

City of Howell

Fiscal Year 2022-2023

Adopted Operating Budget



CITY OF HOWELL
MICHIGAN

ADOPTED OPERATING BUDGET
FISCAL YEAR 2022-2023

CITY COUNCIL

Robert Ellis, Mayor
Steve Manor, Mayor Pro Tem
Janice Lobur, Council Member
Nikolas Hertrich, Council Member
Jacob Schlittler, Council Member
Alex Clos, Council Member
Luke Wilson, Council Member

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April 25, 2022

Mayor Robert Ellis
Mayor Pro Tem Steve Manor
Councilmember Jan Lobur
Councilmember Nickolas Hertrich
Councilmember Jacob Schlittler
Councilmember Alex Clos
Councilmember Luke Wilson

RE: 2022-2023 Proposed Budget

Dear Mayor and City Council:

It is my pleasure to present to Mayor and Council the 2022-2023 budget in accordance with the City of Howell Charter. Budgets are often considered a "guiding document,". While they are the most critical fiscal tool we have, they are also living documents that can change throughout the year, based on many factors. The past two years have been great examples of just how fluid and flexible budgets can be. The proposed budget is designed to provide the essential services, along with additional capital improvements, to the cities infrastructure and other needs identified in our strategic visioning work session. The budget expense breakdown is presented below and is further explained within this document.

Budget Breakdown

General	$8,470,200
Sewer	$2,471,700
Water	$6,999,100
Operational Funds	$4,300,800
Debt	$1,425,600
TOTAL	$23,667,400

As the 2021/2022 fiscal year comes to an end, only one phrase can best describe this year as a whole, "transitional resilience." The beginning of the current fiscal year was filled with uncertainty as COVID-19 continued to dominate the narrative. This was soon replaced by labor and supply shortages, followed by a surge in inflation. During this same period, the city was also experiencing staffing transitions. In the 2021/2022 fiscal year, the city hired 14 positions, vacated through retirements or resignations, including a new City Manager, Finance Director, City Assessor, WWTP Operations Manager, Community Development Director, 4 police officers, treatment plant operators and several more. In fact, 70% of City Hall employees encompassing Building, Finance, Assessing, Clerk, Human Resources, IT and the City Manager's Office have a year or less seniority with the city. While the challenges of recruitment and transitioning has been a controlling factor, the talent that Howell has attracted has been remarkable. In fact, the resiliency of our employees and the dedication of our Mayor and Council is the main reason we can also celebrate incredible successes. Alongside many others, they include:

1) A final site plan submittal by Motorsports Gateway of Howell.
2) Two million dollars in grant funding used to reconstruct Clinton Street.
3) The completion of a public and private collaboration on a $16 million dollar improvement project at our wastewater treatment plant.
4) Replacing our Water Tower service line to improve reliability and service to our water customers.
5) Over 2 million dollars in improvements to our Water Treatment Plant, improving the quality of our drinking water.
6) East Grand River Water Main project that includes almost 50% in grants and debt forgiveness.
7) Celebrating 35 years as a Tree City, USA.

The most significant example of resilience is our incredible team of staff, both those that have dedicated decades with the city to those newly hired. The hard work and dedication, along with their relentless motivation to be exceptional public servants to our citizens is what makes the Howell Community such a unique and special place, prepared and ready to drive change to better our community and the surround areas. I can state with full confidence that the upcoming fiscal year will have unprecedented accomplishments for the City of Howell and the greater Howell community.

2021/2022 Year End

The 2021/2022 projected general fund budget as presented includes the May 2022 PPT revenues and reflects appropriations exceeding revenue by $58,500 for planned use of fund balance. These appropriations reflect the Goals and Objectives outlined by Mayor and Council at the budget work session, to reduce the fund balance to the targeted 25%, and to make necessary appropriations and capital investments.

Approved additional expenses 21/22

Additional MERS Contribution	$250,000
Budget Stabilization Contribution	$250,000
City Master Plan ½ Year	$45,000
Cemetery Building Repairs	$205,000
City Hall HVAC Repairs	$284,000
TOTAL	$1,034.000

Staff has also included an additional $25,500 in needed improvements within our 21/22 fiscal year, to our park system to bring them up to MPSI standards. As presented in our strategic and visioning work session, and pending anticipated State Revenue sharing, we should end the fiscal year receiving $3,612,000, including the May PPT revenue. This results in a fund balance of almost 45%. While we look at year end, the most significant adjustment to the current fiscal budget have been positions left vacant totaling almost $200,000 in unspent salaries and wages.

PROPOSED 2022/2023 BUDGET OVERVIEW

The proposed budget totals $23,584,400, including all funds. The General Fund portion of $8,470,200 exceeds revenues by $267,200, including the May PPT revenue from the state. The establishment of the budget stabilization fund by Mayor and Council has allowed staff to budget for the May PPT, allowing us to better plan expenses and hit the preferred 25% fund balance. The General Fund budget also has items recommended by department heads that align with the Councils Goals and Objectives (GOs). The following represents some of the major GOs proposed in the budget. All GOs within the budget are identified with a "GO" in the note section of each department.

Major GOs identified in the 2022/23

Data Center (GF)	$45,000
City Hall 1st floor consolidation (GF)	$350,000
Rolling Oaks Park Imp (ARPA Funds)	$25,000
Kayak Launch (ARPA Fund)	$25,000
Page Field Track Resurface (ARPA Fund)	$150,000
ADA Compliant Bathroom at Scofield Park (ARPA Fund)	$150,000
Bennett Center Tennis Courts (ARPA Fund)	$120,000
Bennett Center Improvements (ARPA Fund)	$379,000
West Street Park Playground (ARPA Fund)	$210,000
TOTAL	$1,454,000

Outside of operational costs and the GOs identified in the budget, we are recommending the following items remain in the budget for considerations in the next fiscal year. Due to inflation increases and supply chain issues, including potential unknowns, I recommend all expenditures come before Mayor and Council for approval, prior to moving forward with the actual expense.

Recommended additional expenses

Neighborhood Park Improvements	$78,500
MERS Additional Contribution	$250,000
BSA Online and Training	$10,000
TOTAL	$338,500

The City's overall taxable value is anticipated to increase by 2.8% in 2023, a $142,000 overall increase in tax revenues. If the proposed budget is approved as presented, the anticipated 2022-2023 budget will end with a $3.35 million fund balance. Even with these expenditures and accounting for May PPT revenues in both fiscal years, we are above the targeted fund balance of $2 million (25% of General Fund).

The 2022-23 recommended budget millage rate is 14.87481, which includes a rollback factor of .9854. The recommended budget will decrease the fund balance by $267,200 and includes the May PPT revenue. Staffing levels will remain unchanged at 57 full time employees.

Significant projects included in the 2022-2023 budget are:

1. **DWRF East Grand River water main Project** – This project includes replacing the early 1930's water main from Eastern City Limits to the new water at Barnard. The Existing water main is comprised of various sizes from 4" to 12" . The new water main will consist of a 12" main line with 8" crossings restoring adequate pressure and a reliable source of source of quality water. This project is through the Drinking Water Revolving Fund (DWRF) which provides low interests loans. Total project cost is $2.94 million. With principle forgiveness and lead replacement grants, the city will only be required to pay back a total of $1.77 million.

2. **Asset Management Plan –** $50,000 in Major and Local funds for miscellaneous pavement repairs and crack sealing. We are crack sealing and seal coating (2) parking lots, lots 2 & 4. We have also budgeted repairs to the storm and sanitary system consistent with the recommendations from the SAW grant study.

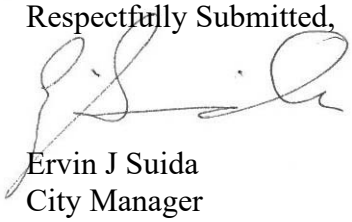
3. **Flashing Pedestrian crossings** - Staff has budgeted and submitted for a grant to install push button flashing crosswalks on Clinton and State, along with (3) crossings on North Michigan Avenue. The city share would be $110,000 of a $450,000 total project.

4. **Lucy Road improvements -** The City has $2.1 million budgeted in Water and various additional amounts to begin the process of providing water, sewer and road improvements along Lucy Road. Staff is in the process of developing plans on how to pay and exploring grant opportunities.

5. **Water Meter change final ward -** The City began a meter and meter reading device change in 2018 and has the final Ward budgeted for this fiscal year. The total project cost is budgeted at $300,000 and shared equally between the Water and Sewer funds. Once completed, the system will require very few physical reads, increasing efficiency and safety for the city.

The 2022-2023 fiscal year keeps Howell moving forward while allowing the flexibility to adjust as may be necessary. This budget reserves close to $1 million in matching funds for grants as they become available for projects such as the Loop Road, Depot Lot, and Category F projects such as Byron Road or Sibley Street, and various infrastructure projects. This budget maintains service levels, provides needed improvements, and incorporates a fund balance near our targeted amount of 25%, not including matching funds. It also provides the opportunity for the City of Howell to take advantage of low interest financing to move forward with needed infrastructure upgrades and plans for using our ARPA funds for intended improvements. This budget is an investment in our future vitality, ensuring Howell continues to be a great place to live, work and play.

Respectfully Submitted,



Ervin J Suida
City Manager



The opening of the Erie Canal in 1825 brought about a migration of early settlers, primarily from New York State. Howell was first platted in 1835 as "Livingston Centre", and renamed Howell in honor of Thomas Howell, the son of a New York State judge.

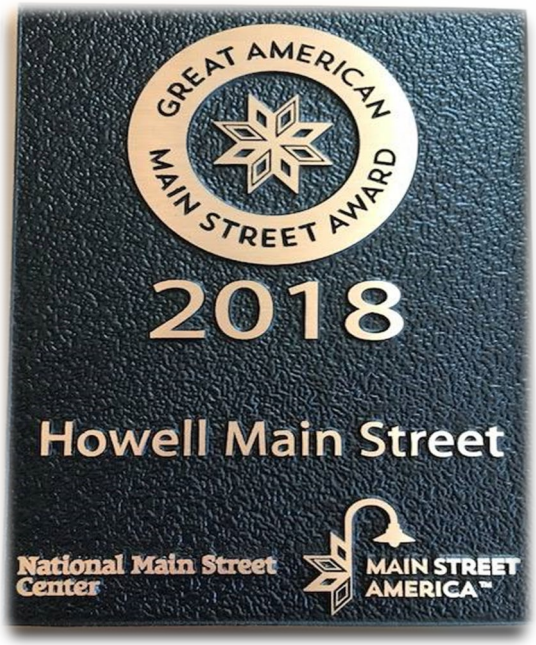
The first building erected was a public house known as the Eagle Tavern. Several other hotels and taverns soon followed as Howell was strategically located on the Grand River Trail. By means of easy access to the Old Plank Toll Road and the railroad, citizens of Howell were well situated to import and export their agriculture and products, designating Howell as a town of growth and development.

This history continues today. The Eagle Tavern became the building we call The Opera House. Although the railroad connection is no longer active, the physical location of Howell is still a convenient commerce center halfway between Detroit and Lansing. Howell remains an area of growth and development, attracting residents and businesses alike in record numbers. The beautiful historic buildings downtown, erected at a time when pioneers were proud to pay extra to create a landmark, are now lovingly renovated to their original beauty.



Howell grew from these entrepreneurial beginnings, attracting retail, professional, and entertainment businesses. The downtown was designated a National Historic District in 1987 and is a treasure trove of 19th century architecture, much of it restored and preserved for the future. A variety of shops include women's and men's

clothing, home décor, jewelry and gifts, restaurants and pubs. Howell is renowned for its fine architecture and includes a Richardsonian Romanesque-style courthouse that's on the State and National Registers of Historic Places, a historic Opera House, a Carnegie Library, and beautiful homes of many different architectural styles.



Downtown Howell is proud to have been named a Great American Main Street community on March 26, 2018 at the National Main Street conference in Kansas City, MO. Selected by a national jury of community development professionals and leaders in the fields of economic development and historic preservation, award winners serve as exceptional models for comprehensive, preservation-based commercial district revitalization. Howell Main Street received the elite status due their achievements in transforming the downtown district into a cultural destination through community-driven economic development and placemaking efforts.

Howell is host to many fun and exciting festivals and special events. The Howell Farmers' Market offers only the best locally-grown produce. The Michigan Challenge Balloonfest is held in June, and Howell Melon Festival celebrates Howell's agricultural history in August. The Fantasy of Lights Parade is held the day after Thanksgiving, kicking off the Christmas festivities. The local Livingston Arts Council hosts the enormously popular Concerts at the Courthouse, a series of free outdoor concerts every Friday night during July and August.





The quality of life in Howell is what turns visitors into long-time residents. Over 11 City parks offer residents places to play and relax. The City Park at Thompson Lake provides a venue for boating, fishing, swimming, and picnics. The Howell Historical Society operates a museum in the renovated Howell Train Depot, filled with artifacts from Howell's early days. The Teen Center and Senior Center offer our youth and seniors places to congregate and socialize. Our vibrant downtown features wireless internet, independent restaurants and retailers, and several new developments on the horizon. Whether you're interested in community theater, civic groups, the arts, or recreational activities, Howell has it all.

As of 2019, the approximate population of Howell was 9,580 residents. Many commercial development dollars are seeking Howell as their top location for a successful venture. From the middle of the 19th century to the 21st century and beyond, Howell is meeting the needs of today's residents and building for tomorrow's future.



As part of the State's "City, Village, Township, Revenue Sharing Program" (CVTRS), local units of government are required to provide a Performance Dashboard. By meeting this requirement, the City of Howell will be eligible to receive a percentage of its appropriated statutory revenue sharing.

This Dashboard includes performance and operating measures that track such areas as: fiscal stability, public safety, quality of life, and economic strength. Trends are identified by arrows indicating if an area is improving, declining or remaining the same.

The color of the arrow represents if the change was positive **(GREEN)** or negative **(RED)**. A **(BLACK)** double or up arrow represents no change **(NEUTRAL)**. Arrows represent the change from prior year to current year.

Fiscal Stability		
	Current	Progress
Annual GF expenditures per capita	$768	
Fund balance as % of annual GF expenditures	34.7%	
Unfunded Pension and Retiree health care liability, as a % of annual GF revenue	313%	
Debt burden per capita	$792	
Ratio of pensioners to employees	1.22	
Number of services delivered via cooperative venture	4	
Percentage of road funding provided by General Fund	4.5%	

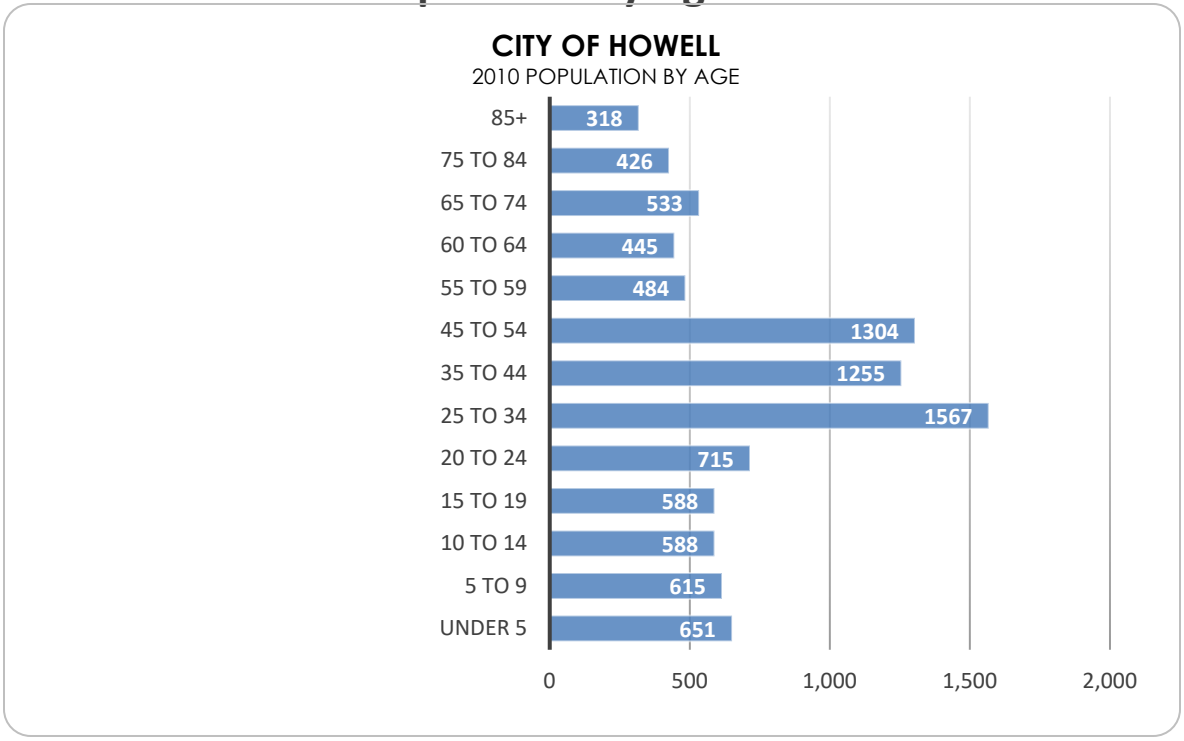
Economic Strength		
	Current	Progress
% of community with access to high speed broadband	100%	
% of community age 25+ with BS or higher	22%	
Average age of critical infrastructure (in years)	16.2	

Public Safety		
	Current	Progress
Violent Crimes per thousand	2	
Property Crimes per thousand	7	
Traffic injuries or fatalities	26	

Quality of Life		
	Current	Progress
Miles of sidewalks and non motorized paths/trails per mile of local roads	1.76	
Percent of GF budget committed to arts, culture and recreation	5.00%	
Acres of park per thousand residents	4.4	
Percent of community with curbside recycling	100%	

2000 Population	9,232
2010 Population	9,489

Population by Age - 2010



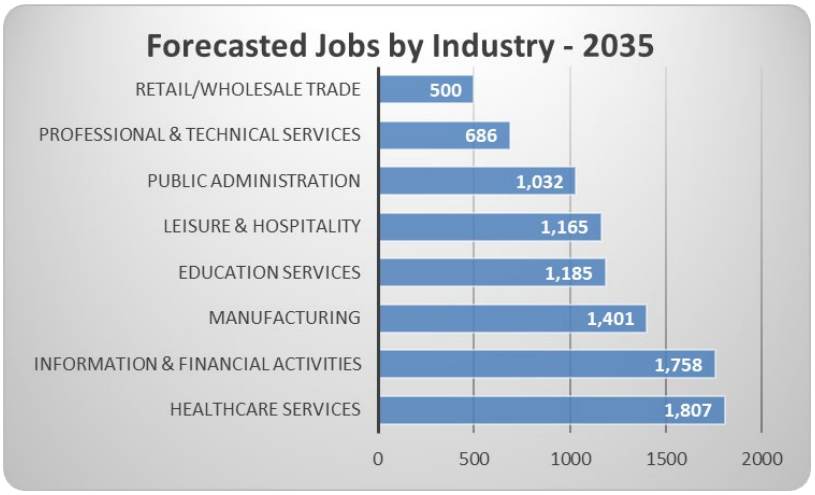
POPULATION FORECASTS

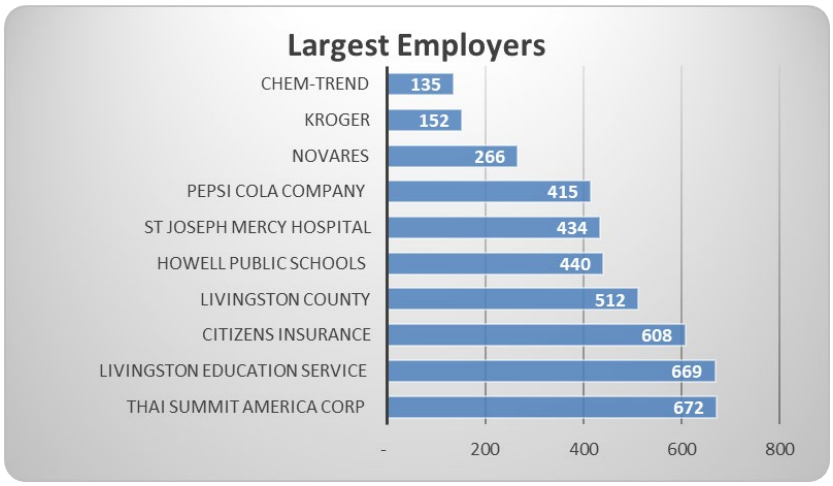
2020 Forecast	9,816
2030 Forecast	10,376
2040 Forecast	11,448
Total Percentage Change 2010-2040	20.65%

EDUCATION

2010 Education Attainment for Person 25 Years & Over:

High School Graduate	30.90%
Associates Degree or Some College	37.60%
Bachelor's Degree or Higher	22.10%





WHERE HOWELL RESIDENTS WORK		
Location	**Number**	**Percentage**
Howell	752	17.5%
Howell Township	511	11.9%
Out of Region Instate	466	10.8%
Genoa Township	381	8.8%
Ann Arbor	197	4.6%
Brighton	173	4.0%
Southfield	136	3.2%
Green Oak Township	134	3.1%
Wixom	128	3.0%
Marion Township	100	2.3%
Elsewhere	1,328	30.8%
TOTAL	4,306	100.0%

Source: SEMCOG

Guiding Values

In conjunction with the Planning Commission, City Council adopted the following guiding values to assist in developing a strategic plan for the future of the City. The guiding values provide a template for our annual task list.

Howell is an evolving, welcoming City for all.

- We recognize the need to grow and adapt while keeping our friendly, small town character.
- As the environment around us changes, we will work to manage that change in a way that enhances our core identity.
- Our sense of place is based on our strong neighborhoods, walkability, local businesses, community events and historic character.
- We provide an environment for a wide range of quality housing opportunities for all ages, abilities and income levels.

Howell is the center of activity and culture.

- We promote special events, activities and opportunities for public participation that creates a unique sense of place.
- We offer a vibrant downtown with year-round activities for all ages, including a wide variety of shopping and dining options.
- Our walkable environment, recreational opportunities, natural amenities, and variety of community groups contribute to our quality of life.
- Our unique events bring visitors to Howell.
- Our special events are part of our core identity and bring the community together.

The City thrives when we work together.

- The City becomes a better place when residents, neighbors, the business community, and the City work together. City government will be open, transparent and accessible. In turn, those who live, work and play here participate in making Howell a better place.
- We take a pragmatic approach to collaborating with public and private agencies serving the Howell community with the goal of enhancing our quality of life.

Howell has a rich history and a promising future.

- Our City is rich in history, particularly in our historic downtown buildings and neighborhoods.
- While we grow and adapt to our changing environment, we stay true to what is authentically Howell.

The City is a safe place.

- We are a City of neighborhoods where people look out for each other.
- We take a holistic approach to safety, making it a priority in our decisions regarding development, transportation, recreation, public health, infrastructure, housing and our ordinances.
- We strive to create a clean, safe, and inviting physical environment.

Quality, efficient municipal services are a part of our identity.

- Our core services, including high quality infrastructure, maintaining a clean, safe environment, easy access to emergency services and public safety contribute significantly to the high quality of life in the City. They set us apart in the region.
- We constantly strive to maintain and enhance these services within our fiscal means.

BUDGET RESOLUTION
NO. 22-07

WHEREAS, the City Charter of the City of Howell states that "Not later than the third Monday in May the Council shall, by resolution, adopt the budget for the next fiscal year and shall in such resolution appropriate the money required for such budget and provide for a levy of the amount necessary to be raised by taxes upon real and personal property for municipal purposes"; and,

WHEREAS, a public hearing regarding the budget and the millage rate, in accordance with the Truth-in-Taxation requirements, was held May 9th, 2022 at 7:00 p.m.

