

CITY OF HAMTRAMCK


2020-21

Initial Budget Work Session



PURPOSE

INITIAL BUDGET WORK SESSION

- Look back at year in review
 - Look ahead to 2020-2021
 - Review general fund five-year forecast
 - Goal: Adopt a balanced budget by May 12, 2020 prior to the charter deadline of June 2, 2020
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- A decorative graphic consisting of several parallel white lines of varying lengths and orientations, located in the bottom right corner of the slide.

YEAR IN REVIEW

KEY AREAS OF ACCOMPLISHMENT

- ✓ Over \$2.3 Million in Grants Received during 2019-2020 Fiscal Year
 - 911 Next Gen Grant Program Grant \$107,348.10
 - America in Bloom CN EcoConnexions From the Ground Up Grant \$21,200.00
 - Holbrook Avenue Reconstruction Project between Lumpkin and Joseph Campau 81.85% of \$1,563,000.00
 - SEMCOG Asset Management Grant Funding \$10,000.00
 - DTE Energy Foundation Tree Planting Grant \$2,000.00
 - Detroit Wayne Mental Health Authority Summer Youth Grant \$45,000.00
 - Proposal from the University of Michigan Economic Growth Institute to Conduct a Study to Inform and Address Hamtramck's Banglatown Opportunities \$30,000.00
 - Financially Distressed Cities, Villages, and Townships (FDCVT) Grant for Police Radio and Communication System \$293,909.00
 - NSP Grant for the Purpose of Building Two Sarah Garrett Homes \$300,000.00

YEAR IN REVIEW

KEY AREAS OF ACCOMPLISHMENT

- ✓ Ongoing Safety Concerns Addressed:
 - Added position Director of Community Safety and Services
 - Installed 68 speed limit signs
 - Increased number of stop signs at critical intersections
 - Ongoing--Crosswalk striping; Yellow curbs repainting; Fire Lanes parking updates
 - Ongoing - Potholes filled throughout streets and alleys
 - All empty tree grates in Jos Campau/side street area filled

YEAR IN REVIEW

KEY AREAS OF ACCOMPLISHMENT

- ✓ Council Approval/Initial development of Sarah Garrett Park
Ribbon Cutting TBA
 - ✓ Council Approval of Salam Peace Park - Ribbon Cutting TBA
 - ✓ Complete - Target Market Analysis of Vacant City-Owned Properties
 - ✓ Complete - U of M EGI Study of Conant/Bangladeshi Corridor
 - ✓ Complete - Police Radio Upgrade
 - ✓ Complete - Citywide Reappraisal
 - ✓ Complete - Alley Reconstruction Projects
 - ✓ Ongoing - Staff training
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YEAR IN REVIEW

KEY AREAS OF ACCOMPLISHMENT

- ✓ Complete - Holbrook Reconstruction – Conant to Jos Campau
- ✓ Complete - Project Rising Tide Program
- ✓ Complete - Divdat installed for convenience of bill pay for residents
- ✓ Complete - Obtained Drinking Water Revolving Fund (DWRF) Loan
- ✓ Lead service line installations (60/95 complete)
- ✓ Extensive Citywide Lead Testing \$55,000
- ✓ Continuing progress towards Redevelopment Ready City status
- ✓ Reboot of city website – underway est. completion 06/30/20
- ✓ Implementation of Tool for Resident Issue Reporting – underway est. launch 06-01-20


YEAR IN REVIEW

KEY AREAS OF ACCOMPLISHMENT

PARTNERSHIPS

- ✓ Hamtramck Recreation Plan – Worked with consultants and advisory board to complete the Hamtramck Recreation Plan
- ✓ Veteran's Park Camera System – Finalizing installation of security system at park using funds from Wayne County Commissioner Martha G. Scott and CDBG funding
- ✓ CED/DDA Manager Position - Worked with DDA on 80/20 Funding Model for Community & Economic Development Department/DDA
- ✓ Speed Limit Electronic Signs - Installed Speed Limit Signage on Joseph Campau with funds from Commissioner Scott
- ✓ Crosswalks - Began crosswalk markings with Hamtramck Public School district. To be completed Spring 2020
- ✓ Master Plan Updates – Worked with Beckett-Raeder and Project Rising Tide for Master Plan Updates currently in review period

