CITY OF ROCHESTER HILLS



DATE: May 9, 2005

TO: Public Safety Committee

RE: Police Millage Scenario

Julie Jenuwine, Finance Director

Please find Police Millage estimated scenarios attached, as requested at the April 4, 2005 Public Safety Committee meeting, along with an additional option (Scenario C). The scenarios project millages starting 2008 through 2015, based on the current police millage expirations.

Scenario A

Assuming General Fund transfer continues for fiscal years 2006 (\$2,566,700) and 2007(\$2,638,478), until Police Millage II expires. No additional officers are hired. A Police Millage II of 1.3268 will be necessary to maintain the 58 officers without a transfer from General Fund in years 2008 through 2014. A total millage of 2.0445 is projected in 2015 (after the expiration of Police Millage I),

Scenario B

Assuming General Fund transfer continues for fiscal years 2006 (\$2,566,700) and 2007(\$2,638,478), until Police Millage II expires. One additional officer is added each year beginning in 2008 through 2015. A millage of 1.4576 will be necessary in 2008 throught 2014, after the Police Millage II expires in 2007. A total Police Millage of 2.2580 will be necessary in 2015 assuming the Police Millage II expires in 2014.

Scenario C

Assuming General Fund transfer continues for fiscal years 2006 (\$2,566,700) and 2007(\$2,638,478), until Police Millage II expires. All eight (8) deputies are added in 2008. A Police Millage II of 1.5755 will be necessary in 2008. A total millage of 2.2857 will be necessary in 2015.

Assumptions utilized in these forecasts to determine the minimum millage are as follow:

- An approximate 4% annual OCSD contractual increase through 2008
- OCSD contract cost is unknown beyond 2008, therefore estimated at a 4% annual increase
- City employee wages increase 2% each year
- City employee health benefit costs increase to \$20,000 in 2006, based on an average, and 12% thereafter
- Operating expenditures increase 2% each year except for Interfund charges
- Interfund charges (general administration, MIS and occupancy) increase 5%
- Taxable Value growth rate decreases each year, as the City builds out (see table for each years details)
- Headlee rollback increases each year (see table for each years details)
- Keep a target fund balance at 15% of operating expenditures, as opposed to the current policy for this fund (due to the subsidy)

I hope that this information is helpful. Should you need further information, please contact me.

5/9/2005

TOTAL MILLAGE RATE

9.3681

9.3681

9.3681

9.3681

9.3681

10.6949

10.6949

10.6949

Assumption: G.F. Transfer-In to continue at current level until 2007 (slight increase in 2007); Special Police II (2008-2014); Special Police I (2015+); NO ADDITIONAL OFFICERS HIRED