NOW, THEREFORE BE IT RESOLVED, that the budget for the City fiscal year beginning July 1, 2022 as recommended by the City Manager and as revised by the City Council, and as described in summary is as follows:

GENERAL FUND REVENUES	
Dept 000-GENERAL	$7,704,100
Dept 301-POLICE DEPARTMENT	398,900
Dept 751-RECREATION DEPARTMENT	110,000
Dept 966 – TRANSFERS IN	30,000
USE OF FUND BALANCE	228,000
TOTAL REVENUES	**$8,471,000**
GENERAL FUND APPROPRIATIONS	
Dept 101-MAYOR & COUNCIL	26,900
Dept 172-CITY MANAGER	232,100
Dept 191-FINANCE	436,900
Dept 215-CLERK	113,600
Dept 228-INFORMATION TECHNOLOGY DEPT	295,000
Dept 247-BOARD OF REVIEW	3,500
Dept 248-CABLE COMMISSION	500
Dept 262-ELECTIONS	43,700
Dept 265-CITY HALL	614,900
Dept 266-CITY ATTORNEY/OUTSIDE COUNSEL	132,000
Dept 270-PERSONNEL	141,900
Dept 276-LAKEVIEW CEMETERY	233,300
Dept 284-HOWELL MEMORIAL CEMETERY	68,200
Dept 285-FORESTRY/CONSERVATION	92,500
Dept 286-PARKING LOT MAINTENANCE	52,200
Dept 301-POLICE DEPARTMENT	3,091,600
Dept 350-HOWELL AREA FIRE AUTHORITY	7,100
GENERAL FUND APPROPRIATIONS (continued	
Dept 371–BUILDING DEPARTMENT	251,700
Dept 443-STREET LIGHTING MAINTENANCE	6,900
Dept 444-SIDEWALK MAINTENANCE	59,400
Dept 445-DRAINS-PUBLIC BENEFIT	45,000
Dept 447-ENGINEERING DEPARTMENT	32,500
Dept 448-STREET LIGHTING	350,000
Dept 722-COMMUNITY DEVELOPMENT	282,700
Dept 747-COMMUNITY ACTION PROMOTION	117,200
Dept 751-RECREATION/PARKS DEPT	216,500
Dept 757-PARKS/NEIGHBORHOODS	150,300
Dept 895-UNDESIGNATED	44,500

BUDGET RESOLUTION
NO. 22-07

Dept 899-TAX TRIBUNAL REFUNDS	3,000
Dept 966-TRANSFERS OUT	1,324,400
TOTAL GENERAL FUND APPROPRIATIONS	**$8,471,000**
OTHER FUNDS	**REVENUES & EXPENDITURES**
Major Streets Fund	
Appropriations	$857,000
Revenues	857,000
Local Street Fund	
Appropriations	$582,600
Revenues	582,600
Rubbish Fund	
Appropriations	$712,400
Revenues	712,400
Lucy Road Fund	
Appropriations	$20,400
Revenues	20,400
DDA	
Appropriations	$526,500
Revenues	526,500
Police Training	
Appropriations	$3,000
Revenues	3,000
Loop & D-19 Debt Fund	
Appropriations	$134,900
Revenues	134,900
G.O. Bond Debt Road Program	
Appropriations	$514,000
Revenues	514,000
2015 City Hall Debt Fund	
Appropriations	$21,100
Revenues	21,100
N Parking Lots & Alley Debt Fund	
Appropriations	$143,900
Revenues	143,900
Sidewalk Construction	
Appropriations	$ -
Revenues	-
Sewer	
Appropriations	$2,496,700
Revenues	2,496,700
Water	
Appropriations	$6,230,100
Revenues	6,230,100
Equipment Pool Fund	
Appropriations	1,199,500
Revenues	1,199,500
Department of Public Services	
Appropriations	$368,700
Revenues	368,700
IT Replacement Fund	
Appropriations	$61,900
Revenues	61,900
Cemetery Perpetual Care	
Appropriations	$40,000
Revenues	40,000

BUDGET RESOLUTION
NO. 22-07

BE IT FURTHER RESOLVED, that in order to carry out the provision of the above-described budget, the following tax rate be applied to the completed taxable assessment roll valuation of three hundred sixty one million seven hundred sixty three thousand four hundred sixty eight dollars ($361,763,468) as approved by the City of Howell Board of Review as required by the Michigan Constitution and be applied to all properties subject to the Obsolete Property Rehabilitation Tax which have a complete taxable assessment roll valuation of nine hundred six thousand two hundred eleven dollars($906,211) and be applied to all properties subject to the Industrial Facilities Taxes which have a complete taxable assessment roll valuation of five million seven hundred forty six thousand two hundred twelve dollars ($5,746,212) which shall have a reduced tax applied, and be applied to all properties subject to the Land Bank Taxes which have a complete taxable assessment roll valuation of twenty five thousand dollars ($25,000).

Total City Tax levy for General Fund purposes July 1, 2022... $15.0952 per $1,000 of taxable valuation after Board of Review. The millage rate is the Headlee maximum allowable millage levy. Total City Tax levy for Rubbish purposes July 1, 2021 ... $1.0590 per $1,000 of taxable valuation after Board of Review. The millage rate is less than the Headlee maximum allowable millage levy of 2.8602. For a total City Tax levy of $16.1542 per $1,000 of taxable valuation after Board of Review. These millage rates are subject to change based upon approval of the 2022 millage.

Adopted by the Howell City Council this 9th day of May, 2022.

Robert Ellis, Mayor

City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of Resolution No. 22-07 adopted by the City Council of the City of Howell, Livingston County, Michigan, at a regular meeting held on the 9th day of May, 2022 and that the meeting was held and the minutes were filed in compliance with Act No. 267 of the Public Acts of 1976.

IN WITNESS WHEREOF, I have affixed my official signature this 11th day of May, 2022.

BY:
Howell City Clerk

The purpose of this section is to explain the format and methodology of the budget.

BUDGET PROCESS

The budget process is considered an ongoing process with continuous monitoring and frequent adjustments due to new information. According to State law and the Uniform Budgeting and Accounting Act, the City must prepare an annual appropriations resolution identifying adequate revenues to support a plan of expenditures. Further, the City must adopt its millage rate and, if warranted, conduct a Truth in Taxation hearing pursuant to the Headlee Amendment.

According to the City Charter, on or before the second Monday in February, each City officer (Department Head) shall submit to the City Manager an itemized estimate of the expenditures for the next fiscal year for the department or activities under this control. The City Manager shall prepare a complete itemized budget for the next fiscal year and shall submit it to the Council for approval.

BUDGET DOCUMENT

The budget document shall present a complete financial plan for the ensuing fiscal year. It shall include at least the following information:

- Detailed estimates of all proposed expenditures for each department and office of the City, showing the expenditures for corresponding items for the current and last preceding fiscal years, with reasons for increases and decreases recommended, as compared with appropriations for the current year;
- Statements of the bonded and other indebtedness of the City, showing the debt redemption and interest requirements, the debt authorized and unissued, and the condition of sinking funds, if any;
- Detailed estimates of all anticipated income of the City from sources other than taxes and borrowing, with a comparative statement of the amounts received by the City from each of the same or similar sources for the last preceding and current fiscal years;
- A statement of the estimated balance or deficit, as the case may be, for the end of the current fiscal year;
- An estimate of the amount of money to be raised from current and delinquent taxes and the amount to be raised from bond issues, which, together with income from other sources, will be necessary to meet the proposed expenditures;
- Such other supporting schedules as the Council may deem necessary.

BALANCED BUDGET

The City annually adopts a balanced budget in which estimated revenue and available unreserved fund balance are equal to or exceed estimated expenditures.

ADOPTION OF BUDGET, TAX LIMIT

No later than the third Monday in May, the Council shall, by resolution, adopt the budget for the next fiscal year and shall, in such resolution, appropriate the money required for such budget and provide for a levy of the amount necessary to be raised by taxes upon real and personal property for municipal purposes, which levy shall not exceed two percent of the assessed valuation of all real and personal property subject to taxation in the City.

TRANSFER OF APPROPRIATIONS

After the budget has been adopted, no money shall be drawn from the treasury of the City nor shall any obligation for the expenditure of money be incurred, except pursuant to the budget appropriation. The Council may transfer any unencumbered appropriation balance, or any portion thereof, from one department fund or agency to another. The balance in any appropriation, which has not been encumbered, at the end of the fiscal year shall revert to the General Fund and be re-appropriated during the next fiscal year.

BUDGET CONTROL – INTERIM FINANCIAL REPORTING

At the beginning of each quarterly period during the fiscal year, and more often if required by the Council, the City Manager shall submit to the Council data showing the relation between the estimated and actual income and expenses to date; and if it shall appear that the income is less than anticipated, the Council may reduce appropriations, except amounts required for the debt and interest charges, to such a degree as may be necessary to keep expenditures within the cash income.

BASIS OF BUDGETING

This budget document is prepared on the same basis of accounting as the City of Howell's financial statements. The City of Howell follows Generally Accepted Accounting Principles applicable to governments; however, for budgetary purposes, encumbrances are also included in expenditures.

FUND STRUCTURE

The governmental fund types and expendable trust funds use the modified basis of accounting. Under the modified basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for un-matured interest on general long-term obligations which is recognized when due and certain compensated absences, claims, and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The accounts of the City of Howell are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The City of Howell's resources are allocated to and accounted for in individual funds, based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

- The "GENERAL FUND" section presents the operating budget for the departments and activities funded by the General Fund, and is the City's primary operating fund.
- The Special Revenue Funds consist of the operating budgets for activities funded by grants or special state, federal or other restricted revenue sources. These funds consist of: Major Street, Local Street, and Rubbish and Garbage funds.
- The Enterprise Funds consist of the budgets for funds that charge a fee to external users for goods and services and is designed to recover the costs of providing the service. Funds collected from these fees can only be used for these purposes. These funds consist of: Water and Sewer funds.
- The Internal Service Funds presents activities that provide services and resources for the City's other programs. These funds include: Department of Public Services and Equipment Pool funds.
- The Debt Service Funds present funds that account for the accumulation of resources for the annual payment of principal and interest on long-term debt.
- The Capital Improvements section presents major capital acquisition and construction activities.

Budget Calendar

January 25, 2021	Budget Kick-off: Grant Access to Department Heads of Budget Module
January 30, 2021	Initial work-session with Council
February 16, 2021	**All** budget amounts must be entered into the system by Department Heads
February 22, 2021	Compiled budget requests to City Manager
March 1 –12, 2021	City Manager meetings with Departments
March 17, 2021	City Manager Proposed Budget prepared for printer
April 1, 2021	Proposed budget delivered to City Council
April 12 - April 23, 2021	Schedule budget work sessions
May 2, 2021	Publish Proposed FY2021/2022 Budget notice
May 10 2021	Public hearing on budget
	City Council adoption of FY2021/22 Budget
	Millage adopted by City Council
	(Note: Per City Charter the budget must be adopted by the 3rd Monday in May.
July 1, 2021	New Fiscal Year Begins

The previous section detailed the process the City undertakes in preparing the budget. A review of other financial parameters the City operates under are as follows:

LONG RANGE PLANNING

After the first six months of the current fiscal year have passed, the Council may hold a planning session. The purpose of the planning session is to review the prior year and set goals and objectives for the following year. Also presented at that time is a 5-yr Financial Projection in order to facilitate planning. The projection presents various scenarios detailing potential outcomes.

INVESTMENT POLICY

It is the policy of the City to invest public funds in a manner which will provide the highest investment return with the maximum security, while meeting daily cash flow demands and conforming to all state statutes and local ordinances governing the investment of public funds.

Objectives: The funds of the City will be invested in accordance with Michigan Public Act 20 and are listed in order of priority:

1. Safety – Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.
2. Diversification – The investments shall be diversified by specific maturity dates, individual institutions or a specific class of securities in order that potential losses on individual securities do not exceed the income generated from the remainder of the portfolio.
3. Liquidity – The investment portfolio will remain sufficiently liquid to meet all operating requirements which might be reasonably anticipated.
4. Return on investment – The portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and cash flow characteristics of the portfolio.

Delegation of Authority: The authority to manage the investment program is derived from the City Council. The City Treasurer shall establish written procedures and internal controls for the operation of the investment program, consistent with the investment policy. No person may engage in investment transactions except as provided under the terms of this policy and the procedures established by the City Treasurer.

Prudence: Investments shall be made with judgment and care under the “prudent person” standard, with the primary objective of preserving capital.

Authorized Investments:
The following investment instruments are approved for use by the City:

1. Bonds, securities and other obligations of the United States, or an agency or instrumentality of the United States.
2. Certificates of Deposit, savings accounts, deposit accounts or depository receipts of a financial institution which are members of Federal Insurance programs.
3. Commercial paper rated at the time of purchase within the highest classification established by not less than two standard rating services and that matures not more than 270 days after date of purchase.
4. Mutual funds who maintain a $1.00 per share net asset value, and with authority to purchase only investment vehicles that are legal for direct investment by a public corporation.

Safekeeping and Custody: All security transactions, including financial institution deposits, entered into by the City of Howell shall be on a cash (or delivery vs. payment) basis. Securities may be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts as determined.

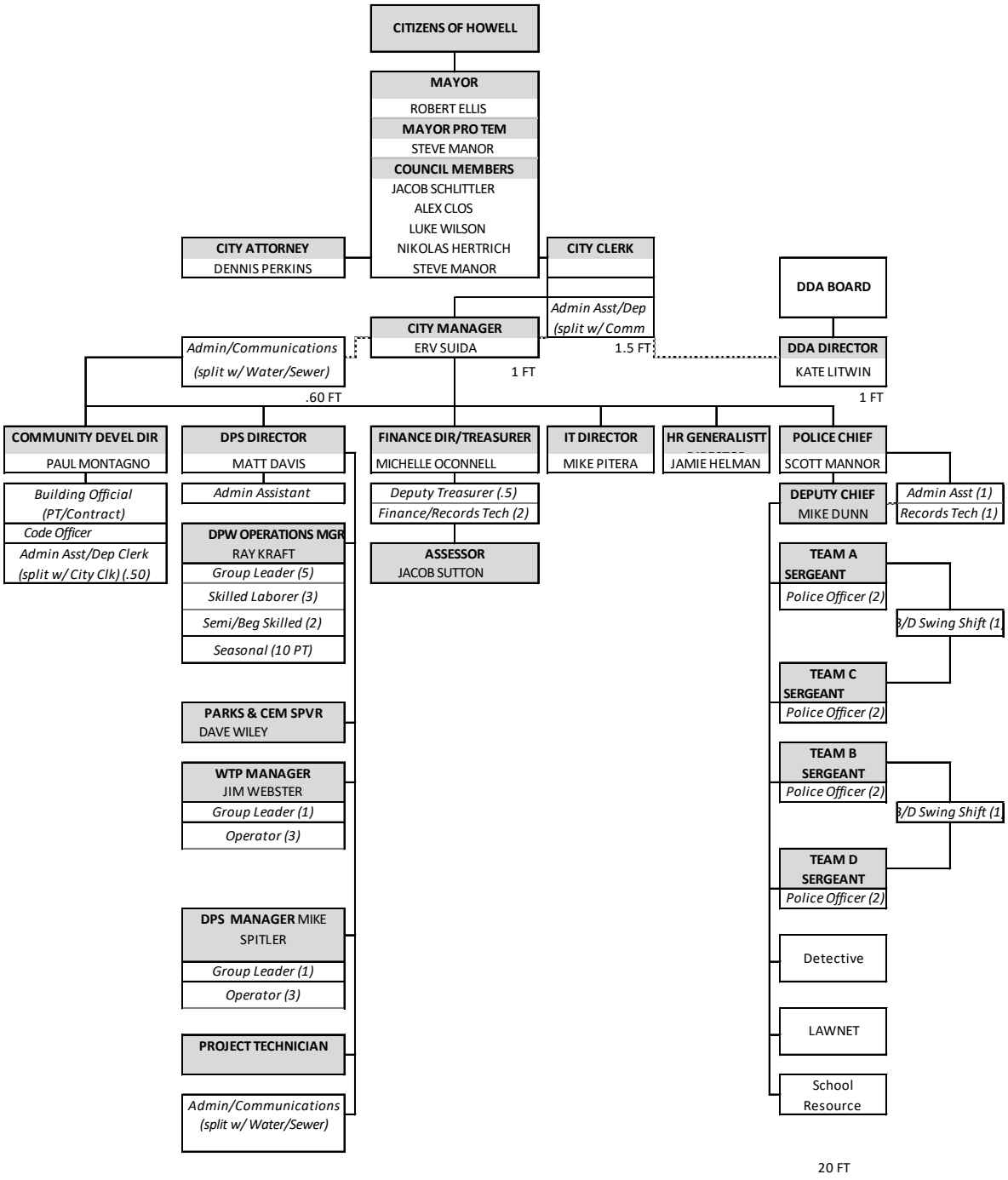
PURCHASING POLICY

All purchases in excess of $5,000 require City Council approval. It is a Department's responsibility to obtain the best price on purchases beneath this value. Council shall reserve the right to make the purchase that it judges to be in the best interest of the City. Purchases of and contracts for supplies and contractual services, except otherwise specifically provided, will be based, wherever possible, on competitive bids. If the amount of any proposed expenditure is estimated to exceed $10,000, sealed bids shall be solicited, unless otherwise approved by Council. Performance bonds and/or bid bonds and insurance may be required on some projects.

DEBT POLICY

The City Council, authorized per charter, subject to the applicable provisions of law, by proper ordinance or resolution may authorize the borrowing of money, and the issuance of bonds, and other evidences of indebtedness provided that the net bonded indebtedness shall not exceed 10% of the assessed value of all the real and personal property in the City. The City uses long term borrowing for capital improvements.

CITY OF HOWELL ORGANIZATIONAL CHART
2021 - 2022 PROPOSED BUDGET



56 FULL TIME EQUIVALENTS

Personnel Summary

POSITION		2017-18 FT	2017-18 PT	2018-19 FT	2018-19 PT	2019-20 FT	2019-20 PT	2020-21 FT	2020-21 PT	2021-22 FT	2021-22 PT	2022-23 FT	2022-23 PT
City Manager's Office													
City Manager		1	-	1	-	1	-	1	-	1	-	1	-
Admin Asst\Communications		0.7	-	0.7	-	0.7	-	0.45	-	0.60	-	-	-
Admin Assistant		-	-	-	-	-	-	0.10	-	-	-	1.00	-
	TOTAL	**1.7**	**-**	**1.7**	**-**	**1.7**	**-**	**1.55**	**-**	**1.60**	**-**	**2.00**	**-**
City Clerk/HR Director		**1**	**-**	**1**	**-**	**1**	**-**	1	-	-	-	-	-
City Clerk										1		1	
Admin Asst\Communications		-	-	-	-	-	-	0.10	-	-	-	-	-
Deputy Clerk\ Admin Assistant		-	**0.5**	-	**0.5**	-	**0.5**	0.50	-	0.60	-	-	-
	TOTAL	**1**	**0.5**	**1**	**0.5**	**1**	**0.5**	**1.60**	**-**	**1.60**	**-**	**1.00**	**-**
Human Resources													
HR Generalist		-	-	-	-	-	-	-	-	**1**	-	**1**	-
Community Development													
Community Development Director		1	-	1	-	1	-	1	-	1	-	-	-
Planning and Zoning Coordinator		0	-	0	-	0	-	-	-	-	-	1	-
Admin Asst\Communications		0.3	-	0.3	-	0.3	-	0.05	-	-	-	-	-
Deputy Clerk\ Admin Assistant		-	0.5	-	0.5	-	0.5	0.40	-	0.40	-	-	-
Ordinance Enforcement Officer		-	1	-	1	-	1	-	1	-	1	-	1
Parking and Code Enforcement Officer		-	0	-	0	-	0	-	-	-	-	0.50	
DDA Director		1	-	1	-	1	-	1	-	1	-	1	-
	TOTAL	**2.3**	**1.5**	**2.3**	**1.5**	**2.3**	**1.5**	**2.45**	**1**	**2.40**	**1**	**2.50**	**1**
Finance Department													
Finance Director/Treasurer		1	-	1	-	1	-	1	-	1	-	1	-
Deputy Treasurer		-	1	-	1	-	1	-	1	-	1	-	1
Assessor		1	-	1	-	1	-	1	-	1	-	1	-
Finance/Records Technician		2	-	2	-	2	-	2	-	2	-	2	-
	TOTAL	**4**	**1**	**4**	**1**	**4**	**1**	**4**	**1**	**4**	**1**	**4**	**1**
Communications Specialist		**0**	-	**0**	-	**0**	-	-	-	-	-	**1**	-
Information Technology Director		**1**	-	**1**	-	**1**	-	**1**	-	**1**	-	**1**	-
Public Services													
Dept of Public Services - Director		1	-	1	-	1	-	1	-	1	-	1	-
Deputy Director of Public Service		-	-	-	-	-	-	-	-	-	-	1	-
Operations Manager		1	-	1	-	1	-	1	-	1	-	1	-
Project Technician		1	-	1	-	1	-	1	-	1	-	-	-
Parks & Cemetery Working Supervisor		1	-	1	-	1	-	1	-	1	-	1	-
Administrative Assistant		1	-	1	-	1	-	1	-	1	-	1	1
Group Leaders		4	-	4	-	4	-	4	-	4	-	4	-
Skilled Laborers		5	-	5	-	2	-	2	-	2	-	4	-
Semi-Skilled Laborers		-	-	-	-	3	-	3	-	3	-	1	-
Laborer		1	-	1	-	1	-	1	-	1	-	-	-
Seasonal		-	10	-	10	-	10	-	10	-	10	-	10
	TOTAL	**15**	**10**	**15**	**10**	**15**	**10**	**15**	**10**	**15**	**10**	**14**	**11**
Water Treatment Plant													
Operations Manager		1	-	1	-	1	-	1	-	1	-	1	-
Operators		4	-	4	-	5	-	4	-	4	-	4	-
Admin Asst\Communications		-	-	-	-	-	-	0.20		0.20		-	
	TOTAL	**5**	**-**	**5**	**-**	**6**	**-**	**5.20**	**-**	**5.20**	**-**	**5.00**	**-**
Waste Water Treatment Plant													
Operations Manager		1	-	1	-	1	-	1	-	1	-	1	-
Operators		4	-	4	-	4	-	4	-	4	-	4	-
Admin Asst\Communications		-	-	-	-	-	-	0.20		0.20		-	
	TOTAL	**5**	**-**	**5**	**-**	**5**	**-**	**5.20**	**-**	**5.20**	**-**	**5.00**	**-**
Police Department													
Police Chief		1	-	1	-	1	-	1	-	1	-	1	-
Deputy Chief		1	-	1	-	1	-	1	-	1	-	1	-
Sergeants		4	-	4	-	4	-	4	-	4	-	4	-
Full-time Officers		13	-	13	-	12	-	13	-	12	-	12	-
Parking and Code Enforcement Officer												0.5	
Administrative Assistant		1	-	1	-	1	-	1	-	1	-	1	-
Records Technician		1	-	1	-	1	-	1	-	1	-	1	-
	TOTAL	**21**	**-**	**21**	**-**	**20**	**-**	**21**	**-**	**20**	**-**	**20.5**	**-**
Grand Total		**56**	**12.5**	**56**	**12.5**	**56**	**12.5**	**57**	**12**	**57**	**12**	**56.00**	**13**

Wage Summary

Position (NON-UNION)	
City Manager	$ 111,381.62
City Manager Executive Assistant	$ 58,447.24
City Clerk	$ 69,409.92
HR Manager	$ 69,605.70
Finance Director/Treasurer	$ 98,199.10
IT Director	$ 95,367.02
Communications Specialist/Administrative Assistant	$ 55,459.34
Planning and Zoning Coordinator	$ 62,391.75
Assessor	$ 69,605.70
Director of Public Services	$ 96,283.69
Deputy Director of Public Services	$ 85,802.54
Administrative Assistant Department of Public Service	$ 55,304.08
Police Chief	$ 101,964.95
Deputy Police Chief	$ 89,507.92
Administrative Assistant Police Department	$ 55,459.86
City Hall Custodian	$17.74/hr

TPOAM - B	Entrance	One Year	Two Years	Three Years	Four Years
Administrative Support					
Administrative Support I	$ 18.54	$ 19.48	$ 20.45	$ 21.48	$ 22.56
Administrative Assistant	$ 21.87	$ 22.97	$ 24.12	$ 25.32	$ 26.59
Finance Technician	$ 19.97	$ 20.96	$ 22.01	$ 23.11	$ 24.90
Technical Support					
Parking and Code Enforcement	$ 19.42	$ 20.38	$ 21.40	$ 22.47	$ 23.59
Deputy Treasurer/Accounting Clerk	$ 23.81	$ 25.00	$ 26.26	$ 27.57	$ 28.40

TPOAM - A (Supervisors)	Entrance	One Year	Two Years	Three Years	Four Years
DPW Operations Manager	$ 65,631.18	$ 68,912.74	$ 72,358.38	$ 75,976.30	$ 79,775.12
Project Technician	$ 63,047.89	$ 65,631.32	$ 69,228.48	$ 72,358.40	$ 75,976.85
WTP Operations Manager	$ 65,631.18	$ 68,912.74	$ 72,358.38	$ 75,976.30	$ 79,775.12
WWTP Operations Manager	$ 65,631.18	$ 68,912.74	$ 72,358.38	$ 75,976.30	$ 79,775.12
Parks & Cemetery Working Supervisor	$ 63,047.89	$ 65,631.32	$ 69,228.48	$ 71,358.40	$ 75,976.85

POAM (Patrol Officers)	Entrance	One Year	Two Years	Three Years	Four Years
Police Officer	$ 50,510.48	$ 55,423.77	$ 60,727.37	$ 66,030.97	$ 71,357.53
Starting w/o any experience	$ 48,696.69				

COAM (Police Sergeants)	
Sergeants	$ 38.77

TPOAM (Public Services)	
Public Works	
Laborer	$ 19.73
Beginning Skilled	$ 21.72
Semi-Skilled	$ 24.55
Skilled	$ 27.61
Group Leader	$ 29.23
Water	
Intro Operator	$ 24.77
Beginning Operator w/F4	$ 26.01
Operator w/F3	$ 27.30
Group Leader	$ 29.23
Waste Water	
Intro Operator	$ 25.59
Beginning Operator w/D License	$ 26.88
Operator I w/C License	$ 28.21
Group Leader	$ 29.23
Rates reflected as of 1/1/2022.	
The starting rate for a probationary employee will be $0.25 less than the rate of the classification during the probationary period.	