LOOKING AHEAD

- ❑ Holbrook Reconstruction Lumpkin to Jos Campau 2019-20 budget
 - ❑ Whalen Street – Fleming to Mackay 2019-20 budget (mill & resurface)
 - ❑ Burger Street – Fleming to Mackay 2019-20 budget (mill & resurface)
 - ❑ Gallagher Street – Holbrook to Evaline 2019-20 budget(mill & resurface)
 - ❑ Bike Lanes to be completed on Jos Campau
 - ❑ Caniff Reconstruction I-75 to Jos Campau 2020-21 budget
 - ❑ Ribbon Cutting for Sarah Garrett and Salam Peace Park
 - ❑ Continue All Staff Training
 - ❑ Parking Plan - Finalize Contract and Implementation
 - ❑ Complete review of city ordinances
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GENERAL FUND BUDGET FIVE-YEAR FORECAST

- A five-year forecast is generated based on historical data and projections of impact of potential significant changes.
- The five-year forecast is conservative and the actual recommended budget will be based on those projections.

CHALLENGES & OPPORTUNITIES

GENERAL FUND BUDGET WORKSHOP

- GM – The Hamtramck plant will undergo retooling and is scheduled to begin production again in late 2021
- Dickerson Jail Facility – We anticipate Wayne County exiting Dickerson & moving inmates to the new jail facility in June, 2022
- MERS – Working with MERS to reduce the 3X increase in required contributions for 2020-21 and spread out payments over several years
- State of Michigan/Governor's Budget – Whitmer budget calls for 2.5 percent increase to statutory revenue sharing for cities, counties, townships and villages

OPPORTUNITIES

GENERAL FUND BUDGET WORKSHOP

- Health Care Savings –Significant changes were made. The anticipated reduction in health care is projected to be \$650,000 annually for retirees and \$69,000 to active employees. Administration will continue to audit to seek additional savings
- Parking – Implementation of citywide parking plan to result in revenue increases TBD
- City owned lots- Sale of lots will result in dedicated funds being allocated to pension underfunding per the city corrective action plan under PA 202; Potential development of lots will result in increased SEV and taxable value TBD

