	202,380	222,233	306,020	375,500
DPS Total	\$ 2,095,058	\$ 2,059,255	\$ 2,150,039	\$ 2,299,305
Expenditures as a % of the Total General Fund	12.17%	11.71%	12.26%	12.86%

DEPARTMENT OF PUBLIC SERVICES ACTIVITY MEASURES

Performance Indicator	2010 Actual.	2011 Actual	2012 Actual	2013 Actual	2014 Est.
Trees Trimmed	815	1,500	950	600	1,000
Trees Removed	290	215	225	145	200
Trees Planted	148	125	125	120	150
Sweeping Curb Miles	2,400	2,400	2,400	2,400	2,400
Miles of Storm Sewers Cleaned	6	2.5	1	0.5	5
City Property Mowing (Person hours)	200	210	170	150	150
Lineal Feet of Alleyways Graded	75,000	75,000	75,000	75,000	75,000
Grass / Weed Action Line Requests Completed	892	598	642	1434	1434
Forestry Action Line Requests Completed	659	534	387	536	536
Pothole / Road Hazard Action Line Requests Completed	176	421	223	191	191
Other Action Line Requests Completed	272	282	399	270	270

BUILDING DEPARTMENT GENERAL FUND SERVICES

Code Enforcement, Facilities Management

As part of the on-going restructuring plan the Building Department moved under the oversight of the Economic and Community Development Division. The intent of this change is to create Collaborative Service Teams that can work more closely together and improve efficiencies by eliminating redundancies. The Building Official/Zoning Administrator, appointed by the City Manager, is responsible for six program areas including Building Safety, Rental Housing, Zoning Enforcement, Property Maintenance/Blight Enforcement and Facilities Management. General Fund expenditures support the Zoning Enforcement, Property Maintenance/Blight Enforcement and Facilities Management functions, while the Building Safety and Rental Housing programs are supported by an independent Building Safety Fund.

DEPARTMENT SERVICES

Property Maintenance and Blight Enforcement – The Department continues to monitor streets and public ways to identify and correct issues of deficient property maintenance and blight. A proposed staffing change starting in FY 2012-13 and continuing into FY 2013-14 created a full-time Property Maintenance and Zoning Inspector. This will be achieved by not replacing the full time Electrical Inspector position and moving to part time electrical inspector. The goal is to increase Property Maintenance and Blight Enforcement in accordance with the City Council’s Goals and Objectives. In FY 2014-15 we are anticipating a request for an additional part time Property Maintenance Inspector. This will be due to the added work load from the increase in identifying illegal occupancies and vacant properties.

Rental Housing- The Department administers, inspects and enforces the rental Housing ordinance. The Property Maintenance and Zoning Inspector will also conduct Rental Housing and Zoning inspections as part of their job duties. A part time clerical position has been added to concentrate on timely processing. This position will be working with other departments to identify non-owner occupied properties that are not registered in the Rental program.

Zoning - The Building Official acts as the Zoning Administrator for the city. The Zoning Administrator or his or her designees shall have the power to grant zoning compliance permits and to make inspections of buildings and premises necessary to carry out the duties in enforcement of the Zoning Code. Zoning Ordinance evaluations are also being conducted for trends that arise as the cities various uses and needs change. Alterations and changes are then presented to address the evolving needs.

Zoning Board of Appeals- The Department coordinates requests for appeals to the Zoning Board of Appeals. This nine member quasi-judicial body is responsible for hearing and deciding appeals of administrative decisions made in implementing the

Zoning ordinance.

Administrative Site Plan Review - The Zoning Code provides for two site plan approval processes to improve efficiency and remove unnecessary review procedures. The Zoning Administrator, Land Use Planner, City Engineer as well as the Chair of the Citizens Planning Commission sit on the Administrative Site Plan Review Committee.

Facility Management - The Department provides custodial services for City Hall and the Monroe County Community Credit Union as well as providing oversight in maintenance projects for City Hall, Arthur Lesow Community Center, and the Dorsch and Navarre Lillian Stewart Branch Libraries. The Department also manages the service contracts for the HVAC system, phone system, emergency generator, smoke/fire alarm system, and elevator.

Boards, Commissions and Committees- The department is involved in or responsible for the following:

- Zoning Board Of Appeals
- Neighborhood Conservation Committee
- Orchard East Community Awareness Group
- Administrative Site Plan Review Committee

Goals and Objectives for FY 2014-2015

Continue to Educate the Community Regarding Building Safety Issues and the Intent of City Codes.

Objectives:

1. Compile information from our customers and create handouts that inform them of the most current codes and ordinances to help with their projects and to assist with code compliance.
2. Work closely with the local news agencies to write positive and informative articles related to the departments actions and mandates.
3. Create short video presentations in conjunction with Impact Productions.
4. Install informational handouts on the City web site for easy customer access.

Improve Efficiency and Productivity of Building Inspection and Blight Enforcement

Objectives:

1. Implement new Property Maintenance and Zoning Inspector position.
2. Utilize the field inspection software and hardware (tablets) to better document and increase productivity of blight enforcement throughout the City.
3. Improve the timeliness and results of blight prevention and abatement efforts through more proactive inspection and problem identification.

4. Work with other Departments to establish information and resource materials to assist neighborhood groups in preventing and reporting property maintenance deficiencies.

Establish program for monitoring vacant and foreclosed properties

Objectives:

1. Develop and recommend a Vacant Property Registration ordinance for identifying and tracking vacant and foreclosed properties. This will be based on proven, national models that have taken the needs of all stake holders into account.
2. Implement outreach program to banks and other housing lenders to clearly communicate property maintenance requirements.

Demolition and Blight elimination

Objectives:

1. Develop a consistent and timely process for moving dangerous buildings through the demolition procedure.
2. Work with the city attorney to find ways of re-capturing our expenses related to demolition actions beyond attaching them to the property tax roles.
3. Explore FEMA Mitigation grants to help fund demolition activities in qualified areas.
4. Create a pre-qualified list of demolition and remediation contractors to shorten the time from Demolition Order to vacant land.

Continue to increase facility efficiencies at City Hall and Managed Properties

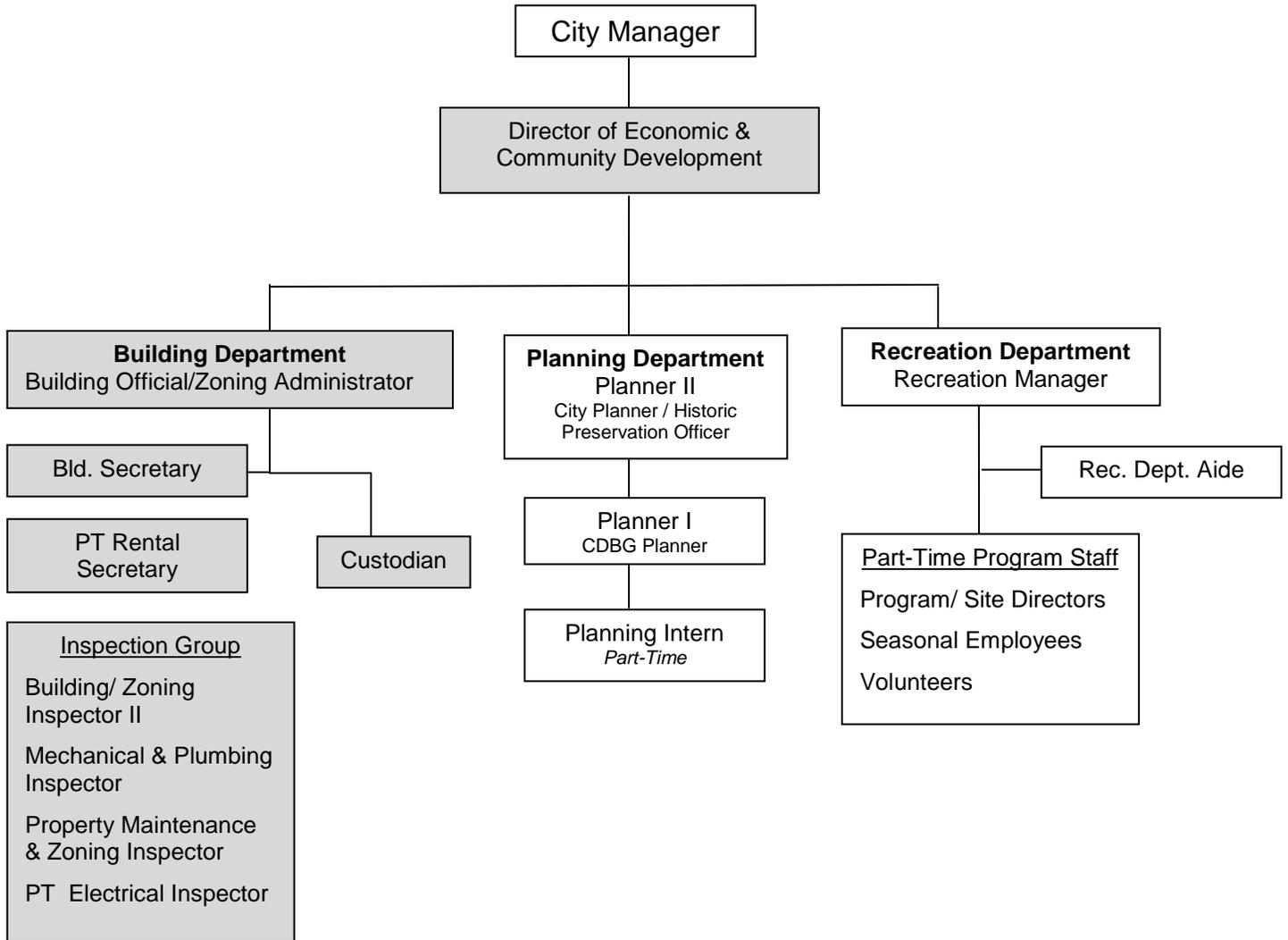
Objectives:

1. Continue the upgrades to City Hall lighting with LED bulbs and/or new fluorescent fixtures
2. Monitor electrical, gas and water usage at all managed facilities and ensure suppliers are providing best available pricing.
3. Inspect all managed facilities for potential weatherization improvements to reduce heat and cooling losses and recommend repairs or upgrades where appropriate.
4. Start evaluations of the City Hall and other city owned facilities for compliance with a Continuity of Operations plan.

ORGANIZATIONAL CHART

(Shaded positions are shared with or fully budgeted in the Building Safety Fund)

PROPOSED ORGANIZATIONAL MODEL FY 2014-2015



PERFORMANCE MEASURES

ITEM	10-11 Actual	11-12 Actual	12-13 Actual	13-14 Estimate	14-15 Estimate
Blight Complaints	487	450	142*	150	150
Blight Inspections	1,221	1129	1228	1200	1200
Zoning Complaints	128	118	26*	130	130
Zoning Inspections	221	220	294	250	250
Zoning Permits	129	142	133	140	140
Special Use Permits	5	4	6	5	5
Zoning Board of Appeals	10	6	8	15	12

*Action Line Records Only

FUNDING LEVEL SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
City Hall				
Personnel	\$ 88,652	\$ 79,185	\$ 76,377	\$ 88,175
Supplies	3,931	5,100	4,100	5,250
Other Operating	170,846	172,598	184,055	183,729
City Hall Total	263,429	256,883	264,532	277,154
Zoning/Ordinance Enforcement				
Personnel	\$ 83,709	\$ 83,196	\$ 90,332	\$ 128,937
Supplies	1,377	1,550	1,550	1,550
Other Operating	13,306	94,781	146,601	113,509
Zoning/Ord. Enf. Total	98,392	179,527	238,483	243,996
Building Services Total	\$ 361,821	\$ 436,410	\$ 503,015	\$ 521,150
Expenditures as a % of the Total General Fund	2.10%	2.48%	2.87%	2.91%

ECONOMIC & COMMUNITY DEVELOPMENT DIVISION

Building Department • Planning Department • Recreation Department

The Economic and Community Development Division was created in January 2011 to coordinate the functions of the Building, Planning and Recreation Departments. This new collaborative structure implemented recommendations in the City operations assessment with the goal of delivering related services more efficiently. The overall Division structure and professional staffing levels will increase slightly in FY 2014-15; with the addition of a Part-Time Building Department Aide. This individual will focus on continuous improvement in the record keeping and follow-up related to the Building Department's property maintenance and rental housing inspection programs.

The Economic and Community Development Division's mission is to improve the business environment and the quality of life in the City using sound, cost-effective planning and implementation methods. To accomplish its mission, the Division applies a team approach to projects capitalizing on each member's area or areas of specialization and expertise, which include economic and community development, land use planning, historic preservation, housing, cultural resource management, incentives, project financing and grant writing and administration. The Division leads the City's economic development and revitalization initiatives together with support from all the other City Departments, including a number of public and private sector partners.

The Building Inspection and Code Enforcement functions will continue to be carried out by the Building Official/Zoning Administrator, three full time inspectors and one administrative support staff person; which are described under the Building Safety Fund. To improve the property maintenance and rental housing inspection functions, this year's budget proposal includes the above-referenced addition of a part-time (~22.5 hours/week) administrative support person.

Recreation Department activities are administered by the Recreation Manager and existing department-aide positions. With the recent completion of the 2014-2018 Parks and Recreation Master Plan, the Recreation Department will be more focused on implementing some of the new goals and objectives. The Plan outlines priorities for Park Development and Programs that are designed to enhance the overall "Quality of Life" in Monroe.

Planning Department

The Planning Department staff consists of the Economic & Community Development Director, a Planner II position, and a Planner I position; with limited shared secretarial support. As budget allows, the Department utilizes interns for project specific tasks. The Department also maintains a relationship with LSL Planning consultants for complex or unusual planning projects.

The Planner II and Planner I carry out professional planning assignments within primary areas of responsibility that include historic preservation, land use, housing rehabilitation, economic development, grant writing and administration, and overseeing Community Development Block Grant (CDBG) funds and projects. While responsibilities are often split into areas of specialization, many of the Department's activities are also accomplished through a team approach to capitalize on individual strengths and areas of expertise, as well as promote cross-training within the Department.

INITIATIVES AND OPPORTUNITIES FOR FY 2014-15

Zoning Ordinance Amendments and Updates

The Division staff, with the assistance of the Land Information Access Association (LIAA), are in the final stages of updating the City's Comprehensive Plan (a.k.a. Master Plan) as part of the **Resilient Monroe** project. Resilient Monroe is an all-new, land-use planning and community design project that was developed in partnership with Frenchtown and Monroe Charter Townships. The project's focus was planning for "resiliency," through a strong and diverse local economy, responsive and interconnected human service systems, and carefully managed natural resources to make Monroe a more desirable place to live, now and in the future. Once the new Comprehensive Plan is adopted, Division staff will focus on implementing its Goals and Objectives through Zoning Ordinance amendments and other policy updates. Some of the key concepts that are proposed in the Plan include more mixed land use districts and the application of more design guidelines through form based codes.

Economic Development

The Economic and Community Development Division has been organized to more effectively implement one of City Council's on-going goals to "*Develop comprehensive economic development and re-development strategies and action plans and Re-centralize development leadership to coordinate and implement strategies and action plans.*" The best practices of economic development are changing and the tools we use must change to stay competitive. Contrary to previous economic theory aimed at trying to lure large corporate investments, the focus is now on "economic gardening," that supports smaller companies and entrepreneurs. And the primary need of these growing companies is the attraction and retention of talented people.

The City is working closely with our State and local partners to revamp our economic development programs. The traditional property tax and business tax credits such as MEGA, Brownfield and Historic tax credits are no longer the primary incentives. These credits have been replaced with a highly competitive grant and loan programs with a growing emphasis on public-private partnerships. These changes are driving the Division to become more aggressive in identifying projects that may be eligible and promoting significant projects with the Michigan Economic Development Corporation (MEDC). The new business and property tax structures provide some relief for small businesses, which we must leverage to promote entrepreneurship and drive new investment in the City.

La-Z-Boy New World Headquarters- The development of the new La-Z-Boy Headquarters on Stewart Road has the potential to shape that area of the City for the next several decades. The Planning Department has worked closely with La-A-Boy and its consultants to develop a site that compliments the surrounding land uses and provides a superior business environment for La-Z-Boy. This development will spur new and redevelopment of the commercial areas in the vicinity of the project. Additionally, decisions regarding the redevelopment of the existing La-Z-Boy site will be a challenge in the coming year, but could be a catalyst for revitalization of the Telegraph Road commercial corridor. The City will need to work with Frenchtown Township to best encourage redevelopment of the vacant and underutilized commercial properties in this area.

Gerdau Special Steel- Gerdau is in the process of constructing Phase II of its mill expansion project, an ~\$80 million investment that includes increased capacity in the rolling mill and reconfiguration of facility access. Gerdau has submitted preliminary plans for a “Phase III” investment in the finishing shop and other downstream processes as the Phase I and II projects near completion. The City will need to work with Gerdau and the Port of Monroe to improve the logistics and supply for the site to help make this project as successful as possible.

Hanwah L&C- A tier-one supplier of plastic automotive components based in South Korea, Hanwha is investing over \$7 million in the refitting of a previously vacant 120,000 s.f. vacant building within the heart of the Port of Monroe industrial park.

Port of Monroe- The Port of Monroe Industrial park remains a vital tool to help attract logistics and transportation reliant businesses. The addition of the Port Director position has revitalized the development potential for the Port and has helped grow synergies between the various Port tenants. City staff will be working with the Port in FY 2014-15 to increase investment in Port facilities, which will in turn expand capacities at the Port with the goal of further leveraging its economic development potential. The Port of Monroe continues its role as the primary location for heavy industrial development within the community. The past year has expanded a significant maritime shipping partner with Barnhart Crane & Rigging Company conducting new trans-shipment activities at its Great Lakes operations center at the Port. VenTower, LLC, secured a major customer and increased production of wind turbine towers. Employment at its facility has surpassed 70 employees and is moving toward the goal of creating 150 new jobs. DTE Energy is nearing completion of its coal blending and pollution control improvements to Monroe Power. There is also a new opportunity to partner with DTE Energy in shipping their valuable gypsum waste product out of the Port via multi-modes of transportation. These projects have served as a major employment center for specialized contractors, and will improve both the aesthetics and air quality in this area of the City.

Downtown- The City’s traditional downtown is realizing increased investment from both the private and public sector. The completion of the Riverfront Park and Parking Lot project by the Downtown Development Authority (DDA) has served as a catalyst for reinvestment in the West Front Street corridor. Several property owners have stepped forward with needed improvements to a number of buildings. While the downtown faces on-going competition from high vacancies in commercial and retail areas outside the central business district, the Division staff and (DDA) Office have worked cooperatively to make property and business owners aware of local, state and federal incentives available to them for projects within the downtown and to assist them as needed as they undertake new projects. The new emphasis on “Placemaking” by the State agencies should provide additional resources for downtown redevelopment projects. Below are highlights of recent Downtown projects:

- 52 S. Monroe Street- Second Chance Boutique: Retail business in downtown. Complete building façade rehabilitation to include new windows and renovation of second floor space.
- 54 S. Monroe Street- W.C. Slicker Enterprises: Vacant building in downtown redeveloped for retail and office use. Complete building rehabilitation to include façade replacement, and renovation build out of first and second floors. Investment of \$200,000 and creation of ~10 new permanent jobs.
- 110 S. Monroe Street- LaBuddie’s Salon: Personal services establishment in the downtown. Complete building rehabilitation to include façade replacement, and renovation build out of first floor.

- 222 S. Monroe Street- Durocher's Appliance: Electronics and furniture retailer. Installation of a rooftop solar power system for the entire building and site.
- 428 S. Monroe Street/50 W. Fifth Street- Benesh Building: Vacant building in the S. Monroe Street Commercial district. Complete building rehabilitation to include creation of a parking garage, and renovation of first and second floors.
- 131 E. Front Street- Downtown Monroe Living: Major renovation of existing retail space and second floor residential units.
- 78-84 W. Front Street- Lauer-Finzel Building: Major renovation of an existing restaurant space, and creation of six (6) new residential units on second and third floors.
- 114-116 W. Front Street- West Front Development: Vacant building in the downtown. Complete building rehabilitation to create new retail space and second floor residential unit.
- 11 Scott Street- Lotus Financial: Vacant building in the downtown. Complete building rehabilitation to create new retail space and second floor residential unit. Investment of \$255,000 and creation of ~6 new permanent jobs.
- 11 Washington Street- Monroe Bank & Trust: New mortgage center adjacent to its existing headquarters building. Complete building rehabilitation to creation of new office space. Investment of \$800,000 and creation of ~15 new permanent jobs.

Cultural and Natural Resources Tourism- The River Raisin National Battlefield Park (RRNBP) opened a little over three years ago, and has already generated tens of thousands of trips to the City. The goal is to work with the National Parks Service (NPS) to capitalize on these visitors, continual grow these numbers and encourage visitors to return or spend additional time in the area. With strained budgets both at the local and federal level, it will be critical that the City and the NPS work together to implement the long-term vision and generate the maximum economic impact from the Park. The Planning Department worked closely with the Beckett & Raeder, Inc. consulting team and NPS staff to develop the now complete River Raisin Heritage Corridor-East Master Plan. This plan serves as a strong guide for City investment and targeted property redevelopment surrounding the Battlefield.

Completion of the low-head dam removal and construction of rock rapids has drawn new focus and attention to the River Raisin. Division staff is now focusing our attention on how the investment in the River can benefit the adjacent parks and public spaces, as well as encourage redevelopment of nearby private properties. One of the on-going priorities is the seek funding for extension of the Riverwalk from its current terminus in Soldiers & Sailor's Park all the way to the Winchester Street Bridge. Planning and Recreation staff continue to expand our partnerships with the other City Departments, Sterling State Park and US Fish and Wildlife Services to expand recreational opportunities on the River Raisin and Lake Erie.

Other Manufacturing and Supply Chain Developments- Industrial development continues to be a primary growth driver in the City. At the Ternes Industrial Park several companies, such as FEDCO, are expanding to meet new demand. Zongding expanded their warehousing and is adding a testing facility to meet demand from increase production in the automotive industry. Industrial Inspections Company recently completed a major improvement to their facility on Detroit Ave. to better service their automotive and heavy machinery supply chain customers. Complete packaging has leased space for an expanded distribution center to accommodate growth in their business and provide needed warehousing for several local businesses with growing product storage needs. Continued growth in this sector is anticipated with the

construction of the New International Trade Crossing and other transportation assets that make Monroe County very attractive for logistics and supply chain management.

Community Revitalization

Housing- The housing market has finally stabilized and the Division is increasing its efforts to accelerate the recovery. The Planning Department has expanded its housing rehabilitation programs. The FIX Program, funded through the City's Community Development Block Grant (CDBG) allocation, was designed to assist income-qualified residents in addressing specific deficiencies in their homes. Starting in FY 2010-2011, the FIX Program was expanded to offer up to \$25,000 to qualified applicants in order to effectuate a greater impact not only on the individual home, but to the local neighborhood. The changes in the Building Department staff to shift more focus on property maintenance, is also a result of the Division's on-going efforts to improve the City's housing stock.

The Citizens Planning Commission recommended establishment of two Neighborhood Enterprise Zones (NEZ's) and continues to investigate tools that could push reinvestment in our housing stock. The Planning Department also continues to work with the Monroe County Opportunity Program (MCOP) and Habitat for Humanity on the joint housing projects within the City of Monroe. In the next fiscal year, FY 2014-15, the Department staff will implement the first NEZ's, and continue to utilize CDBG funds to incentivize housing improvements along with enhanced property maintenance activities.

