

**FISCAL YEAR 2015-16 ANNUAL BUDGET  
EXECUTIVE SUMMARY**

**Honorable Mayor and City Council:**

I am pleased to present to you the FY 2015-16 Budget. The budget document represents the program strategies and resources formulated by City staff during the budget preparation process as well as the modifications made by the City Council during the four budget workshops held in April and May.

In these challenging economic times the Administration has continued to prepare an annual city budget that is not only fiscally conservative but continues to move the City forward to achieve the Goals and Objectives of the City Council.

Department Directors submitted budgets that had already been adjusted to the current times. Changes in programming and personnel have been made in order to maintain the City's sound financial status. The budget proposes no wage increases for this year. In recent years, changes have also been made to the number of positions and hours worked for many seasonal and part time staff. The City Manager and City Treasurer continue to evaluate additional cuts to address the City's budget shortfall.

The current budget continues to incorporate a shortfall between revenues and expenditures. The City Council and Administration have been able to reduce this to \$47,608 which will be drawn from the General Fund's unreserved fund balance.

The proposed ending fund balance for June 30, 2016 is \$969,842 which is 25.9% of expenditures. This is a very similar amount

both in terms of dollars and percentages to the ending fund balance that was adopted by the City Council last fiscal year.

Although Council and Administration would be more comfortable without a budget deficit, the City continues to end the fiscal years in about the same shape as it started.

The Council Goals and Objectives are incorporated with the departmental missions to formulate a comprehensive plan for providing high quality services to the citizens of Richmond in the most cost-effective manner possible. Following are some of the highlights of the budget:

**CONSISTENCY WITH CITY MISSION  
AND GOALS**

The City of Richmond's mission statement of "promoting a high quality of life for its residents by providing municipal services and addressing community issues in partnership with its citizens, businesses, and neighbors" is the guiding premise for the preparation of this budget document. While financial resources are severely constrained as a result of the current economic situation, City Council and Administration are committed to continuing to provide high quality, responsive services to citizens and the business community.

Several goals established by the City Council for FY 2015-16 continue to be reflected in the preparation of this budget:

- **Council Issue #1 – Promoting Industrial and Commercial Growth.** City

Council, EDC, TIFA and City Administration are working with Macomb County Planning and Economic Development to update the TIFA Plans to re-focus the EDC and TIFA on both infrastructure and marketing programs. Funds are allocated in TIFA to cover a portion of the City Administration Staff's salary and benefits that work within the TIFA Fund. Administration will continue to work to develop ways to streamline permit processing and formulate creative financing plans for industrial and commercial development, redevelopment, and business retention. Funding for TIFA and EDC's three façade improvement programs are continued in this budget under TIFA. Changes have been made to these programs to target assistance to vacant properties. Additional funding has been included to market industrial and commercial properties in St. Clair County as well as the rest of the City. This year the City will focus on the 32 acres of industrial property at the end of Skinner Drive. Recently Macomb County has listed this property with the State.

- **Council Issue #2 – Traffic Congestion and Parking on Main Street.** Traffic congestion and parking on Main Street are being addressed through several projects. The city has implemented several portions of the Master Transportation Plan. Council has identified maintaining parking along Main Street and providing adequate off-street parking for downtown businesses as a priority, and the TIFA has allocated \$150,000 to continue acquiring private property to expand parking areas. The city continues to replace deteriorated or lifted sidewalks to maintain pedestrian safety and the walkability of the community. This year's CDBG funds will be utilized to improve handicapped ramps within the North

Business District. The City is implementing the Access Management Plan and Ordinance for Gratiot Avenue.

- **Council Issue #3 – Streetscape Implemented.** The first phase of signage was completed in April 2012. Administration will develop plans for civic and sports related signs at the four main entryways into the City for Council's consideration. The Streetscape Committee will be reconvened to finalize the list of amenities to finish the Streetscape Project that will be reviewed this year by the TIFA Board and City Council.
- **Council Issue #4 – Rails-to-Trails Funding, Maintenance, Use, and Development.** Administration is finalizing the purchase of a small section of Canadian National rail corridor to the east of Main Street. The City is working with St. Clair County and the Trail Conservancy to develop plans to connect Richmond's trail system with the County Park in Columbus and the Bridge to Bay Trail. This is part of the Trail Conservancy's effort to connect Lake Michigan with Lake Huron by trails. The Macomb Orchard Trail Commission and Macomb County are discussing the long term role of the Commission.
- **Council Issue #5 – Orientation and Training for Members of Boards and Commissions.** The FY 2015-16 Budget includes appropriations for continued training and education for City Council, Planning Commission, TIFA and Board of Review. Administration will assist the city's boards and commissions in identifying and implementing appropriate orientation and training programs.
- **Council Issue #6 – Code Enforcement.** The Office of the City Manager will

continue to coordinate a team oriented approach to code enforcement through the Building, Planning and Police Departments. Most code violations are now civil infractions rather than misdemeanors. This has streamlined the enforcement process. Enforcing the clearing of snow from sidewalks still needs to be improved. Council directed administration to focus on key areas of code enforcement this year including blight, nuisances and inoperable/unlicensed vehicles.