GENERAL FUND FIVE-YEAR FORECAST

CITY OF HAMTRAMCK 5 YEAR FORECAST FOR FY 2019/20 - FY 2023/24

Fund 101 - General Fund

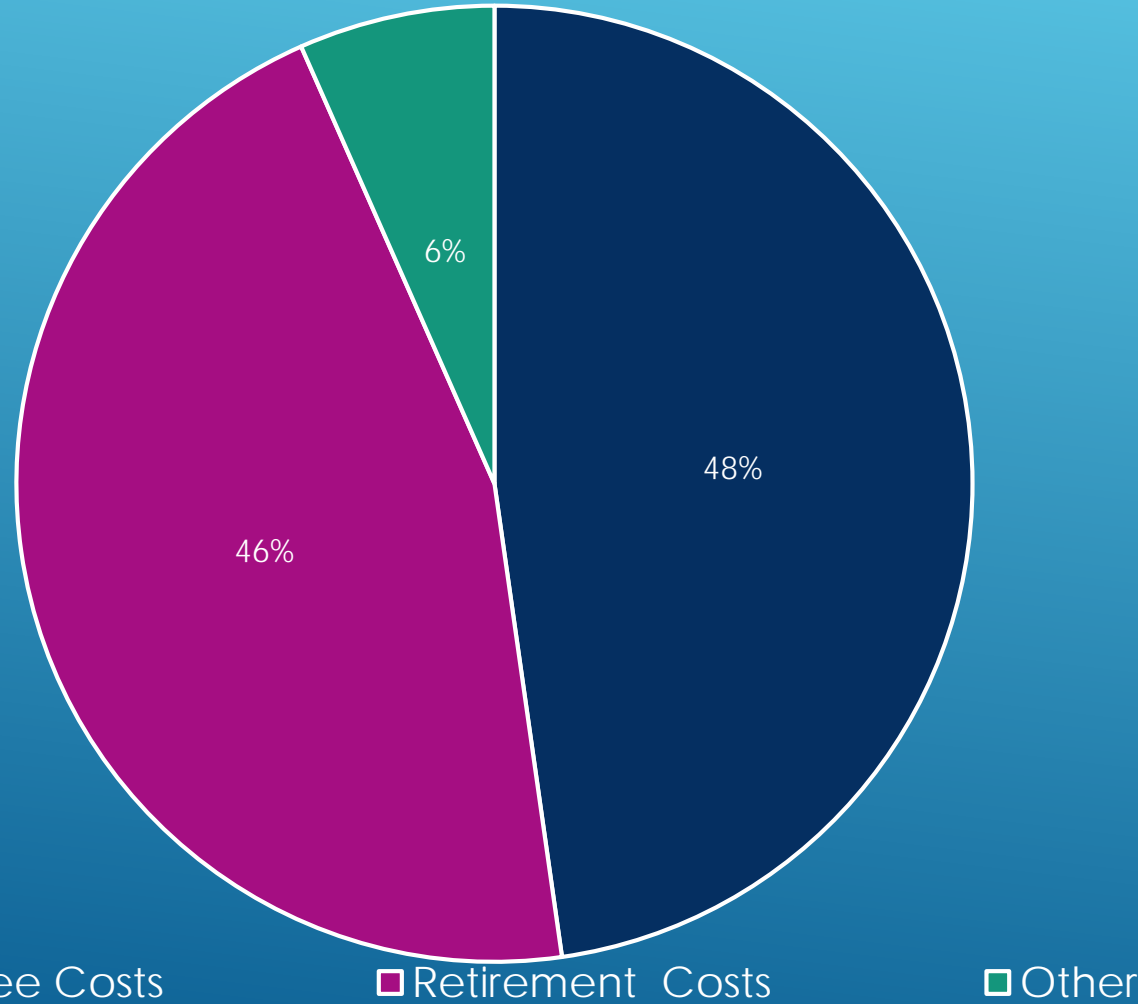
DESCRIPTION	FY2017/18 Final	FY2018/19 Final	PROJECTED FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
ESTIMATED REVENUES:								
Property tax Revenues	6,620,674	6,575,072	6,621,000	6,248,390	6,298,274	5,188,657	5,239,543	5,290,939
Income Taxes	2,733,969	3,078,125	2,564,600	2,589,600	2,589,600	2,589,600	2,589,600	2,589,600
Licenses and Permits	1,288,276.96	1,233,081.28	1,181,000.00	1,191,000.00	1,191,000.00	1,191,000.00	1,191,000.00	1,191,000.00
Federal Grants - SAFER	1,459,851	198,572	-	-	-	-	-	-
State-Shared Revenues and Grants	3,505,543	3,596,849	3,544,320	3,579,106	3,614,440	3,650,127	3,686,171	3,722,576
Charges for Services	114,504	112,919	109,500	109,720	109,720	109,720	109,720	109,720
Fines and Forfeitures - District Court	1,288,191	1,455,972	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000
Other Revenues	444,732	621,637	471,000	471,050	471,050	471,050	471,050	471,050
	17,455,740	16,872,227	15,741,420	15,438,866	15,524,084	14,450,154	14,537,084	14,624,884
APPROPRIATIONS:								
Dept. 101-Mayor & City Council	50,079	63,950	56,533	56,961	57,393	57,829	58,268	58,711
Dept. 136-31-St District Court	639,385	719,294	800,044	826,896	827,431	834,061	844,249	855,136
Dept. 172-City Manager	85,779	178,865	296,640	315,118	312,103	314,009	318,771	324,054
Dept. 202-Income Tax	353,534	352,577	307,739	309,707	311,693	313,696	315,717	317,756
Dept. 215-City Clerk	123,804	148,104	148,356	149,718	151,097	152,492	153,904	155,333
Dept. 223-Controller Department	214,265	271,645	335,727	338,841	341,988	345,170	348,386	351,637
Dept. 253-Treasurer	136,248	144,547	156,167	157,865	159,587	161,334	163,105	164,902