Brownfields and Redevelopment- While the funding has been reduced, both Michigan and the federal government continue to support redevelopment of urban properties utilizing brownfield programs. Property owners throughout the City, especially the downtown, have taken advantage of the state's brownfield programs, which provide incentives for redevelopment of qualified sites or buildings. The Planning Department will continue to have an integral role in assisting business owners wishing to explore use of these incentives to redevelop properties. To date, the City has completed 26 brownfield plans since the inception of the Brownfield Redevelopment Authority (BRA), with the most recent plan supporting the incentive package for the expansion of VenTower's laydown area. Anticipated Brownfield projects in FY 2014-15 include demolition of the "pump house" that is the last vestige of the defunct paper mill along the River Raisin.

The City is a key partner with the County Treasurer's Office in establishing the Monroe County Land Bank Authority. Planning Department staff serve on the Land Bank Board and we continue to explore the Land Bank's ability to work toward higher and better uses for vacant and foreclosed properties in the City. Future potential activities for the Land Bank include accumulating property for larger redevelopment projects.

Historic Preservation Projects- In addition to cultural resource management and geo-tourism, the Department continues to staff the Historic District Commission (HDC) providing project analyses and guidance, as well as coordinating training and educational opportunities for the HDC and the public. Staff offers technical assistance to property owners of locally designated districts, non-designated historic properties, the Downtown Development Authority, as well as provides direction and guidance on cemetery preservation, proposed statutory changes, land use review, and other development activities related to historic preservation.

Affiliated Committees & Commissions

Citizen Planning Commission (CPC) – A Council appointed citizen board created by local ordinance and authorized by state enabling legislation, the Commission formulates and administers the City's development regulations; reviews and makes recommendations on all zoning map and text amendments; develops plans; reviews and makes recommendations on the annual capital improvements program budget; reviews and approves proposed site plans and special uses; makes recommendations to City Council on rezoning, land divisions, alley vacations, and the like; as well as other duties assigned under State statute.

The Department provides direct support as administrative staff to the Commission; which includes coordinating and reviewing applications, establishing monthly meeting agendas, providing and/or reviewing staff analyses, preparing minutes, effectuating action taken by the commission, as well as coordinating the use of consultants. The Department also coordinates and staffs the Administrative Site Plan Review Committee (ASPR), which provides expedited reviews for projects that meet ASPR criteria.

Downtown Development Authority (DDA) – The Director of Economic & Community Development serves as the City staff liaison to the DDA and provides technical support to some of the DDA committees.

Historic District Commission (HDC) – A council appointed citizen board created by local ordinance and authorized by state enabling legislation, whose mission is to improve the quality of life for residents and visitors to the City of Monroe through preservation, education, protection and promotion of its historic resources. The group reviews projects affecting locally designated historic properties, ensuring adherence to the City's Local Historic District Ordinance and the U.S. Secretary of the Interior's Standards for Rehabilitation. The Commission also provides assistance with obtaining state and federal tax credits to encourage preservation activities throughout the community. The Planning Department provides direct support to the Commission, which includes coordinating and reviewing applications; establishing quarterly meeting agendas; providing staff analyses; preparing minutes; and effectuating action taken by the Commission.

Brownfield Redevelopment Authority (BRA) – Organized under statutory authority to assist in the redevelopment of brownfields, which are defined as abandoned, vacant, and/or potentially contaminated sites found to be "eligible" under Michigan Environmental Law. The Department provides support as liaison and in other areas, as needed.

Economic Development Review Committee (EDRC) – The Economic Development Review Committee (EDRC) is responsible for accepting, reviewing, and making recommendations to Monroe City Council on property tax incentives. The Department provides direct support, including coordination of applications, meeting agendas, providing staff analyses, preparing minutes, and effectuating action by the committee. The EDRC meets on an as-needed basis.

Other Planning Department Services

Comprehensive Plan Information - The Department and Citizens Planning Commission have developed comprehensive and district plans which describe present and future land uses, housing, transportation, recreation, community facilities, and historic preservation policies and projects.

Capital Improvements Program (CIP) - The Department is responsible for compiling and coordinating the annual City of Monroe Capital Improvements Program Budget (CIP) for review and approval by the Administration, Citizen Planning Commission and City Council. The CIP process begins in November of the year prior to adoption. Formal action on the budget is required by the last day of February in each year.

Demographic and Economic Information - The Department provides past, current, and projected statistics about Monroe geography, economy, employment, housing, and population. The Department coordinated the City's 2010 Census and Complete Count Committee efforts.

Zoning / Special Land Use Applications – The Department provides information on rezoning and special land use cases. Persons who desire to rezone property or operate a use considered unique to normal zoning requirements should contact the department for information and consultation.

Administrative Site Plan Review (ASPR) - The Zoning Code provides for two site plan approval processes. For projects meeting Administrative Site Plan Review (ASPR) criteria, the process can streamline procedures and expedite review and decision-making. The Administrative Site Plan Review Committee is comprised of five (5) members as determined by the Zoning Administrator. Current membership includes representation from: the Building, Planning & Recreation, and Engineering & DPS departments, and the Citizens Planning Commission.

ECONOMIC AND COMMUNITY DEVELOPMENT GOALS & OBJECTIVES FY 2014-2015

Economic Development

1. *Expand available information regarding redevelopment incentives*
 - Improve available guidance documents on economic incentives such as OPR, IFT, and Grant and Loan programs
 - Continue to assist to perspective developers and guide them through the application and approval process
 - Apply for the Redevelopment Ready Communities program through the Michigan Economic Development Corporation

2. *Continue to facilitate Brownfield redevelopment projects*
 - Complete the Pumhouse demolition project and transfer the property to the National Parks Service or River Raisin National Battlefield Foundation
 - Provide staff assistance to the Port of Monroe and the Brownfield Redevelopment Authority related to brownfield redevelopment projects

3. *Identify alternative funding sources and partners for Downtown/Central Business District improvements*
 - Complete transfer of the “United Furniture” building to a private developer with an approved redevelopment plan
 - Prepare specific proposal for a public-private partnership that implements a mixed-use downtown revitalization project
 - Submit one or more State funding requests through the Community Revitalization Program and/or Rental Rehabilitation Program
4. *Improve appearance and resources on the City website for economic development*
 - Work with County IT to add content to Community Development webpage that includes more development/redevelopment site information
 - Work with IT Professionals to make Master Plan, Area Plans, Assessments and Zoning Ordinance more accessible on-line

Land Use Planning

5. *Adopt update to the City of Monroe Comprehensive Plan*
 - Adopt the revised City Comprehensive Plan through the Resilient Monroe! program
6. *Complete preliminary N. Dixie Highway Corridor Plan*
 - Develop off-street improvement plan in consultation with adjacent property owners and National Parks Service
 - Develop joint improvement & maintenance guidelines with Frenchtown Township
 - Amend the Zoning Ordinance to incorporate Comprehensive Plan recommendations
7. *Adopt new Heavy Industry District (I-3) for Port*
 - Inventory uses at Port of Monroe (east of I-75) and research potential uses that meet Heavy Industry criteria
 - Submit new zoning district proposal to CPC for recommendation and City Council for action

Heritage Tourism and City Parks

8. *Expand Non-Motorized Trails*
 - Prepare preliminary design and cost estimates for the extension of the Riverwalk from Soldiers & Sailors Park to the Winchester Street Bridge.
9. *Prepare City Park Redevelopment Plans*
 - Complete a project-specific redevelopment plan for one of the City’s premier parks (Exp. St. Mary’s or Munson Park)
 - Apply for a Michigan Natural Resources Trust Fund grant to implement one or more of the high priority recommendations in the Parks & Recreation Master Plan.
10. *Prepare Gateway Plans – E. Elm Avenue / E. Front Street / Monroe Street /Telegraph Road*
 - Inventory subject areas and develop list of desired amenities
 - Prepare a proposal for the formation of a Joint Corridor Improvement District (CID) with Frenchtown Township or Monroe Township

- Propose gateway design theme(s) for at least one designated City gateway
- Install one gateway sign at the most practical location

11. *Implement the River Raisin Heritage Corridor-East Master Plan*

- Complete transfer of the “Northern Battlefield” property to the National Parks Service
- Finalize plan for the transfer of the Detroit Ave./Elm Street Parcels to the River Raisin National Battlefield Foundation
- Continue to assist community, state, and federal agencies and offices in efforts to secure funding to acquire and develop properties adjacent to the RRNBP

Historic Resources Preservation

12. *Publish a Monument Conservation Policy*

- Establish preservation fund within the City budget for on-going maintenance of the Custer Monument and Memorial Place
- Construct the protective fencing project at the Memorial Place Park

13. *Expand the Preservation Awards Program*

- Continue to identify recipients for recognition by City Council/HDC
- Coordinate publicized recognition ceremonies

14. *Update Downtown Façade Study*

- Update inventory of Downtown building facades and priority improvements
- Edit Downtown Façade Study to reflect updated conditions
- Develop Zoning Ordinance Amendment(s) to help preserve historic character of the downtown (Exp. Form based code)

Housing and Neighborhoods

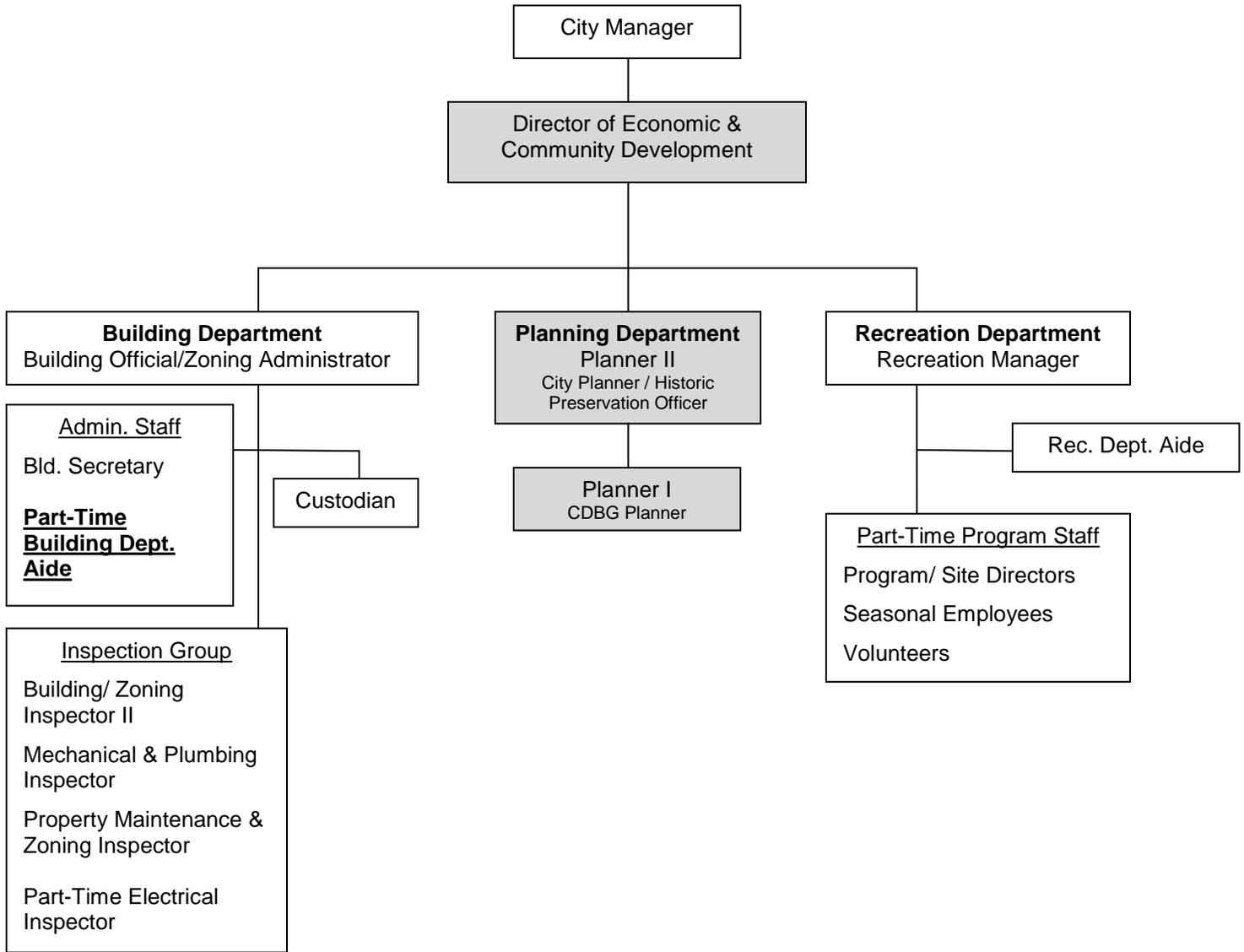
15. *Develop recommendations for components of a comprehensive Neighborhood Stabilization Program*

- Submit ordinance amendment and review criteria regarding Neighborhood Enterprise Zones (NEZs) and other potential incentives to CPC for recommendation and City Council action
- Establish program to promote the formation and active participation in Neighborhood Associations

16. *Improve housing stock in low/mod income areas and encourage private investment in these areas*

- Continue to promote and administer the FIX Program with CDBG funds
- Enhance acceptable standards and improve follow-up actions in Rental Housing Inspection Program
- Increase staff training in Blight & International Property Maintenance Code

PROPOSED ORGANIZATIONAL MODEL FY 2014-2015



PERFORMANCE MEASURES

ITEM	FY 10-11 Actual	FY 11-12 Actual	FY 12-13 Actual	FY 13-14 Estimate	FY 14-15 Estimate
CPC Meetings	11	16	17	32 (Resilient Monroe)	18
CPC Reviews	14	12	25	30	35
Minor / Sign	35	18	34	20	36
Admin Site Plan Review	36	28	24	30	40
Planning Projects/ Workshops		2	2	14 (Resilient Monroe)	2
HDC Meetings	4	4	3	6	8
HDC Reviews	1	1	1	2	4
HDC Projects/ Workshops	3	2	1	4	4
Grants		1		2	2
IFT Applications	3	4	5	6	4
OPT Applications	3	5	4	6	5
Brownfield Plans	2	2	4	3	2
Other Incentives				2	2

CPC: Citizens Planning Commission
 HDC: Historic District Commission
 IFT: Industrial Facilities Tax Exemption Applications
 OPT: Obsolete Properties Tax Exemption Applications

FUNDING LEVEL SUMMARY				
	Actual	Budget	Projected	Requested
	FY12-13	FY13-14	FY13-14	FY14-15
Planning Commission				
Personnel	\$ 1,706	\$ 2,153	\$ 1,616	\$ 1,615
Supplies	12	-	-	-
Other Operating	2,839	1,925	1,925	2,625
Planning Commission Total	4,557	4,078	3,541	4,240
Community Development				
Personnel	\$ 281,850	\$ 279,056	\$ 278,055	\$ 285,527
Supplies	2,935	3,300	3,550	3,450
Other Operating	24,919	29,569	33,698	47,549
Comm. Develop. Subtotal	309,704	311,925	315,303	336,526
Expenditure Credits	(66,694)	(59,500)	(61,500)	(61,500)
Comm. Develop. Total	243,010	252,425	253,803	275,026
Historic District Commission				
Other Operating	\$ 763	\$ 1,950	\$ 1,980	\$ 1,980
Historic District Comm. Total	763	1,950	1,980	1,980
Department Total	\$ 248,330	\$ 258,453	\$ 259,324	\$ 281,246
Expenditures as a % of the				
Total General Fund	1.44%	1.47%	1.48%	1.57%

RECREATION

The Recreation Department addresses community recreation and leisure services needs through a variety of activities and events for citizens of all ages. Current competitive and non competitive programs for youth and adults include: Adult Softball, Indoor Adult Volleyball, Adult Flag Football, Adult Sand Volleyball, Dog Agility and Canine Good Citizenship, Skateboarding Camp, Tee Ball, Softball, Baseball, Volleyball, Track and Field, Indoor Basketball Camp, Tennis, Supervised Summer Playground Program, Winter, Free Garden Consultations, Free Guided Bike Tours of the River Raisin Heritage Trail, individual skill classes, Nordic Walking, Art Appreciation, Concerts in the Park, Court Dances, Nature programs, Birding programs Free Bike Maintenance, Santa Letters, free Yoga and other exercise programs in the Park, Free Fishing Derby, Community Gardens, Walk Monroe, and community wide special events such as the Daddy Daughter Dance and Mom/Son Bowling in cooperation with other community groups and leisure service providers. Discount ticket programs through MRPA include the Detroit Zoo and the Detroit Red Wings. The Recreation Department has partnered with the Michigan Department of Natural Resources for Recreation 101. Volunteer Instructors bring their knowledge, enthusiasm, and equipment to allow participants to try out new recreational activities for free. Recreation 101 activities included Geocaching, bike maintenance, trail biking, backpacking, bird watching, fly fishing, fishing, kayaking, outdoor photography, Pickleball, Nordic walking, and windsurfing. Since 2007, the Recreation Department has offered approximately 40 new programs. These programs have expanded our program and sports offerings to include nature programming, more programs for seniors, additional team sports, and a greater variety of interests and hobbies to better serve all residents.

DEPARTMENT DESCRIPTION

The Recreation Department functions with two full time professional staff: Recreation Manager and Recreation Department Aide. The Recreation Manager coordinates leagues, programs, and special events with the support of approximately 130 seasonal employees: programs directors, scorekeepers, game officials, playground leaders, and activity instructors. The Department utilizes over 300 seasonal volunteers annually: youth sports coaches, team managers, and special events/activity volunteers.

The Recreation Manager oversees all program responsibilities. Some specific program tasks that had previously been done by office staff are being delegated back to the program directors, leaving more time and energy for the Recreation Manager to give more general overall direction to serving community needs, including grant writing, securing sponsorships, expanding programs, and collaborating with community agencies. Most spring and summer programs/leagues are held outdoors in city parks or in school district recreational facilities. The Department coordinates the scheduling of all park facilities, including shelters, band shell, ball diamonds, basketball courts, soccer fields, and sand volleyball courts.

Park facilities are maintained by The Department of Public Services and consist of athletic fields, picnic shelters, permanent and temporary restrooms, a community band shell, roller sport courts, boat launch facilities, walking/bike path, tennis courts, horseshoe pits, bocce courts, drinking fountains, equipment storage areas, food concessions, outdoor natural ice pond, sledding hill, playground equipment, a community built playscape, riverside fishing

areas, green belts, sand volleyball courts, wooded areas, mountain bike trails, a pond with a spray fountain, basketball courts, and parking areas.

Indoor program facilities are coordinated by the Recreation Department in cooperation with local schools and Lutheran South High School. Most indoor programs are conducted in the fall and winter months.

With the senior population growing, a walkable city like Monroe can become an even greater central location to provide recreational and social opportunities for its residents. "Healthy Aging" is no longer just a concept but is quickly becoming a necessary way of life. One positive outcome of the current economic environment is the responsibility of the individual to stay well. As insurance rates skyrocket, individuals are once again beginning to turn to 'healthy aging' habits to increase their quality of life in the areas of prevention, personal development, and recreation. Physical, social, and mental recreational opportunities are an integral step toward meeting these goals. Educating our citizens to the needs and providing opportunities to reach these goals are vital to achieving wellness for our community.

CITY OF MONROE MISSION AND VISION STATEMENTS AS THEY RELATE TO RECREATION

City of Monroe Mission Statement

The City of Monroe is a community committed to protecting health, safety, and welfare of its residents and visitors; providing open and effective government; preserving its unique history; and promoting opportunities for enhanced quality of life.

City of Monroe Vision Statement

To be the most vibrant, walkable, historic small city in the Midwest

City of Monroe Vision Priorities

1. To develop and strengthen partnerships and collaborations with citizens, businesses, and government agencies.
2. To protect the health, safety, and welfare of the general public.
3. To increase and enhance recreational and cultural opportunities.

City of Monroe Recreation Dept: Creating Community through People, Parks, and Programs

Mission Statement: The mission of the City of Monroe Recreation Department is to provide a variety of programming to serve the needs of all the citizens and visitors, giving them a strong sense of belonging and well being at the lowest possible expense to the taxpayers.

It is our goal to provide the following for City of Monroe residents as well as visitors to our city:

1. Courteous customer service
2. Quality recreational programs
3. Safe, well maintained parks
4. Partnerships with city businesses to strengthen our community
5. Empower and aid residents toward healthy lifestyles

Together, these things strengthen our community image providing residents and visitors a sense of life, personal development, safety, and fun. With difficult economic times, parks and

recreational programming provide opportunities for all to participate, making Monroe an attractive place for visitors and providing a higher quality of life for residents.

The Department is assisted by a nine member Recreation Advisory Commission (RAC) appointed by the Mayor and City Council. The RAC works with Recreation Department staff to create recommendations for review by the City Manager and to the Mayor and Council regarding the provision of parks and recreation needs/services. In 2013 the Recreation Advisory Commission played an integral role in updating the Parks and Recreation Master Plan. This plan will serve as a guideline for the RAC in updating parks and services for the next five years.

Parks and Recreation Master Plan 2014-2018

The new parks and recreation master plan includes a detailed park inventory, a description of the public input process, and an outline of the City's recreation goals and objectives with an action plan. It is a roadmap for the next five years. The goals and objectives are listed as Cornerstones, Building Blocks' and an Action Plan for the parks.

Cornerstones:

1. Provide safe, high quality recreational experiences that increase the quality of life in Monroe.

This can be accomplished by evaluating current park usage, improving park maintenance, and making our parks more accessible. To fully utilize the parks for optimum usage, master plans will be undertaken for larger parks. Increasing the level of maintenance in the parks will attract more park visitors and provide for safer visits. Expanding pedestrian and non-motorized connectivity between parks was high on the list of public comments. Taking a close look at all city parks to determine whether they should be upgraded, maintained at the current level, developed, repurposed, or decommissioned will be a top priority for the Recreation Advisory commission, along with program evaluation.

2. Fully leverage Monroe's recreational waterfront assets.

With the remediation of the dams along the River Raisin, determining the most appropriate access points for canoeing, fishing, and kayaking is a priority. Evaluating the river for safe usage by all levels of ability will enable all users to enjoy Monroe's recreational waterfront assets.

3. Fully leverage historic assets within Monroe's recreation system.

Coordinating our efforts with the River Raisin National Battlefield, the River Raisin Heritage Corridor – East Master Plan and the Monroe County Historical Museum will enable residents and visitors to enjoy our unique local history. Encouraging use of the River Raisin Heritage Trail will help to increase quality of life. Streamlining nature programs and coordinating signage and trail amenities, such as restrooms, will help to unify the River Raisin Heritage Trail. Forming an historic ball team would help bring history alive.

2014-2015 Recreation Dept Goals and Objectives

Goal 1: To position the recreation department for sustainability

Objectives:

1. Continue to increase volunteer involvement in offering programs.
2. Continue to develop and implement guidelines to determine the level of cost recovery for each program

Goal 2: To provide pleasant and safe parks and park structures for residents and visitors

Objectives:

1. To encourage growth in 'Stewardship Monroe'; a structured volunteer program promoting stewardship, providing programming, and encouraging community involvement.
2. Research alternative funding sources for new playground equipment.
3. To begin implementation of the Building Blocks and Action Plan as outlined in the Parks and Recreation Master Plan.

Goal 3: To expand opportunities for passive recreation

Objectives:

1. Develop and print recreational (walking, fishing, birding) maps for routes throughout the city, listing points of interest and specific areas for the best recreational activities
2. Partner with other community health agencies to develop a community wide health and wellness programs.
3. Partner with the DNR at Sterling State Park to provide 'Recreation 101'. This program teaches residents to the basics of recreational activities, empowering them to participate on their own.
4. Partner with the River Raisin National Battlefield to unify and expand programming and park facilities. Attractive programs, restrooms, and picnic areas will encourage tourists to expand their visit to include the City of Monroe.