Property Tax Calculation	Actual 2003	Actual 2004	Budget 2005	Forecast 2006	Forecast 2007	Forecast 2008	Forecast 2009	Forecast 2010	Forecast 2011	Forecast 2012	Forecast 2013	Forecast 2014	Forecast 2015
Headlee Rollback Percentage	99.04%	99,39%	99.41%	99.50%	99.51%	99.52%	99.53%	99.54%	99,55%	99.56%	99.57%	99.58%	99.59%
Taxable Value Growth Rate	12.77%	7.85%	4.96%	5.00%	4.80%	4.60%	4.50%	4.40%	4.30%	4.20%	4.10%	4.00%	4.00%
PROPERTY VALUE - Taxable	2,854,154,180 \$	3,078,162,220	\$ 3,230,824,070	\$ 3,392,365,274 \$	3,555,198,807	3,718,737,952 \$	3,886,081,160 \$, , , , , , , , , , , , , , , , , , , ,	4,231,522,686 \$		4,590,025,751 \$		
PERSONAL PROPERTY - Taxable	215,987,590 \$	205,993,980	\$ 203,963,970	\$ 198,864,871 \$	193,893,249	189,045,918 \$	184,319,770 \$	179,711,776 \$	175,218,981 \$	170,838,507 \$	166,567,544 \$	162,403,355 \$	158,343,271
Estimated Collection Rate	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%
1.000 Mills = - 5	2,839,883 \$	3,062,771	\$ 3,214,670	\$ 3,375,403 \$	3,537,423	3,700,144 \$	3,866,651 \$	4,036,783 \$	4,210,365	4,387,200 \$	4,567,076 \$	4,749,759 \$	4,939,749
Total Police Mill's Levied			1.2268	1.2206	1.2145	2,1093	2.0993	2.0896	2.0801	2.0709	2.0618	2.0530	2.0445
Total Police Tax Generated			\$ 3,943,757	\$ 4,120,017 \$			8,117,260	8,435,263 \$	8,757,980	9,085,453 \$	9,416,397 \$	9,751,255 \$	
				4.47%	4.28%	81.67%	4.00%	3.92%	3.83%	3.74%	3.64%	3.56%	3.57%
PROPERTY TAX MILLAGE RATES						-000	2009	2010	2011	2012	2013	2014	2015
OPERATING MILLAGE	2003	2004	2005	2006	2007	2008			3.3880	3,4049	3.4215	3.4376	2.1293
Charter Operating	1.1958	2.3350	2.3630	2.3893	2.4238	2.8871	2.9067	3.0159		0.2500	0.2500	0.2500	0,2500
Charter Operating / CIP (0.2500 mills)	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500		0.5000	0.5000	0.5000
Major Roads Program (0.5000 mills)	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000		1.9000	
Fire Fund	2.0136	1.9000	1.9000	1.9000	1.9000	1.9000	1.9000	1.9000	1.9000	1.9000	1.9000		1.8972
Special Police 1	0.8053	0.8003	0.7942	0.7902	0.7863	0.7825	0.7788	0.7752	0.7717	0.7683	0.7649	0.7616	2.0445
Special Police 2	0.4386	0.4359	0.4326	0.4304	0.4282	1.3268	1.3205	1.3144	1.3084	1.3026	1.2969	1.2914	
Bike Path	0.1915	0.1903	0.1888	0.1878	0.1868	0.1859	0.1850	0.1841	0.1832	0.1823	0.1815	0.1807	0.1799
Public Improvement - Drains	0.3270	0.4110	0.3980	0.4230	0.4247	0.4474	0.4761	0.4714	0.5279	0.7211	0.7407	1.0000	1.0000
RARA	0.1619	0.1609	0.1596	0.1588	0.1580	0.1572	0.1564	0.1556	0.1548	0.1541	0.1534	0.1527	0.1520
Older Persons Special Transportation	0.0228	0.0226	0.0224	0.0222	0.0220	0.0218	0.0216	0.0215	0.0214	0.0213	0.0212	0.0211	0.0210
Older Persons Millage	0.2359	0.2460	0.2441	0.2428	0.2416	0.2404	0.2392	0.2380	0.2369	0.2358	0.2347	0.2337	0.2327
Library	0.8053	0.8003	0.7942	0.7902	0.7863	0.7825	0.7788	0.7752	0.7717	0.7683	0.7649	0.7616	0.7584
TOTAL OPERATING MILLAGE	6.9477	8.0523	8.0469	8.0847	8.1077	9.4816	9.5131	9.6013	10.0140	10.2087	10.2297	10.4904	9.1650
DEBT MILLAGE	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Drain Debt Fund	0.6730	0.5890	0.6020	0.5770	0.5753	0,5526	0.5239	0.5286	0.4721	0.2789	0.2593	-	-
Older Persons Building Debt	0.6730		0.6020	0.3770	0.2150	0.2134	0.2118	0.2103	0.2088	0.2073	0.2059	0.2045	0.2031
GORB Series 1993	0.2342	0.2183	0.2319	0.2100		0.2134	0.2116	0.2103	-	-			
		0.0503	-	0.0546	0.0520	0.1212	0.4461	0.3547	-		_	_	_
GORB Series 1998	1.0000	0.0593	0.0580	0.0546	0.0520			0.5547	-	-	_	_	_
GORB Series 2002	-	0.4492	0.4293	0.4352	0.4181	0.3261 1.2133	1,1818	1,0936	0.6809	0.4862	0,4652	0.2045	0.2031