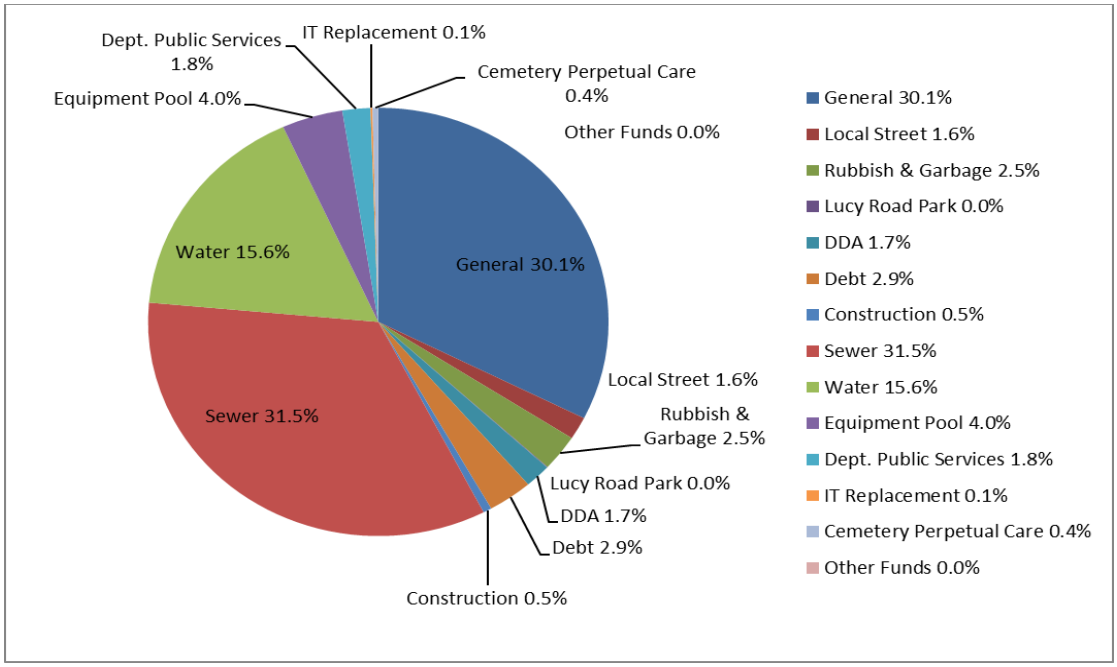
FUND NAME	2020-21 ACTIVITY	2021-22 AMENDED BUDGET	2021-22 PROJECTED ACTIVITY	2022-23 ADOPTED BUDGET
GENERAL FUND	7,501,887	9,854,732	8,150,633	8,471,000
MAJOR STREET FUND	855,224	2,402,524	1,389,163	857,000
LOCAL STREET FUND	368,787	433,334	523,773	582,600
RUBBISH & GARBAGE COLL FUND	675,820	693,407	678,996	712,400
LUCY ROAD PARK RECOVERY FUND	10,236	386,500	21,580	20,400
DOWNTOWN DEVELOPMENT AUTHORITY FUND	461,812	681,650	566,259	526,500
POLICE TRAINING FUND	3,353	3,000	3,000	3,000
LOOP & D-19 DEBT RETIREMENT FUND	129,468	103,721	103,754	134,900
GO BOND DEBT - ROAD PROGRAM	585,332	528,454	533,738	514,000
2015 CITY HALL DEBT FUND	20,754	20,628	20,600	21,100
NORTH PARKING LOTS & ALLEY DEBT FUND	139,950	142,500	142,600	143,900
KABOOM PROJECT	120,232	0	0	0
PAGE FIELD IMPROVEMENTS	105,024	0	0	0
NORTH PARKING LOTS & ALLEY CONSTRUCTION	0	47,989	48,000	0
SIDEWALK CONSTRUCTION	0	150,000	170,000	0
STATE ST CONSTRUCTION	1,931	0	0	0
SEWER FUND	2,737,217	11,632,439	11,804,019	2,496,700
WATER FUND	2,482,275	5,285,725	5,418,833	6,230,100
EQUIPMENT POOL FUND	619,235	1,691,984	900,766	1,199,500
DEPARTMENT PUBLIC SERVICES	322,928	620,478	570,282	368,700
IT REPLACEMENT FUND	0	152,968	35,300	61,900
SELF INSURANCE FD MMMRA	20,278	0	0	0
CEMETERY PERPETUAL CARE FUND	72,990	523,591	45,000	40,000
PUBLIC EMPLOYEE HEALTH CARE	0	143,362	0	0
OTHER FUNDS	42,624	250,000	45,900	909,000
TOTAL	**17,319,981**	**36,018,986**	**31,238,096**	**24,221,700**

Summary of Combined Changes in Fund Balance

Fund Name		Actual Fund Balance 6/30/2020	Projected Fund Balance 7/1/2021	Recommended Revenues	Recommended Expenditures	Net Increase (Decrease)	Estimated Fund Balance 6/30/2022
General Fund		2,518,585	2,408,271	7,496,461	(8,237,596)	(741,135)	1,667,136
Budget Stabilization Fund		0	0	530,000	0	530,000	530,000
Major Street		783,718	505,063	1,897,461	(1,999,659)	(102,198)	402,865
Local Street		0	0	433,334	(433,334)	0	0
Rubbish and Garbage		0	0	693,407	(693,407)	0	0
Lucy Road Park		375,000	375,000	11,500	(11,500)	0	375,000
Downtown Development Authority		132,567	167,675	513,975	(461,216)	52,759	220,434
Reserve Fund		42,587	0	0	0	0	0
Loop Road & D-19 Debt		0	0	103,721	(103,721)	0	0
GO Bond Debt - Road Program		0	0	528,454	(528,454)	0	0
2015 City Hall Debt		0	0	20,628	(20,628)	0	0
North Parking Lot Debt		0	0	142,500	(142,500)	0	0
Page Field Improvements		104,969	0	0	0	0	0
North Parking Lots Construction		47,989	47,989	0	0	0	47,989
Sidewalk Construction Fund		85,000	150,000	0	(150,000)	(150,000)	0
Sewer	**	2,559,308	2,577,331	9,055,108	(8,636,422)	418,686	2,996,017
Water	**	1,059,736	1,173,175	4,112,550	(4,263,241)	(150,691)	1,022,484
Equipment Pool	**	1,016,214	991,391	700,593	(1,087,523)	(386,930)	604,461
Department of Public Services	**	253,385	253,218	367,260	(497,880)	(130,620)	122,598
IT Replacement		0	92,618	60,350	(35,300)	25,050	117,668
Cemetery Perpetual Care		535,591	493,591	30,000	(100,000)	(70,000)	423,591
Other Funds		142,012	142,362	1,000	(3,000)	(2,000)	140,362
Total		**9,656,661**	**9,377,684**	**26,698,302**	**(27,405,381)**	(707,079)	8,670,605

**Working Capital – Projected Available Resources

All Funds Summary Chart



ALL FUNDS SUMMARY	%	BUDGET
General	30.1%	8,237,596
Major Street	7.3%	1,999,659
Local Street	1.6%	433,334
Rubbish & Garbage	2.5%	693,407
Lucy Road Park	0.0%	11,500
DDA	1.7%	461,216
Debt	2.9%	795,303
Construction	0.5%	150,000
Sewer	31.5%	8,636,422
Water	15.6%	4,263,241
Equipment Pool	4.0%	1,087,523
Dept. Public Services	1.8%	497,880
IT Replacement	0.1%	35,300
Cemetery Perpetual Care	0.4%	100,000
Other Funds	0.0%	3,000
TOTAL ALL FUNDS		**$ 27,405,381**

Property taxes in the State of Michigan are calculated by multiplying the tax rate or number of mills by the taxable value of real and personal property in the City. The Headlee Amendment to the State Constitution and Proposal A, passed in 1994, restricts the growth of taxable value to no more than the rate of inflation or 5%, whichever is less. This capped assessment is known as the taxable value. Increases or decreases in the turnover of properties or new development are not subject to the cap, thereby helping to offset any losses in value for other properties.

The City levies a General Operating millage and rubbish millage. The Downtown Development Authority receives an incremental increase in property tax revenue from properties within the district. City residents also pay separate millages to the Howell Area Fire Authority and Howell Carnegie District Library.

The City had reduced its operating millage by 1.1 mills to offset the Howell Area Fire Authority millage adopted by referendum in 2004. The City increased the millage rates by 1.0 mill in 2009 to fund the Street Improvement Program.

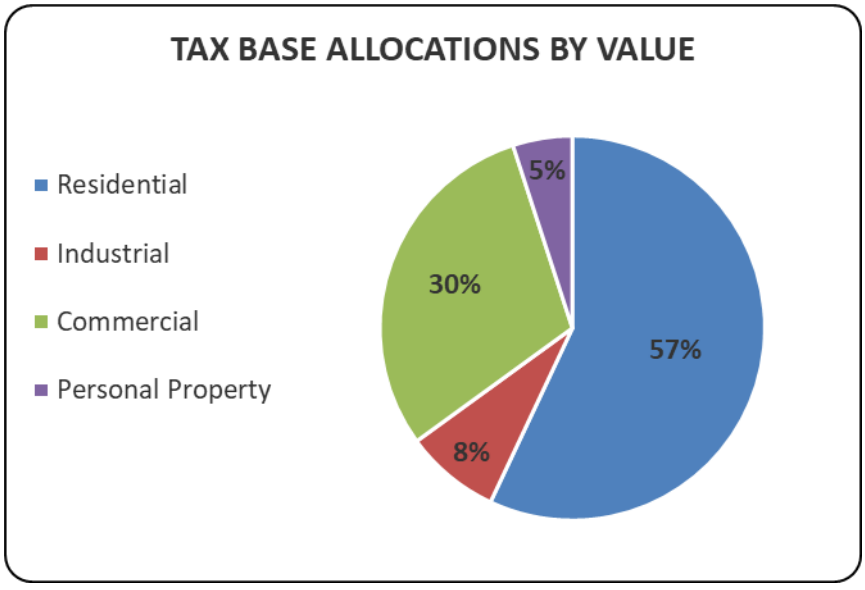
CITY OF HOWELL GENERAL OPERATING MILLAGE RATES

Year	2015	2016	2017	2018	2019	2020	2021	2022
Mills	15.9443	15.9443	15.8135	15.5636	15.4997	15.4454	15.2724	15.0952

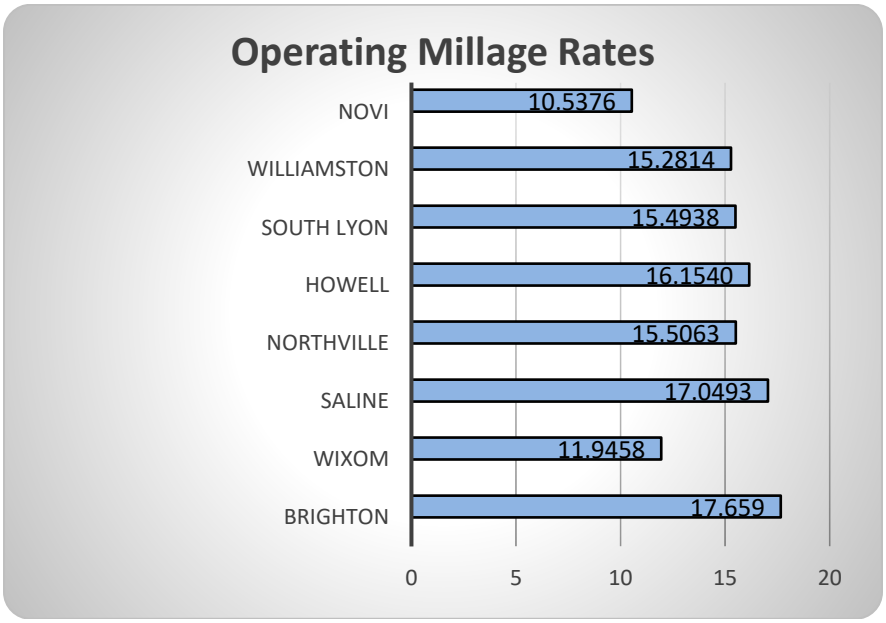
Headlee Amendment

The Headlee Amendment, referred to previously, reduces the amount of the City's operating millage allowed by Charter. It accomplishes this by reducing the millage proportionally by the amount that market changes exceed the State's inflation rate multiplier. The table below shows the millages per the City Charter and Headlee limitation.

Millage Rate 2020:	Per City Charter	Headlee Limitation	Actual
	20.0000	15.0952	15.0952

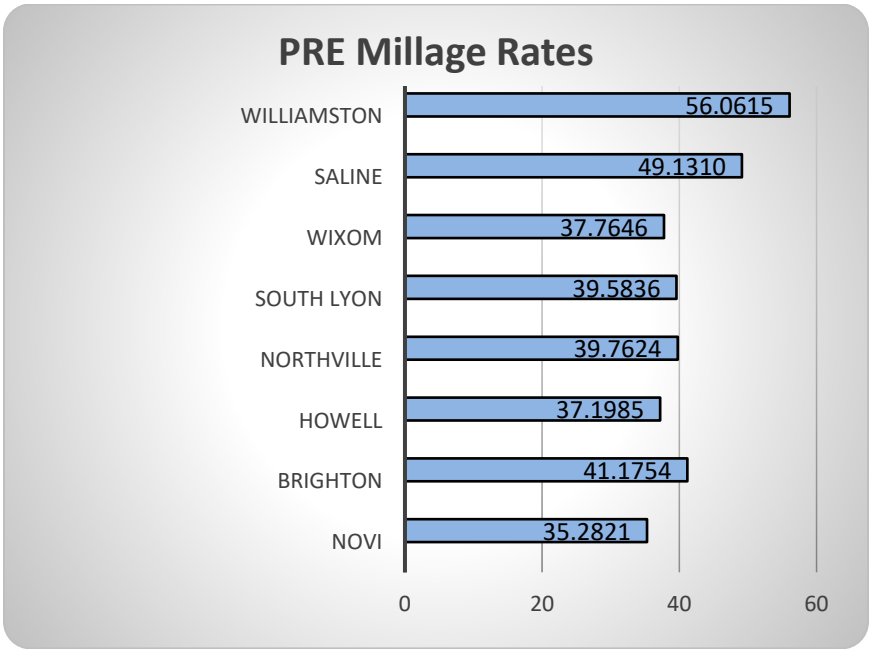


2021 GENERAL OPERATING MILLAGE RATE COMPARISONS



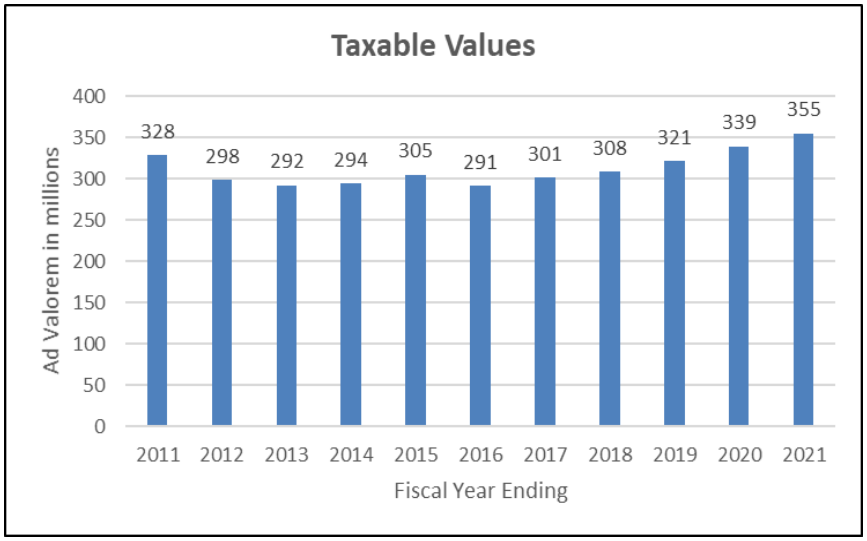
The City of Howell millage includes General Operating and Rubbish millages.

2021 PRINCIPAL RESIDENCE EXEMPTION COMPARISONS



Taxable Value of Property

Since the start of the economic decline in 2008, the City's taxable value has declined by 9.0% or $35 million. This decline reduced annual tax revenues by $545,000. For the 2022 fiscal year, the City's taxable values have increased by 4.7% or $16 million. The majority of the increase is attributable to increased values in the residential values of $10 million. The personal property values decreased by $323,000 due to tax exemptions granted by the State. This is the sixth year of the State's program to reduce personal property taxes (PPT), with a commitment to reimburse local units for the lost revenue. The State changed its method of distributing the PPT reimbursement by splitting it into two payments. The City received its first installment in October 2020, with the balance to be received in May 2021. Current projections place the May installment at $400,000.



Year	T.V	% Growth
2011	328	
2012	298	-9.1%
2013	292	-2.0%
2014	294	0.7%
2015	305	3.7%
2016	291	-4.6%
2017	301	3.4%
2018	308	2.3%
2019	321	4.2%
2020	339	5.6%
2021	355	4.7%

TOP 10 TAXPAYER COMPARISON - 2021 and 2011
Real and Personal Property Tax Values (Including Abatements)

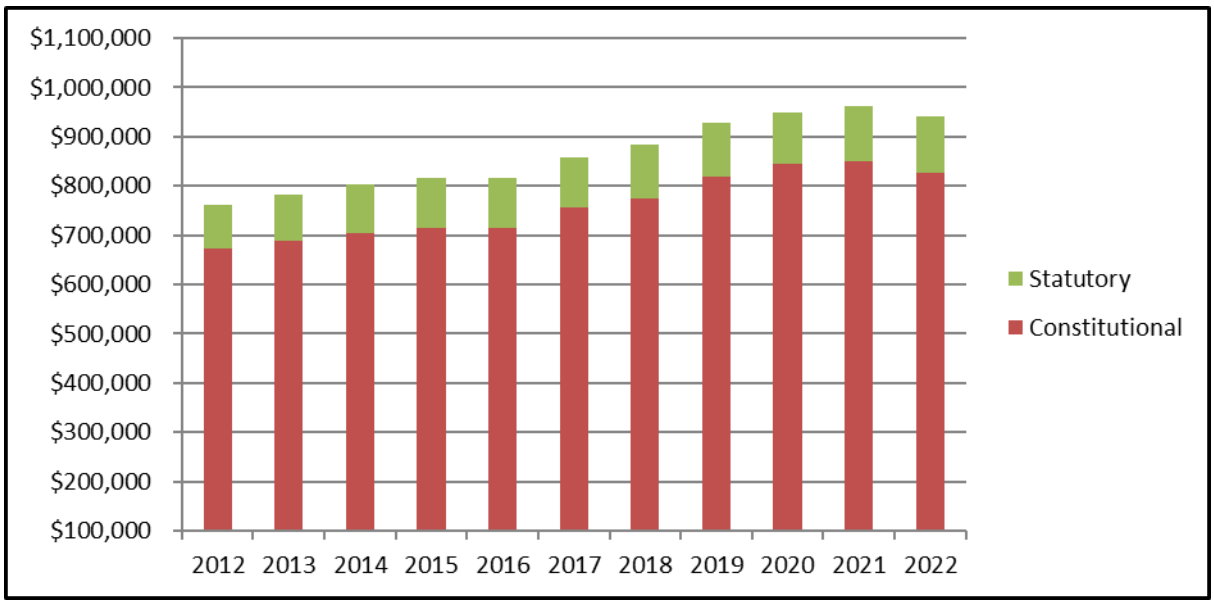
	2021			2011		
Taxpayer	Taxable Valuation	Rank	% of Total City Taxable Value	Taxable Valuation	Rank	% of Total City Taxable Value
Thai Summit America Corp	$ 16,357,539	1	4.61%	$ 25,691,000	1	7.22%
MIMG CIX Burwick Farms LLC	9,640,425	2	2.72%	7,917,700	4	2.23%
Citizens Insurance Co.	7,115,727	3	2.00%	16,413,080	2	4.61%
DTE Electric Company	5,714,383	4	1.61%			
PBG Michigan LLC	5,314,474	5	1.50%	9,505,497	3	2.67%
Woodland Hills Assoc LLC	5,259,300	6	1.48%			
Howell Acquistion Group LLC	4,739,647	7	1.33%			
MC Howell Estates Property LLC	4,343,403	8	1.22%			
Yorkshire Apartments	3,541,637	9				
TG Howell LLC	3,487,465	10	0.98%			
Pepsi Bottling Group				7,285,977	3	2.05%
Hometown Howell				6,371,366	6	1.64%
FMW Investment Group				6,177,235	7	1.26%
Alpha Technology Corp				5,754,076	8	1.26%
Key Plastics				5,271,800	9	1.25%
Cross Roads Town Centre				4,965,422	10	1.24%
TOTALS	**$ 65,514,000**		**18.45%**	$ 90,465,106		**25.43%**

Intergovernmental Revenue – State Shared Revenues:

The State of Michigan collects 6% sales tax and reserves 2% for the schools. A portion of the remainder is dedicated to local governments through both constitutional and statutory formulas. The statutory formula is subject to annual appropriation by the State Legislature. These funds are the second largest source of revenue to the General Fund approximating $940,000 for 2021/2022. As an example how this funding source has decreased, the 2021/2022 amount is at the same level as the City's 1999 distribution, and would be over $1.4 million if it were fully funded.

For fiscal year 2011/2012 the State legislature established the City, Village and Township Revenue Sharing (CVTRS) program to allocate statutory revenue sharing. Eligible local units were required to publish various financial information concerning its operations. The City publishes a Citizens Guide and Performance Dashboard detailing various operating, performance and financial measures. In addition, we also prepare a debt service report listing all of the current debt obligations including issuance date, amount and annual debt service requirements. We also provide a projected budget report combining the activities of the General, Local Street and Rubbish Funds. By complying with the new CVTRS and prior EVIP requirements, the City has retained approximately $1.1 million of statutory revenue sharing over the past ten years.

HISTORY OF STATE-SHARED REVENUE PAYMENTS



Year	Constitutional	Statutory	Total
2012	$ 673,932	$ 88,089	$ 762,021
2013	$ 687,885	$ 94,380	$ 782,265
2014	$ 704,016	$ 98,928	$ 802,944
2015	$ 715,073	$ 101,948	$ 817,021
2016	$ 714,386	$ 101,948	$ 816,334
2017	$ 755,559	$ 101,948	$ 857,507
2018	$ 775,516	$ 109,208	$ 884,724
2019	$ 818,299	$ 109,530	$ 927,829
2020	$ 844,000	$ 106,000	$ 950,000
2021	$ 849,792	$ 112,049	$ 961,841
2022	$ 826,139	$ 113,861	$ 940,000

SPECIAL REVENUE FUNDS:

Major and Local Street

The Major and Local Street Funds revenue is derived mainly from Gas & Weight taxes. The revenue is allocated to eligible units based on a formula incorporating the number of miles of streets and the City's population. Funds received are restricted to be used for maintain the City's street infrastructure. The functions covered include street sweeping, winter maintenance, roadway repair and reconstruction, traffic signals and signage in addition to planning and operating the street network.

The Major Street Funds revenue is projected to be $779,671 based on current estimates from the State. This represents a 7% increase over the prior year due to a revenue package approved in 2015.

The Local Street Fund revenue is projected to be $289,035 an increase of 11%. In prior years any shortfall in funding was covered by the General Fund. The projected shortfall for 2021/2022 in the amount of $93,399 is funded by the General Fund.

Rubbish and Garbage Collection

Under MI Public Act 298 of 1917 the City can levy up to 3 mills to cover the actual cost of its waste/refuse collection which averaged $500,000 over the past several years. Approximately 27% of this cost had been paid through fees with General Fund transfers covering the balance. Starting in fiscal 2012/2013 the City levied a 1.3 mill rubbish tax which generated approximately $360,000 annually. For fiscal year 2021/2022 the millage will be 1.055. The millage is projected to generate $378,000. The General Fund also contributes $101,121 for leaf and brush collection.