Goal 4: To target need and at risk youth and their families

Objectives:

1. Develop a scholarship fund
2. Provide programming with CDBG funds to low income areas.
3. Explore locations for community gardens in low income neighborhoods

Michigan Municipal League's Hierarchy of Municipal Needs



The League's Hierarchy of Municipal Needs

A sense of place and community are an important aspect of choosing a place to call home. Cultural and social opportunities are also a key aspect of relocating or staying in a small town.

GROWING PARTNERSHIPS

To help grow services to City residents at minimum cost, the Department has redoubled its efforts to explore and expand partnerships with the other community agencies, institutions and organization that have shared goals and objectives. New efforts include a greatly expanded joint marketing campaign with the Monroe Multi-Sports Complex, sharing of athletic facilities with Monroe Public Schools, and a 3-way partnership to maintain and operate the Dick Waters Swimming Pool with the Schools and the YMCA. A new collaboration with the River Raisin National Battlefield will include nature activities coordination and promoting healthy lifestyles. Other smaller partnerships include joint programs with Mercy Memorial Hospital and facility sharing with Saint Mary's Catholic Central High School.

MONROE MULTI SPORTS COMPLEX

To help promote the MMSC, the bi-annual City of Monroe Recreation Newsletter now includes MMSC programming. In exchange, the MMSC helps offset the cost of the printing and promotes the City's recreation programs at their facility. We are also looking into shared on-line registration software that people can use to register for activities and programs. The Monroe Multi Sports Complex opened in February 1998. Designed to be a multi use facility, one side is meant to be a permanent ice surface while the other side can be used for additional ice, indoor sports or convention or trade show type activities. In addition to main floor activities there are meeting rooms available for rent on the second floor. The building is equipped with locker room facilities, skating pro shop, concession area and video arcade. Rink Management Services Corporation assumed the management of the Monroe Multi Sports Complex as of January 1, 2011. The Multi-Sports Complex opened BounceMania in March 2009. BounceMania is an inflatable party and play zone open for general admission and birthday parties. The facility currently keeps one sheet of ice open year round. The other sheet of ice is not operated due to a lack of demand for its use. The second sheet is covered with a turf surface and it is used for indoor sports, such as soccer, dodgeball, and flag football, and for the operation of BounceMania. New indoor turf was purchased and installed in January 2014. To learn more about the Multi Sports Complex, visit its website at <http://www.monroemultisports.com>.

MONROE PUBLIC SCHOOLS

The City continues to share recreational facilities with the Monroe Public Schools. In exchange for use of the School's ball diamonds and track, the City maintains the ball diamonds throughout the season. Tennis courts are also utilized by school tournaments. The City regularly opens up our parks for cross country tournaments, and other School sponsored events. Finally, the City co-sponsors the annual events such as the Daddy-Daughter Dance and Mother-Son Bowling.

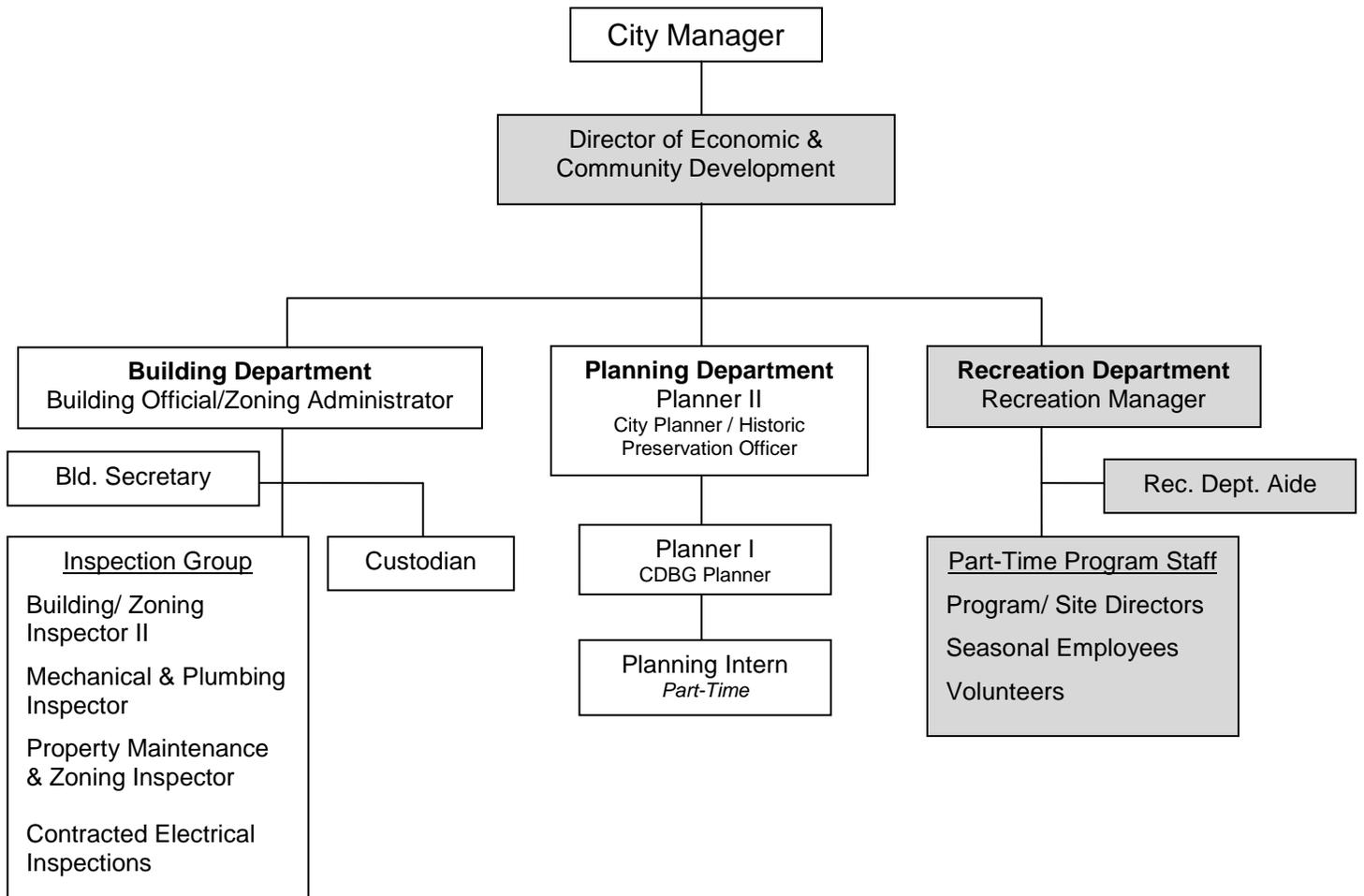
YMCA & MONROE PUBLIC SCHOOLS- DICK WATERS POOL

The City previously provided all the funding to operate and maintain the Dick Waters Pool at Monroe Public School's Arborwood center. However, due to high labor and utility costs, the Pool was closed after the 2009 season. In 2012, the Department formed a partnership with the YMCA to provide staffing and the schools to provide the maintenance for the facility. By sharing resources and expenses, the partners were able to reopen the Pool at a lower cost than was previously borne by the City. Where in previous years the city expended in excess of \$40,000 to operate the Pool; we have recommended a City contribution of \$15,000 For FY 2013-14. The pool will not open in 2014 due to Monroe Public Schools capital projects at the pool site.

FUNDING LEVEL SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
General Administration				
Personnel	\$ 199,708	\$ 200,071	\$ 200,272	\$ 192,877
Supplies	2,755	2,650	2,700	2,650
Other Operating	20,486	34,264	39,992	41,431
Total General Admin.	222,949	236,985	242,964	236,958
Parks Maintenance				
Other Operating	31,015	30,000	35,000	36,000
Total Parks Maintenance	31,015	30,000	35,000	36,000
Multi-Sports Complex				
Supplies	16,583	23,640	20,594	20,825
Other Operating	1,104,311	1,058,916	1,023,908	1,058,177
Total Multi-Sprts Cmplx	1,120,894	1,082,556	1,044,502	1,079,002
Recreation Programs				
Personnel	35,041	45,396	41,205	48,563
Supplies	18,265	20,800	20,800	21,000
Other Operating	33,572	40,740	37,740	30,940
Total Rec. Programs	86,878	106,936	99,745	100,503
Recreation Total	\$ 1,461,736	\$ 1,456,477	\$ 1,422,211	\$ 1,452,463
Expenditures as a % of the Total General Fund	8.49%	8.28%	8.11%	8.12%

PROPOSED ORGANIZATIONAL MODEL FY 2014-2015



Program	FY 2012-13 Resident Participants	FY 2012-13 Non- Resident Participants	FY 2012-13 Total Participants	FY 2013-14 Resident Participants	FY 2013-14 Non- Resident Participants	FY 2013-14 Total Participants	FY 2014-15 Projected
State Tournaments / Qualifiers						1	3
Number of Adult Summer Softball Teams			65			71	72
Summer Adult Softball Individual Participants	287	802	1,089	245	994	1,239	1,245
Number of Adult Fall Softball Teams			29			35	36
Adult Fall Softball Individual Participants	112	317	429	70	493	563	575
Number of Adult Volleyball Teams			8			9	9
Adult Volleyball Individual Participants	8	75	83	13	63	76	76
Summer Youth Ball	319	221	540	392	286	678	690
Indoor Basketball Camp	56	79	135	48	72	120	125
Daddy Daughter Dance			409			412	412
Garden Plots	14	7	21	17	9	26	26
Mother Son Bowling			99			92	92
Family Storytime w/MCLS						27	30
Boys Flag Football	28	27	55	27	31	58	60
Adult Sand Volleyball	33	79	112	25	101	126	130
Geocaching			17				
Tennis	7	6	13	15	8	23	25
Track	5	11	16	14	16	30	35
Park Rentals	47	54	101	42	29	85	85
Tot Lot			1,379			1,283	1,300
Walk Monroe!	21	26	47	7	35	42	50
Concerts in the Park (+Movie 2010)			8,109			6,200	8,000
Historic Walking Tours				21	42	63	75
Yoga			157			83	150
Fishing			31			3	10
Nordic Walking						1	5

Girls Youth Volleyball				8	11	19	25
Free Garden Consultations			5			1	
Nutrition Groups			16				
Outdoor Youth Basketball Camp	5	7	12	6	9	15	15
Kids Gentle Exercise in St. Mary's Park/Kids Yoga		3	3			63	90
Free Fishing Derby			26	19	29	48	50
Backyard Whittling			0			9	8
Bus Travel Trips						34	50
Nature Class for Youth		7	7			0	
Boot Camp in the Park			67				
Adult AKC Canine Classes	2	4	6	4	6	10	10
Guided Bike Tours			0	1	6	7	10
Trail Biking			5	6	1	7	5
Pickleball			7			85	85
Body Sculpt in the Park						59	70
Kids Non-Competitive Play						7	10
Tai Chi in the Park			31			40	50
Birding Groups			8	3	10	13	20
Bike Maintenance			4	10	1	11	10
Sensory Walk		4	4				
Santa Letters			101			40	40
Court Dance			1,230			790	1,200
Totals			14,476			13,862	15,061

**RECREATION MANAGER ON EMERGENCY MEDICAL LEAVE JULY / AUG - 2012. SOME SUMMER 2013 & 2014 SAW EXTREME HEAT AND RAIN, REDUCING ATTENANCE NUMBERS AND IMPACTING TOTALS.

NON – DEPARTMENTAL

The non-departmental section of the general fund is used to account for those operating functions not directly related to or not allocated to a specific department. Such operations would include charges for services not distributed to departments; City share of special assessments; contracted service contributions to other agencies; debt service transfers and payments; general fund property and liability insurance premiums; contingency reserve; and operating transfers to other funds.

For the projected 13-14 and the requested 14-15 budgets, the IT System User Fee and the Property/Liability Insurance costs have been allocated out to the various General Fund cost centers.

NON - DEPARTMENTAL				
	Actual	Budget	Projected	Requested
	FY12-13	FY13-14	FY13-14	FY14-15
IT System User Fee	\$ 159,183	\$ 153,913	\$ -	\$ -
Property/Liability Insurance	116,000	103,127	-	-
Special Assessments	2,457	9,268	9,268	102,275
Interest - Interfund Loans	8,160	8,160	8,160	8,160
Tax Sharing Agreement	4,294	4,750	4,743	5,000
Refunds - BOR Settlements	31,874	60,132	60,000	50,000
Grant-Lesow Comm. Center	140,000	140,000	140,000	140,000
Franchise Fee Transfer-MPACT	159,758	157,500	157,500	160,000
Library Appropriation	57,500	57,500	57,500	57,500
Contingencies	-	132,575	61,000	150,000
Debt Administration	51,455	51,505	52,139	51,848
Operating Transfers	885,552	1,087,710	1,167,710	833,000
Loss in Fair Value of Land	507,488	-	-	-
Non-Departmental Total	\$ 2,123,721	\$ 1,966,140	\$ 1,718,020	\$ 1,557,783
Expenditures as a % of the				
Total General Fund	12.34%	11.18%	9.79%	8.71%



SPECIAL REVENUE FUNDS

MAJOR STREET FUND

The Major Street Fund is a Special Revenue Fund designed to support the operation and maintenance of 28.60 miles of City Major streets and 2.88 miles of State Trunklines that the City of Monroe maintains under contract with the Michigan Department of Transportation (MDOT). The State highways maintained by the City of Monroe are South Custer Road (M-50) and Monroe Street (M-125) from Jones Avenue to Stewart Road. The City also sweeps US-24 within the City limits, M-50 from Westwood to US-24, and M-125 from Jones Avenue to Dunbar Road outside of the City.

Each Michigan City is required to establish a Major Street Fund in compliance with Act 51 of the Public Acts of 1951. The major purposes of this fund are:

- Receive all Major Street Funds paid to the City of Monroe by the State of Michigan – primarily gas and weight taxes.
- Account for construction, maintenance, and other authorized operations pertaining to all streets classified as major.

This fund has no employees, however, relevant Department of Public Services labor costs are charged to this fund and Engineering Department surveying, design, and inspection fees related to Major Street projects are charged to this fund. The Fund also does not own any equipment, but rents it from the City's Stores and Equipment Fund at rates set annually by MDOT.

The revenues generated from the gas and weight tax are collected by the State of Michigan and are shared with Counties, Cities, and Villages based on a state-wide formula of miles of streets and community population. Due to increases in vehicle fuel efficiencies and the fact that the State of Michigan has not raised the per gallon price since 1997, revenues from this source have been essentially flat for several years, and are likely to remain so unless substantial changes are made. Other revenue sources are project-specific transfers from the City's Capital Improvement Fund, when deemed appropriate by the City Council, and the City's State Trunkline maintenance contract. Lastly, since 2003 the City has been receiving an annual share of Federal roadway funds for use in resurfacing or reconstruction of arterial and collector roadways. These funds are expected to be approximately \$324,000 for fiscal year 14-15, and they funnel through the Major Street fund as well. In 2013, these funds were used to resurface North Dixie Highway between East Elm Avenue and Spaulding Road, and in 2014, these funds will be used to resurface East Noble Avenue between North Monroe Street and North Dixie Highway.

Major Street Funds are used regularly on the following major activities each year, among others of lesser intensity:

Roadway Maintenance – Streets are inspected annually by representatives of the Engineering and Public Services Departments. Based on these inspections, streets are rated on condition and recommended for appropriate repair measures up to and

including complete reconstruction. This system has prevented unreasonable pavement deterioration and maintained the overall condition of City streets in generally satisfactory condition, though funding continually fails to keep pace with overall City needs. The budget also includes funding for slurry seal and overband crack sealing, as well as maintenance of the City's pavement markings, typically on a contractual basis.

Traffic Signals and Signs – Traffic control devices, including signals and signs, are in overall satisfactory condition City-wide. The Mayor's Traffic Committee provides input and recommendations for numerous issues pertaining to traffic flow and parking which impact this operation. The Public Services Department internally provides the vast majority of services in these areas, including maintenance and new installation, and more recently, the removal of unwarranted traffic signals as well.

Storm Sewers and Drains - Catch basins, manholes and associated piping related to street operations are repaired and cleaned during the construction season or as weather permits, typically by Public Services staff, but also with associated roadway projects.

Winter Operations – The Public Services Department performs all Winter operations using its personnel and equipment, including salting and plowing the City's roadways as needed to ensure safe vehicular operations.

MAJOR STREET FUND FY 2013-14 CAPITAL PROJECTS

- North Dixie Highway Resurfacing – Elm to Spaulding (Federal Aid)
- East Noble Avenue Resurfacing – Monroe to Dixie (Federal Aid - Design only in 13-14)
- West Front Street Curb Replacement – Roessler to Island
- East Second Street Resurfacing – Monroe to Washington
- Cass Street Resurfacing – Third to Front
- Monroe Street Parking Lane Resurfacing – Jones to north of Lemerand (MDOT project)

MAJOR STREET FUND FY 2014-15 CAPITAL PROJECTS

- East Noble Avenue Resurfacing – Monroe to Dixie (Federal Aid)
- East Third Resurfacing – Scott to Winchester (Federal Aid – Design only in 14-15)
- East Sixth Street Resurfacing – Monroe to Scott

**MAJOR STREET FUND
FUND BALANCE TREND**

	Actual	Budget	Projected	Requested
	FY12-13	FY13-14	FY13-14	FY14-15
Revenue:				
General Revenue:				
General Government	\$ 2,246	\$ 1,500	\$ 2,040	\$ 1,500
Public Works	1,028,955	1,000,000	1,030,000	1,030,000
Program Services Revenue				
General Government	-	-	-	-
Public Works	48,432	48,000	72,700	53,000
Capital Grants				
Public Works	990,631	392,500	574,500	394,000
Total Revenue	2,070,264	1,442,000	1,679,240	1,478,500
Total Expenditures	1,593,610	1,851,355	2,032,793	1,522,000
Excess (Deficiency of Revenues) over Expenditures	476,654	(409,355)	(353,553)	(43,500)
Beginning Fund Balance	511,684	988,338	988,338	634,785
Ending Fund Balance	\$ 988,338	\$ 578,983	\$ 634,785	\$ 591,285

**MAJOR STREET FUND
EXPENDITURE SUMMARY**

	Actual	Budget	Projected	Requested
	FY12-13	FY13-14	FY13-14	FY14-15
Major Street Operations				
Construction	\$1,264,282	\$1,162,186	\$1,244,511	\$ 795,000
Surface Maintenance	65,738	114,500	92,000	152,000
Guard Rails & Posts	-	5,700	700	700
Drain Structures	22,624	65,000	27,500	35,000
Grass & Weed Control	2,576	9,000	1,882	1,800
Bridge Maintenance	40,645	3,269	-	20,000
RR Crossing Maintenance	21,803	12,000	17,000	17,000
Sign Maintenance	27,488	62,000	35,000	53,000
Signal Maintenance	19,227	21,800	26,500	23,500
Pavement Marking	1,677	30,900	32,000	50,000
Winter Maintenance	83,670	117,000	277,000	115,000
Transfers Out	-	200,000	206,000	206,000
Major St Operations Total	1,549,730	1,803,355	1,960,093	1,469,000
M-125				
Surface Maintenance	7,455	5,200	13,800	3,000
Sweeping	3,455	4,800	2,500	2,500
Forestry	13,278	3,900	4,400	4,500
Drain Structures	3,509	3,900	-	600
Sign Maintenance	609	130	-	700
Signal Maintenance	-	520	-	-
Winter Maintenance	14,461	27,950	51,000	40,700
M-125 Total	42,767	46,400	71,700	52,000
M-50				
Surface Maintenance	-	-	-	-
Sweeping	1,113	1,600	1,000	1,000
Winter Maintenance	-	-	-	-
M-50 Total	1,113	1,600	1,000	1,000
Major Street Fund Total	\$1,593,610	\$1,851,355	\$2,032,793	\$1,522,000

LOCAL STREET FUND

The Local Street Fund is a Special Revenue Fund designed to support the operation and maintenance of the 54.12 miles of local streets within the City.

Each Michigan City is required to establish a Local Street Fund in compliance with Act 51 of the Public Acts of 1951. As with the Major Street Fund, this fund technically has no employees, however, relevant Department of Public Services labor costs are charged to this fund and Engineering Department surveying, design, and inspection fees related to Local Street projects are charged to this fund. The Fund also does not own any equipment, but rents it from the City's Stores and Equipment Fund at rates set annually by MDOT.

The revenues generated from the gas and weight tax are collected by the State of Michigan and are shared with Counties, Cities, and Villages based on a state-wide formula of miles of streets and community population. Due to increases in vehicle fuel efficiencies and the fact that the State of Michigan has not raised the per gallon price since 1997, revenues from this source have been essentially flat for several years, and are likely to remain so unless substantial changes are made. Other revenue sources are project-specific transfers from the City's Capital Improvement Fund, when deemed appropriate by the City Council, and a portion of the Major Street Fund Act 51 revenue as provided for by State law.

Local Street Funds are used regularly on the following major activities each year, among others of lesser intensity:

Roadway Maintenance – Streets are inspected annually by representatives of the Engineering and Public Services Departments. Based on these inspections, streets are rated on condition and recommended for appropriate repair measures up to and including complete reconstruction. This system has prevented unreasonable pavement deterioration and maintained the overall condition of City streets in generally satisfactory condition, though funding continually fails to keep pace with overall City needs. The budget also includes funding for slurry seal and overband crack sealing, as well as maintenance of the City's pavement markings, typically on a contractual basis.

Traffic Signals and Signs – Traffic control devices, including signals and signs, are in overall satisfactory condition city-wide. The Mayor's Traffic Committee provides input and recommendations for numerous issues pertaining to traffic flow and parking which impact this operation. The Public Services Department internally provides the vast majority of services in these areas, including maintenance and new installation, and more recently, removal of unwarranted traffic signals as well.

Storm Sewers and Drains - Catch basins, manholes and associated piping related to street operations are repaired and cleaned during the construction season or as weather permits, typically by Public Services staff, but also with associated roadway projects.

Winter Operations – The Public Services Department performs all winter operations using its personnel and equipment, including salting and plowing the City’s roadways as needed to ensure safe vehicular operations.