- **Council Issue #7 – Technology.** The FY 2015-16 Budget includes appropriations for the annual maintenance of a new City website. Last year, funds were committed in the TIFA Fund to improve technology when City Hall is consolidated with the Police Post. The consolidation project is currently halfway completed.

### GENERAL FUND REVENUES

The FY 2015-16 Budget maintains a general operating ad valorem property tax levy of 16.6526 mills, of which an amount equal to 2 mills will be placed in the Municipal Street Fund for street improvements, a practice started in FY 2001-02. The City's operating millage rate has been the same since FY2005-06. The City will also continue to levy a 1% administration fee on all tax collections as permitted by State law. The tax collection fee charged to school districts was eliminated in FY 2001-02 as a result of levying the administration fee. The City's taxable value has increased this year by \$4,335,483 to \$159,675,968 from this time last budget cycle (**Source: March 2015 Board of Review**). This increase of 4 million in taxable value is the first increase since FY2007-08, eight years ago. Last fiscal year (FY2014-15) the City had a de-

crease of \$714,223 in taxable value. The Richmond Tax Increment Finance Authority will capture \$27,175,760 of the taxable value. One mill for general operating purposes is equal to \$132,500 after TIFA capture. (Last year one mill was equal to \$128,038) The City will realize \$2,206,472 in property tax revenues with a tax levy of 16.6526 mills, the proposed tax base sharing agreement would limit the TIFA capture by \$153,866 for a total tax revenue of \$2,360,338. An additional \$69,000 is budgeted from the 1% administration fee.

Residential property represents \$113,596,411 or 71.14% of the City's total taxable value an increase of \$2,909,559 from last year (last year saw an increase of \$1,716,073); commercial property represents \$33,724,516 or 21.12% an increase of \$1,056,781; industrial property represents \$4,031,041 or 2.53% an increase of \$117,555; and personal property represents \$8,324,000 or 5.21% an increase of \$561,400.

Proposal "A" enacted by a vote of the people in 1994 and effective beginning in 1995 continues to erode municipal revenues. As Council is aware, Proposal "A" established the concept of *taxable value* as the means for determining tax assessments and capped annual assessment increases at 5% or the rate of inflation, whichever is less. While the State Equalized Value (SEV) of the City is \$177,120,300 for FY 2015-16 (Source: March 2015 Board of Review), the value of property which can be taxed will be \$159,675,968. The FY2015-16 loss of tax revenue from Proposal "A", based on a 16.6526 mill tax levy, will be \$290,493.

Meanwhile, State revenue sharing from sales tax will decrease considerably from the FY 2001-02 Budget of \$684,707 to \$527,621 in FY 2015-16, a decrease from FY2001-02 of \$157,086 which is a would be the equivalent

of close to 1.25 general operating mills. State Shared Revenues have increased slightly this year. The City's Constitutional revenue sharing increased due to the 2010 Census figures. This reduction in State revenue sharing contributes to the budget shortfall in FY 2015-16. Sales Tax revenue sharing fluctuates, sometimes dramatically, with changes in the economy, making it a very unstable revenue source. It must also be remembered that during the previous few years, the State legislature has eliminated the income tax, single business tax, and inventory tax revenue sharing payments to municipalities. It should be noted that the Michigan legislature continues to look at revenue sharing and has made changes to personal property tax that impact General Fund operating revenues.

Although property tax revenues have slightly increased from the previous year, the General Fund Budget still has a shortfall. Administration worked with Miller Canfield to obtain a legal opinion and tax base sharing agreement with the TIFA that will allow the City to limit the TIFA capture in FY2012-13 by \$184,669; in FY2013-14 by \$150,000; in FY2014-15 by \$149,209. Administration is recommending extending this agreement one additional year to limit the TIFA capture by \$153,866 in FY2015-16. The current General Fund Revenue line items include the limits on the TIFA capture. Without limiting the capture from TIFA the overall shortfall between revenues and expenditures in the City Manager's recommended budget is \$201,474. With the proposed limit of \$153,866 on the TIFA capture, the City Treasurer and City Manager are continuing to look for an additional \$47,608. There are several personnel and benefit issues that will need to be addressed during Fiscal Year 2015/16. The current Union contracts have wage and insurance re-openers for FY2015-16. The City's Budget

may be affected by state legislation on health care and transportation issues, and how well the city is able to negotiate the collective bargaining agreements.

The current proposed budget calls for a June 30, 2016, ending fund balance of \$969,842.