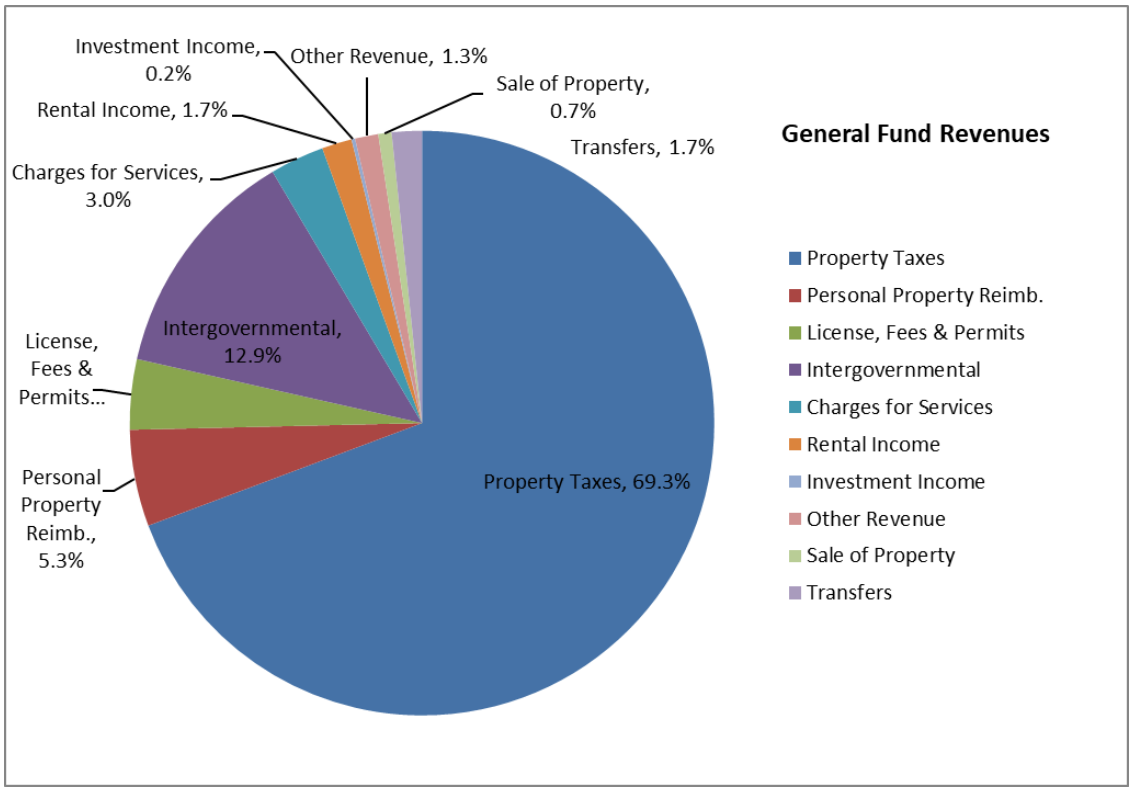
Debt Service Funds

Debt Service Funds realize revenues from General Fund appropriations and special assessment collections. These revenues provide funding for the debt requirements covering the construction and improvement of roads, and municipal facilities exclusive of water and sewer projects.

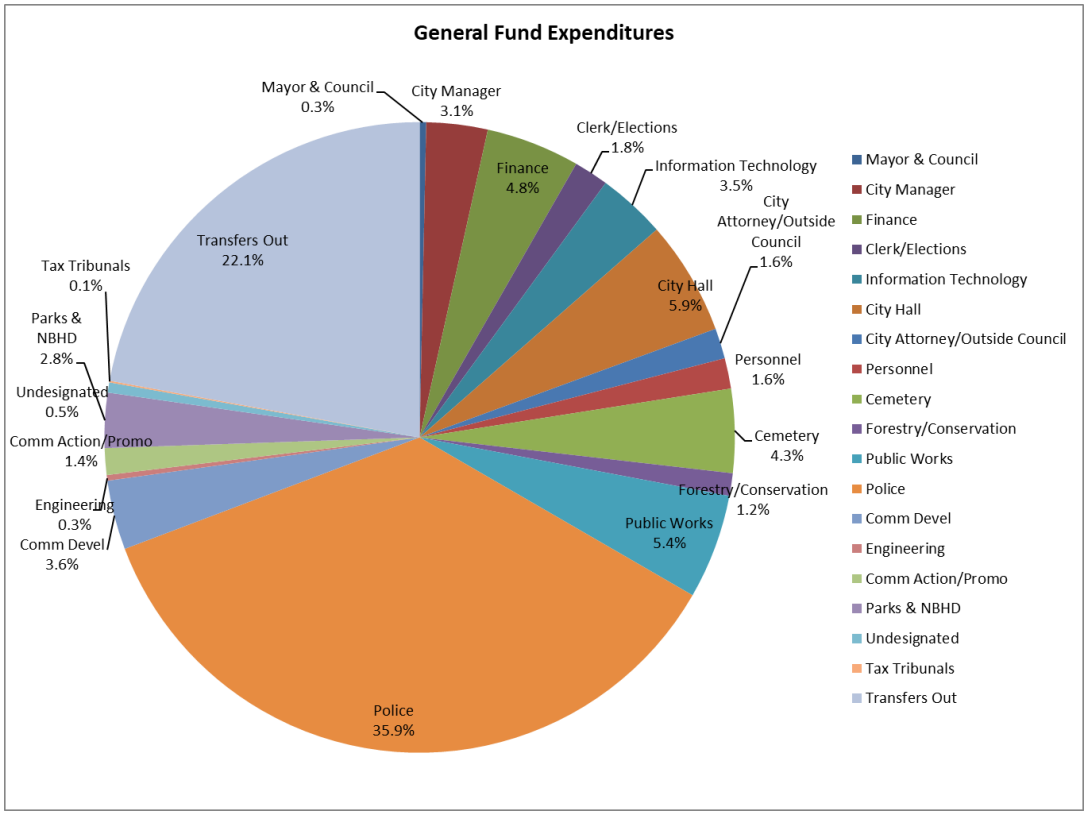
Construction Funds

Construction Funds account for the resources to be used for the construction of major infrastructure projects. Revenues can arise from the sale of general obligation bonds, grants from State and Federal sources and transfers from other funds.

	Actual FY 19/20	Amended FY 20/21	Projected FY 20/21	Adopted FY 21/22
REVENUES				
Property Taxes	4,867,698	5,088,041	5,042,979	5,194,835
Personal Property Reimbursement	761,450	415,000	415,555	400,000
License, Fees & Permits	403,996	367,038	305,979	291,150
Intergovernmental	916,426	1,201,639	1,232,609	970,000
Charges for Services	225,995	194,950	225,520	225,100
Rental Income	122,774	122,761	112,681	124,280
Investment Income	36,962	30,000	15,000	15,000
Other Revenue	111,240	140,773	140,849	96,296
Sale of Property	-	-	110,000	55,000
Transfers	47,888	123,240	123,240	124,800
TOTAL REVENUES	$ 7,494,429	$ 7,683,442	$ 7,724,412	$ 7,496,461
EXPENDITURES				
Mayor & Council	22,979	28,080	25,430	27,618
City Manager	188,316	183,702	167,482	258,649
Finance	403,513	442,446	450,332	395,517
Clerk/Elections	190,161	249,928	236,536	146,029
Information Technology	240,138	291,864	277,349	288,152
City Hall	249,924	449,383	374,993	482,426
City Attorney/Outside Council	172,506	155,800	148,300	128,300
Personnel	42,266	98,814	51,150	128,427
Cemetery	218,343	331,737	316,738	353,921
Forestry/Conservation	74,888	96,911	96,471	95,292
Public Works	415,343	479,957	440,684	442,410
Police	2,756,369	3,151,289	2,994,277	2,957,761
Community Development	335,582	303,944	309,064	292,709
Engineering	22,705	21,789	27,825	24,118
Community Action/Promotion	87,157	133,594	148,611	112,141
Parks & Neighborhoods	216,699	380,512	344,974	231,964
Undesignated	32,606	40,062	39,608	42,900
Tax Tribunals	1,374	-	7,000	7,000
Transfers Out	1,596,002	1,393,472	1,377,900	1,822,262
TOTAL EXPENDITURES	$ 7,266,871	$ 8,233,284	$ 7,834,724	$ 8,237,596
Net Change in Fund Balance	227,558	(549,842)	(110,312)	(741,135)
BEGINNING FUND BALANCE	2,291,027	2,518,585	2,518,585	2,408,273
ENDING FUND BALANCE	2,518,585	1,968,743	2,408,273	1,667,138
Total Fund Balance as a Percentage of Total Expenditures	34.66%	23.91%	30.74%	20.24%



GENERAL FUND REVENUES	%	BUDGET
Property Taxes	69.3%	5,194,835
Personal Property Reimb.	5.3%	400,000
License, Fees & Permits	3.9%	291,150
Intergovernmental	12.9%	970,000
Charges for Services	3.0%	225,100
Rental Income	1.7%	124,280
Investment Income	0.2%	15,000
Other Revenue	1.3%	96,296
Sale of Property	0.7%	55,000
Transfers	1.7%	124,800
TOTAL GF REVENUES		**$ 7,496,461**



GENERAL FUND EXPENDITURES	%	BUDGET
Mayor & Council	0.3%	27,618
City Manager	3.1%	258,649
Finance	4.8%	395,517
Clerk/Elections	1.8%	146,029
Information Technology	3.5%	288,152
City Hall	5.9%	482,426
City Attorney/Outside Council	1.6%	128,300
Personnel	1.6%	128,427
Cemetery	4.3%	353,921
Forestry/Conservation	1.2%	95,292
Public Works	5.4%	442,410
Police	35.9%	2,957,761
Comm Devel	3.6%	292,709
Engineering	0.3%	24,118
Comm Action/Promo	1.4%	112,141
Parks & NBHD	2.8%	231,964
Undesignated	0.5%	42,900
Tax Tribunals	0.1%	7,000
Transfers Out	22.1%	1,822,262
TOTAL GF EXPENDITURES		**$8,237,596**

All powers of the City shall be vested in, and all matters of policy of the City shall be exercised and determined by a council of seven members composed of the Mayor and six council members. The Council is the City's legislative and policymaking body. Council is responsible for adopting the annual city budget, contracts, laws, ordinances and resolutions; approving purchases; and granting permits and license terms. Council members are elected at large to four-year, staggered terms; and elections are held in November of odd years. The Mayor is elected to a two-year term. City Council is responsible for setting city government policy, and serves as the direct citizen link to City Hall. The Council shall hold at least two regular meetings per month.
City Council appoints the City Manager, Clerk, Treasurer, Attorney, and Assessor.
The Council operates under a Council-Manager form of government.

Council members represent the City of Howell on various intergovernmental organizations to achieve governmental cooperation, legislation, and programs that are consistent with the needs of its citizens.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Personnel Services	13,082	13,668	13,668	13,668
Operating	9,897	14,412	11,762	13,950
Capital				
TOTAL	22,979	28,080	25,430	27,618



Councilmembers Alex Clos, Jacob Schlittler, Nikolas Hertrich and Luke Wilson
Mayor Pro Tem Steve Manor, Mayor Robert Ellis and Councilmember Janice Lobur

City Manager

The City Manager provides overall direction and coordination of all City departments, community development and redevelopment programs to ensure that the City Council's goals and objectives are met or exceeded, and that costs do not exceed budgeted amounts. The City Manager provides continual monitoring and evaluation of services and programming to assure that City services, laws and programs remain relevant to community needs and are administered in an equitable manner. The department provides administrative assistance to the City Council and City Clerk and is the primary contact for public information and Freedom of Information Act (FOIA) requests.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Personnel Services	178,499	170,152	158,332	180,499
Operating	7,005	11,550	7,150	26,150
Professional Services	-			50,000
Capital	2,812	2,000	2,000	2,000
TOTAL	188,316	183,702	167,482	258,649

2021/2022 ACCOMPLISHMENTS

- Following Council's directive to enhance communications and messaging, increased engagement on social media through frequent and positive, uplifting content.
- Updated and revised the City Website to a modern look that is more user friendly and intuitive for the user. Included a Hot Topics page with a QR code for ease of access.
- Hired City Treasurer via extensive marketing and search process to replace longtime Treasurer due to retirement.
- Incorporated incentives to recruit and retain employees, focusing on key positions.
- Completed the $16 million dollar WWTP Improvement project on time and within budget. This project is a public private partnership that resulted in a better effluent to our recreational waters.
- Finished the National and Clinton Street improvement project.
- Brought Scofield Park and Boat Launch back to the control of the City to create a more equitable solution to cover maintenance and management costs.
- Brought the Howell Motor Sports Gateway to a final site plan submittal.
- Brought equity to many contractual agreements with services provided by the City of Howell to other municipal agencies.'

- Working with a coalition to bring the Howell Melon Festival back to its roots in celebration of Livingston County Agriculture.
- Met the goals of 2015 strategic session to put vacant City owned parcel back on tax roll. Accomplished this with the West Street property sale and a PA with the Fire Station Property.

2022/2023 GOALS

- Increase public engagement via social media, public meeting events, coffee with staff and Council events, farmers market tent, and the return of Citizens Academy.
- Continue to work with local businesses with partnerships and opportunities (business friendly initiatives).
- Continue to seek opportunities to manage legacy benefit costs.
- Complete a comprehensive and extensive City Master Plan and Parks and Recreation Master Plan.
- Incorporate Goals and Objectives identified in the Council Strategic Plan.
- Develop a consistent and thorough parking and code enforcement program that incorporates the 4E method of engage, educate, encourage and enforce .
- Seek Grants to reconstruct the Depot lot incorporating community gathering spot initiatives.
- Begin process of improvements to Lucy Road and the Loop road concept.
- Work on staff development and a procedure for a 360 review of the City Manager to present during Manager evaluations.
- Bring back the Boards and Commissions recognition dinner.
- Continually improve Customer Service by providing online services, and strive to achieve excellence in customer service.
- Build strong relationships with Livingston County, Howell Public Schools and the Surrounding municipalities.
- Continue to recruit and retain the best and brightest public servants through incentives and creating an incredible work environment.

The City Clerk is considered the oldest public servant in local government and was once referred to as the "Town Reminder". As a direct appointee of the City Council, the Clerk is responsible for recording all their actions in the form of agendas, packets, minutes, resolutions, ordinances, and contracts. The office of the clerk assists the Mayor, City Council, City Manager and all administrative departments of the City, thereby serving the residents of the City of Howell. Other key responsibilities include the administration of elections, voter registration, Freedom of Information Act requests, and the coordination of civic event applications and vendor licensing.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Personnel Services	160,318	199,940	186,872	117,584
Operating	5,912	8,290	8,565	8,625
Capital	3,099	-	-	-
Elections	20,832	41,698	41,099	19,820
TOTAL	190,161	249,928	236,536	146,029

2022/2023 ACCOMPLISHMENTS

- **Community Updates**
  - **Council agendas, packets, and special meeting notices, approved minutes, meeting proceedings and ordinance amendments were prepared, posted, published, and archived for public review.**
  - **2021 election information for the August Primary & November City Election were posted on the Elections webpage and published as required.**
  - **Local candidate petition packets and filing requirements were prepared and posted for the 2021 City Election.**
- **Programs & Services**
  - **Administered the 2021 August Primary and November City Election**
  - **Processed over 20 FOIA requests in 2021.**
- **Education**
  - **Participated in monthly meetings of the Livingston County Municipal Clerk's Association and 2 year mandatory election training.**
  - **Attended the International Institute of Municipal Clerks Conference help in Grand Rapids, Michigan**
  - **Attended 1st year of Michigan Association of Municipal Clerks Institute**

2021/2022 GOALS

- **Community Updates**
  - Ensure the continued online availability of City Council proceedings, election information, and critical public information to promote citizen involvement.

- **Community Participation**
  - Assist community leaders and residents with the civic event application process.
  - Participate in community events and activities.

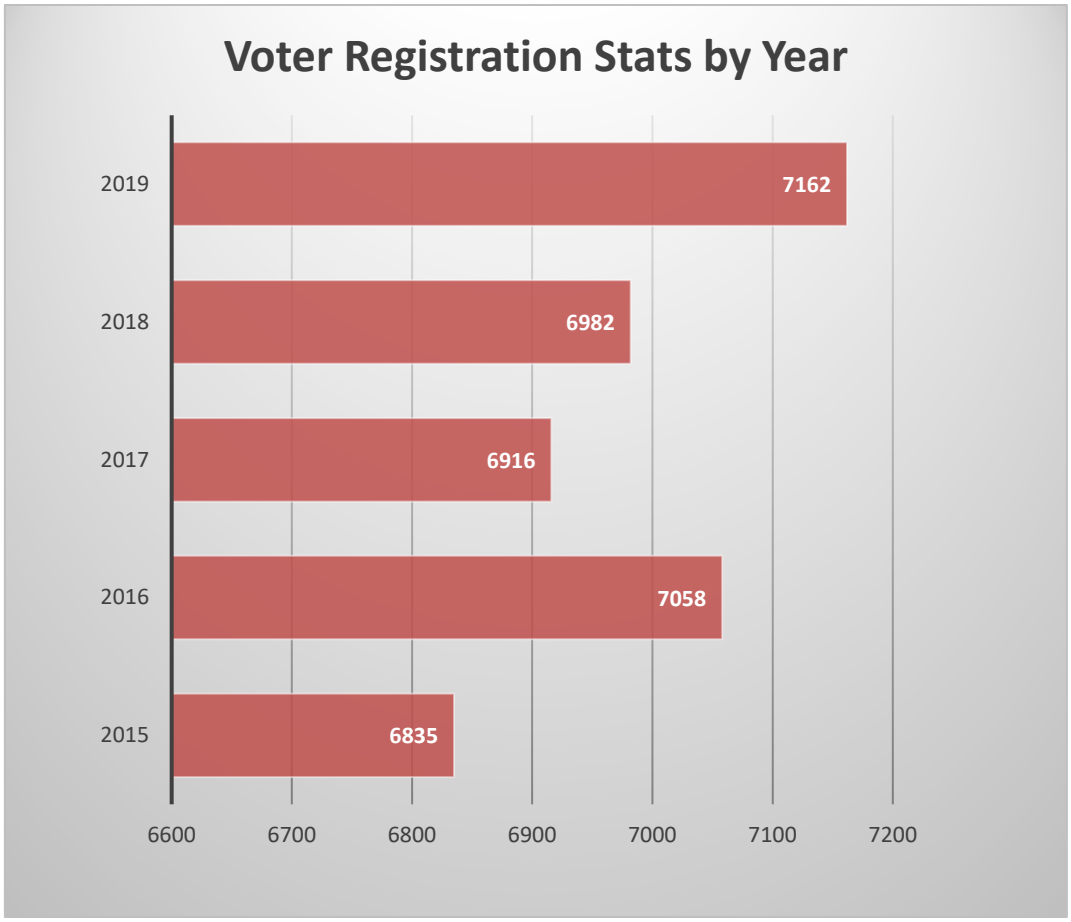
- **Programs and Services**
  - Prepare for the upcoming 2021 Mayoral, City Council and Board of Review Election in November 2021. Continue to work together with the Deputy Clerk to improve our election administration procedures.
  - Strive to provide extraordinary customer service externally for our residents and internally for our employees, and administer critical day-to-day operations.

- **Education**
  - Attend the Michigan Association of Municipal Clerks Annual Conference, International Institute of Municipal Clerks Conference and monthly Livingston County Clerk's Association meetings.

➢ **Voter Registration**

- Voter registration trends have been tracked over the last 21 years. Registration counts increased significantly prior to the 2020 General Election. In 2000, the City of Howell voter registration count was 6880 compared to 7762 just prior to the 2020 General Election.

  This chart depicts voter registration counts over the past 5 years. We will continue to track these statistics to add to our multi-year trend.

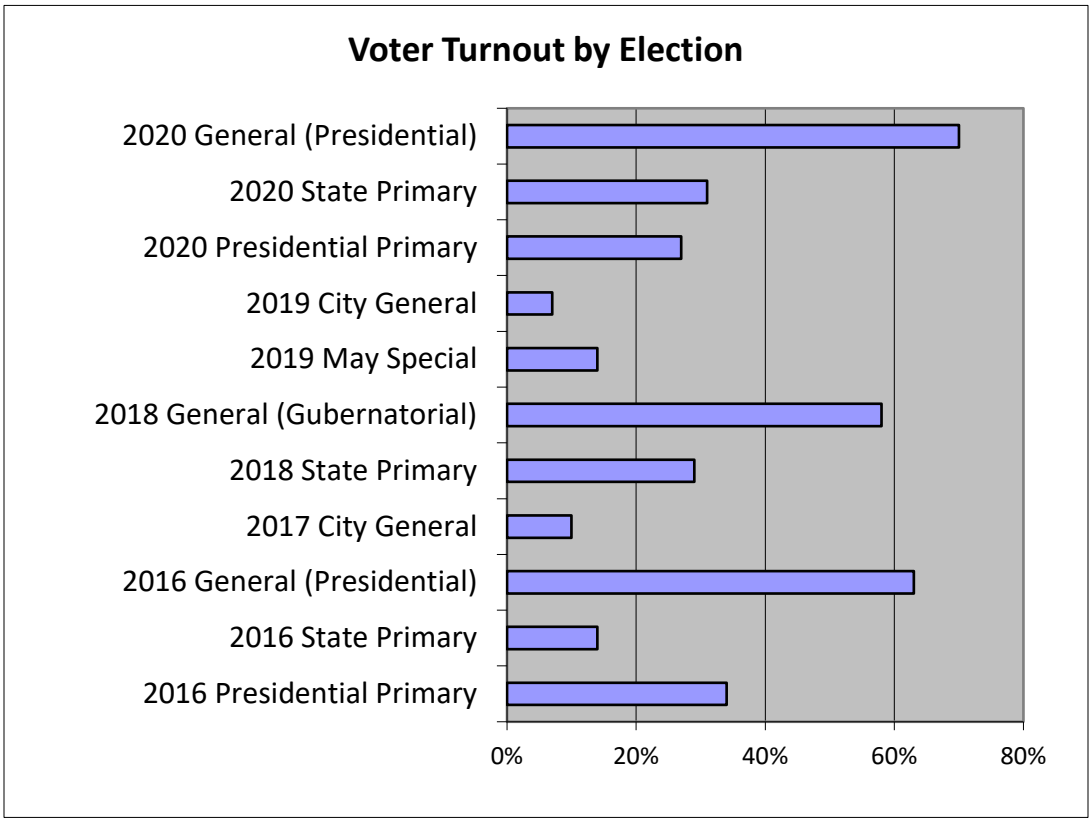


➢ **Election Turnout**

- Trends of election turnout have also been tracked over the last 21 years; turnout is consistent by election type. The following statistics reflect the 21-year average for voter turnout by election type:

❖ City Elections	10%
❖ Presidential Primaries	23%
❖ State Primaries	19%
❖ General (Gubernatorial) Elections	45%
❖ General (Presidential) Elections	62%
❖ Special/School Elections	13%

The chart below depicts the specific turnout percentages by election for the past 5 years. We will continue to track election turnout by type to add to this multi-year trend.



The Finance Department includes the activities of Finance, Treasury, and Assessing. These activities are responsible for billing, collecting, tracking, investing, and disbursing all finances of the City including property taxes, water, sewer and trash fees, grants, fines, and state funding. Further, the Department reports on all financial activity on behalf of the City and is responsible for administrating the annual external audit of the City's financial records and accounting system. The department conducts assessing of real and personal property in compliance with State laws and provides information related to assessments, financial transactions, and general City operations. The department also provides a significant variety of central support services and customer service functions.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Personnel Services	342,303	384,996	400,776	348,817
Operating	54,078	52,250	44,256	42,700
Capital	4,266	1,200	1,300	-
TOTAL	400,647	438,446	446,332	391,517

2020/2021 ACCOMPLISHMENTS

- The Assessing Department received a perfect score on the Audit of Minimum Assessing Requirements (AMAR), with no follow-up required. This audit reviews many aspects including record accuracy, the process used to determine property values and ensures the City of Howell is in compliance with the General Property Tax Act.
- Maintained an "unqualified" annual audit for the City and its component units.
- For the 13th year in a row was the recipient of the Government Finance Officers' Certificate of Achievement in Excellence in Financial Reporting.
- Changed credit card processors, resulting in better efficiencies and less costs for residents.

2021/2022 GOALS

In order to accommodate the busy schedule of the City's residents, staff is always reviewing current procedures to look for any areas of improvement. We also continue to research any additional opportunities to provide citizens with information concerning the City. Upcoming goals are:

- Develop new and more efficient ways to provide financial information to Council, City departments and citizens including updating the financial forecast model.
- Through mailings and other outreach, increase the number of customers utilizing E-billing and automated payment services, therefore enhancing customer service and improving cash flow for the City.
- Coordinate change in the budget process, moving closer to Government Finance Officers Association criteria for Distinguished Budget Award.
- Collaborate with Council to update the City's vision and goals in order help guide departments in setting priorities and objectives. This process will assist in developing the budget.

- Incorporate GIS technology to improve property record card accuracy.
- Review 20% of parcels annually per assessing guidelines.

Government Finance Officers Association – Certificate of Achievement for Excellence in Financial Reporting

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (CAFR Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of Generally Accepted Accounting Principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.

Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

City of Howell
Michigan

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO

Earned by the Finance Department for the consecutive years 2007 through 2019.

The Technology Department provides and manages all computer and network resources, electronic information, and communications of the City of Howell, Howell Area Parks and Recreation, and the City of Brighton. The Technology Department currently supports 200 computers and 32 servers, the fiber wide area network, the city hall security system, and telephone services.