LOCAL STREET FUND FY 2013-14 CAPITAL PROJECTS

- Lavender Street Reconstruction – Calkins to Hendricks
- Western Avenue Resurfacing – Huron to Erie
- Western Avenue Resurfacing – Winston to Huron (design only in 13-14)
- Huron Street Resurfacing – Western to Winston
- Western Court Resurfacing – full length
- Custer Court Resurfacing – full length
- Maple Boulevard – Scottwood to Maywood

LOCAL STREET FUND FY 2014-15 CAPITAL PROJECTS

- Western Avenue Resurfacing – Winston to Huron
- Winston Court Resurfacing – full length
- West Fourth Street Reconstruction – Hubble to Harrison
- West Sixth Street Resurfacing – Union to Monroe

LOCAL STREET FUND				
FUND BALANCE TREND				
	Actual	Budget	Projected	Requested
	FY12-13	FY13-14	FY13-14	FY14-15
Revenue:				
General Revenue:				
General Government	\$ 1,287	\$ 1,000	\$ 1,382	\$ 100
Public Works	331,955	530,000	546,000	546,000
Capital Grants				
Public Works	437,290	473,724	473,724	620,000
Total Revenue	770,532	1,004,724	1,021,106	1,166,100
Total Expenditures	1,141,542	1,116,038	1,098,449	1,104,620
Excess (Deficiency of Revenues) over Expenditures	(371,010)	(111,314)	(77,343)	61,480
Beginning Fund Balance	656,613	285,603	285,603	208,260
Ending Fund Balance	\$ 285,603	\$ 174,289	\$ 208,260	\$ 269,740

LOCAL STREET FUND				
EXPENDITURE SUMMARY				
	Actual	Budget	Projected	Requested
	FY12-13	FY13-14	FY13-14	FY14-15
Local Street Operations				
Construction	\$ 881,840	\$ 722,537	\$ 642,829	\$ 700,000
Surface Maintenance	88,131	119,500	113,000	163,000
Guard Rails & Posts	1,508	1,350	1,700	1,700
Drain Structures	76,752	65,000	65,000	65,000
Grass & Weed Control	9,596	10,000	10,500	6,500
Railroad Crossing Maintenance	520	520	520	520
Sign Maintenance	38,682	84,031	38,000	56,000
Signal Maintenance	964	2,600	1,400	1,400
Pavement Marking	-	500	500	500
Winter Maintenance	43,549	110,000	225,000	110,000
Local Street Fund Total	\$1,141,542	\$1,116,038	\$1,098,449	\$1,104,620

REFUSE FUND

The Department of Public Services administers all activities within the City's Refuse Fund, a Special Revenue Fund with its largest activity consisting of the City's curbside refuse collection contract, which also includes year-round collection of recyclables, and collection of green waste for approximately a nine-month period. A separate contract, also charged to this fund, is administered for the weekly collection of dumpsters at various City facilities. Street sweeping, currently performed by the Public Services Department, is also financed from this fund.

A refuse millage, specifically authorized by Michigan Public Act 298 of 1917, is the primary source of funding for the Refuse Fund. The millage rate is set at 1.5173 mills for fiscal year 2015. The fund also receives a small supplement from the sale of tags that allow residents to exceed the typical limit for weekly collection. The current contract includes an adjustment for a diesel fuel surcharge when prices exceed \$3.00 per gallon, as well as an annual adjustment based on the Consumer Price Index. Therefore, while funds accumulated to date in the fund reserve will be sufficient to cover any surcharge that might be charged for the coming year, this should be carefully monitored to ensure that sufficient fund balance is maintained to provide for any abnormal cost spikes in a given year. The current contract was extended in 2013 and now runs through February 2017.

This fund has no employees, but labor costs at the Department of Public Services for street sweeping are charged to this fund, usually for a period of approximately nine months during each year. In addition, residents are furnished, free of charge, biodegradable paper yard waste bags, which are distributed to residents in October and November at City Hall as supplies last. These have proven to be a popular item among residents, and free distribution likely helps to limit the amount of leaves that remain in or eventually blow into the street area, which then must be collected at higher cost by the City's street sweepers.

**REFUSE FUND
FUND BALANCE TREND**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 1,253,492	\$ 1,320,637	\$ 1,320,507	\$ 1,373,813
Program Service Revenue:				
Public Works	3,536	4,200	5,795	3,500
Operating Grants:				
Public Works	500	-	198	-
Total Revenue	1,257,528	1,324,837	1,326,500	1,377,313
Total Expenditures	1,386,440	1,377,500	1,367,371	1,390,000
Excess (Deficiency of Revenues) over Expenditures	(128,912)	(52,663)	(40,871)	(12,687)
Beginning Fund Balance	255,430	126,518	126,518	85,647
Ending Fund Balance	\$ 126,518	\$ 73,855	\$ 85,647	\$ 72,960

**REFUSE FUND
EXPENDITURE SUMMARY**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Department of Public Service				
Street Sweeping				
Other Operating	\$ 331,430	\$ 305,000	\$ 315,000	\$ 320,000
Sweeping & Leaf Cllctn Total	331,430	305,000	315,000	320,000
Rubbish Pick-Up				
Other Operating	1,027,028	1,040,000	1,024,403	1,040,000
Rubbish Pick-Up Total	1,027,028	1,040,000	1,024,403	1,040,000
Leaf Collection				
Supplies	24,877	26,000	22,968	25,000
Leaf Collection Total	24,877	26,000	22,968	25,000
Clerk/Treasurer				
Other Operating	3,105	6,500	5,000	5,000
Clerk/Treasurer Total	3,105	6,500	5,000	5,000
Refuse Fund Total	\$ 1,386,440	\$ 1,377,500	\$ 1,367,371	\$ 1,390,000

PARKING FUND

The Parking fund was established to collect revenues and pay expenses associated with the maintenance, enforcement, and improvement to the City's on-street and off-street parking system. Revenue is generated through the use of parking meters and fines levied on parking violations.

Two non-sworn, full-time Parking Enforcement Officers (PEOs) had traditionally been assigned to the downtown area. In 2009, only one full-time PEO and one part-time cadet were assigned to parking enforcement. This resulted in a substantial decrease in parking enforcement and an increase in parking complaints. The department began to staff the assignment with one full-time PEO and two part-time cadets. Not only are the cadets much more economical than hiring a second PEO, but the feedback received concerning the cadets' performance has been very positive.

A computer based parking meter audit program that tracks parking meter funds from when they are deposited into the meter to when they are deposited in the bank was implemented in FY2008/09. This system not only ensures the accurate accounting of all funds, but it also allows the department to accurately track parking meter usage. Another technological improvement relating to parking enforcement was the new parking ticket writing system. Citations are prepared by police officers in their patrol cars and parking enforcement officers in their hand-held units. The citations are then immediately uploaded wirelessly.

Although few cars are actually booted, the booting program began in 2008 and continues to have effects. Under the program, any car parked on a public street within the City of Monroe is liable to be booted if the owner has amassed at least six unpaid parking tickets. Once located, owners generally make good on their debt to avoid their cars' immobilization. Another unintended consequence of the program is that some chronic offenders have stopped parking on the street altogether. This leaves more parking spaces for everyone else.

The Department of Public Services is responsible for maintenance of the parking lots, which primarily consists of grass and weed mowing, snow removal, and surface maintenance. The Department's cost for these maintenance activities are charged to the fund.

**PARKING FUND
FUND BALANCE TREND**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 392	\$ 350	\$ 80,030	\$ 50
Program Services Revenue:				
Public Safety	141,536	146,000	131,000	170,000
Public Works	-	-	-	-
Total Revenue	141,928	146,350	211,030	170,050
Total Expenditures	230,688	166,009	214,269	168,992
Excess (Deficiency of Revenues) over Expenditures	(88,760)	(19,659)	(3,239)	1,058
Beginning Fund Balance	137,158	48,398	48,398	45,159
Ending Fund Balance	\$ 48,398	\$ 28,739	\$ 45,159	\$ 46,217

**PARKING FUND
EXPENDITURE SUMMARY**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Clerk/Treasurer				
Parking Fee/Fine Collections				
Other Operating	\$0	\$9,000	\$9,000	\$ 9,000
Police Department				
Parking Enforcement				
Personnel	\$108,321	\$114,969	\$111,099	\$ 108,544
Supplies	681	3,800	3,800	3,800
Other Operating	8,350	8,257	3,087	1,748
Capital Outlay	-	4,583	4,583	5,000
Parking Enfrcmnt. Total	\$117,352	\$131,609	\$122,569	\$119,092
Department of Public Service				
Parking Maintenance				
Personnel	\$7,407	\$10,000	\$45,000	\$ 15,000
Supplies	3,271	2,000	5,000	3,500
Other Operating	22,158	13,400	32,700	22,400
Capital Outlay	80,500	-	-	-
Parking Maintenance Total	\$ 113,336	\$ 25,400	\$ 82,700	\$ 40,900
Parking Fund Total	\$230,688	\$166,009	\$214,269	\$168,992

ECONOMIC DEVELOPMENT FUND

The Monroe City Council created the Economic Development Fund in 1996. Contributing fund sources include tax increment proceeds from dissolution of the Local Development Finance Authority, repayment of a 1989 federal Urban Development Action Grant, land sales, repayment of brownfield advances, and miscellaneous revenue. The purpose of the Fund is to provide seed financing for development projects, fund local matches for grant applications facilitated by the City or City authorities, and otherwise promote economic development.

For Fiscal Year 2014, the Economic Development Fund is being used to account for loan financing related to the Battlefield and Mason Run environmental cleanup projects. It has also provided planning and match funding for the new La-Z-Boy World Headquarters, accounts for a Rail Consolidation Grant related to the Port of Monroe, and uses a General Fund appropriation to fund grant writing activities for the River Raisin Battlefield.

ECONOMIC DEVELOPMENT FUND FUND BALANCE TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 1,878	\$ 1,500	\$ 1,500	\$ 1,500
Community Development	-	-	50,000	-
Operating Grants:				
Community Development	54,510	-	203,508	-
Capital Grants:				
Community Development	7,909	-	445,278	-
Total Revenue	64,297	1,500	700,286	1,500
Total Expenditures	68,353	45,000	743,786	10,000
Excess (Deficiency) of Revenues over Expenditures	(4,056)	(43,500)	(43,500)	(8,500)
Beginning Fund Balance	346,020	341,964	341,964	298,464
Ending Fund Balance	\$ 341,964	\$ 298,464	\$ 298,464	\$ 289,964

ECONOMIC DEVELOPMENT FUND EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Community Development Dept. Economic Development				
Other Operating	\$ -	\$ 45,000	\$ 45,000	\$ 10,000
Total Economic Development	-	45,000	45,000	10,000
National Park Services Grant				
Other Operating	-	-	8,949	-
Total NPS Grant	-	-	8,949	-
Mason Run Phase 6 Grant				
Other Operating	54,510	-	203,508	-
Total Mason Run	54,510	-	203,508	-
Rail Consolidation Grant				
Other Operating	3,963	-	436,329	-
Total Rail Grant	3,963	-	436,329	-
Battlefield Grant Writing				
Other Operating	-	-	50,000	-
Total Battlefield Grant Writing	-	-	50,000	-
Transfers Out				
Other Operating	9,880	-	-	-
Total Transfers Out	9,880	-	-	-
Total Economic Dev. Fund	\$ 68,353	\$ 45,000	\$ 743,786	\$ 10,000

BUILDING SAFETY FUND

The Building Official is responsible for the administration and enforcement of the Michigan building codes. The purpose of this code is to provide minimum requirements to safeguard the public safety, health and general welfare through affordability, structural strength, means of egress facilities, stability, sanitation, light and ventilation, energy conservation and safety to life and property from fire and other hazards attributed to the built environment. This fund is in compliance with Public Act 245 of 1999 that requires that fees generated by the operation of the building safety fund only be used for building operations in the department and a separate special revenue fund be established to account for enforcement activities. The department specific areas of responsibilities include:

Plan Reviews: Provides for the issuance of permits and inspection service with applicable building, mechanical, plumbing, and electrical codes. We have contracted with two outside plan review groups to help improve our time on delivering a quick and accurate review to keep projects progressing in a timely manner.

Inspection Service: Inspecting the construction, alteration, demolition, occupancy, use, and maintenance of all buildings or structures. Increases have been allotted to improve inspector training and insure a greater level of consistency between inspectors.

Dangerous Buildings: Identify unsafe structures to ensure life safety issues are addressed. This function is going to be evaluated for improvement in both identifying problem properties as well as processing them through the legal process.

Signs: Provides for the issuance of permits and inspection service. Expanded involvement and awareness is being interjected into the enforcement actions to include other stake holders. The Resilient Monroe projects as well as the Downtown Development Authority are two examples of how signage is being viewed throughout the city.

Flood Zones: The Director is appointed to administer and implement the mapped boundary of the flood zone and enforce the provisions to minimize public and private losses due to flood conditions.

Boards, commissions and committees: The department is involved in or responsible for the following:

- Dangerous Building Hearings
- Construction Board of Appeals
- Neighborhood Conservation Committee
- Monroe Municipal Building Authority

GOALS AND OBJECTIVES FY 2014-2015

Complete Review and Update of Permit Fee Schedule.

Objectives:

1. Review existing fee schedule relative to cost of delivering services.
2. Review local Townships and State of Michigan fee schedules for comparison.
3. Adjust fee schedule and submit to City Council for approval.

Inspection process improvements:

1. Evaluating how the current electronic note books are actually being used out in the field.
2. Determining how the newer touch screen technology can assist out in the field.
3. BS&A software upgrades and training are being scheduled.
4. Rolling out new technology for real-time inspection result delivery to customers.

Ensure Responsive Plan Review Time and Permit Issuance

Objectives:

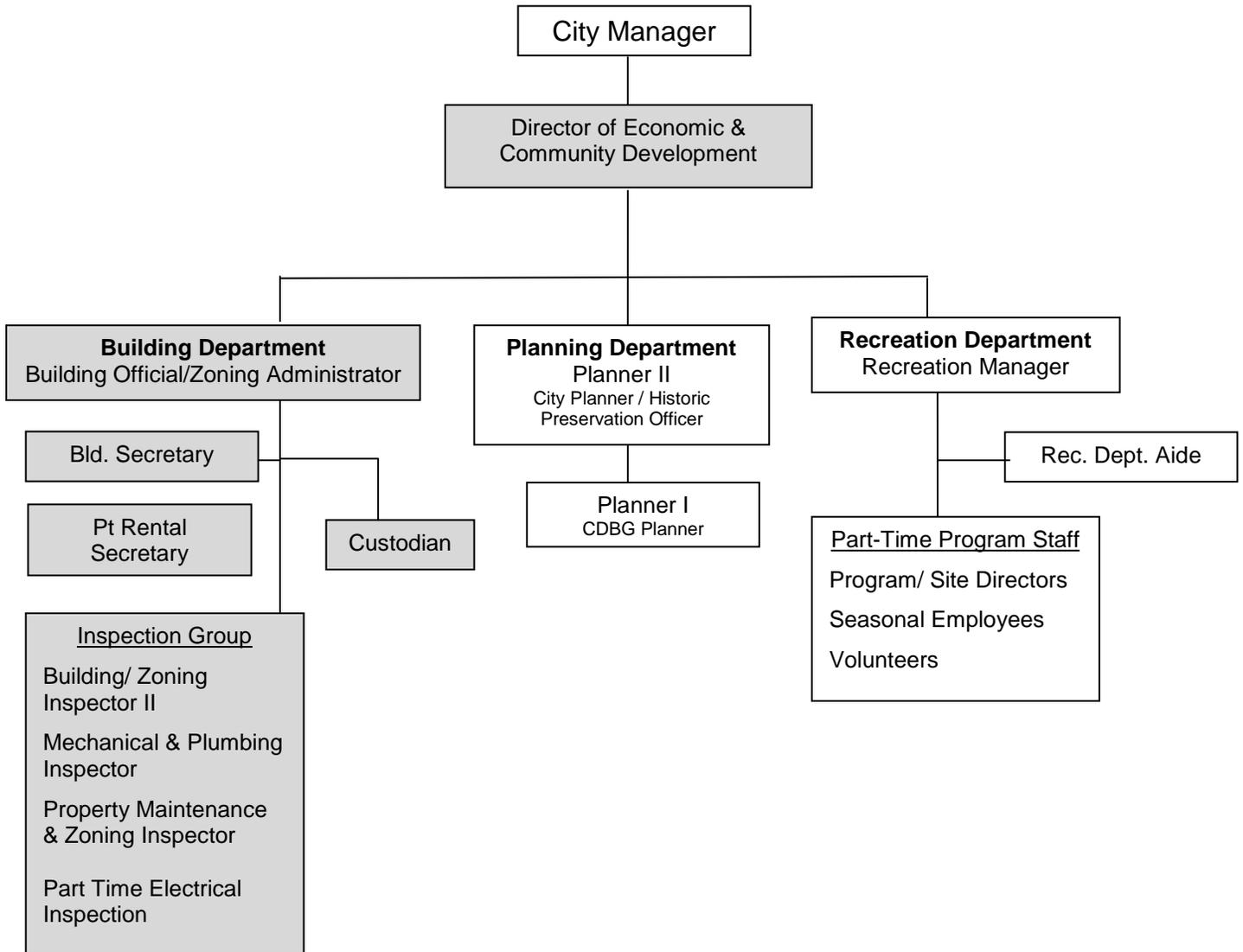
1. Respond to all plan reviews within 10 days.
2. Develop and implement procedures for over-the –counter or next-day permit issuance for simple projects that do not require detailed plan review.

Complete Review and Update of Department Applications.

Objectives:

1. Review applications and update to meet today's needs including ease of understanding and adequacy of information requested.
2. Make sure all applications are made easily accessible by installing them on the City Web site.

PROPOSED ORGANIZATIONAL MODEL FY 2014-2015



Performance Indicators

Type of Permit / Inspection	10-11 Actual	11-12 Actual	12-13 Actual	13-14 Estimate	14-15 Estimate
Building Permits	726	813	747	800	750
Mechanical Permits	268	230	229	250	250
Plumbing Permits	111	124	140	125	120
Electrical Permits	185	165	187	170	170
Sign Permits	37	17	34	30	30
Total Permits Issued	1327	1349	1337	1375	1325
Building Inspections	2126	2425	2408	2500	2400
Mechanical Inspections	299	286	280	300	300
Plumbing Inspections	227	229	200	200	200
Electrical Inspections	445	439	326	400	400
Rental Inspections	1091	938	1348	1400	1500
Total Inspections	4188	4317	4562	4800	4800
Building Licenses	67	113	113	115	115
Heating Licenses	22	22	30	30	30
Plumbing Licenses	14	10	15	15	15
Electrical Licenses	38	49	67	50	50
Total Licenses	141	194	225	210	210

FUNDING LEVEL SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Personnel Services	\$ 334,071	\$ 322,489	\$ 346,843	\$ 428,304
Supplies	4,103	4,550	6,250	5,370
Other Operating	59,681	84,178	86,078	92,046
Capital Outlay	-	-	-	-
Total	\$ 397,855	\$ 411,217	\$ 439,171	\$ 525,720

**BUILDING SAFETY FUND
FUND BALANCE TREND**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 910	\$ 800	\$ 1,000	\$ 1,000
Program Services Revenue				
Public Safety	506,033	429,800	492,325	437,650
Total Revenue	506,943	430,600	493,325	438,650
Total Expenditures	397,855	411,217	439,171	525,720
Excess (Deficiency of Revenues) over Expenditures	109,088	19,383	54,154	(87,070)
Beginning Fund Balance	260,787	369,875	369,875	424,029
Ending Fund Balance	\$ 369,875	\$ 389,258	\$ 424,029	\$ 336,959

BUDGET STABILIZATION FUND

The Budget Stabilization Fund was created by ordinance of the City Council in 1997. The fund was established to protect the future financial integrity of the City and to fund unanticipated nonrecurring events. Pursuant to statute, the city council may appropriate funds by resolution or ordinance adopted by a 2/3 vote of the members elected and serving for the following purposes:

1. To cover a general fund deficit, when the municipality's annual audit reveals such a deficit.
2. To prevent a reduction in the level of public services or in the number of employees at any time in a fiscal year when the municipality's budgeted revenue is not being collected in an amount sufficient to cover budgeted expenses.
3. To prevent a reduction in the level of public services or in the number of employees when in preparing the budget for the next fiscal year the municipality's estimated revenue does not appear sufficient to cover estimated expenses.
4. To cover expenses arising because of a natural disaster, including a flood, fire, or tornado. However, if federal or state funds are received to offset the appropriations from the fund, that money shall be returned to the fund.

The earnings on the funds invested in the Budget Stabilization Fund are returned to the General Fund as is required by statute.

BUDGET STABLIZATION FUND FUND BALANCE TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ -	\$ -	\$ -	\$ -
Total Revenue	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency of Revenues) over Expenditures	-	-	-	-
Beginning Fund Balance	2,000,000	2,000,000	2,000,000	2,000,000
Ending Fund Balance	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000

DRUG FORFEITURE FUND

Michigan law permits the forfeiture of any real or personal property used for the manufacture, distribution, or use of certain controlled substances. This includes vehicles used to transport controlled substances and money found in close proximity to any property subject to forfeiture. Assets so forfeited may only be used for narcotics enforcement related activities and equipment. The drug forfeiture fund is used to ensure that all funds derived through forfeiture are properly accounted for and only used in accordance with legal restrictions.

Drug related forfeitures are an important tool in the war against drugs, allowing the police to take the profits away from drug dealers while helping to fund further anti-drug efforts.

Forfeitures reported here are mainly the results of street level drug enforcement by the patrol staff. Forfeitures made by detectives assigned to the Monroe Area Narcotics Team & Investigative Services (MANTIS) are not included because funds and property forfeited by detectives assigned to MANTIS are used to support the MANTIS operations rather than returned to the sponsoring agencies.

DRUG FORFEITURE FUND FUND BALANCE TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 428	\$ 200	\$ 200	\$ 200
Program Services Revenue:				
Public Safety	12,633	15,000	15,000	15,000
Capital Grants Revenue:				
Public Safety	1,499	-	1,799	-
Total Revenue	14,560	15,200	16,999	15,200
Total Expenditures	99,852	15,200	15,200	15,200
Excess (Deficiency) of Revenues over Expenditures	(85,292)	-	1,799	-
Beginning Fund Balance	121,920	36,628	36,628	38,427
Ending Fund Balance	\$ 36,628	\$ 36,628	\$ 38,427	\$ 38,427

DRUG FORFEITURE FUND EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Police Department				
Police Operations				
Supplies	\$ 2,998	\$ 1,200	\$ 1,200	\$ 1,200
Other Operating	3,215	3,000	3,000	3,000
Capital Outlay	93,639	11,000	11,000	11,000
Drug Forfeiture Fund Total	\$ 99,852	\$ 15,200	\$ 15,200	\$ 15,200

GRANT FUND

Grants in need of special reporting requirements or those grants that cover more than one department or operation are reported in this fund. Currently, the only grant reported here is the Community Development Block Grant (CDBG).

GRANT FUND FUND BALANCE TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 568	\$ 400	\$ 400	\$ 400
Capital and Operating Grants				
Community Development	441,204	400,000	918,098	410,000
Total Revenue	441,772	400,400	918,498	410,400
Total Expenditures	442,274	584,467	918,098	410,000
Excess (Deficiency of Revenues) over Expenditures	(502)	(184,067)	400	400
Beginning Fund Balance	205,390	204,888	204,888	205,288
Ending Fund Balance	\$ 204,888	\$ 20,821	\$ 205,288	\$ 205,688

GRANT FUND EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Dept. of Comm. Dev. & Planning				
Comm. Development Block Grant				
Other Operating	442,274	584,467	918,098	410,000
Comm. Dev. Block Grant Total	442,274	584,467	918,098	410,000
Grant Fund Total	\$ 442,274	\$ 584,467	\$ 918,098	\$ 410,000

AIRPORT FUND

The City of Monroe owns and is responsible for the operation of Custer Airport, located west of Munson Park. This valuable City facility has a 5000-foot long, 100-foot wide runway, along with a full parallel taxiway capable of servicing a wide variety of General Aviation aircraft. In addition, the facility contains a large bay hangar, dozens of "T" hangars for smaller aircraft, and available apron space for outside aircraft tie-downs. Despite the lack of a large-scale fixed base tenant with high usage, Custer Airport is home to many recreational tenants, and nearly all of the hangars are rented year-round.