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5/9/2005

Assumption: G.F. Transfer-In to continue until 2007 (slight increase in 2007); Special Police II (2008-2014); Special Police I (2015+); One Deputy per Year (2008-2015)

Property Tax Calculation	Actual 2003	Actual 2004	Budget 2005	Forecast 2006	Forecast 2007	Forecast 2008	Forecast 2009	Forecast 2010	Forecast 2011	Forecast 2012	Forecast 2013	Forecast 2014	Forecast 2015
									00.000	00.770/	99.57%	99.58%	99.59%
Headlee Rollback Percentage	99.04%	99.39%	99.41%	99.50%	99.51%	99.52%	99.53%	99.54%	99.55%	99.56% 4.20%	4.10%	4,00%	4.00%
Taxable Value Growth Rate	12.77%	7.85%	4.96%	5.00%	4.80%	4.60%	4.50%	4.40%	4.30%	4.20%	4,1076	4.00/4	4200.76
PROPERTY VALUE - Taxable S	6 2,854,154,180 S	3.078.162.220	\$ 3,230,824,070	\$ 3.392.365.274 \$	3,555,198,807 \$	3,718,737,952 \$	3,886,081,160 \$		4,231,522,686 \$	4,409,246,639 \$	4,590,025,751 \$	4,773,626,781 \$	
PERSONAL PROPERTY - Taxable S			\$ 203,963,970	S 198,864,871 S		189,045,918 \$	184,319,770 S	179,711,776 \$	175,218,981 \$	170,838,507 \$	166,567,544 \$	162,403,355 \$	158,343,271
Ed. (C.H. d. Par	00.500/	00.500/	00.5007	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%
Estimated Collection Rate	99.50%	99.50%	99.50%				3,866,651 \$	4,036,783 \$	4,210,365 \$	4,387,200 \$	4,567,076 \$	4,749,759 \$	4,939,749
1.000 Mills = 5	2,839,883 \$	3,062,771	\$ 3,214,670	\$ 3,375,403 \$	3,331,423 3	3,700,144 3	3,000,031 \$	1,020,702	1,010,000				
Total Police Mill's Levied			1.2268	1.2206	1.2145	2.2401	2.2295	2.2192	2.2092	2.1994	2.1898	2.1805	2,2580
Total Police Tax Generated			\$ 3,943,757	S 4,120,017 S	4,296,200 \$	8,288,510 \$	8,620,698 \$	8,958,430 \$	9,301,539 \$	9,649,209 \$	10,000,982 \$	10,356,849 \$	AND DESCRIPTION OF THE PERSON
remaining to the commence of t				4.47%	4.28%	92.93%	4.01%	3.92%	3.83%	3.74%	3.65%	3.56%	7.70%
PROPERTY TAX MILLAGE RATES						2008	2009	2010	2011	2012	2013	2014	2015
OPERATING MILLAGE	2003	2004	2005	2006	2007		2.9072	3.0170	3.3897	3.4072	3.4243	3.4409	4.1738
Charter Operating	1.1958	2.3350	2.3630	2.3893	2.4238	2.8871	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500