During the current fiscal year of 2022, Howell terminated its shared services agreement with the City of Brighton. Brighton will house its servers on the Howell data center until they have their own in-house solution, no later than September 1, 2022.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	PROPOSED FY 21/22
Personnel Services	156,719	184,119	176,745	187,677
Operating	65,217	65,125	65,351	74,400
Professional Services	-	-	6,400	20,000
Capital	17,378	41,800	28,000	5,200
TOTAL	239,314	291,044	276,496	287,277
IT Replacement Fund				
Capital	-	-	-	35,300
TOTAL	-	-	-	35,300

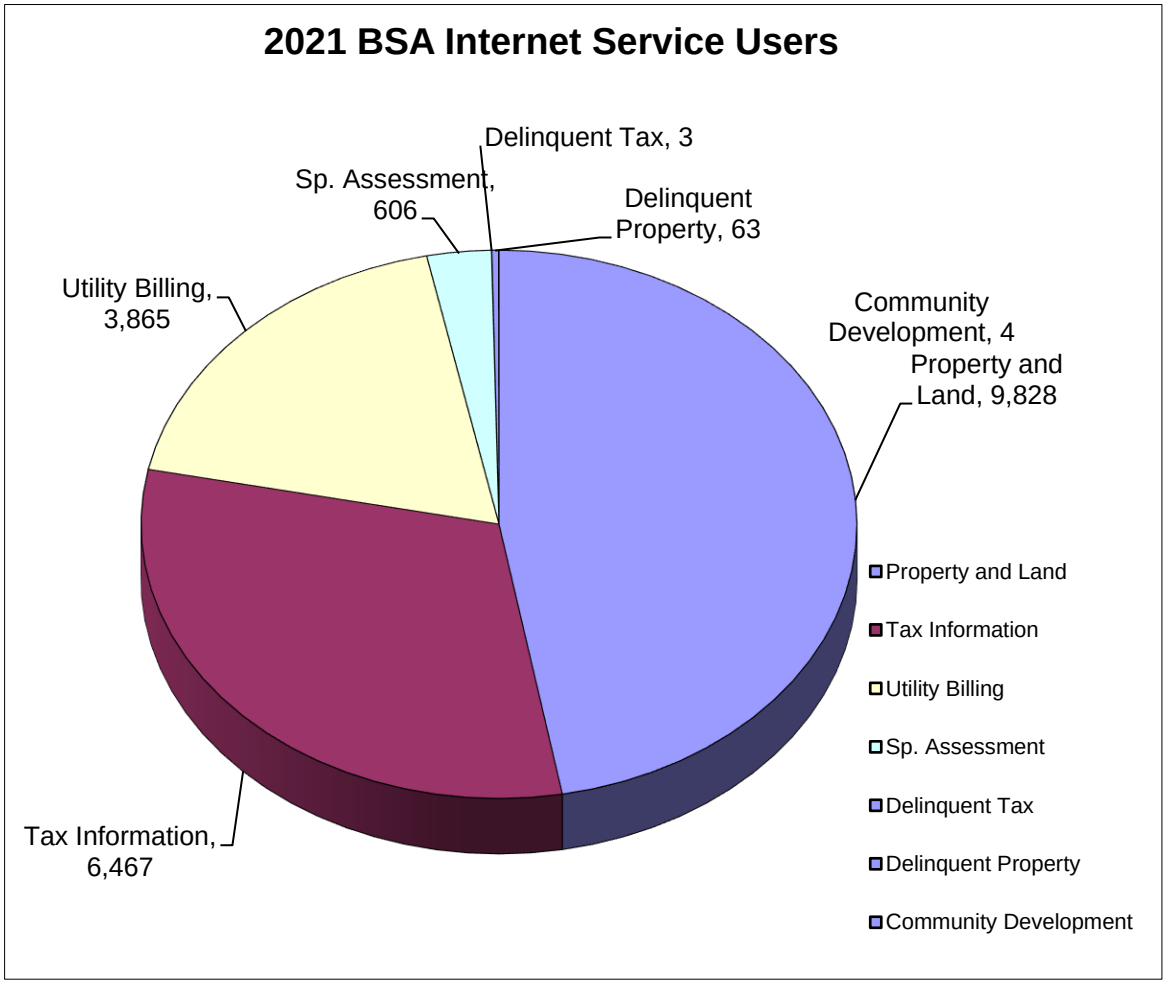
2021/2022 ACCOMPLISHMENTS

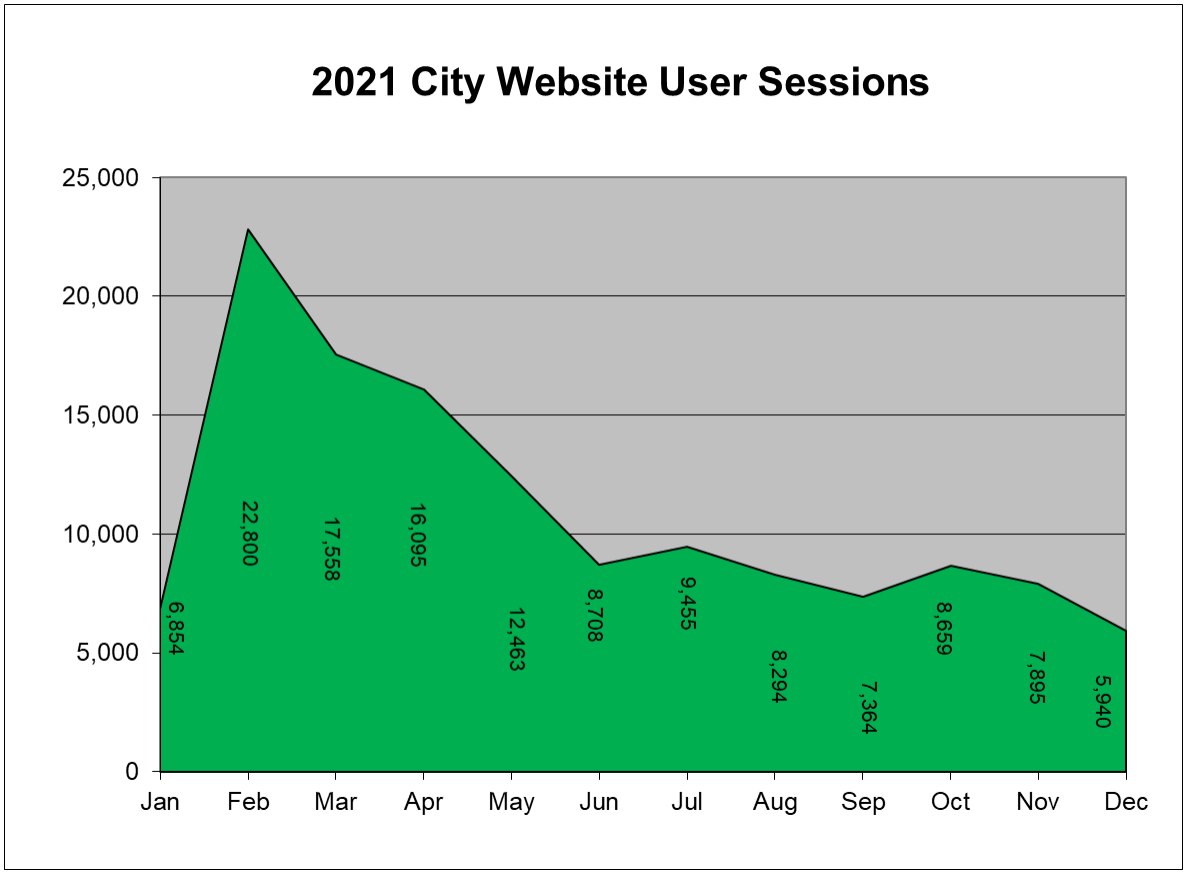
The Technology Department has made many improvements and advancements to the City's computer systems, allowing all units to be productive, keeping downtime to a minimum in the 2021/2022 fiscal year. Many positive changes were made to the City's communication and information systems.

- Upgraded the City Internet Firewall (Sophos XG330) to the next generation to provide an increase in data security.
- Replaced or added 25 workstations at the City of Howell and Howell Recreation.
- Migrated the City of Howell from Office 2016 to Office 365.
- Upgraded the City Hall Security System and Door Access Controls.
- Replaced the City Council Chambers microphones and audio controller system.
- Replaced the City Council Chambers recording device.
- Currently working on City Wide Phone System Replacement Project.
- Worked with team to refresh and launch a new City Website.

2022/2023 GOALS

- Maintain all hardware and software at currently supported available release levels. New workstations will incorporate the Windows 10 or 11 operating systems. New Server operating systems will incorporate Windows Server 2019.
- Start migrating newer workstations to the Windows 11 Platform.
- Replace the Howell Data Center. Research the use of cloud-based data storage, including BSA online.
- Replace the Police Archive Server.
- Work to separate City of Brighton and HAPRA from City Networks.
- Replace 15 workstations.
- Replace/Upgrade Wireless Network at Howell City Hall.
- Work on data backup system replacement. Plan for 2 level data backup solution.
- Work on cyber security awareness plan.
- Invest in new cyber security tools for prevention.




2021 City Website User Sessions
25,000
20,000
15,000
10,000
5,000
0
6,854
22,800
17,558
16,095
12,463
8,708
9,455
8,294
7,364
8,659
7,895
5,940
Jan
Feb
Mar
Apr
May
Jun
Jul
Aug
Sep
Oct
Nov
Dec

HR Generalist

The Human Resource Generalist is responsible for administrating all employee benefits and payroll and the recruitment and hiring of all staff. The Human Resource Generalist provides clarification on policies and procedures while supporting City management in contract negotiations and handling of all employee complaints, grievances and injuries. The Human Resource Generalist offers consultation facilitation and resolution strategies for workplace issues and acts as liaison between employees and supervisors.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Personnel Services	1,046	58,375	34,546	78,949
Operating	6,424	8,524	6,604	13,259
Professional Services	34,796	31,915	10,000	36,219
Capital	-	-	-	
TOTAL	42,266	98,814	51,150	128,427

2021/2022 ACCOMPLISHMENTS

- Conducted Self-administered payroll audit for MML Workers' Compensation Fund resulting in a premium refund of $3,321 for the 2020/2021 fiscal year.
- Processed 2022 open enrollment for all active employees and retirees.
- Implemented an online benefit portal for employees
- Successfully administered over 15 MMRMA insurance claims
- Administered the recruitment and new hire process for fourteen new full-time employees.
- Assisted seven employees with the retirement process.
- Assisted City Manager with developing and implementing COVID Policies and Procedures.
- Received SHRM Professional Certification.
- Completed a wage evaluation and standardization for non-union positions

2022/2023 GOALS

- Increase efforts on employee engagement with a focus on retaining high-performing talent.
- Develop new hire on-boarding /welcome procedure
- Implement an employee wellness program
- Encourage cross-functional interaction within all departments
- Develop a performance management program
- Implement an employee recognition program
- Create an energizing organizational culture with focus on employee-employer relationships.

The Community Development Department facilitates and promotes high-quality growth and development and supports the strong neighborhoods in the City of Howell. The department is responsible for coordination of long range planning, current planning and zoning, economic development, grant management, neighborhood development, Brownfield redevelopment, downtown redevelopment, code enforcement, review and issuance of building permits and building inspections. The department provides support to the Planning Commission, Board of Zoning Appeals, Brownfield Redevelopment Authority, and the City Manager. Department staff are charged with maintaining high professional standards and friendly customer service, while responding quickly and accurately to customer requests.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Personnel Services	160,147	153,444	161,845	160,354
Operating	78,781	69,620	66,019	61,275
Capital	1,524	-		
Planning/Zoning/Code	240,452	223,064	227,864	221,629
Operating	94,243	80,880	81,200	71,080
Capital	887	-	-	-
Building	95,130	80,880	81,200	71,080
TOTAL	335,582	303,944	309,064	292,709

2021/2022 ACCOMPLISHMENTS

The last year has been a year of transition for the Community Development Department. In addition to the transition back to full time in person activity in the office, there has been some turnover in personnel. Though the loss of some of the departments procedural and historic knowledge has been a challenge, it has also given the department the opportunity to update and innovate operations and procedures. There are new staff members on board and the City's planning consultant, Carlisle|Wortman Associates, has stepped in as the interim Community Development Director two times during the fiscal year. There appears to be great cohesion in the department. Additionally, the department has been striving to increase communication with other departments in an attempt to ensure all interested parties are aware of new business, new developments, and planning initiatives.

Currently staff has been streamlining the permitting process for building and zoning applications by utilizing the existing technology to make the process more efficient on the city's end and more convenient on the customer's end. The department has also recently, through a coordinated effort with the Finance Department, launched the ability to pay for permits online. The department also created new application forms and updated the fee schedule for all applications.

Last year the department crafted a new rental registration and inspection ordinance that has been adopted. As of the date of this report, the department has begun in earnest to roll out this program.

Recently a new parking and code enforcement officer has been hired. The position will focus on parking enforcement in the Central Business District and in City Park but will also provide support to the current code enforcement officer.

Overall, building permits are considerably down from previous years. There has been a focus in previous years on Howell Estates Mobile Home Park. The park was sold in late 2018 to new owners, who invested substantially in the park. This stimulated hundreds of new homes in the park. The vacant lots in the park are now primarily built out. The second factor to consider is 'Major Permits' that the City receives from the large commercial and industrial property owners in the City. A Major Permit is one that involves over $1,000,000 of value in a single permit. This is often an expansion to an industrial plant or a new commercial building. A single major project has been submitted and approved for the old Citizens Building. This permit has not yet been issued because we are waiting for the applicant to submit their permit fees. New home buildings also appear to be down. We suspect this it due to material cost and supply issues.

Fiscal Year	Permits Issued	New House Permits	Major Permits	Howell Estates Permits
2017/2018	251	21	4	26
2018/2019	538	31	2	311
2019/2020	233	36	1	31
2020/2021	325	17	1	81
2021/2022 (as of 5/10/22)	157	9	0	0

Existing residential projects that continue include Howden Meadows and Town Commons. The developer is posed to begin work on Phase 2 of Town Commons. Smaller unfinished projects in the City (Chelsea Ridge, Nelson's Ridge, and Indian Oaks) saw minimal activity and remain in an unfinished state. Clinton Place was completed this year. Padnos and Recycle Livingston are the only industrial projects that are under development in the community.

The Brownfield Redevelopment Authority previously approved a redevelopment plan for The Pearl Building at 309 East Grand River Avenue in 2019. The project has received final grant funding from the Michigan Economic Development Corporation and bank financing for the construction. This is the communities first brownfield project. The project is now underway. The expansion to St. Joseph's Church. was issued a building permit this year and is also underway.

2022/2023 GOALS

As noted above the department has been through considerable transition over the past year but is moving forward and continues to provide great service to the community. We will continue to innovate and make processes more efficient and convenient for both city staff as well as customers. The following is a list of major initiatives that the department will be working on in the coming year.

- Complete a Comprehensive Master Plan update.
- Develop the City's first Parks and Recreation Master Plan.
- Research and provide suggestions for ordinance updates including a marihuana ordinance recently discussed by city council.
- Implement the rental inspection program.
- Continue to identify and promote development opportunities within the community.
- Work with the expanded code enforcement team to clean up blighted properties and deal with other enforcement issues in a timely and responsible manner.
- Continue efforts to digitize and organize files and archives.

- In conjunction with the Michigan Economic Development Corporation and the property owners, continue to market the 'Holkins block' for private redevelopment under the RRC program, as the City of Howell's priority site.
- Further implementation of digitization program for all historic building plans. This project is expected to take an extended period; given the amount of records the City has in storage.
- Continue to focus code enforcement efforts on vacant properties and on those properties that are clearly in the poorest condition in their neighborhood, with a specific focus on properties in or near the downtown. Ramp up rental inspection process, starting with poorest condition properties.
- Revisit the plan to complete a comprehensive parking study for Downtown Howell to determine a short and long-term approach to future parking needs and options for implementation, after business activity recovers more fully from the pandemic.

INFORMATION FOR PEOPLE CONSIDERING OPENING A BUSINESS IN HOWELL

Manufacturing, industrial, services, or tech company.

- Call the Community Development office at 517-546-3861.
- This office will help with site selection, permits, incentives and zoning questions.
- You'll work with a staff person to assist you during the entire process.

Retail, restaurant, or business in downtown or commercial corridor.

- Contact the Main Street Downtown Development Authority at 517-545-4240.
- This office can guide you to available properties and assist with information you need on permits for building improvements, liquor licenses, outdoor dining, and signs.
- There are special incentives available to locate in our historic downtown area.

Are you an entrepreneur?

- Interested in doing a technology start-up or have an idea for a new product or service? The City of Howell welcomes you!
- Contact the Main Street Downtown Development Authority for assistance at 517-545-4240.

Application

- Building permit application submitted to Community Development office.
- Staff reviews application for completeness.

Zoning Review

- Community Development Director reviews application for compliance with zoning requirements.
- If any aspect of the application conflicts with zoning, applicant is contacted to either revise the application or apply for a variance.

Building

- Application is forwarded to the Building Official who reviews for compliance with the Michigan Building Code.
- Building Official contacts applicant for clarification or changes, if necessary.
- Building Official approves and sends stamped plans and comments back to Community Development office.

- Community Development staff receives approved plans and comments from the Building Official.
- Permit is issued and fees calculated.
- Applicant picks up and pays for permit.

Inspections

- Contractor contacts Community Development office to schedule required inspections.
- Inspections are conducted by Building Official.
- After project passes all final inspections (including mechanical, electrical, and plumbing from the County, if applicable), a Certificate of Occupancy is issued.
- If any inspection has failed, contractor must correct the non-compliance and schedule a re-inspection.

The Howell Downtown Development Authority (DDA) operates as a quasi-governmental sub-unit of the City of Howell. The DDA's function is to provide business support services, enhance the downtown business environment, make public infrastructure investments, and fulfill community goals related to the economic vitality of the downtown and commercial areas within the DDA boundaries.

The DDA works in close coordination with the City, along with Howell Main Street Inc., and collaborates with numerous community partners and volunteers to achieve overall community goals for the downtown district. It is because of these collaborations, and the transformation of downtown Howell into a cultural destination, that downtown Howell was named a Great American Main Street Award winner in 2018.

The DDA continues to work with Howell Main Street Inc. to positively position the downtown, creating a vibrant, strong, and economically viable downtown while marketing the downtown as a destination for both residents and guests. These goals are accomplished through historic preservation, infrastructure improvements, innovative place making projects, quality events and programing, and promoting downtown Howell as the heart and hub of our community!

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Personnel Services	133,926	151,633	148,142	154,376
Operating	78,668	77,848	91,502	95,126
Capital/Projects	-	52,845	28,000	31,500
Debt Service	101,243	100,854	100,854	100,214
Main Street Contribution	110,000	100,000	100,000	80,000
TOTAL	423,837	483,180	468,498	461,216

2021/22 ACCOMPLISHMENTS

- **Economic Impact**
  - This past fiscal year the DDA 8 new businesses to our district, adding to the diverse local business mix found in downtown Howell. These new businesses helped lower our downtown vacancy rate to 1.7%, one of the lowest in the state of Michigan.
  - Through collaboration with various stakeholders in the community, including the Howell Area Chamber of Commerce, Ann Arbor SPARK, Livingston County Convention & Visitors Bureau, and the City of Howell, the Howell SYNERGY team was created to assist small businesses during the COVID-19 pandemic. DDA COVID-19 Recovery funding helped small businesses acquire PPE for employees and patrons, provided valuable resources and information regarding various grants and governmental programs, provided invaluable downtown marketing assistance through social & print media, and directly infused money into the downtown economy through the #cashmobHOWELL program.
  - In 2021, the Howell Social District was established, allowing patrons to take their adult beverages to go, so long as they stay within the district boundaries. Guests can now enjoy a glass of wine or beer while window shopping or catching a concert at the courthouse on Friday nights.

- **Volunteers**
  - Volunteers are an essential component of our community, sharing their passion and time with the downtown to provide year-round programming. In 2021, over 1400 volunteer hours were reported, despite the ongoing pandemic. Volunteer hours accumulated since the inception of Howell Main Street have provided a value which is equivalent to $1.53 million in services donated to our community.

- **Howell Main Street Inc.**
  - While COVID-19 saw a reduction in the number of big events HMS was able to host again in 2021, the organization took the opportunity to bring the community downtown safely through events like
    - Downtown Holiday Scavenger Hunt
    - Christmas in July
    - Small Business Saturday
    - Downtown Day
    - First annual Howell Main Street golf outing

- **Downtown Marketing**
  - The DDA continues to positively position and promote Howell's Downtown to new and existing businesses, developers, and others. Our downtown is marketed via 'Opening a Business in Howell' packets, website real estate listings, presenting at conferences across the nation, fostering strong media relationships, as well as taking advantage of cooperative efforts with Howell Main Street's social media. The DDA also works hand-in-hand with Howell Main Street Inc.'s volunteer teams to produce an annual downtown guide, hold special retail-based events, facilitate façade improvements, and coordinate seasonal marketing campaigns.

2022/2023 GOALS

- Support our small businesses as they recover from COVID-19 through strategic marketing initiatives, smart event planning, and collaborations with community partners including the Howell Area Chamber of Commerce, Howell Area Parks & Recreation Authority, and Cleary University, amongst others.
- Work collaboratively with the City of Howell to address parking capacity through enforcement and possible expansion of the Depot Parking Lot.
- Coordinate with the City on plans for smart growth and development; participate in RRC process with priority sites.
- Install public restroom facilities in our downtown
- Increase infrastructure funds for DDA maintenance, improvements, streetscape improvement, and downtown beautification efforts.

HOWELL SOCIAL

- ESC 2021 -





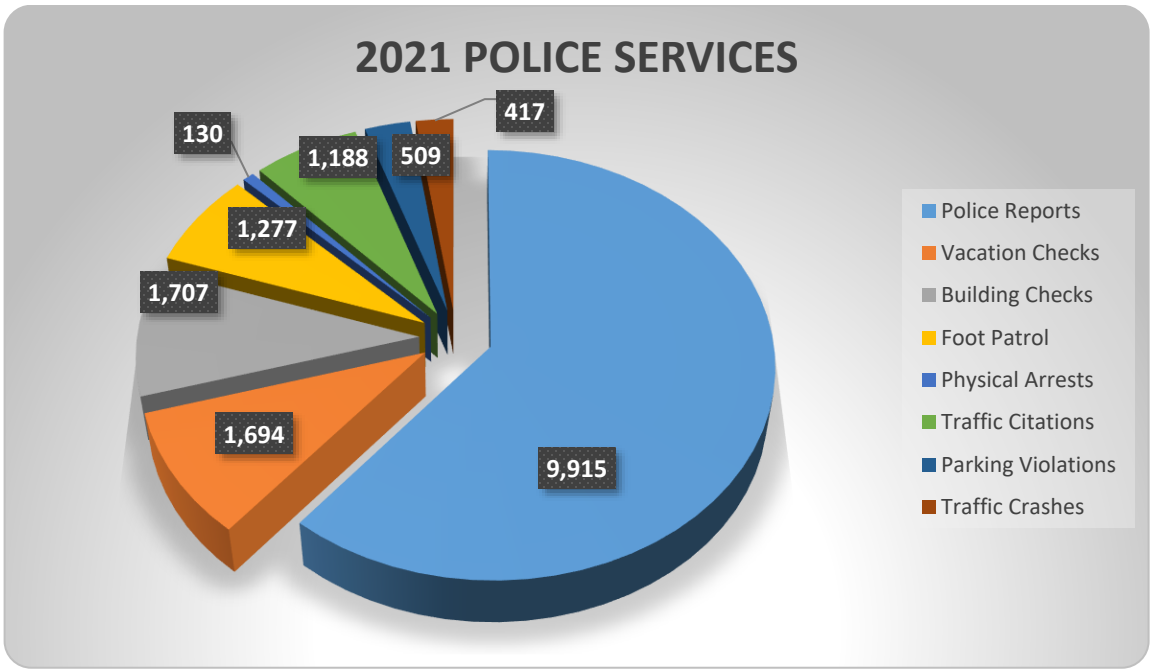


The City of Howell Police Department is a full-service professional police organization dedicated to the philosophy of Community Oriented Policing. As such, we continue to provide a variety of services and respond to a wide assortment of calls for service that many departments no longer include in their daily functions. We pride ourselves in the fact that we often go above and beyond. This philosophy and response to general non-criminal incidents forms the foundation of the "customer service" that we provide to the citizens of Howell. Our service philosophy illustrates our commitment to the citizens of Howell, and is a cornerstone of a proactive Community Policing philosophy.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Personnel Services	2,466,666	2,808,265	2,657,611	2,640,167
Operating	229,660	293,200	284,242	306,659
Capital	60,043	49,824	52,424	10,935
TOTAL	2,756,369	3,151,289	2,994,277	2,957,761

2021/2022 ACCOMPLISHMENTS

- **Maintaining Quality Service**
  - Central Dispatch created, and officers responded to 13,582 events in the Howell City. Of these events, officers authored 9,915 police reports. The events encompass all aspects of police activities – not exclusively criminal incidents.
  - Conducted 1,694 residential vacation checks.
  - Conducted 1,707 business building checks, resulting in the discovery of 94 unsecured businesses.
  - Conducted 1,277 foot patrols.
  - Obtained 364 Criminal Charges (83 Felonies and 281 Misdemeanors).
  - Executed 130 physical arrests.
  - Initiated 1,933 traffic stops, resulting in 1,188 citations.
  - Issued 509 parking citations.
  - Responded to 417 traffic crashes on both private and public property.
  - Average response time of 3.69 minutes from time of dispatch.
  - Full annual reports can be found at cityofhowell.org.