The Airport operates under the oversight of the Monroe Port Commission, in keeping with the City's goals of intensifying usage of the airport as an economic development tool. The current structure of the on-site Airport staff consists of an Airport Manager and other part-time staff that handle day-to-day operations, under the general oversight of the Public Services Department. In such a fashion, the City retains the revenue generated from hangar rental and aviation fuel sales, which are the primary revenue sources to this fund. Concession agreements are negotiated with operators for aircraft rental, aviation maintenance and repair services, charter services and flight training schools. The Department of Public Services is responsible for administration of the concession contracts as well as snow removal, facility maintenance and grass cutting at the Airport.

Custer Airport receives an annual allotment of \$150,000 in Federal Aviation grant funds, which can be used each year, or can be banked for multiple years for use on larger projects. Periodically, the Engineering and Public Services Department staff prepare an updated airport layout (future development) plan, which is used to program these grant funds in conjunction with the Michigan Department of Transportation. During the previous decade, grant funds have been used to rehabilitate the airfield lighting, install new taxiway lighting, install new airport fencing and access control, and completely rehabilitate the runway, which also included a substantial amount of State discretionary funds. Also, a revised airport layout plan was approved by the FAA and MDOT in 2013, and this document sets forth the 20-year vision for the Airport's future development. During 2013, rehabilitation of the concrete apron adjacent to the main bay hangar building was completed. 2014 funding will be rolled into 2015 in order to complete a larger project to rehabilitate asphalt pavement areas around some of the hangars.

AIRPORT FUND EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Department of Public Service				
Airport Operations				
Personnel	\$ 72,280	\$ 74,514	\$ 97,514	\$ 80,315
Supplies	2,577	5,250	3,250	3,250
Other Operating	239,492	259,892	253,693	249,700
Capital Outlay	-	-	-	-
Operating Transfer	-	33,962	33,962	-
Airport Fund Total	\$ 314,349	\$ 373,618	\$ 388,419	\$ 333,265

AIRPORT FUND FUND BALANCE TREND				
	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ -	\$ 11,000	\$ 38,104	\$ 16,100
Program Services Revenue:				
Public Works	315,332	346,400	328,308	322,200
Total Revenue	315,332	357,400	366,412	338,300
Total Expenditures	314,349	373,618	388,419	333,265
Excess (Deficiency of Revenues) over Expenditures	983	(16,218)	(22,007)	5,035
Beginning Fund Balance	79,721	80,704	80,704	58,697
Ending Fund Balance	\$ 80,704	\$ 64,486	\$ 58,697	\$ 63,732

EXPENDABLE TRUST FUND

The Expendable Trust Fund was established to account for donated funds with specific restrictions on their use that may take time to accumulate or may be expended over a period of years. The fund also accounts for federal and state funds received by the Commission on Environment and Water Quality, PEG cable franchise funds, and funds received for engineering review of privately funded projects. Budgets are carried over from year to year until the initial purpose of the funding has been completed.

EXPENDABLE TRUST FUND EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Expendable Trust Fund				
Millenium Committee	\$ -	\$ 2,592	\$ 2,592	\$ -
CEWQ-Public Education	-	1,959	1,959	-
CEWQ-Pub. Adv. Grant	12,326	2,484	2,484	-
CEWQ-Pub. Adv. Grant	-	13,826	13,826	-
Engineering Escrow	5,084	26,617	26,617	10,000
Kentucky Monument	1,000	-	-	-
MLK Bridge Lights Repair	4,600	-	-	-
Fountain Maintenance	-	4,941	4,941	-
Greener Monroe	-	689	689	-
Cappuccilli Park Improvements	-	338	338	-
Civil War Monument	-	10,000	10,000	-
M. Worrell Memorial/Riverwalk	-	2,315	2,315	-
Custer Monument	-	2,000	2,000	-
Paul Payne Sr. Family	-	522	522	-
Children's Concert Donations	-	1,000	1,000	-
Boy's All Star Team Donations	-	171	171	-
PEG Cable Support	31,703	68,152	68,152	29,000
Fund Total	\$ 54,713	\$ 137,606	\$ 137,606	\$ 39,000

**EXPENDABLE TRUST FUND
FUND BALANCE TREND**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 31,703	\$ 31,000	\$ 31,000	\$ 29,000
Public Safety	6,654	2,000	2,000	10,000
Community Development	18,000	12,663	12,663	-
Recreation & Culture	10,000	-	-	-
Capital Grant Revenue:				
General Government	2,315	-	-	-
Total Revenue	68,672	45,663	45,663	39,000
Total Expenditures	54,713	137,606	137,606	39,000
Excess (Deficiency of Revenues) over Expenditures	13,959	(91,943)	(91,943)	-
Beginning Fund Balance	79,665	93,624	93,624	1,681
Ending Fund Balance	\$ 93,624	\$ 1,681	\$ 1,681	\$ 1,681



DEBT SERVICE FUNDS

DEBT SERVICE FUND

The Debt Service Fund is used to account for the current principal and interest payments of the City's general obligation debt. The City issued a Recovery Zone Economic Development Bond in 2010 to fund the rehabilitation of the Winchester Street Bridge and repairs to City Hall. In 2012, the City issued a capital improvement bond for the Macomb Street Bridge Rehabilitation and for the Downtown Development Authority's parking project at the Laurel-Finzel parking lot. The fund will be used to account for the debt to be issued for the Roessler Street bridge repairs and rehabilitation in fiscal year 2014 or 2015. A millage rate of up to .52 mills for 20 years was approved to fund the bridge rehabilitation debt service. The following is a summary of each debt issue:

2010 Capital Improvement Bonds (Bridge Portion)			
Issuance Date:	5/4/2010		
Issuance Amount:	\$ 2,200,000		
Interest Rate:	3.5889%		
Type of Debt Instrument:	Capital Improvement Bond		
	RZEDB Program - Taxable		
Funding Source:	Bridge Millage		
2010 Capital Improvement Bonds (City Hall Portion)			
Issuance Date:	5/4/2010		
Issuance Amount:	\$ 300,000		
Interest Rate:	3.5889%		
Type of Debt Instrument:	Capital Improvement Bond		
	RZEDB Program - Taxable		
Funding Source:	General Fund Revenues		
2012 Capital Improvement Bonds (Parking Lot Portion)			
Issuance Date:	1/26/2012		
Issuance Amount:	\$ 1,900,000		
Interest Rate:	3.1577%		
Type of Debt Instrument:	Capital Improvement Bond		
Funding Source:	Downtown Development Authority TIF		
2012 Capital Improvement Bonds (Bridge Portion)			
Issuance Date:	1/26/2012		
Issuance Amount:	\$ 2,150,000		
Interest Rate:	3.1577%		
Type of Debt Instrument:	Capital Improvement Bond		
Funding Source:	Bridge Millage		

DEBT MANAGEMENT POLICY

Principal and interest payments on the City's long term general obligation debt will be accounted for within the Debt Service Fund. Revenue bonds will be accounted for in the appropriate Enterprise Fund.

The City of Monroe uses the following guides in managing its debt:

1. Long-term debt will be confined to capital improvements that cannot be financed from current revenues.
2. The payback period of the debt will not exceed the expected useful life of the project.
3. The total general obligation debt will not exceed ten percent (10%) of the assessed valuation of taxable property.
4. Long term debt will not be used for operations.
5. The City of Monroe will maintain good communications with the bond rating agencies about its financial condition and will follow a policy of full disclosure on every financial report and bond prospectus.

DEBT SERVICE FUND FUND BALANCE TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 363,607	\$ 368,618	\$ 367,514	\$ 380,036
Operating Grants				
Debt Service	43,941	42,085	38,838	37,777
Other Financing Sources				
Transfers from other funds	110,513	102,521	103,155	107,303
Total Revenue	518,061	513,224	509,507	525,116
Total Expenditures	486,613	421,624	421,624	405,864
Excess (Deficiency of Revenues) over Expenditures	31,448	91,600	87,883	119,252
Beginning Fund Balance	62,233	93,681	93,681	181,564
Ending Fund Balance	\$ 93,681	\$ 185,281	\$ 181,564	\$ 300,816

DEBT SERVICE FUND EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Finance Department				
Debt Service				
Debt Service - Bridge Bond	\$ 367,246	\$ 308,420	\$ 308,420	\$ 288,582
Debt Service - City Hall	26,460	26,185	26,185	25,825
Debt Service - DDA	91,460	83,419	83,419	87,857
Fiscal Agent Fee	337	600	600	600
Dept Service Total	485,503	418,624	418,624	402,864
Clerk/Treasurer				
Other Operating	1,110	3,000	3,000	3,000
Total Clerk/Treasurer	1,110	3,000	3,000	3,000
Debt Service Fund Total	\$ 486,613	\$ 421,624	\$ 421,624	\$ 405,864



CAPITAL PROJECT FUND

CAPITAL PROJECT FUND

The Capital Project Fund is used to account for capital projects not specific to other funds, sometimes referred to as general capital projects. Special assessment projects are also accounted for within this fund.

With the exception of special assessments, projects are usually funded by contributions from other funds, bond issuance proceeds, or grants. In the past, General Fund support of capital projects has been targeted at approximately one mil.

The nature of capital projects is such that the life of a project tends to cross more than one fiscal year. Contributions are transferred to the Capital Project Fund in the year they are budgeted within the contributing fund. A particularly large project may require the accumulation of funds over multiple years before a project starts.

City of Monroe capital project budgeting is done separately from the operating budget process. The Capital Improvement Project (C.I.P.) Budget is adopted as a plan in February and funded via adoption of the operating budget. Depending on decisions made during the operating budget adoption process the capital projects approved for funding in the operating budget may differ somewhat from those approved in the C.I.P. Budget plan.

CAPITAL PROJECT FUND EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Capital Projects by Department				
Clerk/Treasurer	\$ -	\$ -	\$ -	\$ -
Engineering	5,143,834	2,315,489	2,167,203	1,230,000
Building Services	46,114	987,309	1,016,559	190,000
Police	-	-	-	-
Fire	74,999	56,671	56,671	-
Public Services	231,031	72,512	-	-
Airport	365	266,262	266,262	-
Forestry	-	20,000	20,000	40,000
Community Development	1,062	342,163	342,163	-
Parks and Recreation	25,768	382,231	396,231	215,000
Multi Sports Complex	71,044	-	-	-
Capital Project Fund Total	\$ 5,594,217	\$ 4,442,637	\$ 4,265,089	\$ 1,675,000

**CAPITAL PROJECT FUND
FUND BALANCE TREND**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 10,444	\$ 623,025	\$ 620,025	\$ 1,155,800
Public Works	-	-	-	-
Program Services Revenue				
Public Works	61,771	53,200	73,200	30,000
Capital Grants Revenue:				
General Government	90,264	356,313	356,437	150,000
Public Safety	20,000	-	-	-
Public Works	2,074,809	2,211,203	2,148,611	90,000
Recreation & Culture	156,385	280,000	355,346	255,000
Total Revenue	2,413,673	3,523,741	3,553,619	1,680,800
Total Expenditures	5,594,217	4,442,637	4,265,089	1,675,000
Excess (Deficiency of Revenues) over Expenditures	(3,180,544)	(918,896)	(711,470)	5,800
Beginning Fund Balance	4,340,930	1,160,386	1,160,386	448,916
Ending Fund Balance	\$ 1,160,386	\$ 241,490	\$ 448,916	\$ 454,716



ENTERPRISE FUNDS

WASTEWATER DEPARTMENT

Mission Statement: “The wastewater facility is a publicly owned treatment works dedicated to providing the efficient transportation and treatment of wastewater from the metropolitan area. Wastewater personnel will place their highest priority on courteously serving the public and protecting the environment.”

Function: The primary function of the Wastewater Department is the efficient operation and maintenance of the Monroe Metropolitan Wastewater Facility. Our department is charged with the protection of the environment and public health by the collection, transportation, treatment and disposal of the community’s wastewater. Our service area includes the City of Monroe, Monroe Charter Township, Frenchtown Charter Township, and a small portion of Raisinville Township.

Challenges: The facility face several challenges again this upcoming fiscal year. The most important is meeting the requirements of our National Pollutant Discharge Elimination System Permit (NPDES). The NPDES permit includes all state and federal guidelines including constraints that are specific to our facility and must be met to stay in compliance. The existing NPDES permit expires October 1, 2014 where application for a new permit is due by April 4, 2014. The existing permit includes a Schedule of Compliance which includes a list of requirements and milestone dates of various facility operational elements, plans and specifications, studies, etc to be completed / submitted to the Michigan Department Environmental Quality (MDEQ). It is anticipated that the new NPDES permit will include a list of Schedule of Compliance milestones including development of a system wide Asset Management Plan (AMP). The MDEQ is providing a grant program to aid communities in completing the AMP.

One of the Schedule of Compliance items is an Electrical Upgrades requirement for the Wastewater Treatment Plant. This is an unfunded mandate where it was outlined to have these upgrades completed by September 1, 2013. With the second major WWTP rehabilitation project (WWTP System Improvements – Phase II) this item was completed on time. The purpose of upgrades project was to improve electrical reliability at the facility with new switchgear, a backup generator and a supervisory control and data acquisition (SCADA) system being installed. Also included in this project were security, fencing, and lighting improvements. Project funding is an MDEQ State Revolving Fund low interest (2.5%) loan.

Another permit Schedule of Compliance item includes the statement “*On or before November 30, 2015, the permittee shall cease all wet-weather bypasses up to Michigan’s remedial design standard.*” This requirement is also an unfunded mandate that is being addressed via the Wastewater System Improvements – Phase III project. The project is currently under construction and is scheduled to be completed by the fall of 2014. The scope of the overall project includes a combination of collection system improvements (removing 8.3 MGD of Inflow & Infiltration) and the addition of a 7 million gallon equalization basin to handle peak flows (up to 70 MGD). Project funding is an MDEQ State Revolving Fund low interest (2.5%) loan.

The overall WWTP facility still has numerous pressing needs that must be addressed. Two of the most pressing needs are sludge handling and plant wide heating. The City has teamed up with Johnson Controls to evaluate these pressing needs and other facility improvements in an effort to help fund an overall project with impacting wastewater rates. Johnson Controls

Incorporated (JCI) specializes in finding / developing facility projects that result in guaranteed operational savings to fund the overall project costs (debt service). These projects are known as guaranteed energy performance contracts which will not impact wastewater rates. Besides evaluating the sludge handling equipment and the plant heating system, numerous other areas of the WWTP are being evaluated and updated to a newer & more efficient technology. Some of the other areas that are being evaluated are: plant lighting, pumping at the facility and satellite pump stations, weather proofing, power factor correction, ultraviolet disinfection and Asset Management.

As with all other communities and businesses, we have been operating and completing more activities with fewer staff coupled with increasing expenses & flat sewer collection. The lowest possible wastewater rates are provided while reducing / maintaining expenses where applicable with all operations at the facility. Proposed FY 2014-2015 staffing full time equivalents (FTE) is 26.1, same as FY 2013-2014.

Capital Improvement Projects that are scheduled to begin after July 1, 2014 are: Sanitary Sewer System Replacement / Rehabilitation (~0.5 mile) and West Fourth Street Sanitary Sewer Installation (SAD). Several past Capital Improvement Program Projects have been put on hold are being evaluated and may be included with the overall JCI project. Other Capital Improvement Program projects that have been completed or will be completed by June 30, 2014 are the FY 2013-2014 Sanitary Sewer System Replacement / Rehabilitation (~0.7 mile) and the FY 2013-2014 Wastewater System GIS project.

Administrative (521): Wastewater Administrative personnel and other essential operation and administration items including but not limited to: Administrative Support fee (City), IT User fee (City), Meter Reading fees (City & Frenchtown), and Depreciation expenses are expended from these accounts. The depreciation expense establishes funding for subsequent planned replacement CIP projects. Adequately funded depreciation will provide our facility with the reserves necessary to maintain / improve our infrastructure and comply with federal, state, and local laws including regulations that govern our operation. In accordance with the Master Agreement of 2001, the Administrative Support fee percentage was reviewed during the budget preparation for FY 2012-2013 such that this percentage is set at 4.74% (set at same percent as FY 2010-2011 and FY 2011-2012) per the February 9, 2012 Control Board Meeting) of all operational expenditures minus CIP funding and principal debt. The Administrative Support fee has been set at 4.74% for three fiscal years (FY 2012-13~2014-2015) in which it will be evaluated again by the Control Board for FY 2015-2016.

Wastewater Treatment (527): During primary treatment sand, grit, and solids that readily settle out, are separated from the wastewater. Bar screens, grit removal tanks, primary settling tanks, and skimming devices remove roughly 50 percent of the incoming pollutants. Wastewater flowing out of the primary system still contains suspended and dissolved material that must be removed. The secondary treatment process utilizes a process commonly referred to as activated sludge (aerobic). In this form of treatment, wastewater and microorganisms are constantly mixed in large tanks by the addition of large quantities of compressed air (aeration); this causes the microorganisms to rapidly reproduce. The microorganisms stabilize / consume the waste material and produce an acceptable effluent. After aeration, the mixed liquor (the solution of waste and organisms) flows to final sedimentation tanks where the sludge is removed for processing. The clean water is then disinfected by Ultraviolet (UV) light and discharged to Lake Erie. The final effluent is treated with UV to kill potentially harmful microorganisms. During times of higher flows, the

excessive flows are diverted to additional primary tanks and disinfected by a chlorine tablet system. Sodium bisulfite is added to remove excess chlorine, as required by the MDEQ and NPDES permit. This process will change after the WWTP Phase III project. During the process of cleaning wastewater, the facility removes approximately 40 tons of sludge from the community's wastewater every day. This sludge is then transported by a contractor and disposed of in landfills (Erie, MI – primary and Adrian, MI – secondary).

Collection System (529) / Pump Station (530):

In 2013 our Collection System transported approximately 4.6 billion gallons of wastewater to the treatment facility for processing. Approximately 303 miles of sanitary sewer lines and 36 remote pumping stations provided service to a population of approximately 50,000 residential and industrial customers in four communities. Our collection crew focuses on discovering and eliminating sources of Inflow & Infiltration (I&I) and maintaining / repairing the system. Several I&I studies have been completed and compiled including the 1979 SSES, 2009 Limited SSES, 2010 SSES to aid crews to locate and remove/reduce I&I. Reduction rehabilitation projects will be completed in FY 2014 – 2015 including replacing and rehabilitating approximately 0.5 miles of collection system and installing a public sanitary sewer via SAD along West Fourth Street. By reducing I&I, we lower existing flows / operating costs and keep our reserve capacity for new customers, not for treating unwanted ground and surface water. Our crew has the capability to TV the sewer mains as well as private services / taps of customers. A \$200 service fee is charged to cover the cost of televising private services / taps as long as it can be done during normal business hours. Crews are available 24/7 to remedy reported system problems.

36 pump stations are utilized throughout the area to convey the wastewater to the treatment facility for processing. Maintenance and operations of the pump stations are accounted for within this classification. With system expansions, an increasing number of pump stations will be needed to service new customers due to the flat topography of our service areas.

History of the Wastewater Department: To comply with the 1972 Clean Water Act, a partnership was formed to expand the system and provide secondary treatment to residents in the City of Monroe, Monroe Charter Township and Frenchtown Charter Township. To address mandated pollution control regulations, the collection system was expanded, pump stations were added, and the primary treatment works were upgraded to provide secondary treatment. To fund the local shares required for the improvements, the County of Monroe acted as the agent to issue bonds in the principal amount of \$7,100,000. The partners entered into an operating contract referred to as the Base Contract. In the agreement, dated January 1, 1976, the City of Monroe agreed to lease the primary treatment facility to the County for a period of 40 years. The City of Monroe, Frenchtown Township and Monroe Township agreed to use funds from the bond sale to improve, enlarge, and extend the system. After the project was completed, the entire system was turned over to the City of Monroe. A new Master Agreement was finalized in 2001 and expires in 2040 for the Monroe Metropolitan Water Pollution Control System such that the City of Monroe is responsible for overseeing administration, operation, and maintenance of the Metropolitan System and each unit of government owns the infrastructure in their respective jurisdiction.

SOURCES OF FUNDING:

Read Charge: This budget we are recommending to maintain the read charge at \$13.59 per read. This read charge includes funding a portion of the Information System User Fee, Meter Reading Fees, Administrative Support Fee and Depreciation.

Commodity Charge: This budget we are recommending to increase the commodity charge to \$3.25 per ccf, an increase of 7.00%. Sewer usage is determined by metering, typically by water consumption of water meter readings in units of one hundred cubic feet (ccf) and are multiplied by the Commodity Charge. The Commodity Charge provides funds for all remaining administrative, debt service, collection system, treatment, and pump station operation related expenses.

The proposed rate increase will provide adequate funding to maintain our current level of service as well as pursue an aggressive Capital Improvement Program. The financial forecasting tool by Plante Moran has been used to insure adequate funding for operation & maintenance, capital improvements, and debt service requirements. We have projected no increase to the Read Charge and a 7.00% increase to the Commodity Charge each year over the next two years and then flattening. It is anticipated that smaller rate increases can be expected thereafter. The net impact to our average customer will be an overall increase of 5.8% or an estimated \$19.32 per year. We continue to attempt to obtain grants (when available) to help offset new revenue needed for projects and or self funded projects. In recent years we have been awarded low interest loans (2.5% interest), a Green Project Reserve grant (up to \$423,000), and S2 grant funds (\$1,000,000) for funding / reimbursements on the Wastewater System Improvements - Phase II & III projects to assist in reducing future funding needs.

It is recommended to maintain the septic dumping rate to \$0.070 per gallon based on the 2010 Maximum Allowable Headworks Loading (MAHL) Analysis and the anticipated expenses to treat the stronger load of sewage. It is recommended to maintain the surcharge rates as follows:

- Surcharge rate for BOD for wastewater in excess of 200 mg/l: \$0.34 per pound of BOD.
- Surcharge rate for suspended solids in excess of 250 mg/l: \$0.22 per pound of SS.
- Surcharge rate for total kjeldahl nitrogen in excess of 40 mg/l: \$0.95 per pound of total kjeldahl nitrogen.

Revenue Trends: Over the past few years, industrial usage has been flat, but is increasing. Residential & commercial sewage usage has decreased likely due to the economic conditions including water conservation practices and more efficient appliances. Minimal growth in the residential development has occurred along with commercial & industrial development resulting in flatter sewer usage. Septic dumping has remained steady primarily due to the MDEQ requiring that if a POTW is within 25 miles of the dump site, the sewage must be dumped at the POTW.

Expenditure Trends: Some increases in costs associated with depreciation, wage increases, post retirement healthcare, insurances, electricity, and sludge disposal are evident. Higher debt service costs are observed for Phases I, II, & III of Wastewater System Improvement projects and a potential (JCI project) QECB bond are programmed into the financial forecasting tool as well. Decreased operational costs from all projects are programmed into the tool based on current performance.