Dept. 257-Assessor	189,139	261,100	178,748	180,435	182,145	183,878	185,634	187,414
Dept. 261-Community & Governmental Affairs	95,518	0	-	-	-	-	-	-
Dept. 262-Elections	33,155	33,794	56,025	56,419	56,817	57,217	57,621	58,028
Dept. 264-General Administration	930,899	875,452	1,072,851	1,084,572	894,042	895,931	900,502	660,609
Dept. 265-Building & Grounds	1,026,733	1,933,553	907,190	1,010,992	1,014,815	1,018,661	1,022,528	1,026,418
Dept. 266-LEGAL	677,665	981,938	632,000	635,160	638,336	641,527	644,735	647,959
Dept. 270-HUMAN RESOURCES	100,949	101,126	127,182	128,646	130,133	131,643	133,176	134,732
Dept. 274-RETIREE COSTS	2,754,782	2,728,694	2,520,320	3,182,930	2,813,537	2,746,277	2,853,184	2,989,780
Dept. 301-Police Department	3,567,702	4,196,571	4,491,961	5,177,453	4,945,266	4,928,524	5,036,152	5,165,315
Dept. 303-Auto Theft	-	-	-	-	-	-	-	-
Dept. 336-Fire Department	3,484,198	3,832,254	3,747,031	4,408,466	4,188,381	4,168,465	4,264,071	4,379,624
Dept. 371-Building Department	-	-	335,000	336,675	338,358	340,050	341,750	343,459
Dept. 528-Sanitation Services	742,206	732,770	730,000	733,650	737,318	741,005	744,710	748,433
Dept. 721-Community & Econ. Develop.	440,771	323,579	81,915	82,750	83,594	84,449	85,314	86,189
Dept. 822 - Code Enforcement	(1,350)	26,915	88,750	89,633	90,524	91,424	92,333	93,251
Operating transfers	95,000.00	418,793.00	84,000.00	84,420.00	84,842.10	85,266.31	85,692.64	86,121.11
	15,740,459	18,325,520	17,154,179	19,347,307	18,359,402	18,292,906	18,649,804	18,834,863
Net Revenues/Appropriations	1,715,281	(1,453,293)	(1,412,759)	(3,908,441)	(2,835,318)	(3,842,754)	(4,112,719)	(4,209,979)
	8,254,644	6,801,351	5,388,592	1,480,151	(1,355,167)	(5,197,922)	(9,310,641)	(13,520,620)