- **Community Policing**
  - Maintained relationships with complexes already in the Crime-Free Multi-Family Housing Program.
  - Continued with implementation of the Crime Free Partnership Program more geared to the needs of Howell City versus a nationwide plan.
  - Participated in remote calls for meetings, due to COVID restrictions, with apartment complex managers throughout the City.
  - Maintained the departments' Facebook page.
  - Maintained operation of the Nixel alert system.
  - Implemented the RAVE alert system.
  - Maintained the Big Red Barrel program for safe disposal of unwanted prescription medication.
  - Executed foot patrols, bike patrols, and home vacation checks.
  - Participated in birthday drive-by celebrations during COVID gathering restrictions.
  - Continued implementation of a Crime-Free / Crime Prevention program for the business community.
  - Participated in the McDonald's Helmet Safety program promoting the use of safety helmets by children on bicycles.
  - Continued Coffee with a Cop program.

- **Training**
  - All officers of the department received annual mandatory training in firearms, defensive tactics, Taser, first aid, CPR, blood borne pathogen, and radar re-certification.
  - Conducted training on, and implemented, the full LOCKUP (Law Officers Combat Kinetics Unarmed Panoply) defensive tactics program.
  - All officers of the department received legal update training.
  - Conducted De-Escalation training with all department officers. This training also includes active de-escalation techniques and meets the federal recommendation for use of force reporting.
  - Participated in countywide Emergency Operations Center training.
  - All officers participated in "Police One" online roll call and monthly training, achieving additional and enhanced training in a cost-effective manner.
  - Completed several additional training requirements to maintain accreditation certification. These included topics such as sexual harassment, hazmat, mental health awareness and response, as well as others.

- **Criminal Investigations**
  - The Detective Bureau was assigned 51 criminal investigations which included:
    - 7 Criminal Sexual Conduct Investigations.
    - 7 Fraud Investigations.
    - 5 Child Abuse Investigations.
    - 9 Suspicious Situation Investigations.
    - 44 additional investigations such as U.D.A.A(vehicle theft), Threats, Property Damage, etc.

- **LAWNET**
  - The Howell LAWNET Officer was temporarily pulled from the team in June of 2021 due to manpower issues, however, the LAWNET team initiated 94 investigations, which resulted in 63 arrests. LAWNET seized several types, and notable amounts, of narcotics. In addition, LAWNET assisted with surveillance and plain clothes activities at events in Howell City. The narcotics seizures include:
    - 214.4 Grams of Methamphetamine.
    - 40.2 Grams of Heroin (some mixed with Fentanyl).
    - 32.1 Grams of Cocaine.
    - 22.1 Grams of Crack Cocaine.
    - 16.2 Grams of Fentanyl.
    - 10 Units of LSD.
    - 9 Units (as well as 4.4 grams of powder) Ecstasy/MDMA.
    - Over 300 Miscellaneous Prescription Pills (Morphine, Adderall, Xanax, etc.).

- **Crime Free Multi-Family Housing**
  - Maintained relationships and oversight of multi-family complexes already in the program.
  - Worked toward Crime Prevention Partnership Program implementation at already certified Crime Free Multi-Housing properties.

- Conducted manager certification/re-certification, as well as legal update training, regarding criminal law changes and other property related law, as allowed with COVID restrictions.

➢ **FOIA Requests**
- Clerical staff completed 228 Freedom of Information Act requests for records.

➢ **Accreditation**
- The department completed the Michigan Law Enforcement Accreditation Program and was fully accredited in February 2020.
- The Accreditation Managers maintained required documentation and "proofs", as well as conducted tracking of incidents and training, as required for re-certification.

➢ **SWAT**
- Assigned 2 officers to the Livingston Regional SWAT Team in 2021.
- Those officers completed Basic SWAT school and attended all monthly trainings and obtained required certifications prior to COVID restrictions impacting team activities.

2022/2023 GOALS

➢ **Maintaining Quality Service**
- Continue to maintain our growth as a modern, professional police agency.
- Take advantage of education, training, and technology.
- Continue to explore and identify avenues for partnerships, consolidation, and sharing of services.
- Continue to educate the senior population of potential frauds/scams that threaten the senior community.
- Continue working with other in-county agencies to establish combined training.
- Increase neighborhood visibility and community activities with residents, with a focus on positive community interactions as opposed to community enforcement.
- Utilize the rifle buy-back program to outfit all officers with patrol rifles.
- Provide exterior protective vests for officers.
- Expand community outreach and modernize department give aways.

➢ **Staffing**
- Recruitment and hiring continues to be challenging both on a local and national level.
- Ongoing recruitment to fill vacancies in the patrol ranks from upcoming planned retirements.
- Have two officers in the Field Training (FTO) Program.
- Continue to send recruitment team(s) to attend Police Academies and job fairs.
- Continue to maintain one staff member as an assistant instructor to a local police academy.
- Sponsoring one officer through the police academy.

➢ **Crime-Free Multi-Family Housing**
- Maintain relationships with multi-family complexes already in the program but merge them into the new Crime Prevention Partnership Program.
- Participate in bi-monthly meetings with complex managers throughout the City once COVID restrictions allow interactive meetings with these groups.

- Create proactive management procedures resulting in safe and stable rental communities.
- Conduct management and resident training for establishment of a Crime Preventions Partnership with the Howell Police Department.

➢ **Training**

- Ongoing training is essential to a professional police organization, and we will strive to maintain our commitment to officer training.
- Complete all mandatory annual training and re-certification.
- Continue online roll call training to achieve additional and enhanced training for a greater number of personnel in a cost-effective manner.
- Participate in countywide active shooter preparedness trainings.
- Take advantage of training classes and opportunities, as time and staffing will allow.
- Deputy Chief to complete the FBI National Academy.
- Certify two more Field Training Officers (FTO's).

➢ **Criminal Investigations**

- Maintain high level of investigative services.
- Attend monthly countywide Detective meetings.
- Participate in countywide major crimes task force.
- Conduct joint investigations with other agencies where necessary and appropriate.
- Conduct community education programs and forums.

➢ **LAWNET**

- The LAWNET consists of two teams of investigators with specialized skills and knowledge in undercover operations and investigations. Some of these investigations include: undercover operations focused on the disruption of drug trafficking, fugitive apprehension, as well as human trafficking and exploitation and prostitution. The teams also provide undercover surveillance for auto theft, B&E rings, and serve in a support capacity for local departments gathering intelligence and evidence.
- Re-assign the Howell Officer to the team. This gives the department direct access to the team and their support.

The Department of Public Works (DPW) serves the public in several areas, generating revenues from several different sources. Some services provided by the DPW are directly funded through the General Fund; these include forestry, parking lot maintenance, parks, cemeteries, facilities, sidewalks, and community promotions. A breakdown of the services includes tree trimming and removal, tree planting, parking lot sweeping and striping, sidewalk repair and replacement, and holiday decorations. The DPW also operates the equipment pool that has a fleet of 67 vehicles and equipment totaling $1.9 million dollars. This is an internal service fund that provides for the purchase, repair, maintenance, gas, and insurance for the entire City fleet.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Personnel Services	222,448	241,425	255,776	243,375
Operating	96,604	111,770	95,286	105,005
Capital	19,136	7,000	7,000	149,500
DPS Administration	338,188	360,195	358,062	497,880
Personnel Services	28,017	28,255	28,255	26,752
Operating	46,871	68,656	68,216	68,540
Forestry Conservation	74,888	96,911	96,471	95,292
Personnel Services	24,537	26,017	28,407	27,635
Operating	23,524	26,950	26,250	21,800
Capital				10,000
Parking Lot/Street Light Maint	48,061	52,967	54,657	59,435
Personnel Services	17,322	24,097	20,529	24,770
Operating	16,700	20,927	18,627	21,105
Sidewalk Maintenance	34,022	45,024	39,156	45,875
Personnel Services	112,507	138,001	138,001	140,535
Operating	248,354	212,591	207,546	203,988
Capital	236,785	372,395	301,149	663,500
Debt	84,333	82,500	82,583	79,500
Equipment Pool	681,979	805,487	729,279	1,087,523
TOTAL	1,177,138	1,360,584	1,277,625	1,786,005

2021/2022 ACCOMPLISHMENTS

- **Administrative**
  - Continued an online enhanced and vibrant safety training program for employees.
  - Continued use of an active employee safety committee.
  - Met the Federal Right to Know requirements with an online Safety Data Sheets (SDS) program.
  - Rated our roads and provided the required Capital Improvement Program (CIP) data on the Investment Reporting Tool (IRT).
  - DPS continues to get positive feedback when interacting with the public.
  - Continued the process of converting to Arcview GIS Online (AGO) for asset management.

- **Walkable Community**
  - Completed the annual sidewalk horizontal saw-cut program to minimize trip hazards.
  - Completed the 2021 sidewalk replacement program.
  - Maintained markings to promote non-motorized accessibility downtown and throughout the community.
  - Completed required sidewalk ADA upgrades per the settlement agreement.

- **Forestry Conservation**
  - Received our 34th consecutive Tree City USA award.
  - Commemorated our 35th annual Arbor Day celebration. The celebration was the first post-COVID in person celebration.

- **Signs and Community**
  - Continued to meet reflectivity requirements.
  - Continue to apply pavement markings for crosswalks, parking, rail crossings and school crossings.
  - Provided support for civic events and community outreach programs at local schools, as allowed.
  - Designed and had a template made for social district logos. This allows us to re-paint them as necessary.

- **Equipment Pool**
  - Reduced costs by performing more repairs in-house with existing staff.
  - Brought more cemetery equipment into the equipment pool. This has improved maintenance and reduced costs.
  - Applied for a grant that would help fund 25% of the cost of replacing our current vactor. Unfortunately we were not awarded the grant.

2022/2023 GOALS

- **Administration**
  - Emphasis on training and education.
  - Work on team building strategies within all DPS departments.
  - Respond to all citizens inquires in a timely manner.
  - Continue to host countywide director meetings to seek opportunities for cost sharing and improved services.
  - Continue to promote a "customer service" approach throughout the DPS.
  - Staff continues to provide local and regional tours, classes and seminars to promote our community.
  - Utilize BS&A work orders to improve efficiency and tracking.

- **Forestry Conservation**
  - Continue the City of Howell annual tree programs including the trim and removal program and the neighborhood tree-planting program.
  - Plant trees in areas with limited canopy.
  - Promote a diverse urban forestry by planting a variety of tree species.
  - Continue to support Arbor Day with celebrations and involve the community and schools through partnerships with HRC and Chem-Trend.

- **Signs and Community**
  - Continue to support the civic events within the community by providing street closures, barricades, and other involvement.
  - Continue to provide outreach programs to the community.

- **Equipment Pool**
  - Upgrade inventory software to BS&A, to accurately track maintenance material and costs on all equipment.
  - Incorporate a good housekeeping plan that involves Safety Data Sheets (SDS).
  - Utilize GPS monitoring and tracking on vehicles with multiple uses such as leaf collection, brush collection, plowing, etc.


CAT



The Parks and Cemetery Department serves the residents of the City of Howell and surrounding area by maintaining and improving the recreational and public facilities of the community. Seasonally, the department mows over 215 acres per week and removes snow from city parking lots and sidewalks in public areas. The department is responsible for the maintenance and landscaping of all City of Howell buildings, the neighborhood park system, cemeteries, City Park, and all city owned lots and easements. Staff manages the Lakeview and Howell Memorial Cemeteries, including burials, monuments, surrounding areas, and events.

Mission:
To provide the community of Howell and their guests a safe, clean, and aesthetically pleasing environment in which to relax and play, and to serve the community with integrity and compassion when they need it most.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Personnel Services	105,449	131,555	112,001	137,350
Operating	109,674	93,657	92,473	94,614
Capital	1,576	155,300	140,500	-
Parks	216,699	380,512	344,974	231,964
Personnel Services	135,244	159,268	144,916	165,246
Operating	83,099	91,469	90,561	88,675
Capital	-	81,000	81,261	100,000
Cemetery	218,343	331,737	316,738	353,921
TOTAL	435,042	712,249	661,712	585,885

2021/2022 ACCOMPLISHMENTS

- Continued to inspect and make safety improvements to the park system, including the installation of 250 cubic yards of safety chips around play areas.
- Provided support for all major City and DDA civic events.
- Sold 17 graves at Howell Memorial, 7 niches in Lakeview columbarium #1, 14 niches in Lakeview columbarium #2, 4 niches in columbarium #3, and 28 niches in columbarium #4. Also installed 30 foundations and 10 veteran's markers.
- Provided services for 43 traditional burials and 70 cremation services at the three cemeteries, Lakeview, Howell Memorial, and Mount Olivet. Staff performed 113 total services.
- Painted 30 picnic tables at city parks.
- Continued to sell niches in columbarium's #3 and #4 in Lakeview Cemetery, overlooking Thompson Lake.
- Installed new concrete ramp for boat launch

2022/2023 GOALS

- **City Services**
  - Implement an improved plant health care program for all areas.
  - Continue to promote the use of Lakeview Columbarium's.
  - Implement moving the Cemetery Department into the future of technology.

- **Public Gathering Places**
  - Continue to provide support to the DDA and other civic organizations during public events and venues.

- **Preserve and Promote Public Open Spaces**
  - Trim and remove trees as needed while continuing to plant new trees.
  - Continue to support local charities and organizations that provide amenities to public spaces.
  - Upgrade aging city park play structures with new play structures.

- **Maintain and Support Recreational Opportunities**
  - Evaluate potential recreational needs to better fit the community.
  - Perform safety inspections on all playground equipment and implement improvements.
  - Improve the bathroom facilities at City Park.
  - Continue to support and work with HAPRA on city events.



The Major Street Fund is used to account for all expenditures for construction, maintenance and other authorized operations pertaining to all streets classified as "Major Streets" within the City. Major Streets are designated by Act 51, Public Act (P.A.) 1951, as amended. The City currently maintains 12.52 miles designated as Major Streets.

The Department of Public Works (DPW) is responsible for the maintenance of the City's Major Streets. Maintenance services provided by the DPW include: cleaning and repairing 16 linear miles of storm sewer main and 847 catch basins, winter maintenance, signs, pavement markings, routine maintenance, and storm water management.

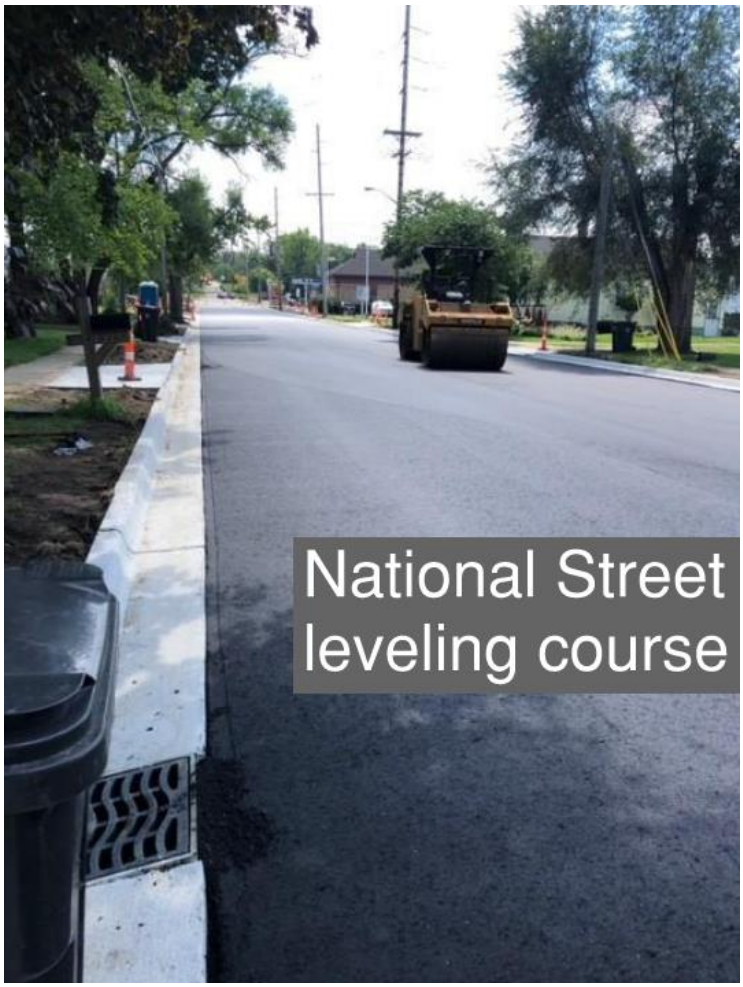
FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Revenues				
State Sources	702,008	779,045	749,704	799,671
Interest Income	1,552	2,000	2,000	1,500
Grant Income	128,946	900,000	730,861	1,096,290
Operating Transfers	200,000	-		
Total Revenue	1,032,506	1,681,045	1,482,565	1,897,461
Expenses				
Personnel Services	196,640	205,758	190,016	209,561
Operating	128,465	124,104	149,040	135,123
Contractual	46,729	40,600	40,600	45,000
Capital	106,534	151,000	168,000	36,500
Grant Expenditures	143,273	1,349,200	1,171,698	1,529,886
Operating Transfers	91,323	41,867	41,867	43,589
Total Expenses	712,964	1,912,529	1,761,221	1,999,659
REVENUES OVER/(UNDER)	319,542	(231,484)	(278,656)	(102,198)

2021/2022 ACCOMPLISHMENTS

- Compliant with the Act 51 Distribution and Reporting System (ADARS) and Investment Reporting Tool (IRT) requirements for ACT 51 State revenue sharing.
- Painted lane striping, stop bars and school crossing markings.
- Applied 11 tons of cold patch to Major streets.
- Continued to provide quality and timely winter maintenance.
- Reconstructed E Clinton from N Michigan to N National
- Reconstructed N National From E Grand River to E Clinton

2022/2023 GOALS

- Continue to promote sidewalk walkability among Central Business District (CBD) and Major Streets with the sidewalk Remove and Replace (R & R) program.
- Continue to make improvements to non-motorized pathways in order to improve walkability throughout the City.
- Continue good housekeeping practices such as cleaning, monitoring and collecting data for our Storm Water Pollution Prevention Plan (SWPPP) storm program.
- Promote longer street surface life through a robust Surface Management Plan.
- Continue to invest in infrastructure improvements.



The Local Street Fund is used to account for all expenditures for construction, maintenance, and other authorized operations pertaining to all streets classified as "Local Streets" within the City. Local Streets have been accepted into the City's street system and certified by the Michigan Department of Transportation.

The Department of Public Works (DPW) is responsible for the maintenance of the City's Local Streets. Maintenance services provided by the DPW include: cleaning and repairing 29 linear miles of storm sewer main and 1,573 catch basins, winter maintenance, signs, pavement markings, routine maintenance, and storm water management.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Revenues				
Intergovernmental	290,049	325,689	296,428	327,035
SAW Grant	128,946	-	-	-
Miscellaneous	282	-	73	-
Transfer In	104,584	111,912	96,959	106,299
Total Revenue	523,861	437,601	393,460	433,334
Expenses				
Personnel Services	195,211	221,084	197,528	226,295
Operating	95,463	92,750	107,115	109,450
Contractual	16,589	16,900	16,900	18,000
Capital	3,474	65,000	30,050	36,000
Grant Expenditures	172,801	-	-	-
Operating Transfers	40,323	41,867	41,867	43,589
Total Expenses	523,861	437,601	393,460	433,334
REVENUES OVER/(UNDER)	-	-	-	-

2021/2022 ACCOMPLISHMENTS

- Remained compliant with Storm Water Phase II requirements.
- Applied 12 tons of cold patching to repair potholes.
- Addressed several sump pump drainage issues in local neighborhoods.
- Removed debris / material from the local street storm system.
- Took over jurisdiction of the following local streets:
  - Dorchester
  - Carlisle
  - Lucy Road
  - Industrial Drive

2022/2023 GOALS

- **Quality Infrastructure**
  - Continue compliance with the Storm Water Phase II requirements.
  - Provide the proper maintenance application as part of the City's Asset Management Program to extend the life of reconstructed roads.
  - Clean, inspect and video the local storm system.
  - Continue compliance with the mandated AMP program for the storm system.
  - Continue to make improvements to non-motorized pathways in order to improve walkability throughout the City.

- **City Services**
  - Respond to pothole requests within two days.
  - Continue City's 5-year catch basin cleaning plan.
  - Continue to provide prompt winter maintenance to maintain safe drivable roads.



The Rubbish and Garbage Collection Fund accounts for all the costs associated with the collection and disposal of solid waste from city residents. Curbside services are provided to city residents and include refuse pickup, recycling and yard waste pickup, large and bulky item pickup. The City contracts with an outside refuse collection company to provide these services. The fund also accounts for leaf and brush services provided by the Department of Public Works. Brush is picked up once a month from April through October and generates about 380 cubic yards of wood chips annually. Leaf pickup begins in November and continues until all the leaves are picked up or until snow falls. Approximately 3,700 cubic yards of leaves are collected annually.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Revenues				
Charges for Services	139,268	138,200	140,400	140,400
Miscellaneous	597	500	-	-
General Fund Contribution	112,065	141,874	151,471	146,767
Garbage Millage/PPT	411,853	392,985	388,273	406,240
Total Revenue	663,783	673,559	680,144	693,407
Expenses				
Personnel Services	140,201	145,136	149,721	142,631
Operating	92,996	94,190	94,190	98,776
Waste Contract Services	430,586	434,233	436,233	452,000
Total Expenses	663,783	673,559	680,144	693,407
REVENUES OVER/(UNDER)	-	-	-	-

2021/2022 ACCOMPLISHMENTS

- Tracked and responded to all garbage/rubbish inquiries.
- Picked up, chipped and removed 320 cubic yards of brush from residents.
- Provided leaves and woodchips to residents for free to use in gardens or as mulch.
- Removed 3190 cubic yards of leaves from City streets and cemeteries.
- Continued our contract with Advanced Disposal / Waste Management for garbage and recycle removal.
- Provided daily inspections and cleaning of all CBD compactors.

2022/2023 GOALS

- Investigate alternative uses of leaves and wood chips collected in the City.
- Continue to promote curbside recycling by offering additional services.
- Continue a good relationship with Recycle Livingston center to aid in the community's recycling efforts.
- Develop a program to power wash all compactors within the CBD on a quarterly basis.



The Howell Water Treatment Plant has the capacity to treat 3.1 million gallons of drinking water per day, pumping water from six wells. The Plant utilizes a Claricone clarifier and rapid sand filters for softening and filtering the well water. Just over 515 million gallons of raw water was pumped in 2020, with 377 million of that treated at the plant. The City also maintains finished water storage capacity of 930,000 gallons with one ground storage reservoir and one elevated water tower. City crews maintain over 50 miles of water main ranging in size from 4" to 16" and in various pipe material types. This also includes maintaining and repairing 454 fire hydrants and over 1,000 gate valves.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Revenues				
Charges for Services	2,311,272	2,377,105	2,379,199	2,542,938
Investment Income	8,838	8,500	8,500	5,000
Miscellaneous	8,057	5,000	3,500	3,000
Bond Proceeds	-	1,920,300	2,138,776	1,521,612
Capital Fees	144,952	49,500	30,000	40,000
Total Revenue	2,473,119	4,360,405	4,559,975	4,112,550
Expenses				
Personnel Services	1,028,682	924,839	943,219	984,180
Operating	931,666	901,001	899,325	874,383
Capital	645,704	1,877,100	2,040,576	1,812,612
Debt Service	470,507	471,136	563,416	592,066
Total Expenses	3,076,559	4,174,076	4,446,536	4,263,241
REVENUES OVER/(UNDER)	(603,440)	186,329	113,439	(150,691)

2021/2022 ACCOMPLISHMENTS

- All City controlled hydrants maintained at a 100% readiness.
- Continued a valve-exercising program to improve the reliability of our existing system, in the water plant and in the distribution.
- Treated a total of over 377 million gallons while meeting or exceeding all water quality requirements of the Michigan Department of Environmental, Great Lakes & Energy (EGLE).
- We had 3 employees retire this year. All three positions have been filled which means we are fully staffed. We continue to meet EGLE's licensing requirements.
- Conducted a lead & copper site selection review of our testing sites, due to a change in our treatment process and population increase (over 10,000 population) ,we tested 62 sites in the fall of 2021 and will be testing again in spring 2022.
- Continue to replace aging water mains in connection with road programs.
- Provided safe, clean, and high-quality drinking water.
- We keep our system in compliance with all mandated requirements of the Safe Drinking Water Act.