RATE HISTORY				
Fiscal Year	Commodity Charge (\$/ccf)	Quarterly Read Charge (\$/Bill)		
July 2001	\$1.66	\$7.43		
July 2002	\$1.66	\$9.99		
July 2003	\$1.77	\$10.24		
July 2004	\$1.77	\$10.3421		
July 2005	\$1.77	\$10.3421		
July 2006	\$1.89	\$11.07		
July 2007	\$2.04	\$11.96		
July 2008	\$2.173	\$12.74		
July 2009	\$2.38	\$13.02		
July 2010	\$2.57	\$13.59		
July 2011	\$2.71	\$13.59		
July 2012	\$2.86	\$13.59		
July 2013	\$3.04	\$13.59		
July 2014	\$3.25	\$13.59		
COST TO AVERAGE CONSUMER				
	Last Year Cost	Proposed Cost	Increase	% Increase
Quarterly Bill*	\$83.51	\$88.34	\$4.83	5.8%
Annual Cost	\$334.04	\$353.36	\$19.32	5.8%
*Based on 23 ccf per bill				
SEWAGE RATE COMPARISON*				
LOCATION	ANNUAL COST	\$/CCF	QUARTERLY READ COST	
Village of Maybee	\$231.00	-	\$57.75	
City of Woodhaven	\$232.62	\$2.44	\$2.07	
London Township	\$249.00	-	\$62.25	
City of Flat Rock	\$255.26	\$2.99	\$35.00	
YUCA	\$259.17	\$2.089	\$21.64	
City of Wyandotte	\$268.58	\$2.15	\$17.70	
City of Tecumseh	\$331.42	\$3.06	\$12.49	
City of Howell	\$331.98	\$2.66	\$21.75	
City of Saline	\$349.16	\$2.79	\$23.12	
Monroe Metropolitan	\$353.36	\$3.25	\$13.59	
Bedford Township	\$355.52	\$3.08	\$18.00	
Ida / Raisinville Twps	\$360.00	-	\$90.00	
City of Petersburg	\$360.00	-	\$90.00	
City of Ann Arbor	\$380.80	\$3.65	\$11.25	
Village of Blissfield	\$417.15	\$2.30	\$51.30	
City of Adrian	\$455.00	\$3.25	\$39.00	
Village of South Rockwood	\$496.50	\$3.03	\$54.45	
City of Milan	\$560.14	\$2.63	\$79.65	
Village of Dundee	\$622.64	\$5.83	\$21.47	
Village of Dexter	\$630.14	\$6.00	\$19.56	
Berlin Township	\$635.56	\$5.60	\$30.00	
Ash Township	\$688.16	\$7.48	\$0.00	
LaSalle Township	\$1,359.86	\$7.61	\$165.00	

WASTEWATER FUND NET ASSET TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 9,352	\$ 14,050	\$ 2,000	\$ 2,000
Program Services Revenue:				
Public Works	7,712,715	7,961,435	7,961,015	8,424,929
Capital Grants				
Public Works	347,906	-	15,327	-
Total Revenue	8,069,973	7,975,485	7,978,342	8,426,929
Total Expenditures	6,458,573	8,692,374	7,607,041	8,216,691
Excess (Deficiency of Revenues) over Expenditures	1,611,400	(716,889)	371,301	210,238
Beg. Net Assets	21,664,066	23,275,466	23,275,466	23,646,767
End. Net Assets	\$ 23,275,466	\$ 22,558,577	\$ 23,646,767	\$ 23,857,005

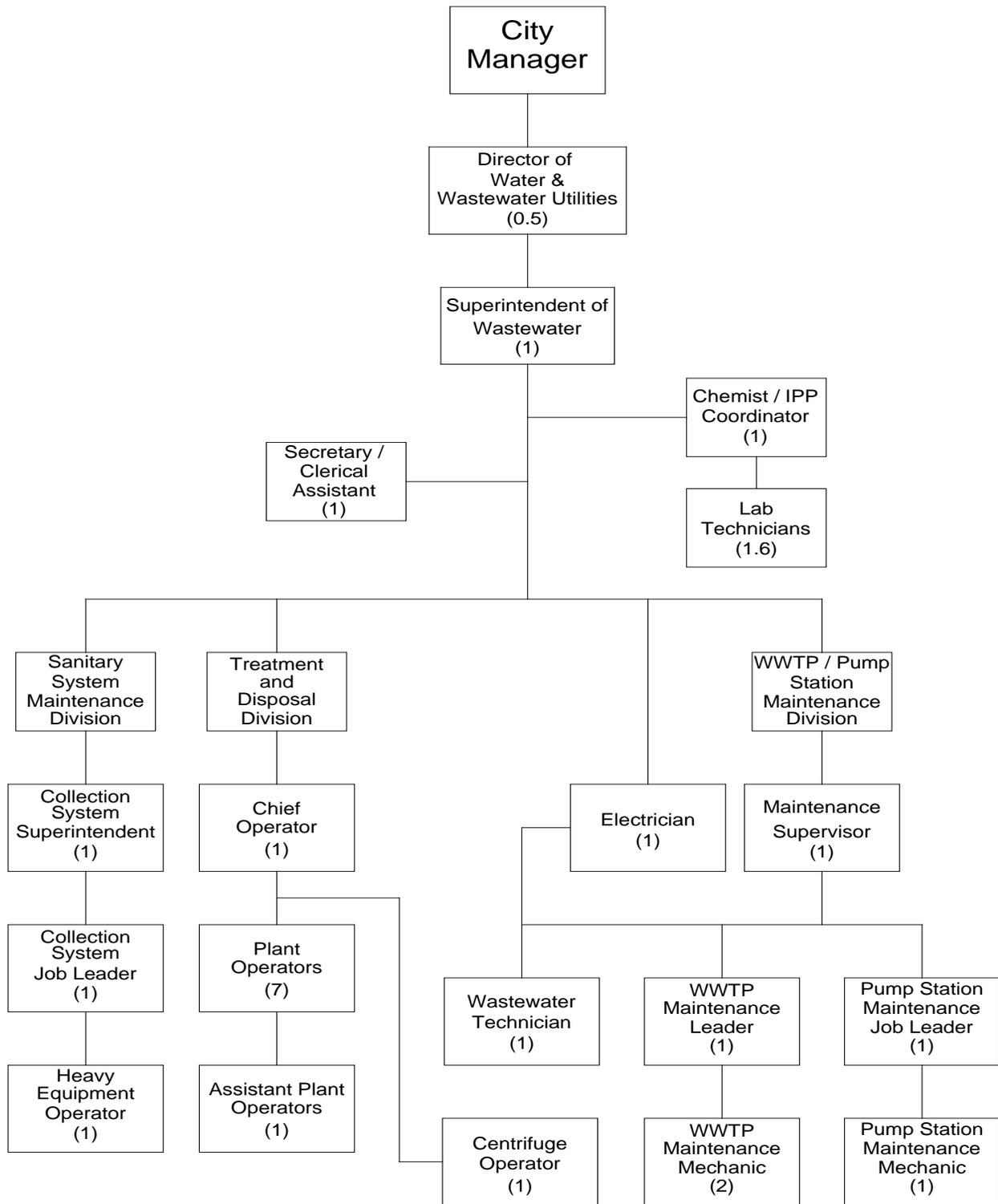
WASTEWATER FUND EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
General Administration				
Personnel Services	\$ 305,246	\$ 324,207	\$ 323,877	\$ 310,471
Supplies	36,337	37,360	39,860	42,560
Other Operating	2,343,740	2,578,346	2,545,700	2,886,679
Operating Transfers	-	-	-	-
Capital Outlay	-	-	-	-
General Admin. Total	2,685,323	2,939,913	2,909,437	3,239,710
Treatment & Disposal				
Personnel Services	1,405,886	1,570,265	1,523,901	1,620,141
Supplies	23,061	24,000	24,000	24,000
Other Operating	1,150,554	1,293,853	1,297,645	1,270,035
Capital Outlay	-	-	-	-
Treatment & Dspsl. Total	2,579,501	2,888,118	2,845,546	2,914,176
Maint.-Sanitary Sewers				
Personnel Services	335,608	370,170	370,328	373,339
Supplies	5,174	6,500	6,500	6,500
Other Operating	41,533	61,100	57,000	63,000
Capital Outlay	(22,992)	-	-	-
Operating Transfers	79,201	-	-	-
Maint.- Sntry. Swrs. Total	438,524	437,770	433,828	442,839
Maint.-Pump Stations				
Personnel Services	278,311	297,305	291,076	297,518
Supplies	19,121	21,549	21,500	16,250
Other Operating	176,205	181,076	191,568	183,572
Capital Outlay	-	-	-	-
Maint.- Pump Stns. Total	473,637	499,930	504,144	497,340
Debt Administration				
Principal	-	997,432	-	-
Interest	281,588	929,211	914,086	1,122,626
Debt Administration Total	281,588	1,926,643	914,086	1,122,626
Wastewater Fund Total	\$ 6,458,573	\$ 8,692,374	\$ 7,607,041	\$ 8,216,691

Wastewater Fund Capital Project Detail

Project	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Sanitary Sewer Rehabilitation	\$ 168,114	\$ 8,808	\$ 8,808	\$ -
Centrifuge Primary Gear Replacement	10,258	2,042		
Wastewater System Imp.-Phase 2	-	2,726	-	-
Wastewater Plant Impr. - Phase II	3,732,710	344,755	379,186	-
San. Sewer Rehab - Scott St.	4,106	-	-	-
San. Sewer Rehab - Woodville	(35)	-	-	-
San. Sewer Rehab - 1st Winchester to E. End	(10,585)	-	-	-
San. Sewer Rehab - E/W Custer	(6,290)	-	-	-
Gee Drive/Glendale Ct. Sanitary Sewer	(3,220)	-	-	-
Sunset&Detroit Beach Pump Sta. Rehab.	21,898	-	-	-
WW Plant Secondary Side-Boiler Rehab	-	163,601	-	-
San. Sewer-E&W Front-Harrison to Macomb	51,779	-	-	-
San. Sewer-Maple-Lorain to Scottwood	7,290	-	-	-
San. Sewer-Resig-Full length	17,724	-	-	-
San. Sewer-Dam No. 2-behind WTP	(2,862)	-	-	-
San. Sewer-Dam No. 6-E of Winch. Bridge	3,414	-	-	-
WWTP Air Compressors&Air Dryer	31,615	-	-	-
Wet Weather Improvements	8,271,138	8,843,603	8,843,603	-
Centrifuge Ventilation System	2,159	4,050	4,050	-
Pump Rehabilitation	35,247	-	-	-
San Sewer Rehab- Cass St City to Front	118,365	-	-	-
San Sewer Rehab- Detroit Ave Mill to Dixie	176,753	-	-	-
Raisinville N&S- Lav. N Pump Stat Electri	19,950	-	-	-
S. Monroe Pump Station Control Panel	-	40,680	40,680	-
Well Bubbler Line Repl. -Prim&PumpStation	34,066	-	-	-
Boiler Replacement -WWTP 2ndary System	-	75,000	70,000	-
Sludge Handling System	19,600	-	-	-
Boiler Replacement -WWTP Primary Side	-	141,200	-	-
Flow Proportional Sampler Replacement	7,683	-	-	-
Disinfection System Cover	-	85,000	-	-
GIS- Wastewater System	-	28,000	28,000	-
Pump Station Rehab-Sunset & Detroit Beach	-	285,000	17,687	-
San. Sewer Rehab-E. 2nd-Washington to W	-	28,884	29,300	-
San. Sewer Rehab-E 3rd-Wadsworth to E	-	25,300	25,500	-
San. Sewer Rehab-W 5th-Adams to Hubble	-	31,516	32,700	-
San. Sewer Rehab-S Monroe-2nd to River	-	174,649	177,000	-
San. Sewer Rehab-Arbor-River to N. of NOB	-	134,843	135,100	-
San. Sewer Rehab-E.Noble-Monroe to Macomb	-	-	-	48,500
San. Sewer Rehab-Conant-Peters to E. 5th	-	-	-	15,400
San. Sewer Rehab-E. 3rd-Kentucky to West	-	-	-	17,100
San. Sewer Rehab-Alley N. of W. Noble Ave.	-	-	-	14,600
San. Sewer Rehab-W 4th-Hubble to E. of Smith	-	-	-	134,400
Capital Project Total	\$ 12,710,877	\$ 10,419,657	\$ 9,791,614	\$ 230,000

PERFORMANCE INDICATORS	2007-8 Actual	2008-9 Actual	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Projected	2014-15 Requested
Commodity Charge (\$/ccf)	\$2.04	\$2.173	\$2.38	\$2.57	\$2.71	\$2.86	\$3.04	\$3.25
Plant Flow (Billion Gallons)	4.9	5.8	4	3.4	5.67	3.82	4.6	4.7
Wet Weather Flows (MG)	20.2	62.8	84.2	0	40.2	39	4.45	5
Major Storm	4	5	4	0	8	1	8	4
Major Industrial Customers-IPP	6	5	5	5	5	5	5	5
In House Laboratory Tests	12,324	12,324	12,324	12500	11,796	11,628	11,867	11,750
Wet Tons of Sludge	10,680	10,130	9,800	10,285	11,106	11,214	10,112	10,800
Collection System								
Mini-Camera Jobs	107	87	90	57	29	51	78	50
Root Treatment (LFT)	8,000	7,100	17,400	7100	8800	11885	9800	9,700
Grease Chemical/blocks	500	0	0	4	4	6	6	6
Manhole Inspections	400	400	400	425	2631	189	103	240
Sewer Investigations (call-outs)	300	300	300	275	284	137	164	250
Sewer Mains Jetted (LFT)	136,750	160,450	131,702	180972	149955	206320	138361	150000
Sewer Mains TV'd (LFT)	27,300	14,850	6,341	64986	28413	21183	24097	25000
Miss Digs	1,000	2,500	2,500	2400	1560	2224	3810	2250
Work for Other (jobs)	17	27	24	10	3	5	5	5
Pump Stations	37	37	37	36	36	36	36	36
Pump Station Investigations/Yr	3975	4027	3850	3900	2686	2500	2325	2500
Major Repair Hours	1100	1,233	1,300	1050	1565	2500	1805	1875
In House CIP Project Hours	3,200	1,050	1,400	1385	300	225	0	0



Wastewater Department FY 14-15 FTE Total = 26.1
 Wastewater Department FY 13-14 FTE Total = 26.1
 Wastewater Department FY 12-13 FTE Total = 26.1
 Wastewater Department FY 11-12 FTE Total = 26.1
 Wastewater Department FY 10-11 FTE Total = 27.1
 Wastewater Department FY 09-10 FTE Total = 27.1
 Wastewater Department FY 08-09 FTE Total = 31.0

WATER DEPARTMENT

MISSION STATEMENT:

Meeting current and future water demand in the Monroe area with an adequate and uninterrupted supply of high quality water at the least possible expense is the function of the Water Department.

WATER DEPARTMENT PROGRAM:

Water rates are composed of three (3) separate charges: an administration quarterly charge of \$4.50 per customer, a debt service quarterly charge based on meter size, and a commodity charge based on the volume of water consumed. Customers served by the South Custer Booster Pumping Station are charged a pump surcharge based on volume of water consumed to cover the costs of the additional pumping. We are recommending no change to: the administration charge, the pump surcharge and the system development fees, however it is recommended increasing the debt service charge for all meter sizes, the commodity charge and the fire line charges per the methodologies of the 2013 Fire Line Evaluation Study for the upcoming fiscal year (see tables below). With the recommendations we will be able to maintain our current level of service as well as pursue the aggressive Capital Improvement Program with the revised rate structure.

Water Rates *INSIDE* the City Limits

\$1.51 for every 100 Cubic Feet of Water Used Plus a Quarterly Service Charge

5/8" **	\$10.02	1½"	\$32.13	4"	\$170.31	12"	\$1,192.79
3/4"	\$12.80	2"	\$48.71	6"	\$349.94		
1"	\$18.32	2 ½"	\$73.58	8"	\$501.92		
1¼"	\$23.84	3"	\$101.22	10"	\$805.90	**Most Residences	

Water Rates *OUTSIDE* the City Limits

(Townships of Monroe & LaSalle)

\$3.02 for every 100 Cubic Feet of Water Used Plus a Quarterly Service Charge

5/8" **	\$15.54	1½"	\$59.76	4"	\$336.12	12"	\$2,381.08
3/4"	\$21.10	2"	\$92.92	6"	\$695.38		
1"	\$32.14	2 ½"	\$142.66	8"	\$999.34		
1¼"	\$43.18	3"	\$197.94	10"	\$1,607.30	**Most Residences	

Water Rates *OUTSIDE* the City Limits *WITH* Surcharge

(Townships of Raisinville, London, Exeter, & Ida; Village of Maybee)

\$3.17 for every 100 Cubic Feet of Water Used Plus a Quarterly Service Charge

5/8" **	\$15.54	1½"	\$59.76	4"	\$336.12	12"	\$2,381.08
3/4"	\$21.10	2"	\$92.92	6"	\$695.38		
1"	\$32.14	2 ½"	\$142.66	8"	\$999.34		
1¼"	\$43.18	3"	\$197.94	10"	\$1,607.30	**Most Residences	

Fire Line Rates *INSIDE* the City Limits

* Quarterly Service Charge*

5/8" **	\$0.52	1½"	\$5.23	4"	\$68.97	12"	\$1,240.28
3/4"	\$0.84	2"	\$11.14	6"	\$200.36		
1"	\$1.80	2 ½"	\$20.04	8"	\$426.97		
1¼"	\$3.24	3"	\$32.37	10"	\$767.84		

Fire Line Rates *OUTSIDE* the City Limits

* Quarterly Service Charge*

5/8" **	\$1.04	1½"	\$10.46	4"	\$137.94	12"	\$2,480.56
3/4"	\$1.68	2"	\$22.28	6"	\$400.72		
1"	\$3.60	2 ½"	\$40.08	8"	\$853.94		
1¼"	\$6.48	3"	\$64.74	10"	\$1,535.68		

WATER RATE COMPARISON*

LOCATION	ANNUAL COST	\$/CCF	QUARTERLY SERVICE COST	% INCREASE (Monroe System Only)
Tecumseh	\$165.47	\$1.31	\$11.26	
City of Monroe	\$179.00	\$1.51	\$10.02	2.4%
City of Wyandotte	\$197.20	\$1.40	\$17.10	
Frenchtown Township	\$208.00	\$1.85	\$9.45	
City of Flat Rock	\$210.45	\$2.24	\$1.00	
City of Milan	\$211.47	\$1.68	\$14.33	
Ash Township	\$258.06	\$2.81	\$37.50	
Village of Dexter	\$306.10	\$2.40	\$21.30	
City of Ann Arbor	\$307.20	\$2.85	\$11.25	
YUCA-Township	\$308.15	\$2.56	\$25.02	
City of Howell	\$322.38	\$2.92	\$13.50	
Berlin Charter Township	\$343.03	\$3.08	\$15.00	
Monroe & LaSalle Township- Monroe System	\$340.00	\$3.02	\$15.54	2.5%
City of Adrian	\$341.84	\$2.50	\$27.96	
Raisinville, Ida, London, Exeter Townships & Village of Maybee - Monroe System	\$353.80	\$3.17	\$15.54	2.4%
City of Woodhaven	\$364.78	\$3.87	\$2.25	
Village of Dundee	\$366.45	\$3.64	\$8.00	
City of Saline	\$383.12	\$3.34	\$19.05	
Village of Blissfield	\$417.15	\$2.30	\$51.30	
South County Water	\$418.69	\$4.30	\$23.00	
Village of South Rockwood	\$453.64	\$1.68	\$74.70	
City of Petersburg	\$576.20	\$3.63	\$60.61	
<i>*Annual cost based 92 ccf</i>				
Dundee-Wholesale (6")	\$536,643.52	\$1.66	\$349.94	2.5%
Petersburg-Wholesale (2~4")	\$83,074.32	\$1.66	\$340.62	2.5%

Bold - Monroe Water System

CITY OF MONROE SYSTEM DEVELOPMENT FEES		ADJACENT WATER SYSTEM BUY-IN FEES	
Meter Size	Fee	Jurisdiction	Fee
5/8"	\$1,400	Frenchtown Township	\$2,500
1"	\$3,500	South County Water	\$0
1-1/2"	\$7,000	City of Saline	\$1,841
2"	\$11,200	City of Ann Arbor	\$2,620
3"	\$24,500	City of Howell	\$3,000
4"	\$42,000	Village of Dexter	\$3,000
6"	\$87,500	Ash Township	\$2,000
8"	\$126,000	Berlin Township	\$2,500
10"	\$203,000	Village of Dundee	\$0
12"	\$301,000	City of Petersburg	\$3,200
		City of Wyandotte	\$2,000
		City of Flat Rock	\$2,615
		City of Tecumseh	\$2,500
		YCUA	\$1,440

** Most common meter installation

Call-Out and Turn-On Fees FY 2014-2015

- Regular Hours: \$65.00
- Overtime: \$115.00
- Double-time: \$150.00

DEPARTMENT OVERVIEW

The Water Department consists of three (3) divisions: Administration, Water Filtration and Transmission and Distribution. The Administration Division works to provide for orderly and proper water bill collection in order to generate sufficient revenues to insure operation and maintenance, development, perpetuation of the water system and our financial integrity. The division strives to provide for orderly managed growth of the water system to maintain a customer base sufficient to stabilize / maintain rates by distributing costs over a wider customer base. The division also is the primary information source for the customers. Information includes water quality and availability, administering water agreements, rate structure, service inquiries, billing records, infrastructure, as-builts, service records, and customer accounts.

The goal of the Water Filtration Plant Division is to provide the community with safe, reliable, and aesthetically pleasing water. The water produced by our plant has never been in violation of any Federal or State drinking water standard, with the exception of the Total Coliform Rule in 2011. It is the first plant in the state of Michigan to implement many innovative technologies (i.e., ozone, zebra & quagga mussel control, backflushing of intake lines, real-time monitoring). The Monroe Plant has been recognized as the oldest, continuously running facility in the state of Michigan and has historically been viewed as a leader in its proactive response to maintaining a quality treatment facility. Accomplishing these objectives is more difficult due to on-going promulgation of unfunded-stringent water regulatory standards.

The function of the Water Transmission and Distribution Division is to transmit a supply of potable water through approximately 305 miles of various sizes of mains, services, valves, and hydrants to our consumers at an economical rate. Some areas of the Distribution System date back to 1889 and we are continually updating it via replacing and rehabilitating mains, services, valves, and hydrants. Main breaks, service leaks, and hydrant damage occurs from various causes and requires constant attention and repairs. Growth in the City, Townships, and the Villages will continue to augment our system's operational performance & characteristics. The Water Distribution Division installs and maintains all services to these areas except where water is sold wholesale. All customers consumption of water is measured by a meter (100 cubic feet or CCF) installed within the service line.

WATER DEPARTMENT DIVISIONS

Water Administration Division - Consists of the Department Director, a Water Distribution Superintendent, and two (2) Department Aides. The Administration Division is located on the first floor of City Hall in rented space from the City. The staff is adequately supported with networked personal computers to provide access to the utility billing and financial management software systems. Water system as-built and infrastructure records are located and maintained in both the division and Engineering Department. Water service and account records are located and maintained in the Division's files. The Water Distribution Superintendent reports to the Director.

All Water Filtration Plant and Transmission & Distribution Division activities are oriented toward assuring an adequate and uninterrupted supply of high quality water while maintaining compliance with all applicable federal and state regulations. To achieve that objective, all Divisions preserve, maintain, and continually upgrade our extensive infrastructure to optimize operating readiness and efficiency while employing the best available technology.

Water Filtration Plant Division - Maintains the Raw Water Intake facilities which include two offshore intake structures and pipelines which routes raw water via gravity to four (4) on-shore wetwells / pump station and then pumps low-pressure partially treated (seasonally) water to the Monroe Water Filtration Plant and the Filtration Plant of Frenchtown Charter Township. At the Monroe Water Filtration Plant, the water receives a variety of physical and chemical treatments to prepare it for distribution throughout the service area via two on-site high-service pump stations, and is re-pumped at the South Custer Pump Station located near Raisinville Road to maintain flow & pressure to the western system customers. Quality control is closely regulated through extensive testing in the bacteriological state certified in-house laboratory. The Water Filtration Plant is connected to the City network and includes a security system. Operations are accomplished by a staff including one Water Treatment Superintendent, one Water Treatment Operations Supervisor, six certified plant operators, two plant mechanics, and one electrician. The Water Treatment Superintendent reports to the Director.