Charter Operating / CIP (0.2500 mills)	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
Major Roads Program (0.5000 mills)	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	1.9000	1.9000	1.9000	1.9000	1,9000	1.9000	1.8972
Fire Fund	2.0136	1.9000	1.9000	1.9000	1.9000	1.9000	0.7788	0.7752	0.7717	0.7683	0.7649	0.7616	2.2580
Special Police 1	0.8053	0.8003	0.7942	0.7902	0.7863	0.7825		1.4440	1.4375	1.4311	1.4249	1.4189	_
Special Police 2	0.4386	0.4359	0.4326	0.4304	0.4282	1.4576	1.4507				0.1815	0.1807	0.1799
Bike Path	0.1915	0.1903	0.1888	0.1878	0.1868	0.1859	0.1850	0.1841	0.1832	0.1823		1.0000	1.0000
Public Improvement - Drains	0.3270	0.4110	0.3980	0.4230	0.4247	0.4474	0.4761	0.4714	0.5279	0.7211	0.7407		
RARA	0.1619	0.1609	0.1596	0.1588	0.1580	0.1572	0.1564	0.1556	0.1548	0.1541	0.1534	0.1527	0.1520
Older Persons Special Transportation	0.0228	0.0226	0.0224	0.0222	0.0220	0.0218	0.0216	0.0215	0.0214	0.0213	0.0212	0.0211	0.0210
Older Persons Millage	0.2359	0.2460	0.2441	0.2428	0.2416	0.2404	0.2392	0.2380	0.2369	0.2358	0.2347	0.2337	0.2327
Library	0.8053	0.8003	0.7942	0.7902	0.7863	0.7825	0.7788	0.7752	0.7717	0.7683	0.7649	0.7616	0.7584
TOTAL OPERATING MILLAGE	6.9477	8.0523	8.0469	8.0847	8.1077	9.6123	9.6438	9.7320	10.1448	10.3395	10,3605	10.6212	11.4230
DEBT MILLAGE	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Drain Debt Fund	0.6730	0.5890	0.6020	0.5770	0,5753	0.5526	0.5239	0.5286	0.4721	0.2789	0.2593	-	-
į.	0.2342	0.2183	0.6020	0.2166	0.2150	0.2134	0.2118	0.2103	0.2088	0.2073	0.2059	0.2045	0.2031
Older Persons Building Debt			0.2319	0.2100	0.2150	0.2131	-	-	-	-	-	_	
GORB Series 1993	0.5132	- 0.0500		0.0546	0.0520	0.1212	0,4461	0.3547	_	-	-	_	_
GORB Series 1998	1.0000	0.0593	0.0580	1	0.4181	0.3261	0,4401	0.5517	<u>.</u> .	-	_	-	-
GORB Series 2002		0.4492	0.4293	0.4352	1,2604	1.2133	1.1818	1.0936	0.6809	0,4862	0.4652	0.2045	0.2031
TOTAL DEBT MILLAGE	2.4204	1.3158	1.3212	1:2834	1,2004	1,2133	7.11010	2.0200					
TOTAL MILLAGE RATE	9,3681	9,3681	9.3681	9,3681	9,3681	10.8257	10.8257	10.8257	10.8257	10.8257	10.8257	10.8257	11.6261