- DWRF (Drinking Water Revolving Fund): The City received a grant to complete numerous water projects over the next few years. Last summer, all of the water main along E Clinton and N National (E Clinton to E Grand River) was replaced in conjunction with the road reconstruction project. In addition, the underground feeder line to the north elevated tower was replaced.

- Had both the ground storage reservoir and north elevated tower cleaned & inspected in 2021.
- Replaced backflow devices on both water sales lines #1 & #2.
- Completed a new 2021 EPA requirement for a Risk & Resiliency Assessment and used the results from the assessment to update our Emergency Response Plan.

2022/2023 GOALS

- **Quality Infrastructure**
  - Continue to respond and track water quality concerns in a timely and professional manner.
  - Continue to institute a user rate that will fund the operation and capital needs of the system.
  - Maintain all fire hydrants at 100% readiness.
  - Maintain a valve exercise program.
  - Continue preventative maintenance program on the wells.
  - Continue to keep our water system in compliance with all mandated requirements of the Safe Drinking Water Act.
  - Continue water-testing program on City drinking fountains during the summer and conduct special water testing for the major summer festivals (Michigan Challenge Balloonfest and Melon Festival).
  - Upgrade the E Grand River water main from Barnard to Lucy with 12" water main.

- **Water Treatment Plant**
  - Get the new employees licensed.
  - Continue to operate in a safe, efficient, and professional manner.
  - Continue the DWRF projects as depicted in the approved Project Plan
  - Maintenance Program
    - Together with the DPW and WWTP, continue ARC-GIS online program with the City GIS system.
    - Start using the new BS&A maintenance software program.

- **Hydraulic Analysis**
  - Continue planning for the recommended improvements to the system.

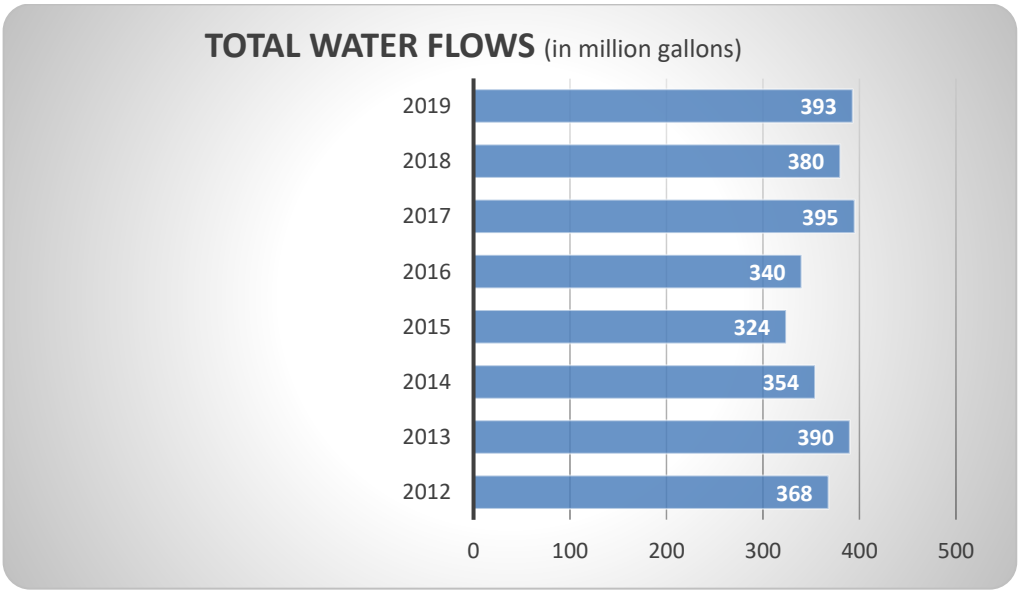
- **City Services**
  - Operator Licenses
    - Continue to encourage water plant operators to work toward their F2 and S2 certifications.
  - Education
    - Continue to train employees on updated methods and other advancements in the industry.
    - All operators to maintain their licenses through continuing education credits (classes).
  - Safety
    - Promote safety and good housekeeping.

- Provide detailed training of all necessary safety issues applicable to our system.
- Continue the employee safety committee.





Revenues: Water and wastewater bi-monthly rates are split into two types: The customer service charge and the commodity charge. The customer service charge represents the readiness of the system to provide service and is frequently referred to as "ready-to-serve" charge. It is charged as a single transaction each month based on the size of the meter. The commodity charge is the cost of the actual product being provided or removed and treated. It is charged as a rate against the amount of water going through the meter. These rates combine to provide the most equitable means for charging the cost of the system to where the costs are incurred.



In 1936, the City of Howell built its first wastewater treatment plant with a treatment capacity of 500,000 gallons of raw treatment processing per day. The initial cost of the Plant was $65,000. The Plant was upgraded in 1960 to treat up to 1.25 million gallons of sewage per day, utilizing primary settling, secondary activated sludge treatment, chlorination, sludge digestion, and sludge drying beds. Based on the 1972 Water Pollution Control Act, the City of Howell upgraded the facility in 1978. This construction upgraded capacity from 1.25 million gallons per day to 1.8 million gallons per day and provided better-treated wastewater with the addition of pressure filters. In 2016 Pepsi and the City began working on a plan to upgrade the WWTP to handle Pepsi's raw process waste. Currently, the Plant is under construction to expand biological treatment, increase influent peak flow from 8.5 to 11mgd, add a biosolids dewatering facility, and complete many other capital improvement items. The Howell Wastewater Treatment Plant (WWTP) is designed to treat up to 2.45 million gallons of raw sewage daily. The plant services the entire City of Howell and a growing number of households in Marion Township.

FINANCIAL HIGHLIGHTS	ACTUAL FY 19/20	AMENDED FY 20/21	PROJECTED FY 20/21	ADOPTED FY 21/22
Revenues				
Charges for Services	2,527,867	2,735,044	2,587,891	2,858,476
Investment Income	17,047	15,000	10,000	5,000
Bond Proceeds	-	9,053,428	9,475,568	5,711,512
Capital Contributions	565,833	352,539	352,539	455,120
Capital Fees	144,922	49,500	25,000	25,000
SAW Grant	138,025	-	-	-
Total Revenue	3,393,694	12,205,511	12,450,998	9,055,108
Expenses				
Personnel Services	1,020,748	959,967	945,595	1,041,054
Operating	833,897	801,564	813,174	892,616
Capital	883,392	9,477,228	10,253,114	6,278,665
Grant Expenditures	153,361			
Debt Service	268,581	421,092	421,092	424,087
Total Expenses	3,159,979	11,659,851	12,432,975	8,636,422
REVENUES OVER/(UNDER)	233,715	545,660	18,023	418,686

2021/2022 ACCOMPLISHMENTS

- Staff worked with Granger to make the construction and interruptions at the plant as seamless and efficient as possible.
- Coordinated with Granger during construction for shutdowns of the plant.
- The Plant treated 511 million gallons of wastewater in 2021, or 1.400 million gallons daily.
- Landfilled roughly 358 tons of biosolids , and land applied 36.11 tons of biosolids.
- Coordinated with Pepsi so that they could begin discharging waste to our plant.
- Marion Township's 2021 total flow to the Plant was 68.8 million gallons, with a daily average of 188,327 gallons.

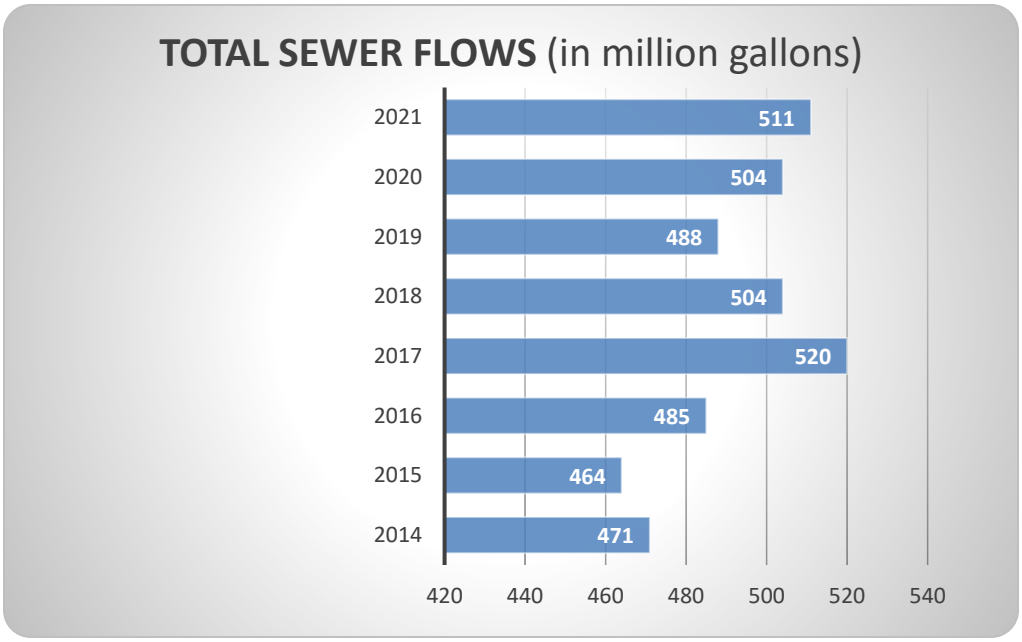
2022/2023 GOALS

- **Quality Infrastructure**
  - Completion of the WWTP Improvement Project by June 2021.
  - Continue to be compliant with our National Pollutant Discharge Elimination System (NPDES) permit, even throughout the remainder of the construction and beyond.
  - Train all employees on the new Biological Nutrient Removal process and other new processes.
  - Continue to reduce chemical usage due to the new processes that have been implemented.
  - Continue to work with our point source for the reduction of PFAS.
  - Implementation of new odor control systems at the Headworks, sludge dewatering building, and the biosolids Waste Activated Sludge (WAS) tank through the construction process.
  - Update Asset Management software after completion of construction.

- **Pro-Active**
  - Implement the BS&A work order system for preventative maintenance and inventory control.
  - Implement and train employees on the Hach WIMS system for laboratory and monthly reports to reduce paper usage.
  - Continue to identify needs, technology, and processes to improve plant performance and better serve the City.
  - Continue to train employees in confined space, electrical safety, lab safety, first aid and Globally Harmonized System (GHS) safety data sheets.
  - Continue to work with local businesses to reduce expenses and maintain compliance with sewer codes.
  - Continue community outreach and education for the importance of clean water.

Revenues:
Water and wastewater bi-monthly rates are split into two types: the customer service charge and the commodity charge. The customer service charge represents the readiness of the system to provide service and is frequently referred to as the "ready-to-serve" charge. It is charged as a single transaction each month based on meter size.

The commodity charge is the cost of the actual product being provided or removed and treated. It is charged as a rate against the amount of water going through the meter. These rates combine to provide the most equitable means for charging the cost of the system to where the costs are incurred.


TOTAL SEWER FLOWS (in million gallons)
2021
511
2020
504
2019
488
2018
504
2017
520
2016
485
2015
464
2014
471
420
440
460
480
500
520
540




CITY OF HOWELL
WATER RESOURCE RECOVERY FACILITY
AN EXTRAORDINARY COLLABORATION BETWEEN THE CITY OF HOWELL, MARION TOWNSHIP, AND PEPSICO
AVERAGE DESIGN FLOW
2.45 MGD
PEAK DESIGN FLOW
11.5 MGD
DEDICATED, MAY 3, 2022
CITY OFFICIALS
TOWNSHIP OFFICIALS

General borrowing power set forth in Section 13.1 of the City Charter:

Subject to the applicable provisions of law, the Council, by proper ordinance or resolution, may authorize the borrowing of money for any purpose within the scope of the powers vested in the City and the issuance of bonds of the City or other evidence of indebtedness and may pledge the full faith, credit, and resources of the City for the payment of the obligation created provided the net bonded indebtedness incurred for all public purposes do not exceed, at any time, ten percent of the assessed value of all real and personal property in the City. The provisions of this section shall include and be subject to the powers permitted and the limitations set forth in Sections 4(a), 4(b), 4(c), 4(d), and 5 of Act No. 279 of the Public Acts of 1909, as amended.

DEBT STATEMENT

As of February 29, 2021 including Bonds described herein.

DIRECT DEBT:

General Obligation Bonds		
10/20/2015	Capital Improvement LT	2,400,000
02/23/2017	Capital Improvement LT	1,675,000
11/17/2020	Capital Improvement LT	3,550,000
		$ 7,625,000
Installment Purchase Agreement		
07/16/2013	Act 99 Loan	$ 150,000
Revenue Bonds		
06/25/2009	Water Supply	1,521,707
04/01/2010	Water Supply	1,592,976
09/23/2011	Water Supply	879,364
06/12/2020	Water Supply***	1,530,000
03/26/2021	Water Supply***	1,400,000
08/11/2016	Sewer Refunding	920,000
11/17/2020	Sewer Refunding	995,000
08/30/2020	Sewer System***	7,673,625
		$ 16,512,672
*** Assumes Full Draw		
TOTAL DIRECT DEBT		**$ 24,287,672**
Less	Revenue Bonds	16,512,672
NET DIRECT DEBT		**$ 7,775,000**

OVERLAPPING DEBT:

12.38%	Howell School District	$ 14,920,995
3.46%	Livingston County at Large	848,150
3.92%	Livingston Intermediate School District	76,244
12.44%	Howell Carnegie District Library	289,852
TOTAL OVERLAPPING DEBT:		$ 16,135,241
NET DIRECT AND OVERLAPPING DEBT		$ 23,910,241

Source: Municipal Advisory Council of Michigan

DEBT RATIOS

Per Capita (December 2010)	9,489	
Net Direct Debt		$ 819.37
Net Direct and Overlapping Debt		$ 2,519.79
Ratio to 2020 Taxable Value (Ad Valorem)	$ 339,333,607	
Net Direct Debt		2.29%
Net Direct and Overlapping Debt		7.05%
Ratio to 2020 SEV	$ 437,888,200	
Net Direct Debt		1.78%
Net Direct and Overlapping Debt		5.46%
Ratio to Est. 2020 True Cash Value	$ 875,776,400	
Net Direct Debt		0.89%
Net Direct and Overlapping Debt		2.73%

Source: SEMCOG.org

LEGAL DEBT MARGIN

2020 State Equalized Valuation - excluding IFT values		$ 437,888,200
Debt Limit - 10% of State Equalized Valuation		$ 43,788,820
Amount of Direct Debt Outstanding	$ 24,287,672	
Less: Revenue Bonds	16,512,672	7,775,000
LEGAL DEBT MARGIN		$ 36,013,820

DEBT DESCRIPTION

	Debt	Issue Date	Original Issue	Purpose	Balance 2/29/2021
General Obligation					
	Capital Improvement	10/20/2015	$ 3,440,000	Road PH II	$ 2,400,000
	Capital Improvement	02/23/2017	$ 1,975,000	Parking Lot improvements	$ 1,675,000
	Capital Improvement	11/17/2020	$ 3,550,000	Road Ph I & III	$ 3,550,000
Act 99 Loan	Purchase	07/16/2013	$ 500,000	Asset Purchase	$ 150,000
Revenue Bonds					
	DWRF	06/25/2009	$ 3,177,000	Improvements & Road	$ 1,521,707
	DWRF	04/10/2010	$ 3,040,000	Improvements & Road	$ 1,592,976
	DWRF	09/23/2011	$ 1,593,000	Improvements & Road	$ 879,364
	DWRF	06/12/2020	$ 1,530,000	Water system	$ 1,530,000
	DWRF	03/26/2021	$ 1,400,000	Water system	$ 1,400,000
	SEWER	08/11/2016	$ 1,285,000	Improvements & Road	$ 920,000
	SEWER	11/17/2020	$ 995,000	Improvements & Road	$ 995,000
	SEWER (City Portion)	08/30/2020	$ 7,673,625	Sewer System	$ 7,673,625

Schedule of Bond Maturities:

	General Obligation & Installment-Bond	Revenue-Bond
2022	770,000	650,000
2023	795,000	1,065,404
2024	735,000	1,066,077
2025	755,000	1,092,831
2026	765,000	1,109,585
2027	805,000	1,139,716
2028-2041	3,150,000	10,389,059
	$ 7,775,000	$ 16,512,672

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021
Debt Name:	**2015 Capital Improvement Refunding Bonds**
Issuance Date:	**10/20/2015**
Issuance Amount:	**$3,440,000**
Balance at 06/30/2021	**$2,400,000**
True Interest Cost (TIC)	**2.6453%**
Debt Instrument (or Type):	**G.O. Bond**
Repayment Source(s):	**General Fund Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ 225,000	90,375	$ 315,375
6/30/2023	$ 235,000	82,300	$ 317,300
6/30/2024	$ 245,000	72,700	$ 317,700
6/30/2025	$ 255,000	62,700	$ 317,700
6/30/2026	$ 265,000	52,300	$ 317,300
6/30/2027	$ 275,000	41,500	$ 316,500
6/30/2028	$ 290,000	30,200	$ 320,200
6/30/2029	$ 300,000	18,400	$ 318,400
6/30/2030	$ 310,000	6,200	$ 316,200
Totals	**$ 2,400,000**	**$ 456,675**	$ 2,856,675

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021

Debt Name:	**2017 Capital Improvement Bonds**
Issuance Date:	**2/23/2017**
Issuance Amount:	**$1,975,000**
Balance at 06/30/2021	**$1,675,000**
True Interest Cost (TIC)	**3.2904%**
Debt Instrument (or Type):	**Capital Improvement**
Repayment Source(s):	**General Fund Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ 80,000	$ 62,500	$ 142,500
6/30/2023	$ 80,000	$ 60,100	$ 140,100
6/30/2024	$ 85,000	$ 57,625	$ 142,625
6/30/2025	$ 85,000	$ 55,075	$ 140,075
6/30/2026	$ 90,000	$ 52,000	$ 142,000
6/30/2027	$ 90,000	$ 48,400	$ 138,400
6/30/2028	$ 95,000	$ 44,700	$ 139,700
6/30/2029	$ 100,000	$ 40,800	$ 140,800
6/30/2030	$ 105,000	$ 36,700	$ 141,700
6/30/2031	$ 110,000	$ 32,400	$ 142,400
6/30/2032	$ 115,000	$ 27,900	$ 142,900
6/30/2033	$ 120,000	$ 23,200	$ 143,200
6/30/2034	$ 120,000	$ 18,400	$ 138,400
6/30/2035	$ 125,000	$ 13,500	$ 138,500
6/30/2036	$ 135,000	$ 8,300	$ 143,300
6/30/2037	$ 140,000	$ 2,800	$ 142,800
Totals	**$ 1,675,000**	**$ 584,400**	$ 2,259,400

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021

Debt Name:	**2020 Capital Improvement Refunding Bonds**
Issuance Date:	**11/17/2020**
Issuance Amount:	**$3,550,000**
Balance at 06/30/2021	**$3,550,000**
True Interest Cost (TIC)	**1.7516%**
Debt Instrument (or Type):	**Capital Improvement**
Repayment Source(s):	**General Fund Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ 390,000	$ 47,641	$ 437,641
6/30/2023	$ 405,000	$ 41,996	$ 446,996
6/30/2024	$ 405,000	$ 36,245	$ 441,245
6/30/2025	$ 415,000	$ 30,423	$ 445,423
6/30/2026	$ 410,000	$ 24,596	$ 434,596
6/30/2027	$ 440,000	$ 18,561	$ 458,561
6/30/2028	$ 440,000	$ 12,283	$ 452,283
6/30/2029	$ 320,000	$ 6,887	$ 326,887
6/30/2030	$ 325,000	$ 2,308	$ 327,308
Totals	**$ 3,550,000**	**$ 220,940**	$ 3,770,940

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021
Debt Name:	**Taxable Installment Purchase Contract (Loop Rd)**
Issuance Date:	**7/16/2013**
Issuance Amount:	**$500,000**
Balance at 06/30/2021	**$150,000**
True Interest Cost (TIC)	**3.7500%**
Debt Instrument (or Type):	**Limited Tax General Obligation**
Repayment Source(s):	**General Fund Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ 75,000	$ 4,500	$ 79,500
6/30/2023	$ 75,000	$ 1,500	$ 76,500
Totals	**$ 150,000**	**$ 6,000**	$ 156,000

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021
Debt Name:	**DWRF - 7258-01**
Issuance Date:	**10/29/2009**
Issuance Amount:	**$3,272,528**
Balance at 06/30/2021	**$1,521,707**
Debt Instrument (or Type):	**Revenue Bond**
Repayment Source(s):	**Water Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ 155,000	$ 38,043	$ 193,043
6/30/2023	$ 160,000	$ 34,168	$ 194,168
6/30/2024	$ 160,000	$ 30,168	$ 190,168
6/30/2025	$ 165,000	$ 26,168	$ 191,168
6/30/2026	$ 170,000	$ 22,043	$ 192,043
6/30/2027	$ 170,000	$ 17,793	$ 187,793
6/30/2028	$ 175,000	$ 13,543	$ 188,543
6/30/2029	$ 180,000	$ 9,168	$ 189,168
6/30/2030	$ 186,707	$ 4,668	$ 191,375
Totals	**$ 1,521,707**	**$ 195,759**	$ 1,717,466

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021
Debt Name:	**DWRF - 7268-01**
Issuance Date:	**4/15/2010**
Issuance Amount:	**$3,040,000**
Balance at 06/30/2021	**$1,592,976**
Debt Instrument (or Type):	**Revenue Bond**
Repayment Source(s):	**Water Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ 140,000	$ 39,824	$ 179,824
6/30/2023	$ 145,000	$ 36,324	$ 181,324
6/30/2024	$ 150,000	$ 32,699	$ 182,699
6/30/2025	$ 155,000	$ 28,949	$ 183,949
6/30/2026	$ 155,000	$ 25,074	$ 180,074
6/30/2027	$ 160,000	$ 21,199	$ 181,199
6/30/2028	$ 165,000	$ 17,199	$ 182,199
6/30/2029	$ 170,000	$ 13,074	$ 183,074
6/30/2030	$ 175,000	$ 8,824	$ 183,824
6/30/2031	$ 177,976	$ 4,449	$ 182,425
Totals	**$ 1,592,976**	**$ 227,615**	$ 1,820,591

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021
Debt Name:	**DWRF - 7269-01**
Issuance Date:	**9/23/2011**
Issuance Amount:	**$1,593,000**
Balance at 06/30/2021	**$879,364**
Debt Instrument (or Type):	**Revenue Bond**
Repayment Source(s):	**Water Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ 75,000	$ 21,984	$ 96,984
6/30/2023	$ 75,000	$ 20,109	$ 95,109
6/30/2024	$ 75,000	$ 18,234	$ 93,234
6/30/2025	$ 75,000	$ 16,359	$ 91,359
6/30/2026	$ 75,000	$ 14,484	$ 89,484
6/30/2027	$ 80,000	$ 12,609	$ 92,609
6/30/2028	$ 80,000	$ 10,609	$ 90,609
6/30/2029	$ 85,000	$ 8,609	$ 93,609
6/30/2030	$ 85,000	$ 6,484	$ 91,484
6/30/2031	$ 85,000	$ 4,359	$ 89,359
6/30/2032	$ 89,364	$ 2,234	$ 91,598
Totals	**$ 879,364**	**$ 136,075**	$ 1,015,439

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021
Debt Name:	**DWRF - 7462-01**
Issuance Date:	**6/12/2020**
Issuance Amount:	**$1,530,000**
Balance at 06/30/2021	**$1,530,000**
Debt Instrument (or Type):	**Revenue Bond**
Repayment Source(s):	**Water Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ 65,000	$ 30,600	$ 95,600
6/30/2023	$ 65,000	$ 29,300	$ 94,300
6/30/2024	$ 65,000	$ 28,000	$ 93,000
6/30/2025	$ 65,000	$ 26,700	$ 91,700
6/30/2026	$ 70,000	$ 25,400	$ 95,400
6/30/2027	$ 70,000	$ 24,000	$ 94,000
6/30/2028	$ 70,000	$ 22,600	$ 92,600
6/30/2029	$ 70,000	$ 21,200	$ 91,200
6/30/2030	$ 75,000	$ 19,800	$ 94,800
6/30/2031	$ 75,000	$ 18,300	$ 93,300
6/30/2032	$ 75,000	$ 16,800	$ 91,800
6/30/2033	80,000	15,300	95,300
6/30/2034	80,000	13,700	93,700
6/30/2035	80,000	12,100	92,100
6/30/2036	85,000	10,500	95,500
6/30/2037	85,000	8,800	93,800
6/30/2038	85,000	7,100	92,100
6/30/2039	90,000	5,400	95,400
6/30/2040	90,000	3,600	93,600
6/30/2041	90,000	1,800	91,800
Totals	**$ 1,530,000**	**$ 341,000**	$ 1,871,000