Water Transmission and Distribution Division - Comprised of two different sections: Construction and Service. The Construction Section includes one Water Distribution Supervisor, one Assistant Water Distribution Supervisor, ½ Distribution Technician, two Job Leaders, two Heavy Equipment Operators, and two Maintenance Workers II. Their function is to install, repair, and maintain water services, repair and/or replace water mains, valves, and fire hydrants so as to maintain uninterrupted flow of potable water. An ongoing Preventive Maintenance Program is completed to assess designated fire hydrants and valves within the water system's service area to verify, repair/replace, and document the elements of the water system. Fire Departments within the system (City of Monroe, Monroe Charter Township, LMR, Exeter Township, and Ida Township) inspect hydrants annually and provide reports on defective hydrants within the system for repairs, valves are inspected, documented and repaired by division staff. The Water Distribution System carries potable water through a number of sizes (i.e. 5/8" through 42") and types of mains and service lines (i.e. copper, lead, steel, ductile iron, transit, PVC, HDPE, concrete, cast iron, and lined cast / ductile iron) which are controlled by various sizes of valves. The system also includes approximately 15300 active water connections, 3295 fire hydrants, 2750 valves, and three elevated storage tanks. The Service Section employs one Job Leader, ½ Distribution Technician and two Water Service Workers who install, repair, and maintain water meters and their accessories to provide a means of measuring the amount of water being used at all facilities. Sampling of the water within the system at various locations is done twice a week. The Service Section also employs a Chief Meter Reader/Cross Connections/Billing Supervisor whose job is to read / coordinate all meters with division staff for proper billing to our customers and assist in the inspection of facilities for any possible cross-connections. Types of equipment used by both sections include: Utility & Dump Trucks, Backhoes, Mini-Track Excavators, Trenchers, Boring Machines, Pumps, Pickups, Vans, and various air monitoring devices, as well as a long list of safety items and hand tools. There is a building to house an extensive inventory of parts and supplies needed, garages for the storage of vehicles, materials & equipment, and adjoining areas that house meter testing equipment, offices, mud & locker rooms, a wash bay, raw material storage bins, and parking. The facility is connected to the City network and Water Filtration Plant security system.

WATER DEPARTMENT ACCOMPLISHMENTS / SHORTFALLS

During CY 2013 the billed water consumption in the Monroe Water System decreased 2.7% from CY 2012. The demands have been met with an adequate and uninterrupted supply of high quality water. The Administrative office received and processed all customer calls and over-the-counter inquiries pertaining to water quality and availability, rate structure, service inquiries, billing records, and customer accounts. Electronic means of sending out the 15th annual "Consumer Confidence Report" via URL link on water bills were mailed / emailed to all of our customers during the past fiscal year as required by state and federal regulations. This report describes the water quality, source of the water, and any regulated substances in the water, and any violations that were found.

The Water Department Divisions accomplished many of the goals of the FY 2013-2014 budget. These include:

- Continued outstanding water quality reflected in meeting all regulatory compliance standards for water. Over 120 additional samples and numerous of hours and expertise were dedicated to maintain system compliance with the Total Coliform Rule in 2013.
- Expanded customer base with the installation of 106 new water services (1" through 2").
- Maintained an uninterrupted supply of water and continue to improve response time on customer requests by minimizing outstanding work orders through scheduling appointments at more convenient times for our customers.
- Repaired / replaced / installed 5 distribution system valves and 14 fire hydrants. 431 valves were operated / inspected as part of our Preventative Maintenance Program. The fire departments within each jurisdiction inspected the fire hydrants within their service area. 1524 hydrants were operated / flushed while 22 hydrants were flow tested.
- Replaced / installed 204 meters and 152 radio reading units. Replaced / repaired / tested 30 large meters (3" and larger). The entire metering system is a 100% radio read system.
- Completion of the following projects at the Water Filtration Plant and Pointe Aux Peaux Raw Water Intake: Filters 2 & 4 Concrete Rehabilitation; Motor Control Center A & B Replacement; Boiler Room, West High Service Pump Station and South Custer Booster Station Roof Replacements; Ozone System Modifications Design; Zinc Orthophosphate Bulk Tank Replacement; Raw Water Intake-Frenchtown #2 VFD Replacement and Potassium Permanganate Feed System.
- Continued to implement the City wide facility plan to rehabilitate / replace / install water mains and infrastructure to provide a more reliable water system to improve flow, pressure, and capacity - specifically: Finish construction of the Year 3 Water System Improvements (Monroe Street), Main Replacements on Western Avenue, Huron Street, Borgess Avenue, and West Dunbar Road; Distribution Service Truck Replacement; & Completing the Water System GIS. Completing the design & survey of main replacements on East Noble Avenue, Western Avenue & Roessler Street Bridge.

The Transmission and Distribution Division installed 106 new water services and completed 32 water service renewals. 14 fire hydrants were repaired / replaced / installed, 1524 hydrants were operated / flushed, 59 water main breaks were

repaired, 57 service modifications (leaking, stop boxes, abandonments or re-routed) were completed, and 5 valves were repaired or replaced with minimal inconvenience to our customers. 5137 MISS DIG tickets were received which required 2796 tickets to be responded to during the year. The Water Service Workers completed 3270 work orders consisting of recording meter readings for final bills & check reads, investigating high bill complaints, performing meter changes, radio reading device changes, water service turn-ons and offs, low pressure complaints along with miscellaneous meter services. 4268 delinquent notices were mailed out which ultimately required Water Service Workers to deliver 1617 shut-off notices. They collected 915 system bacteriological samples, and were called out 83 times. The meter readers read approximately 15300 meters quarterly. The Chief Meter Reader enforces regulations to insure against contamination of the water. During 2013, 564 new or old cross-connection sites were inspected or tested.

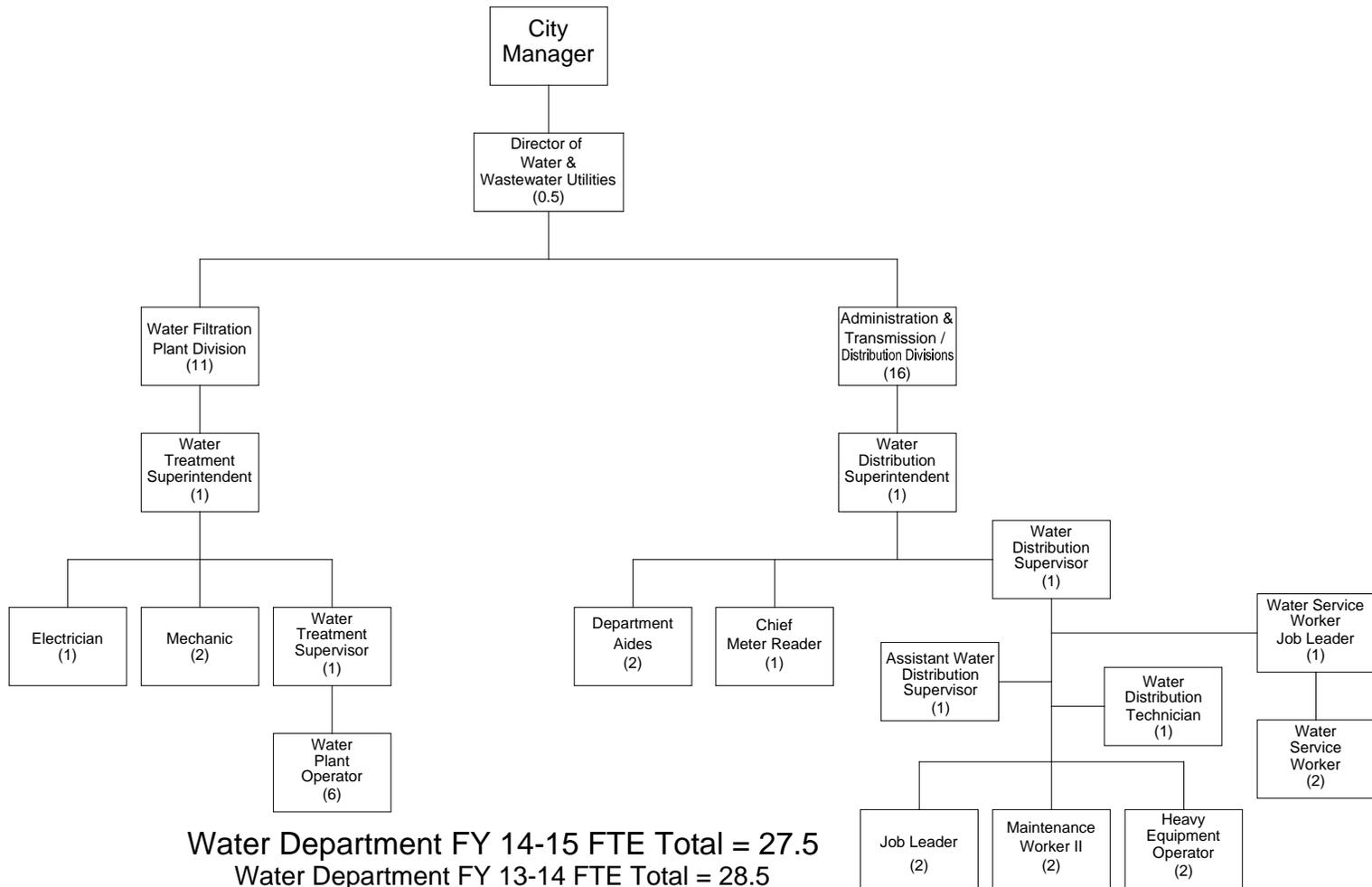
Water Service Workers installed / replaced 204 meters and 152 radio reading units. The radio reading device is a Neptune "R-900 or E-Coder" unit that enables the meter readers to read meters from the street. These radio transmitters are installed with all new services and with all meter exchanges.

WATER DEPARTMENT GOALS / CHALLENGES

The Water Department Divisions set the following goals:

- Maintain water quality and meet all regulatory compliance standards for water. Future EPA and state regulatory compliance standards will continue to challenge some of the facilities antiquated components abilities. DBP2 and LT2 Rule testing will be starting potentially requiring system improvements.
- Service additional customers where it is in the City's interest to spread department costs over a larger customer base in order to maintain the existing rate structure and strategically use the City's excess water system capacity. CY 2013 billed water consumption was 2.7% lower than CY 2012.
- Continue doing work more with less staff via cross-training with other City departments / divisions for redundancy in various positions and service areas. Water Department FY 2014-2015 FTE is proposed to be 27.5 FTE, 1 FTE reduction.
- Reduced overall projected water consumption coupled with increasing expenses (electrical, chemical, employee related expenses) challenge the department's abilities to maintain service.
- Total Coliform Rule Compliance; Turbid source water (Lake Erie) coupled with Blue-Green Algae, Zebra Mussels, Frazzle Ice, and decreasing water levels increase the difficulty in maintaining a reliable raw water source along with reducing operating costs.

- Continue replacement of meters 3” and larger and older than 10 years. Continue retrofitting and replacing meters and radio read devices as they are needed.
- Complete the following projects at the Water Filtration Plant & Pointe Aux Peaux Raw Water Intake: Construction of the Ozone System Modifications / MCC ‘C’ Replacement; Upgrade the WTP & Raw Water Intake Security Systems; Cathodic Protection Replacement; Fluoride Bulk Tank Replacement.
- Continue implementation of a City wide facility plan to rehabilitate / replace / install water mains and infrastructure to provide a more reliable water system by improving flow, pressure, and capacity - specifically the Water Department's 6-Year Capital Improvement Plan including: Main Replacements on East Noble & Western Avenues & Roessler Street Bridge.



Water Department FY 14-15 FTE Total = 27.5

Water Department FY 13-14 FTE Total = 28.5

Water Department FY 12-13 FTE Total = 28.5

Water Department FY 11-12 FTE Total = 28.5

Water Department FY 10-11 FTE Total = 28.5

Water Department FY 09-10 FTE Total = 28.5

Water Department FY 08-09 FTE Total = 30.0

	CY2011	CY2012	CY2013	CY2014	CY2015
Performance Indicators	Actual	Actual	Actual	Project	Request
Customers Invoiced	65,663	64,825	63,397	64,000	64,500
Work Orders Completed	3,181	3,762	3,270	3,500	3,500
Shut-Off Notices Placed	1,405	1,591	1,617	1,600	1,600
Water Treated (mg)	2,718	2,727	2,634	2,600	2,600
Routine Bacti Samples/Positive	795/19	884/11	789/2	780/0	780/0
Turbidity Samples/Violations	8760/0	8784/0	8980/0	8760/0	8760/0
New Services	142	75	106	75	75
Repair / Replace Valves	48	27	5	10	10
Service Renewals	45	63	32	35	35
Repair Main Breaks	58	41	59	60	60
Read Meters	61,887	61,851	61,272	61,500	62,000
Inspect Cross Connections	526	536	564	560	560
Repair / Replace Hydrants	22	12	14	10	10

WATER FUND NET ASSETS TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 46,083	\$ 40,497	\$ 43,113	\$ 37,750
Program Services Revenue:				
Public Works	7,967,747	8,051,017	7,867,230	7,974,758
Operating Grants				
Public Works	152,259	150,341	150,341	147,830
Capital Grants				
Public Works	38,591	-	-	24,000
Total Revenue	8,204,680	8,241,855	8,060,684	8,184,338
Total Expenditures	6,776,805	8,333,669	7,558,830	7,694,236
Excess (Deficiency of Revenues) over Expenditures	1,427,875	(91,814)	501,854	490,102
Beginning Net Assets	44,744,131	46,172,006	46,172,006	46,673,860
Ending Net Assets	\$ 46,172,006	\$ 46,080,192	\$ 46,673,860	\$ 47,163,962

WATER DEPARTMENT EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
General Administration				
Personnel Services	\$ 339,135	\$ 354,883	\$ 353,291	\$ 358,200
Supplies	17,645	24,000	23,500	23,500
Other Operating	2,060,712	2,074,253	2,076,807	2,132,808
General Admin. Total	2,417,492	2,453,136	2,453,598	2,514,508
W. High Service Pump Station				
Personnel	7,653	7,718	9,405	7,858
Other Operating	40,773	43,373	43,085	43,287
Custer Booster Stn. Total	48,426	51,091	52,490	51,145
Filtration Plant				
Personnel Services	824,439	888,740	877,118	857,550
Supplies	38,828	31,140	32,662	34,657
Other Operating	1,114,992	1,188,165	1,232,614	1,221,586
Capital Outlay	3,611	-	-	-
Filtration Plant Total	1,981,870	2,108,045	2,142,394	2,113,793
Transmission & Distribution				
Personnel Services	615,734	779,528	887,699	890,820
Supplies	53,221	154,051	154,303	138,078
Other Operating	260,826	452,393	374,706	414,449
Capital Outlay	13,605	-	-	-
Operating Transfers	20,000	-	-	-
Trans. & Distrib. Total	963,386	1,385,972	1,416,708	1,443,347
Meter Shop				
Personnel Services	537,105	578,166	580,238	540,608
Supplies	22,841	26,783	26,236	31,638
Other Operating	154,979	155,066	151,183	157,653
Meter Shop Total	714,925	760,015	757,657	729,899
Debt Administration				
Principal	-	857,426	-	-
Interest	650,706	717,984	735,983	841,544
Debt Administration Total	650,706	1,575,410	735,983	841,544
Water Fund Total	\$ 6,776,805	\$ 8,333,669	\$ 7,558,830	\$ 7,694,236

Water Fund Capital Project Detail

Project	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Ozonation System Improvements	\$ 20,500	\$ -	\$ -	\$ -
Water Main N. Telegraph	50,113	836,687	836,688	-
Water Distribution Improvements	2,981	(884)	-	-
Water Distribution Improvements-Year 2	503	-	-	-
Auto Flushers-Dead End Water Mains	1,400	-	-	-
SCBS Service Area Upgrades	-	159,144	159,144	113,000
Water Distribution Improvements-Year 3	72,133	5,848	6,612	-
Gee Drive/Glendale Ct. Water Main	4,156	-	-	-
Macomb St. Water Main-River Crossing	85,839	440	-	-
Almyra St. Water Main-3rd to 1st	65	-	-	-
Reisig St. WM-S. End to Kentucky Ct.	201	-	-	-
Filters 2&4 Concrete Rehabilitation	10,223	175,177	175,177	-
Eng/Const-Motor Control Center's ABC Repl.	66,972	203,578	203,578	-
Cass St. Water Main - S. City to Front	478,205	7,053	8,054	-
Franklin St. Water Main-Kent. To Winchester	53,828	-	-	-
Detroit Ave. Water Main Mod-Mill to Dixie	103,599	-	-	-
Maybe Elevated Storage Tank Improv.	75,089	22,661	19,208	-
GIS-Water System and Services	-	150,000	150,000	-
Pump Rehabilitation - WTP	54,096	-	-	-
Chemical Tank Rehabilitation-WTP	3,611	43,589	43,589	-
West Reservoir Joint & Crack Reparis	9,487	-	-	-
Borgess Ave. Water Main Replacement	21,027	4,900	-	-
Water Main-Western-Wester Ct. To S. Custer	-	208,400	208,400	-
Huron St. Water Main-Western to Jefferson	-	66,700	66,700	-
Borgess Water Main-Ives Drain to Stedman	-	232,800	240,670	-
N. Monroe St. Water Main Modifications	7,698	450,588	448,716	-
Distribution Service Truck Replacement	-	60,259	60,259	-
W. Dunbar Water Main-Strasburg to Rasinville	12,983	833,941	833,940	-
Ozone System Upgrade & MCC 'C' Replac.	-	4,742,977	4,242,977	-
Boiler Room & WHSPS Roof	-	28,600	23,523	-
E. Noble Ave. Water Main Loop	-	-	-	529,900
Western Ave. Water Main	-	-	-	241,000
Roessler St. Bridge Water Main-River Crossing	-	-	-	140,000
Dump Truck Replacement	-	-	-	83,000
Security System Upgrade	-	-	-	70,000
Cathodic Protection Replacement	-	-	-	22,000
Bulk Flouride Storage Tank Replacement	-	-	-	45,000
	-	-	-	-
Capital Project Total	\$ 1,134,709	\$ 8,232,458	\$ 7,727,235	\$ 1,243,900

RAW WATER PARTNERSHIP

The Raw Water Partnership is an agreement between the City of Monroe and Frenchtown Charter Township that provides for intake and treatment of raw water that is ultimately transmitted to the water customers in both water systems. The facility was constructed by the two communities and is administered and maintained by the City of Monroe Water Department. The partners to this agreement agreed to an amendment in 2004 which provides for depreciation to be set aside and used for capital projects in lieu of maintaining \$100,000.00 as a reserve. The amendment increased both the City's and Frenchtown's capacity rights and increased Frenchtown's share of the ownership. Capital projects at the facility that are funded from the capital reserves fund include the addition of a raw water pump, Potassium Permanganate Feed System, Frenchtown #2 VFD Replacement and Upgrade of the Security System.

The State of Michigan Budget Act does not require a formal budget be adopted for enterprise funds. However, because of the contractual agreement between the two communities and because the City of Monroe adopts budgets for all operating funds, an annual budget is adopted for the Raw Water Partnership Fund.

RAW WATER PARTNERSHIP FUND NET ASSETS TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 451	\$ 500	\$ 500	\$ 500
Operating Grant Revenue				
Public Works	386,911	403,273	396,131	396,265
Total Revenue	387,362	403,773	396,631	396,765
Total Expenditures	393,757	407,648	396,131	396,265
Excess (Deficiency of Revenues) over Expenditures	(6,395)	(3,875)	500	500
Beginning Net Assets	5,580,957	5,574,562	5,574,562	5,575,062
Ending Net Assets	\$ 5,574,562	\$ 5,570,687	\$ 5,575,062	\$ 5,575,562

RAW WATER PARTNERSHIP EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Water Department Administration				
Personnel	\$ 47,876	\$ 51,970	\$ 50,992	\$ 49,607
Supplies	9,964	11,900	15,657	11,900
Other Operating	335,917	343,778	329,482	334,758
Administration Total	393,757	407,648	396,131	396,265
Raw Water Partnership				
Fund Total	\$ 393,757	\$ 407,648	\$ 396,131	\$ 396,265

Raw Water Partnership Capital Project Detail

Project	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
PAP: Frenchtown #2 VFD Replacemen \$	-	\$ 15,000	\$ 15,000	-
PAP: Addition of Raw Water Pump	-	253,400	253,400	-
Additional Pumps @ PAP - City	38,753	76,591	76,591	-
PAP: Potassium Parmanganate	-	15,000	15,000	-
PAP: Security System Upgrade	-	-	-	30,000
Capital Project Total	\$ 38,753	\$ 359,991	\$ 359,991	\$ 30,000



INTERNAL SERVICE FUNDS

INFORMATION SYSTEMS FUND

INFORMATION TECHNOLOGY PROGRAM

The function of the Information Technology Department is to facilitate the operations of its customers and provide confidentiality, integrity, and availability of data. The Information Technology Department (IT) is responsible for providing City-based technology resources including hardware, software, service, and information. In addition, the IT department serves as a liaison to vendors, County, State, and Federal agencies regarding IT matters allowing for efficient and secure resource utilization.

INFORMATION TECHNOLOGY DEPARTMENT

The current staffing of the Information Technology Department is provided through a contract with Monroe County for IT services. Utilizing this staff, the primary goals of the Department have been to provide maximum user uptime, reduce user workload by minimizing redundancy, and provide secure and efficient access to information. Much of this has been accomplished via standardization, centralizing core functions, proper resource allocation, and enhancing ease of use.

The IT Department utilizes established best practices with little variation in order to provide reliable and secure use of assets. It is with this methodology that the Department has been able to function with minimal staffing while fulfilling its primary objectives.

INFORMATION TECHNOLOGY DEPARTMENT GOALS

The primary goal of the Information Technology Department is to provide the maximum availability of resources to users and the public as a whole while reasonably guarantying the confidentiality and integrity of those resources.

A secondary goal is to continue to educate both the public and the City staff as to what options and resources are available to them in order to create efficiencies and to allow all City services to flourish while utilizing the minimal level of resources. This initiative has multiple purposes including reducing capital outlay, minimizing downtime, and freeing IT resources to allow for additional advanced projects to be accomplished.

One specific project goal has been to connect the remote buildings to city hall via a fiber optic network. The benefits of this connection would be increased speed and reliability of the connection and increased efficiency of City employees. By working with Monroe Public Schools to utilize fiber that is already in place, the City has been able to greatly reduce its cost on this project. The fiber is now in place and is in the process of being connected with the City network upgrade in order to be put into use.

Improved response time and more effective project management from County IT staff are also goals for the 2015 fiscal year. Both of these will be improved due to the addition of one County IT employee in 2014 that was funded through the State of Michigan CGAP program.

The 2015 budget includes funding for converting the City's e-mail server and software from Microsoft Exchange to the cloud based Google e-mail and apps. The current server and software are old and in need of replacement and it makes financial and operational sense to move to the cloud with Google for e-mail.