5/9/2005

TOTAL MILLAGE RATE

Assumption: G.F. Transfer-In to continue at current level until 2007 (slight increase in 2007); Special Police II (2008-2014); Special Police I (2015+); EIGHT (8) DEPUTY II (NO FILL) hired 2008

Assumption:	G.F. Halisici-in to co.		` .										
Property Tax Calculation	Actual 2003	Actual 2004	Budget 2005	Forecast 2006	Forecast 2007	Forecast 2008	Forecast 2009	Forecast 2010	Forecast 2011	Forecast 2012	Forecast 2013	Forecast 2014	Forecast 2015
				NoAir	99.51%	99.52%	99.53%	99.54%	99.55%	99,56%	99.57%	99.58%	99.59%
Headlee Rollback Percentage		99.39%	99.41%	99.50% 5.00%	4.80%	4.60%	4.50%	4.40%	4,30%	4.20%	4.10%	4.00%	4.00%
Taxable Value Growth Rate	12.77%	7.85%	4.96%	5.00%	4.80 / 0	4.00.70	₹.5076	1, 10,00					
PROPERTY VALUE - Taxable	\$ 2.854.154.180 \$	3,078,162,220	\$ 3,230,824,070	\$ 3,392,365,274	\$ 3,555,198,807 \$	3,718,737,952 \$		4,057,068,731 \$				4,773,626,781 \$	
PERSONAL PROPERTY - Taxable	\$ 215.987.590		\$ 203,963,970	\$ 198,864,871	\$ 193,893,249 \$	189,045,918 \$	184,319,770 \$	179,711,776 \$	175,218,981 \$	170,838,507 \$	166,567,544 \$	162,403,355 \$	158,343,271
T. C.							00.500/	99.50%	99.50%	99,50%	99.50%	99.50%	99.50%
Estimated Collection Rate	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%			4,387,200 \$	4,567,076 \$	4,749,759 \$	4,939,749
1.000 Mills =	\$ 2,839,883	3,062,771	\$ 3,214,670	\$ 3,375,403	\$ 3,537,423 \$	3,700,144 \$	3,866,651 \$	4,036,783 \$	4,210,365 \$	4,387,200 \$	4,307,070 \$	4,749,739 W	1,555,715
	-		1,22(0)	1.2206	1,2145	2.3580	2,3469	2,3360	2.3254	2.3151	2.3050	2.2952	2.2857
Total Police Mill's Levied			\$ 3,943,757	\$ 4,120,017				9,429,926 S		10,156,808 \$	10,527,109 \$	10,901,646 \$	11,290,784
Total Police Tax Generated			\$ 3,943,/3/	4,120,017	4.28%	103.09%	4.01%	3.92%	3.83%	3.74%	3.65%	3.56%	3.57%
PROPERTY TAX MILLAGE RATES												2014	2015
OPERATING MILLAGE	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	3,4441	1.8881
Charter Operating	1.1958	2.3350	2.3630	2.3893	2.4238	2.8871	2.9078	3.0182	3.3914	3.4094	3.4270 0.2500	0.2500	0.2500
Charter Operating / CIP (0.2500 mills)	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.2500	0.5000	0.5000	0.5000
Major Roads Program (0.5000 mills)	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	1.9000	1.9000	1.8972
Fire Fund	2.0136	1.9000	1.9000	1.9000	1.9000	1.9000	1.9000	1,9000	1.9000	1.9000 0.7683	0.7649	0.7616	2.285
Special Police 1	0.8053	0.8003	0.7942	0.7902	0.7863	0.7825	0.7788	0.7752 1.5608	0.7717 1.5537	1.5468	1.5401	1.5336	2.200
Special Police 2	0.4386	0.4359	0.4326	0.4304	0.4282	1.5755	1.5681		0.1832	0.1823	0.1815	0.1807	0.1799
Bike Path	0.1915	0.1903	0.1888	0.1878	0.1868	0.1859	0.1850	0.1841	0.1832	0.7211	0.7407	1.0000	1.0000
Public Improvement - Drains	0.3270	0.4110	0.3980	0.4230	0.4247	0.4474	0.4761	0.4714	0.1548	0.1541	0.1534	0.1527	0.1520
RARA	0.1619	0.1609	0.1596	0.1588	0.1580	0.1572	0.1564	0.1556	0.1348	0.0213	0.0212	0.0211	0.021
Older Persons Special Transportation	0.0228	0.0226	0.0224	0.0222	0.0220	0.0218	0.0216	0.0215	0.0214	0.2358	0.2347	0.2337	0.232
Older Persons Millage	0.2359	0.2460	1	0.2428	0.2416	0.2404	0.2392	0.2380 0.7752	0.2369	0.7683	0.7649	0.7616	0.758
Library	0.8053	0.8003	0.7942	0.7902	0.7863	0.7825	0.7788	9.8500	10.2627	10.4574	10,4784	10.7391	9,165
TOTAL OPERATING MILLAGE	6.9477	8.0523	8.0469	8.0847	8.1077	9.7303	9.7618	9.0000	10.2027	10.4374	2011,01		Contractive and Contractive Co
SUPERATE LOS	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
DEBT MILLAGE	0.6730	0.5890		0.5770	0.5753	0.5526	0.5239	0.5286	0.4721	0.2789	0.2593	-	-
Drain Debt Fund	0.6730	0.2183	1	0.2166	0.2150	0.2134	0.2118	0.2103	0.2088	0.2073	0.2059	0.2045	0.203
Older Persons Building Debt	1	0.2105	0.2517	- 0.2100	-	-	_	-	-	-	-	-	
GORB Series 1993	0.5132	0.0593	0.0580	0.0546	0.0520	0.1212	0.4461	0.3547	-	-	-	-	-
GORB Series 1998	1.0000	0.0393	1	0.4352	0.4181	0.3261	-	-	-	-	_	_	
GORB Series 2002	2,4204	1,3158		1.2834	1,2604	1.2133	1.1818	1.0936	0.6809	0.4862	0.4652	0.2045	0.203
TOTAL DEBT MILLAGE	2.4204	1.0130	1.3212	2,2001									

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