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021
Debt Name:	**DWRF - 7469-01**
Issuance Date:	**3/26/2021**
Issuance Amount:	**$1,400,000**
Balance at 06/30/2021	**$1,400,000**
Debt Instrument (or Type):	**Revenue Bond**
Repayment Source(s):	**Water Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ -	26,615	$ 26,615
6/30/2023	$ 60,000	$ 26,250	$ 86,250
6/30/2024	$ 60,000	$ 25,126	$ 85,126
6/30/2025	$ 60,000	$ 24,000	$ 84,000
6/30/2026	$ 60,000	$ 22,876	$ 82,876
6/30/2027	$ 65,000	$ 21,750	$ 86,750
6/30/2028	$ 65,000	$ 20,532	$ 85,532
6/30/2029	$ 65,000	$ 19,312	$ 84,312
6/30/2030	$ 65,000	$ 18,094	$ 83,094
6/30/2031	$ 70,000	$ 16,876	$ 86,876
6/30/2032	$ 70,000	$ 15,562	$ 85,562
6/30/2033	70,000	14,250	84,250
6/30/2034	70,000	12,938	82,938
6/30/2035	75,000	11,626	86,626
6/30/2036	75,000	10,218	85,218
6/30/2037	75,000	8,812	83,812
6/30/2038	75,000	7,406	82,406
6/30/2039	80,000	6,000	86,000
6/30/2040	80,000	4,500	84,500
6/30/2041	80,000	3,000	83,000
6/30/2042	80,000	1,500	81,500
Totals	**$ 1,400,000**	**$ 317,243**	$ 1,717,243

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021

Debt Name:	**Sewage Disposal Sysytem Refunding Bonds 2016**
Issuance Date:	**8/11/2016**
Issuance Amount:	**$1,285,000**
Balance at 06/30/2021	**$920,000**
True Interest Cost (TIC)	**1.9400%**
Debt Instrument (or Type):	**Revenue Bond**
Repayment Source(s):	**Sewer Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ 95,000	$ 16,926	$ 111,926
6/30/2023	$ 100,000	$ 15,034	$ 115,034
6/30/2024	$ 95,000	$ 13,143	$ 108,143
6/30/2025	$ 100,000	$ 11,252	$ 111,252
6/30/2026	$ 100,000	$ 9,312	$ 109,312
6/30/2027	$ 105,000	$ 7,324	$ 112,324
6/30/2028	$ 105,000	$ 5,287	$ 110,287
6/30/2029	$ 110,000	$ 3,201	$ 113,201
6/30/2030	$ 110,000	$ 1,067	$ 111,067
Totals	**$ 920,000**	**$ 82,545**	$ 1,002,545

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021

Debt Name:	**Sewage Disposal Sysytem Refunding Bonds 2020**
Issuance Date:	**11/17/2020**
Issuance Amount:	**$995,000**
Balance at 06/30/2021	**$995,000**
True Interest Cost (TIC)	**2.3880%**
Debt Instrument (or Type):	**Revenue Bond**
Repayment Source(s):	**Sewer Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ 120,000	$ 13,932	$ 133,932
6/30/2023	$ 125,000	$ 12,106	$ 137,106
6/30/2024	$ 120,000	$ 10,281	$ 130,281
6/30/2025	$ 125,000	$ 8,455	$ 133,455
6/30/2026	$ 125,000	$ 6,593	$ 131,593
6/30/2027	$ 125,000	$ 4,730	$ 129,730
6/30/2028	$ 130,000	$ 2,831	$ 132,831
6/30/2029	$ 125,000	$ 931	$ 125,931
Totals	**$ 995,000**	**$ 59,859**	$ 1,054,859

Debt Service Report

Local Unit Name:	City of Howell
Local Unit Code:	47020
Current Fiscal Year End Date:	6/30/2021
Debt Name:	**SRF 5689-01**
Issuance Date:	**8/30/2020**
Issuance Amount:	**$7,673,625**
Balance at 06/30/2021	**$7,673,625**
Debt Instrument (or Type):	**Revenue Bond**
Repayment Source(s):	**Water Revenues**

Years Ending	Principal	Interest	Total
6/30/2022	$ -	$ 153,534	$ 153,534
6/30/2023	$ 335,404	$ 150,118	$ 485,522
6/30/2024	$ 341,077	$ 143,354	$ 484,431
6/30/2025	$ 347,831	$ 136,465	$ 484,296
6/30/2026	$ 354,585	$ 129,440	$ 484,025
6/30/2027	$ 364,716	$ 122,247	$ 486,963
6/30/2028	$ 371,470	$ 114,886	$ 486,356
6/30/2029	$ 378,224	$ 107,389	$ 485,613
6/30/2030	$ 384,978	$ 99,757	$ 484,735
6/30/2031	$ 395,109	$ 91,956	$ 487,065
6/30/2032	$ 401,863	$ 83,986	$ 485,849
6/30/2033	$ 408,617	75,881	484,498
6/30/2034	$ 418,748	67,608	486,356
6/30/2035	$ 428,879	59,131	488,010
6/30/2036	$ 435,633	50,486	486,119
6/30/2037	$ 442,387	41,706	484,093
6/30/2038	$ 452,518	32,757	485,275
6/30/2039	$ 459,272	23,639	482,911
6/30/2040	$ 469,403	14,352	483,755
6/30/2041	$ 482,911	4,829	487,740
Totals	**$ 7,673,625**	**$ 1,703,520**	$ 9,377,145

City of Howell, Michigan

Capital Improvement Plan

'21/'22 thru '25/'26

PROJECTS BY DEPARTMENT

Department	#	'21/'22	'22/'23	'23/'24	'24/'25	'25/'26	Total
Equipment Pool							
F250 Pickup (Water)	EP - 11				42,000		*42,000*
F250 Pickup (WWTP)	EP - 12				32,500		*32,500*
F150 Pickup (Code)	EP - 13			24,500			*24,500*
F250 Pickup (DPW)	EP - 16				24,500		*24,500*
F150 Pickup (Water)	EP - 20				27,500		*27,500*
Ford F250 Pickup (Parks/Cemetery)	EP - 22	30,000					*30,000*
Ford F250 pickup (WWTP)	EP - 25	36,000					*36,000*
Dump truck (DPW)	EP - 29					165,000	*165,000*
F250 Pickup (DPW)	EP - 3		36,000				*36,000*
Explorer SUV - Lawnet (Police) Explorer	EP - 300		22,000				*22,000*
SUV - Chief (Police) Unmarked Vehicle,	EP - 301					24,500	*24,500*
deputy chief (Police) Explorer SUV -	EP - 302		24,000				*24,000*
patrol (Police) Explorer SUV - patrol	EP - 312	47,500					*47,500*
(Police) Explorer SUV - patrol (Police)	EP - 313		38,000				*38,000*
Explorer SUV - patrol (Police) Explorer	EP - 314				38,000		*38,000*
SUV - patrol (Police)	EP - 318	47,500					*47,500*
Trailer (DPW)	EP - 319	47,500					*47,500*
Skidsteer (DPW)	EP - 35				4,500		*4,500*
Backhoe (Cemetery)	EP - 37				38,000		*38,000*
Front End Loader (DPW)	EP - 38	120,000					*120,000*
Bobcat (DPW)	EP - 39					100,000	*100,000*
Mini Excavator (Cemetery/Parks)	EP - 41				38,000		*38,000*
Sterling vactor truck (DPW)	EP - 42					42,000	*42,000*
Leaf vacuum (DPW)	EP - 50	330,000					*330,000*
Brush Chipper (DPW)	EP - 52		35,000				*35,000*
RMV-2 ton hot patcher (DPW)	EP - 53		28,000				*28,000*
12' trailer (DPW)	EP - 54		21,000				*21,000*
Ride Roller (DPW)	EP - 551	1,200					*1,200*
Trash Pump (DPW)	EP - 61		20,000				*20,000*
Air Compressor (DPW)	EP - 62					15,000	*15,000*
Paint Sprayer (DPW)	EP - 66		5,500				*5,500*
Bobcat Mower	EP - 78				4,500		*4,500*
Gator	EP - 82			45,000			*45,000*
Core cut concrete saw (DPW)	EP - 89				9,000		*9,000*
Tractor	EP - 93		6,500				*6,500*
	JD4720					21,000	*21,000*
Equipment Pool Total		**659,700**	**236,000**	**69,500**	**258,500**	**367,500**	***1,591,200***
Information Technology							
C Cure server replacement	IT - 1					3,500	*3,500*
Tape Backups	IT - 16			7,000		2,800	*9.800*
IT Director computer	IT - 17			1,400			*1,400*

Department	#	'21/'22	'22/'23	'23/'24	'24/'25	'25/'26	Total
Sophos UTM Firewall Upgrade	IT - 18					4,000	*4,000*
Election Computers	IT - 20	2,100			2,000		*4,100*
Security System Server	IT - 23					15,000	*15,000*
City Hall WiFi	IT - 24	2,200					*2,200*
Cable Access Channel Server	IT - 26	1,400					*1,400*
NAS Servers	IT - 27		3,000		3,000		*6,000*
Data Center Replacement	IT - 28		30,000				*30,000*
WWTP computers	IT - 31	3,600	1,200	3,600	3,600		*14,000*
DPW conference room color printer	IT - 32		1,200				*1,200*
Main Street and DDA laptops	IT - 33	1,400			1,400		*2,800*
Backup archive server	IT - 34			4,000			*4,000*
Finance computers	IT - 35		4,000				*4,000*
Police computers	IT - 36	6,600	1,400	3,600	2,400		*14,000*
Water treatment computers	IT - 37	3,600		3,600			*7,200*
DPW Plotter Computer	IT - 38	1,100					*1,100*
Citywide Phone Server	IT - 39	20,000					*20,000*
3rd floor computers	IT- 4	1,400	1,400	3,000	2,400		*8,200*
DPS Computers	IT- 5		1,400	3,600		6,000	*11,000*
Police L3 Server	IT- 6			50,000			*50,000*
Information Technology Total		**43,400**	**43,600**	**79,800**	**14,800**	**31,300**	***212,900***
Local Streets							
Briggs Street	Local - 10					147,930	*147,930*
South National	Local - 2		407,400				*407,400*
Sidewalk Replacement Program	Local - 25	75,000	75,000	75,000	75,000	75,000	*375,000*
North Chestnut	Local - 3		65,710				*65,710*
West Brooks	Local - 4		785,550				*785,550*
Warbler Way	Local - 5		96,370				*96,370*
Park Street	Local - 6			392,926			*392,926*
Jewett Street	Local - 7				850,092		*850,092*
Rolling Oaks Phase 1	Local - 8				758,713		*758,713*
Rolling Oaks Phase 2	Local - 9					757,188	*757,188*
Local Streets Total		**75,000**	**1,430,030**	**467,926**	**1,683,805**	**980,118**	***4,636,879***
Major Streets							
Clinton Street	Major - 1	1,550,000					*1,550,000*
Sibley Street area	Major - 2			208,933			*208,933*
Byron Road	Major - 3		770,000				*770,000*
McPherson Park Drive	Major - 4					1,298,200	*1,298,200*
Major Streets Total		**1,550,000**	**770,000**	**208,933**		**1,298,200**	***3,827,133***
Parks and Recreation							
Bennett Center AC	Bennett - 1	15,000					*15,000*
Bennett Center Improvements	Bennett - 2		180,000				*180,000*
Bathroom at main park	Parks - 1			125,000			*125,000*
Skate park concrete repairs	Parks - 2		6,000				*6,000*
City Park ADA Accessibility Phase 1	Parks - 3		6,875				*6,875*
City Park ADA Accessibility Phase 2	Parks - 4			171,500			*171,500*
Bennett Center tennis courts	Parks - 5		120,000				*120,000*
City Park and Cemetery Asphalt path	Parks - 6				52,000		*52,000*
Baldwin Park tennis courts	Parks - 7		23,000				*23,000*

Department	#	'20/'21	'21/'22	'22/'23	'23/'24	'24/'25	'25/'26	Total
Boat launch sea wall	Parks - 8			158,000				*158,000*
Parks and Recreation Total			**15,000**	**493,875**	**296,500**	**52,000**		***857,375***
Police								
Tasers	PD - 1	6,534	6,534	6,534	6,534	6,534	6,534	*39,204*
L-3 Video System	PD - 2			65,000				*65,000*
Mobile Data Computers	PD - 3				30,000			*30,000*
Taser Cartridges	PD - 4	1,600	1,600	1,600	1,600	1,600	1,600	*9,600*
Radio Batteries	PD - 5			36,750				*36,750*
Police Total		**8,134**	**8,134**	**109,884**	**38,134**	**8,134**	**8,134**	***180,554***
Public Services								
Repave parking lot	DPS-14-4				115,000			*115,000*
DPS phase II	DPS-18-1				3,000,000			*3,000,000*
Public Services Total					**3,115,000**			***3,115,000***
Sewer Dept								
Clinton Street Sewer	Sewer - 1	515,000	316,000					*831,000*
Telehandler Vehicle	Sewer - 2		120,000					*120,000*
Generator - West Street	Sewer - 3		80,000					*80,000*
Meter Change Outs - 3rd ward	Sewer - 4		80,000					*80,000*
Meter Change outs - Rolling Oaks	Sewer - 5		75,000					*75,000*
Meter Change outs - 4th ward	Sewer - 6			200,000				*200,000*
Final Clarifier Covers	WWTP - 2			67,200				*67,200*
SRF Plant Upgrades	WWTP - 3	9,500,000	5,750,000					*15,250,000*
Sewer Dept Total		**10,015,000**	**6,421,000**	**267,200**				***16,703,200***
Water Dept								
East Grand River Watermain Replacement	Water - 1			3,850,000				*3,850,000*
West Grand River Watermain Replacement	Water - 2				2,675,000			*2,675,000*
Plant & Well Updates	Water - 3	1,683,000						*1,683,000*
Clinton St. Watermain	Water - 4	720,000	1,740,000					*2,460,000*
Meter change outs - 3rd ward	Water - 5		80,000					*80,000*
Meter change outs - Rolling Oaks	Water - 6		75,000					*75,000*
Riddle water main	Water - 7			550,000				*550,000*
Meter change outs - 4th ward	Water - 8			200,000				*200,000*
Water Dept Total		**2,403,000**	**1,895,000**	**4,600,000**	**2,675,000**			***11,573,000***
GRAND TOTAL		**14,015,334**	**10,667,234**	**7,950,589**	**6,950,793**	**2,017,239**	**2,685,252**	***44,286,441***

Accrual Basis: Accounting which recognizes transactions when they occur, regardless of the timing of related cash flows. The application of accrual accounting techniques prevents distortions in financial-statement representations because of shifts in the timing of cash flows and related underlying economic events near the end of a fiscal period. The accrual basis of accounting is utilized in developing the Enterprise Funds' budgets.

- Method of accounting where revenues are recorded when earned (regardless of when cash is received) and expenses are recorded when liabilities are incurred (regardless of when payment is made).

Activity: A specific and distinguishable line of work performed by one or more organizational components of a government unit for the purpose of accomplishing a function for which the unit is responsible; for example, "Elections" is an activity of the City Clerk's Office.

Adopt: In the context of this budget book, the process by which Council approves the budget through public hearings and an ordinance.

Ad Valorem Tax: A property tax computed as a percentage of the property's assessed value.

Appropriation: An authorization granted by a legislative body to incur obligations and to expend public funds for a stated purpose.

Approved Budget: The revenue and expenditure plan for the City for the fiscal year as reviewed and approved by the City Council.

Assessed Valuation: The value placed on property as a basis for levying taxes, equal to 50% of market value, as required by State law.

Assets: Resources owned or held by a government which have monetary value.

Available (Undesignated/Unreserved) Fund Balance: The funds remaining from the prior year which are available for appropriation and expenditure in the current year.

Beginning Fund Balance: Unexpended funds from the previous fiscal year. A use of beginning fund balance reflects the amount budgeted from unreserved fund balance to finance expenditures during the current fiscal year.

Bond: A written promise to pay a specified borrowed sum of money (principal) at a specified date or dates in the future, together with periodic interest at a specified rate. See also General Obligation Bond and Revenue Bond.

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year.

- A financial plan of operation which includes estimates of expenditures and revenues for a given period. It provides a basis for planning, controlling, and evaluating the City's activities.

Budget Adjustment: Adjustment made to the budget during the fiscal year by the City Council to account properly for unanticipated changes which occur in revenues and/or expenditures and for program initiatives approved during the fiscal year.

Budget Calendar: The schedule of key dates or milestones which the City follows in the preparation and adoption of the budget.

Capital Asset: An asset used in City operations costing more than $1,000 and having a useful life of more than one year. A capital asset may be infrastructure or non-infrastructure. Examples of infrastructure assets include roads, bridges, sidewalks, water systems, sewer systems, and street lighting systems. Examples of non-infrastructure capital assets include land, land improvements, buildings, building improvements, vehicles, machinery and equipment, furniture, and computer equipment.

Capital Improvements Program: A plan for capital expenditures to be incurred each year over a period of five future years, setting forth each capital project, the amount to be expended in each year, and the method of financing those expenditures.

Capital Outlay/Expenditure: An expenditure which results in the acquisition of a capital asset or an addition/improvement to an existing capital asset (see Capital Asset).

Capital Project: A major improvement or acquisition of equipment or property, such as vehicles and equipment, with a per-unit cost of more than $5,000 and a useful life of more than one year.

Component Units: Legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Contingency: An estimated amount allocated for a budgetary deficiency for contingent or emergency purposes.

- An appropriation of funds held in reserve to cover unbudgeted events that occur during the fiscal year, such as state or federal mandates, shortfalls in revenues, and unanticipated expenditures.

Cost of Living Adjustment (COLA): A pay increase which adjusts the salary schedule for most employee classes based upon increases in the Consumer Price Index.

Debt Service Fund: A fund to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Department (Dept): A major administrative division of government.

- The primary organizational unit within the City; each department performs a specific function.

Depreciation: The periodic expiration of an asset's useful life. Depreciation is a requirement in proprietary type funds, such as Enterprise and Internal Service Funds.

Drinking Water Revolving Funds (DWRF): Michigan's DWRF program is designed to assist water suppliers in satisfying the requirements of the Safe Drinking Water Act by offering low interest loans to eligible water suppliers for infrastructure improvements. Loans are repaid through user fees.

Encumbrances: Obligations in the form of purchase orders for contract commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved. They cease to be encumbrances when paid or when an actual liability is set up.

- Commitments made to vendors which involve goods that have not been received or services that have not been completed at year-end. Encumbrances are a reservation of fund balance since they are legally obligated.

Ending Fund Balance: Unexpended funds at the end of the fiscal year. The ending fund balance increases when sources exceed disbursements or decreases when disbursements exceed sources.

Enterprise Funds: A fund established to account for operations that are financed and operated in a manner similar to a private business, i.e., the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis shall be financed or recovered primarily through user charges. The City of Howell has Enterprise Funds for water and sewer. Enterprise Funds, unlike governmental funds, record land, buildings, and equipment as assets and expense depreciation on them.

Fiscal Year (FY): A twelve-month period designated as the operating year for an entity. The fiscal year for the City of Howell is July 1 – June 30.

Fringe Benefits: Terminology for benefits paid or matched by the City on behalf of the employees. These benefits include mandatory payroll taxes (FICA, Unemployment, and Workers' Compensation) and contributions for health, dental, vision, retirement, and life and disability insurance.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions.

Fund Balance: The difference between the financial assets of the fund and certain liabilities expected to be liquidated in the near future from those assets, i.e., the equity in a governmental fund, reflects the cumulative total over time of revenues in excess of expenses in any established fund.

General Fund: The primary operating fund of the City government. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Generally-Accepted Accounting Principles (GAAP): The common set of authoritative standards and procedures adopted by the accounting profession. GAAP requires the use of accrual accounting, where revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Goal: A long-term, attainable target for an organization – its vision of the future.

Governmental Accounting Standards Board (GASB): A governing board with the purpose of establishing and improving standards of state and local governmental accounting and financial reporting standards.

Grants: Projects subsidized either partially or wholly through the Federal government, State government, or other outside funding source with specific guidelines and reporting requirements.

Infrastructure: The basic physical framework or foundation of the City, i.e., its roads, bridges, sidewalks, water system, and sewer system.

Inter-fund Transfer: A financial transaction in which money is moved from one fund (transfer out) to another (transfer in). This results in the recording of a revenue and an expenditure.

Intergovernmental: Existing or occurring between two or more governments or levels of government.

Internal Service Funds: Funds established to account for operations that provide services to other departments or agencies within the City or to other governments on a cost-reimbursement basis.

Liability: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date. NOTE: The term does not include encumbrances.

Line Item: A specific expenditure category, such as office supplies, within a departmental budget. Line items are further grouped into major objects of expenditure (i.e., personnel, operating, or capital).

Line-Item Budget: A budget which emphasizes allocations of resources to specific organizational units or particular objects of expenditures, such as personnel services, supplies, and capital outlay. Line-item budgets may be organized to provide accountability at varying levels, such as departments, divisions, or agencies.

Local Streets: Streets within and under the jurisdiction of the City, exclusive of state trunk-line highways, county roads, and streets not included in the Major Street system.

Long-Term Debt: Debts that will not be paid or otherwise satisfied within one year or the normal operating cycle.

Major Streets: Those City streets designated by the State as of the greatest general importance to the City. This category includes streets carrying relatively high traffic volume in serving one or more of the following: extensions to state trunk lines on county primary roads; traffic demands created by industry, commercial, educational, or other traffic-generating centers; circulation of traffic in and around the Central Business District; designated truck routes; or connector streets served by an extensive network of Local Streets.

Mandate: A requirement by a higher level of government, i.e., the state or federal government, to provide a service or to perform a function.

Mill: A taxation unit equal to one dollar of tax obligation for every $1,000 of taxable valuation of property; one one-thousandth of a dollar of assessed property value.

Millage: The total tax obligation per $1,000 of assessed valuation of property.

Millage Rate: The number of mills necessary to generate a specific amount of Ad Valorem taxes.

Modified Accrual: Accounting which recognizes revenues in the accounting period in which they are both measurable and available to finance expenditures. Expenditures are generally recognized in the accounting period in which they are both measurable and incurred. The modified accrual basis of accounting is utilized in the preparation of budgets for all governmental fund types, which include the General Fund, Special Revenue Funds, and the Debt Service Fund contained in this document.

Objective: A measurable target that describes the end results that a service or program is expected to accomplish in a given time period which advances the organization toward one of its goals.

Operating Expenditures (Expenses): A major object of expenditure other than personnel and capital costs. For example, expenditures necessary to maintain facilities, collect revenues, provide services, and otherwise carry out the department's goals.

Performance Measures: Specific quantitative measures of work performed within an activity or program (e.g., total miles of streets cleaned). Also, a specific qualitative measure of results obtained through a program of activity (e.g., reduced incidence of vandalism because of a new street-lighting program).

Personnel Expenditures (Expenses): A major object of expenditure which includes salaries, overtime payments made to City employees, and fringe benefit costs.

Personnel Services: Items of expenditures in the operating budget for salaries and wages paid for services performed by City employees and the incidental fringe-benefit costs associated with City employment.

Policy: A plan, course of action, or guiding principle designed to set parameters for decision and actions.

Recommended Budget: The City's revenue and expenditure plan for the fiscal year, as prepared and recommended by the City Manager for City Council consideration.

Reimbursement: Repayment of actual expenditures/expenses by another department or entity.

Revenue: An addition to the assets of a fund which does not increase a liability, does not represent the recovery of an expenditure, does not represent the cancellation of a liability without a corresponding increase in any other liability or a decrease in assets, and does not represent a contribution of fund capital to enterprise or intra-governmental service funds. The amount received from taxes, fees, permits, licenses, fines, interest, and other governmental entities during the fiscal year.

Revenue Bond: A written promise to pay a specified sum of money (principal) at a specified date or dates in the future, together with periodic interest at a specified rate. This type of bond is backed by the revenue earned from a specific project or source.

Sewage Fund: This Enterprise Fund accounts for the operation of the City's sewer system. The revenues consist of charges for services to City businesses and residences.

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

- A fund established to account for revenue sources that are legally restricted to expenditure for specific purposes (not including expendable trusts or major capital projects).

State Equalized Value (SEV): The proportion of true cash value at which property shall be assessed. SEV is 50% of the true cash value.

Taxable Value: A value that is established for real and personal property for use as a basis for levying property taxes.

Transfer In/Transfer Out: See Inter-fund Transfer.

User Charges: The payment of a fee for direct receipt of a public service by the party who benefits from the service.

Water Fund: This Enterprise Fund accounts for the operation of the City's water system. The revenues consists of charges for services and water.

Abbreviations and Acronyms

CBD	Central Business District
CDBG	Community Development Block Grant
CIP	Capital Improvements Program
DDA	Downtown Development Authority
DPS	Department of Public Services
DPW	Department of Public Works
EVIP	Economic Vitality Incentive Program
GAAP	Generally-Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GF	General Fund
GFOA	Government Finance Officers Association
GIS	Geographic Information System
GO	General Obligation
MDEQ	Michigan Department of Environmental Quality
MDOT	Michigan Department of Transportation
QVF	Qualified Voter File
RMS	Records-Management System
SEV	State Equalized Value
TV	Taxable Value