INFORMATION SYSTEMS FUND NET ASSETS TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue				
General Government	\$ 30,507	\$ 1,600	\$ 1,000	\$ 1,000
Program Service Revenue				
General Government	337,985	336,791	336,791	353,505
Total Revenue	368,492	338,391	337,791	354,505
Total Expenditures	317,848	435,547	321,240	325,849
Excess (Deficiency of Revenues) over Expenditures	50,644	(97,156)	16,551	28,656
Beginning Net Assets	458,845	509,489	509,489	526,040
Ending Net Assets	\$ 509,489	\$ 412,333	\$ 526,040	\$ 554,696

INFORMATION SYSTEMS FUND EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Personnel	\$ 12,223	\$ 12,893	\$ 13,012	\$ 12,803
Supplies	11,456	12,000	12,000	11,500
Other Operating	268,135	296,228	296,228	301,546
Capital Outlay	26,034	-	-	-
Transfers Out	-	-	-	-
Total	\$ 317,848	\$ 321,121	\$ 321,240	\$ 325,849

Information Systems Fund Capital Project Detail

Project	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Telephone System and Network Upgrade	\$ -	\$ 254,195	\$254,195	\$ -
Police In-Car Computers & Keyboards	-	36,399	36,399	-
Fiber Optic Cable Project	3,996	78,027	78,027	-
Misc Network Server Upgrade or Replace	-	10,000	10,000	10,000
Computer Replacements/Upgrades	-	30,000	30,000	30,000
GIS Upgrade	39,100	-	-	-
Building Department Tablets	-	5,000	5,000	-
Assessing Printer	-	500	500	-
Capital Project Total	\$ 43,096	\$ 414,121	\$ 414,121	\$ 40,000

STORES AND EQUIPMENT FUND

This fund is an Internal Service Fund providing some degree of services to virtually every City Department. The fund “owns” over 250 cars, trucks, and pieces of construction equipment that are rented to other City Departments, including the Department of Public Services itself. The rent paid by the various Departments for the use of this equipment is the primary revenue source for this fund. The hourly equipment rental rates are based on rates established by the Michigan Department of Transportation for use on Major and Local Street Fund activities.

For vehicles used by other Departments and “owned” by the Stores and Equipment Fund, the rental rate paid provides for use of the equipment, fuel, insurance, depreciation, routine maintenance costs, and overhead, while the renting Department is responsible for any costs not due to normal use. For Departments with vehicles not presently “owned” by the Fund, including primarily heavy equipment in the Water, Wastewater, and Fire Departments, repair services are provided as desired internally through the Public Services Department mechanics and revenues are collected accordingly for labor and parts, both at actual cost. This fund also serves as an inventory pass-through for materials such as road de-icing salt and sidewalk de-icing materials. Additional revenue is received through rental of space for a wireless communications tower on the 222 Jones Avenue property.

The primary asset of the fund, other than the equipment and supplies, is the building and property located at 222 Jones Avenue, which presently houses the Public Services Department. Therefore, revenues from this fund must also be used to cover capital projects on the building and property itself, unless City Council provides separate funding for this purpose. In 2012 and 2013, the west side of the site was largely paved, and near-term projects include further storm sewer improvements and replacement of a large section of the building roof. Ideally, a small storage facility should be considered as well, as the present storage sites at the former Winchester Street property have been the subject of frequent vandalism and theft and are planned to be dismantled in 2014.

In the past several years, the Stores and Equipment fund staffing has been radically reorganized to bring overhead costs in line with revenues to the fund. Since 2008, the full-time mechanic staffing level has been diminished from three (3) to two (2) and the administrative functions have been reduced from two (2) to one (1), with the remaining position essentially split between the Stores function and Forestry, with the appropriate general fund costs allocated through the expenditure credit process. These personnel changes, in combination with the addition of police vehicles to the Stores-owned fleet, has resulted in the fund slowly building some fund equity that should allow for some long-deferred capital replacement needs in the short term and long-range stability in the fund in the longer term. Additionally, a large-scale vehicle auction was held in November 2012, and this resulted in significant proceeds to further help to offset the future purchases of new equipment.

**STORES AND EQUIPMENT FUND
NET ASSETS TREND**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 92,496	\$ 10,600	\$ 2,800	\$ 5,400
Program Services Revenue:				
Public Works	945,533	950,540	1,034,960	944,860
Total Revenue	1,038,029	961,140	1,037,760	950,260
Total Expenditures	947,193	1,032,288	995,357	993,065
Excess (Deficiency of Revenues) over Expenditures	90,836	(71,148)	42,403	(42,805)
Beginning Net Assets	1,413,315	1,504,151	1,504,151	1,546,554
Ending Net Assets	\$ 1,504,151	\$ 1,433,003	\$ 1,546,554	\$ 1,503,749

**STORES & EQUIPMENT FUND
EXPENDITURE SUMMARY**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Department of Public Service Stores & Equipment				
Personnel	\$ 271,889	\$ 323,644	\$ 234,092	\$ 263,073
Supplies	194,419	196,000	225,000	205,000
Other Operating	471,661	501,766	522,928	519,442
Capital Outlay	4,575	7,000	-	2,000
Debt Service	4,649	3,878	4,337	3,550
Operations Total	947,193	1,032,288	986,357	993,065
Operating Transfer	-	-	9,000	-
Stores & Equipment Fund Total	\$ 947,193	\$ 1,032,288	\$ 995,357	\$ 993,065

**Stores and Equipment Fund
Capital Project Detail**

Project	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Operating Equipment	\$ -	\$ -	\$ -	\$ -
Buildings & Improvements	-	14,467	6,000	-
Vehicles	206,821	268,395	300,000	239,000
Capital Project Total	\$ 206,821	\$ 282,862	\$ 306,000	\$ 239,000

EMPLOYMENT BENEFIT FUND

This fund is used to account for employment related insurances and “termination pay.” The fund receives its funding from premiums paid by departments that have employees that receive the insurances.

Employment related insurance coverage includes health, prescription, dental, unemployment and workers’ compensation, for which the City self-insures. Life and long-term disability insurance coverage is purchased from a licensed carrier.

“Termination pay,” a benefit payable to personnel who retire from City employment, represents 50% of an employee’s unused sick time. This benefit accrues without interest, at the salary rate it is earned, over the course of an employee’s career with the City. The liability and benefit have been eliminated for all active employee groups as of April 2011. The only liability that remains for termination pay is for deferred vested retirees who will get their payment when they begin to receive retirement payments from the City of Monroe Retirement System.

EMPLOYMENT BENEFIT FUND				
NET ASSET TREND				
	Actual	Budget	Projected	Requested
	FY12-13	FY13-14	FY13-14	FY14-15
Revenue:				
General Revenue:				
General Government	\$ 1,885	\$ 500	\$ 1,900	\$ 1,900
Program Services Revenue:				
General Government	2,174,465	2,261,966	2,194,700	2,199,954
Total Revenue	2,176,350	2,262,466	2,196,600	2,201,854
Total Expenditures	1,437,997	2,119,902	2,169,984	2,217,740
Excess (Deficiency of Revenues) over Expenditures	738,353	142,564	26,616	(15,886)
Beginning Retained Earn.	600,374	1,338,727	1,338,727	1,365,343
Ending Retained Earnings	\$ 1,338,727	\$ 1,481,291	\$ 1,365,343	\$ 1,349,457

**EMPLOYEE BENEFIT FUND
EXPENDITURE SUMMARY**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Human Resources				
Administration				
Other Operating	\$ 26,417	\$ 16,886	\$ 16,886	\$ 16,886
Administration Total	26,417	16,886	16,886	16,886
Medical Insurance				
Other Operating	830,451	1,517,952	1,517,952	1,563,521
Medical Insurance Total	830,451	1,517,952	1,517,952	1,563,521
Prescription Insurance				
Other Operating	242,978	196,359	250,000	254,476
Prescription Insurance Total	242,978	196,359	250,000	254,476
Dental Insurance				
Other Operating	162,808	114,030	114,030	133,188
Dental Insurance Total	162,808	114,030	114,030	133,188
Flexible Benefit Plan				
Other Operating	834	1,000	1,000	1,000
Flexible Benefit Total	834	1,000	1,000	1,000
Life & L/T Disability Insurance				
Other Operating	35,821	42,625	39,000	36,825
Life & L/T Disability Insurance Total	35,821	42,625	39,000	36,825
Termination Pay				
Personel Services	2,064	-	-	-
Termination Pay Total	2,064	-	-	-
Unemployment Insurance				
Other Operating	2,896	32,358	32,402	11,069
Unemployment Insurance Total	2,896	32,358	32,402	11,069
Workers' Compensation Insurance				
Other Operating	133,728	198,692	198,714	200,775
Workers' Comp. Insurance Total	133,728	198,692	198,714	200,775
Employment Benefit Fund Total	\$ 1,437,997	\$ 2,119,902	\$ 2,169,984	\$ 2,217,740

INSURANCE FUND

The Insurance Fund is used to account for property and general liability insurance required in the day-to-day operations of the City of Monroe, including deductible payment regarding general liability type cases. The fund also pays for insurance related to underground storage tanks operated at two locations.

Property and liability insurance premiums from the city's insurance carrier are expected to increase 2-3% in the next year.

INSURANCE FUND				
NET ASSETS TREND				
	Actual	Budget	Projected	Requested
	FY12-13	FY13-14	FY13-14	FY14-15
Revenue:				
General Revenue:				
General Government	\$ 37,450	\$ 2,500	\$ 32,500	\$ 2,500
Program Services Revenue:				
General Government	306,913	284,473	284,473	272,138
Total Revenue	344,363	286,973	316,973	274,638
Total Expenditures	296,973	358,338	342,550	357,708
Excess (Deficiency of Revenues) over Expenditures	47,390	(71,365)	(25,577)	(83,070)
Beginning Retained Earn.	676,432	723,822	723,822	698,245
Ending Retained Earnings	\$ 723,822	\$ 652,457	\$ 698,245	\$ 615,175

INSURANCE FUND EXPENDITURE SUMMARY

	Actual	Budget	Projected	Requested
	FY12-13	FY13-14	FY13-14	FY14-15
Administration				
Other Operating	\$ 530	\$ 5,550	\$ 5,550	\$ 5,570
Administration Total	530	5,550	5,550	5,570
Property & Liability Insurance				
Other Operating	296,443	352,788	337,000	352,138
P&L Insurance Total	296,443	352,788	337,000	352,138
Insurance Fund Total	\$ 296,973	\$ 358,338	\$ 342,550	\$ 357,708



TRUST FUND

POST-RETIREMENT HEALTH CARE TRUST FUND

In the past, retirees of the City of Monroe received the same health insurance coverage (medical and prescription) in retirement that they were receiving on the day they retired from active employment. Recent bargaining agreement changes have changed the benefit so that retirees medical and prescription benefits mirror those of the active workforce. In addition, the city's contribution towards the cost of the employees retiree health insurance has been fixed at 4% multiplied by each year of service earned by the employee. Therefore, if an employee retires with at least twenty-five (25) years of service, the employee will receive a 100% benefit. Beginning in 2013 for some employees and 2014 for the rest, an employee contribution to the cost of the benefit will begin. The contribution will equal 3% of the average base wage of all city employees. Employees hired prior to July 1, 2008 are eligible for this benefit. Those hired after that date have been exempted and are now participating in a defined contribution type retiree healthcare savings plan.

The Post-Retirement Health Care Fund was established in Fiscal 1998 to begin funding retiree health care benefits, which to that point were paid on a "pay-as-you-go-basis," resulting in a growing unfunded liability. The City of Monroe's intention in establishing this fund was to begin to eliminate the long-term unfunded liability and fund future retiree health care benefits as they are earned.

Based on an actuarial study dated December 31, 1996, an initial funding contribution of \$400,000 was made and premiums based on a percentage of payroll were established. The study, based on certain future assumptions, estimated full funding in 10-12 years. Subsequent experience was disappointing. Retiree health care costs continued to climb faster than projected. Another actuarial study, dated December 31, 1998, was done resulting in an additional \$200,000 contribution from the Insurance Fund and increased premiums.

On November 1, 1999 the Governor signed Act Number 149 of the Public Acts of 1999 into law. This legislation enables investment activity similar to retirement systems. At the December 20, 1999 City Council meeting a resolution was adopted designating the Board of Trustees of the City Employees Retirement System as the Post-Retirement Health Care Fund's investment fiduciary. In December 2012, the City Council created a trust for the deposit of the funds. The same Board was maintained for the Trust Fund Board.

An actuarial study was completed as of December 31, 2012. The valuation calculated the annual required contribution for fiscal year 2015 as \$3.708 million. The 2015 budget includes a contribution to the retiree health care system of approximately \$3.9 million. The unfunded liability reported in the actuarial study was \$37.2 million, a reduction of approximately \$2.0 million from the December 31, 2010 valuation.

**POST-RETIREMENT HEALTH CARE FUND
NET ASSETS TREND**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 1,710,479	\$ 916,300	\$ 883,932	\$ 961,200
Program Services Revenue:				
General Government	4,042,070	3,903,000	3,903,000	3,909,000
Total Revenue	5,752,549	4,819,300	4,786,932	4,870,200
Total Expenditures	3,731,427	3,462,900	3,510,900	3,511,450
Excess (Deficiency of Revenues) over Expenditures	2,021,122	1,356,400	1,276,032	1,358,750
Beginning Net Assets	12,909,311	14,930,433	14,930,433	16,206,465
Ending Net Assets	\$ 14,930,433	\$ 16,286,833	\$ 16,206,465	\$ 17,565,215

**POST-RETIREMENT HEALTH CARE FUND
EXPENDITURE DETAIL**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Finance Department				
Actuarial Services	\$ -	\$ 16,000	\$ 16,000	\$ 16,000
Audit Services	2,812	2,900	2,900	2,950
Investment Cost	109,002	93,000	125,000	125,000
Fiduciary Insurance	-	7,000	7,000	7,500
Total Finance Dept.	111,814	118,900	150,900	151,450
Personnel Department				
Contractual	7,594	10,000	10,000	10,000
Actuarial Services	2,250	-	-	-
Medical Insurance	2,354,261	1,884,000	2,000,000	2,000,000
Prescription Insurance	1,255,508	1,450,000	1,350,000	1,350,000
Total Personnel Dept.	3,619,613	3,344,000	3,360,000	3,360,000
Post-Retirement Health Care Fund Total	\$ 3,731,427	\$ 3,462,900	\$ 3,510,900	\$ 3,511,450



PERMANENT FUND

Cemetery Fund

As one of the oldest continuously operated cemeteries in the State of Michigan, Woodland Cemetery has provided burial services for residents of this community for more than 160 years. Based upon a *rural cemetery* design, the grounds at Woodland are a historic resource for the entire community. By examining graveyard practices, we find clues as to the values and religious tenets of its users; their social and economic status; in essence, we find *their* stories. Woodland Cemetery is a direct and important link to Monroe's past – and to the people that helped build the community we know today.

For many years, the maintenance and administration of Woodland Cemetery has been provided by a dedicated group of volunteers. However, declining revenues, an aging volunteer base, and several other related factors placed the continued operation of the cemetery in jeopardy. It was at this point that the City of Monroe opened a dialogue with community leaders, the Woodland Cemetery Association, and the Roselawn Memorial Park Board regarding the cemetery's future. The consensus reached was the City of Monroe would take over ownership of the cemetery.

In 2002, the Monroe City Council acquired Woodland Cemetery and established the Woodland Cemetery Fund. As part of this acquisition, a management services agreement was executed between the City and the Roselawn Memorial Park Board (RMP) to provide for the professional day-to-day management of the Woodland facility by Roselawn staff.

The management services agreement included an immediate transfer of working capital to the Roselawn Board, as well as the establishment of a monthly agency fee and a fee schedule for services provided to Woodland Cemetery by employees of RMP. These operating fees are being initially paid by the City from the Cemetery Fund, which is funded by the proceeds from the sale of burial plots and related activities at Woodland Cemetery and a General Fund appropriation. A perpetual care fund exists, but it will likely not be large enough to care for the future maintenance needs of the Cemetery. The City of Monroe will be required to fund the maintenance on a long term basis.

CEMETERY FUND FUND BALANCE TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 19,193	\$ 28,000	\$ 30,000	\$ 31,000
Program Services Revenue:				
General Government	19,685	20,000	20,000	20,000
Total Revenue	38,878	48,000	50,000	51,000
Total Expenditures	39,150	44,209	44,209	44,222
Excess (Deficiency of Revenues) over Expenditures	(272)	3,791	5,791	6,778
Beginning Fund Balance	376,504	376,232	376,232	382,023
Ending Fund Balance	\$ 376,232	\$ 380,023	\$ 382,023	\$ 388,801

CEMETERY FUND EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Community Development Dept.				
Cemetery				
Other Operating	\$ 39,150	\$ 44,209	\$ 44,209	\$ 44,222
Capital Outlay	-	-	-	-
Total Cemetery Fund	\$ 39,150	\$ 44,209	\$ 44,209	\$ 44,222



COMPONENT UNITS

MONROE DOWNTOWN DEVELOPMENT AUTHORITY (DDA)

Established in 1977, the mission of the City of Monroe Downtown Development Authority (DDA) is to enhance the quality of life and develop a positive image of Downtown Monroe for residents, businesses and visitors by promoting cultural and economic growth in the Downtown area.

To achieve this mission, the DDA undertakes capital improvement projects and provides funding for decorative, economic development, marketing and promotional activities within the business district.

At the Board's request, Monroe City Council established an Obsolete Property Rehabilitation District, authorized by P.A. 146 of 2000, for eligible commercial and residential housing properties to apply for tax abatements.

In Fiscal Year 2013, the DDA spearheaded the renovation of the large parking lot and open space area along the River Raisin across from St. Mary's Park. The DDA continues to pay the bond debt on this endeavor. In Fiscal Year 2014, the DDA is continuing sponsorship of a financial incentive program for building owners. The "Façade Improvement Program" offers a matching grant of a maximum of 50 to 100 percent of project costs, not to exceed \$10,000 for specific building improvements. The DDA will continue implementing capital projects, promotion and other projects that create an environment that will attract people and businesses to the DDA district.

DOWNTOWN DEVELOPMENT AUTHORITY FUND BALANCE TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 2,120	\$ 1,000	\$ 1,000	\$ 1,000
Community Development	205,300	198,309	196,133	198,000
Program Services Revenue:				
Economic Development	-	-	-	-
Total Revenue	207,420	199,309	197,133	199,000
Total Expenditures	268,711	209,636	212,449	225,271
Excess (Deficiency of Revenues) over Expenditures	(61,291)	(10,327)	(15,316)	(26,271)
Beginning Fund Balance	519,223	457,932	457,932	442,616
Ending Fund Balance	\$ 457,932	\$ 447,605	\$ 442,616	\$ 416,345

DOWNTOWN DEVELOPMENT AUTHORITY FUND EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Community Development Department				
Downtown Development				
Personnel	\$ 12,344	\$ 16,213	\$ 16,213	\$ 16,184
Supplies	719	1,100	1,100	1,100
Other Operating	65,398	92,404	92,404	80,130
Operating Transfers	190,250	99,919	99,919	127,857
Downtown Development Total	268,711	209,636	209,636	225,271
Clerk/Treasurer				
Other Operating	-	-	2,813	-
Clerk/Treasurer Total	-	-	2,813	-
DDA FUND TOTAL	\$ 268,711	\$ 209,636	\$ 212,449	\$ 225,271

BROWNFIELD REDEVELOPMENT AUTHORITY (BRA)

The City of Monroe Brownfield Redevelopment Authority (BRA) was established in January of 1997. In accordance with the provisions of Act 381 of the Public Acts of 1996, the goals of the Authority are to:

- Facilitate the redevelopment of eligible properties
- Provide new jobs and/or tax base
- Foster development and use of those areas possessing established infrastructure
- Prevent urban sprawl
- Preserve existing open spaces

To accomplish the above goals, the BRA is authorized to capture tax increment revenues from taxing jurisdictions through brownfield plans adopted by City Council. The importance of this type of economic development tool for the redevelopment of older, mature communities cannot be overstated. It provides the municipality with the ability to revitalize areas that are not being developed or fully utilized due to actual or perceived environmental contamination.

Program Activities

To date, twenty-three brownfield sites have been approved. Environmental activities will be reimbursed from taxes captured from new development. The sites approved include Mason Run, Townes on Front Street, Battlefield Property, Riverbend Commons, Fifth Third Bank, Ventower, and Eye Surgeons Associates.

**BROWNFIELD REDEVELOPMENT AUTHORITY
FUND BALANCE TREND**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 8,897	\$ 6,000	\$ 5,000	\$ 5,000
Community Development	660,129	660,129	564,124	543,128
Total Revenue	669,026	666,129	569,124	548,128
Total Expenditures	539,471	1,225,751	1,319,729	784,895
Excess (Deficiency of Revenues) over Expenditures	129,555	(559,622)	(750,605)	(236,767)
Beginning Fund Balance	1,602,527	1,732,082	1,732,082	981,477
Ending Fund Balance	\$ 1,732,082	\$ 1,172,460	\$ 981,477	\$ 744,710

**BROWNFIELD REDEVELOPMENT AUTHORITY FUND
EXPENDITURE DETAIL**

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Community Development Department Brownfield Redevelopment				
Supplies	\$ 32	\$ 700	\$ 700	\$ 700
Other Operating	258,398	340,851	446,463	458,100
Operating Transfers	-	-	-	-
Debt Services	270,586	884,200	872,566	326,095
Tax Capture Refunds	10,455	-	-	-
Brownfield Redevelopment Total	539,471	1,225,751	1,319,729	784,895
B.R.A Fund Total	\$ 539,471	\$ 1,225,751	\$ 1,319,729	\$ 784,895

PORT OF MONROE

Mission Statement

To provide a functional industrial and economic base to the Community of Monroe and the State of Michigan by encouraging development within the established boundaries of the Port of Monroe pursuant to sound policies protecting the environment and the health and welfare of the community.

Objectives

- To develop industry on Port property which has or may have the need for waterborne and railroad transportation.
- To develop industry on Port property with sound environmental and public health practices based upon reasoned scientific knowledge and recognized legal principles.
- To create jobs for the City of Monroe.
- To increase the tax base for the City of Monroe and other applicable taxing jurisdictions, including Monroe Public Schools, Monroe County Community College, Monroe County Intermediate School District and County of Monroe

PORT OF MONROE NET ASSETS TREND

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Revenue:				
General Revenue:				
General Government	\$ 321,115	\$ 326,255	\$ 326,255	\$ 330,000
Program Services Revenue:				
Community Development	130,169	207,785	180,157	207,785
Capital Grants				
Community Development	185,995	-	100,771	-
Total Revenue	637,279	534,040	607,183	537,785
Total Expenditures	413,536	510,540	586,911	534,040
Excess (Deficiency of Revenues) over Expenditures	223,743	23,500	20,272	3,745
Beginning Net Assets	3,731,975	3,955,718	3,955,718	3,975,990
Ending Net Assets	\$ 3,955,718	\$ 3,979,218	\$ 3,975,990	\$ 3,979,735

PORT OF MONROE EXPENDITURE SUMMARY

	Actual FY12-13	Budget FY13-14	Projected FY13-14	Requested FY14-15
Community Development Dept.				
Port Operations				
Personnel Services	\$ 126,447	\$ 138,400	\$ 138,500	\$ 156,262
Supplies	8,456	5,000	7,500	7,500
Other Operating	272,579	355,140	435,911	357,140
Debt Service	6,054	12,000	5,000	13,138
Port Operations Total	413,536	510,540	586,911	534,040
Port of Monroe Total:	\$ 413,536	\$ 510,540	\$ 586,911	\$ 534,040

** - Note – expenditures for the Port of Monroe do not include any capital expenditures or principal payments on debt.

The excess of revenues over expenditures in FY12-13 was due to the receipt of grant revenue and donations to purchase land and make security improvements where the cost was capitalized.

The budget ordinance includes approval of \$250,000 in capital expenditures for the Port of Monroe. The expenditures will be made to improve marine and rail infrastructure at the Port. The expenditures will only be made if sale of land at the Port of Monroe generates enough funds to cover the expenditure.