GENERAL FUND FIVE-YEAR FORECAST ALLOCATION OF REVENUES (2020/2021)

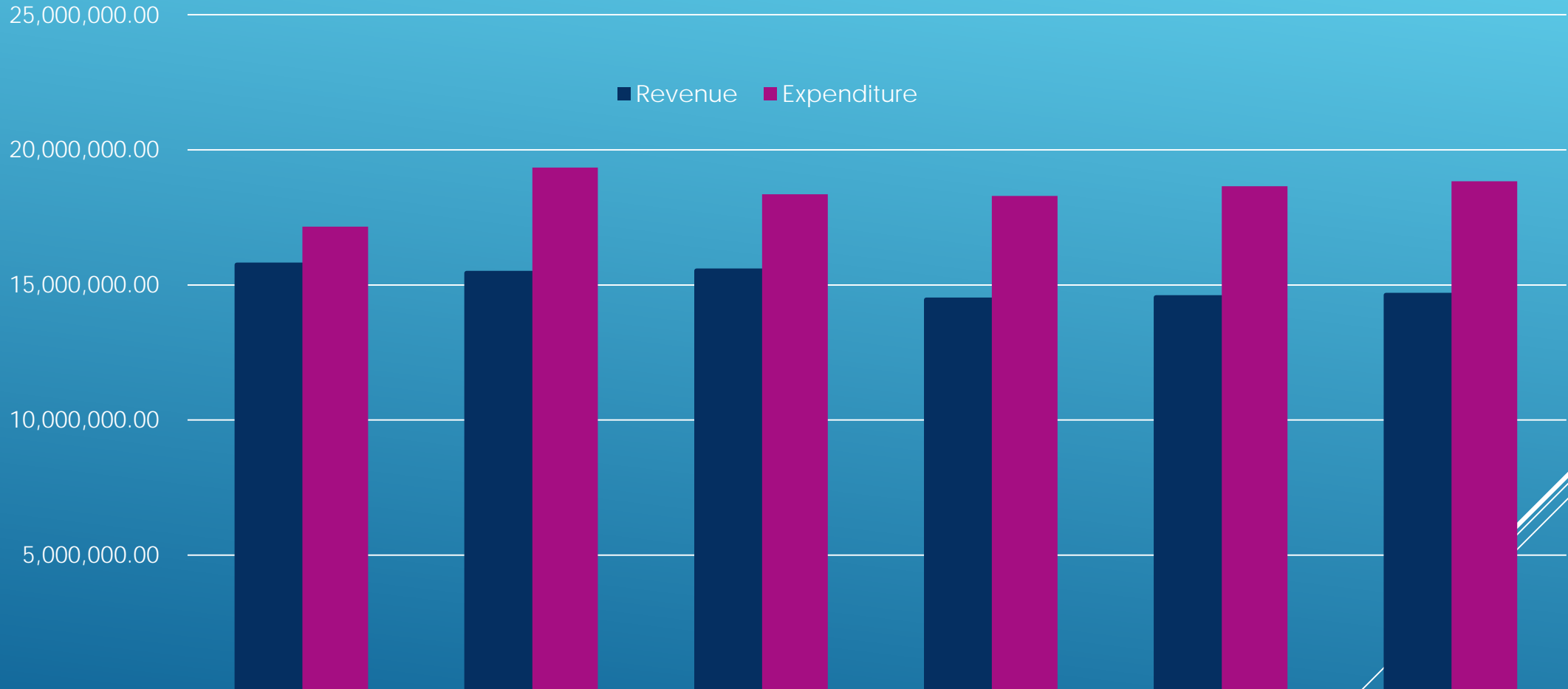
*Six percent (approx. \$1 million) pays for:

- Emergency Loan Board FY '20 \$232,439 (through FY 2024)
- Michigan Finance Authority Debt \$187,775 (through FY 2021)
- Property and Casualty Insurance
- General Liability Insurance
- Payment to third party providers (income tax, assessor, building department)
- Utilities
- Vehicle maintenance
- Employee training & conferences
- Building maintenance
- Park maintenance
- Street lighting
- Prisoner housing
- Protective equipment for public safety
- All supplies
- Other

*Expenditures exceed revenue without making cuts or using of fund balance

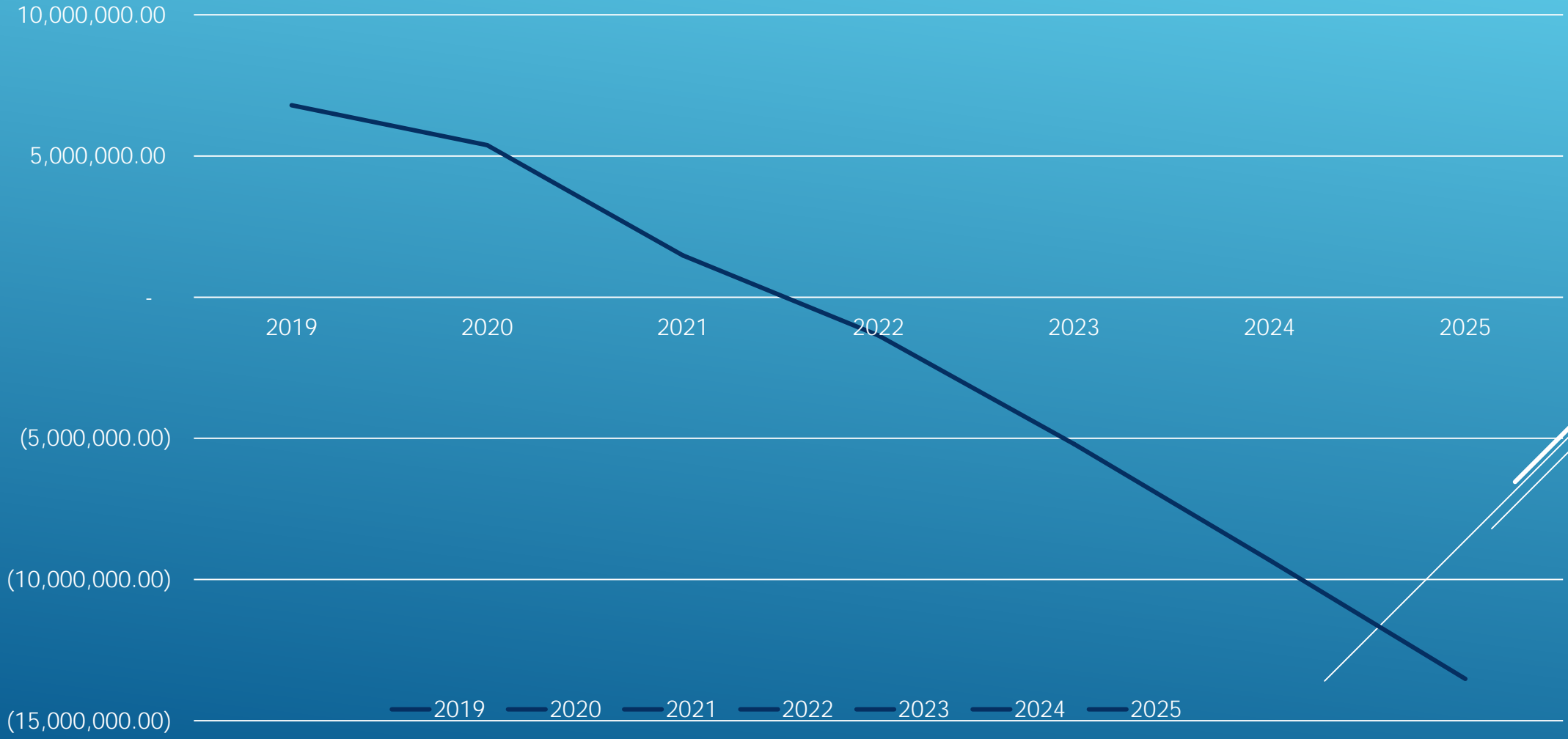


GENERAL FUND FIVE-YEAR FORECAST REVENUES AND EXPENDITURES



	2020	2021	2022	2023	2024	2025
■ Revenue	15,741,420.00	15,438,866.00	15,524,804.00	14,450,154.00	14,537,084.00	14,624,884.00
■ Expenditure	17,154,179.00	19,347,307.00	18,359,402.00	18,292,908.00	18,649,804.00	18,834,863.00

GENERAL FUND FIVE-YEAR FORECAST FUND BALANCE



WHAT'S NEXT?

GENERAL FUND BUDGET WORK SESSION

- Mayor & Council to submit priorities by March 13
- Identify opportunities to increase revenue
- Identify opportunities to decrease expenditures
- City Manager Proposed Department Budgets March 31

Next Steps

General Fund Budget Work Session

Next Work Session, Tuesday, March 31, 6 p.m.

City Council Chambers

To review proposed department budgets

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