### **GENERAL FUND EXPENSES**

**CITY COUNCIL.** The FY 2015-16 Budget provides for compensation for the Mayor at \$60.00 per regular meeting attended and for councilors at \$50.00 per regular meeting attended. The budget provides for continued membership in the Michigan Municipal League, Southeast Michigan Council of Governments, Traffic Safety Association of Macomb County, and Richmond Area Chamber of Commerce. The Budget also provides funds for Council members to attend training sessions and committee meetings put on by these organizations. The printing and publishing provided for in this department puts out the City Calendar.

**CABLE TELEVISION SERVICES.** The budget includes an appropriation to provide for Cable TV production through a part-time coordinator. The City withdrew from NEMC in July 2004 to begin broadcasting its programming through Channel 12 and through its YouTube Channel. In previous years, the Coordinator's hours were reduced from 38 hours per week to 34 hours per week. Due to changes in Comcast policies the cable budget also includes \$1,500 to reimburse the Cable Commission for a portion of their cable bills. Cable Franchise fees over the years have been rolled into the General Fund - Fund Balance that would enable Comcast to create a studio connection. This year's Cable budget includes the purchase of a new camera and a HD video switcher.

**CITY MANAGER.** The City Manager's budget is the same as the previous year. The budget includes an appropriation for the City Manager's membership in the Michigan Local Government Management Association.

**ELECTIONS.** The budget for elections provides the resources necessary to conduct an November 2015 City Election, the March 2016 Presidential Primary and absent voter application mailing costs for the August 2016 Primary Election.

**ASSESSING.** The budget provides for the salary and wages for the Assessor. Due to budget restrictions the Building Clerk and City Planner assist in measuring houses. The budget also includes an appropriation for annual software support for the Equalizer assessing administration software and the ArcView software and a new computer. The cost of moving the assessing and tax programs to BSA.net is being covered within the TIFA Fund as part of the City Hall/Police Post budget.

**LEGAL SERVICES.** The cost for legal services has declined dramatically over the several years since we began tracking these expenses in one department from more than \$90,000 in FY 2000-01 to a proposed appropriation of \$21,800.

**CITY CLERK.** The budget provides for an appropriation for the City Clerk's and Secretary/Receptionist's salary and benefits. The Clerk's wages and benefits are split between the General, Water, Sewer and TIFA Funds. The Secretary/Receptionist's salary and benefits are split between General, Water, Sewer and Cemetery Funds. Appropriations are also provided for contractual services for printing of ordinance supplements to the City Code; printing and publishing for legal notices; memberships in the Macomb County Clerks Association, International In-

stitute of Municipal Clerks, and the Michigan Association of Municipal Clerks.

**BOARD OF REVIEW.** This year Administration has reduced the reimbursement line item to \$3,400 to account for the smaller number of property owners petitioning the Michigan Tax Tribunal. In the previous two budgets this number was increased to \$15,000 to account for the number petitions that the City had pending with the Tribunal. Presently, there are no pending Tribunal cases.

**CITY TREASURER.** The General Fund Budget provides for a portion of the salary and benefits of the Treasurer position, with the remaining percentages allocated to the Major Streets, Local Streets, Water, Sewer and TIFA Funds. The Treasurer's budget includes service contracts for the FundBalance, BS&A software and audit services.

**CITY HALL BUILDINGS AND GROUNDS.** The budget includes appropriations for wages and benefits for DPW maintenance services at City Hall; building equipment maintenance to continue the annual inspection and servicing of the heating/cooling system; contractual services for computer maintenance, engineering, janitorial, high speed internet and website domain and hosting services; office equipment maintenance for the postage scale and scale software, mailing machine, computers, and copier; equipment rental for the postage meter and post office box. Funds have been budgeted in Sewer, Water and TIFA to cover a percentage of the routine costs of City Hall associated with these funds.

With the consolidation of City Hall with the Police Post, the City Hall and Police Post Buildings and Grounds Departments will need to be consolidated. The current fiscal year shows them separate, and we will use this year as a transitional year to bring these

budgets under one department. Administration kept them separate as the timeline for selling the current City Hall is unknown.

**POLICE - BUILDINGS AND GROUNDS.**

The budget includes appropriations for the wages and benefits for part-time janitorial services, and for building maintenance contracts such as lawn maintenance, snow removal, and mechanical systems and fire suppression system annual inspections. The Police Chief and Public Service Director continue to work together to maintain the Police Post. Again with the consolidation of the buildings, this budget will eventually be rolled into one department with the City Hall Buildings and Grounds.

**POLICE.** The wage and benefits accounts include appropriations to continue the following programs: (1) traffic patrol coverage; (2) community policing; (3) code enforcement activities; and (4) special event police coverage. Last year the City approved the purchase of 3 police SUVs. Funds are allocated for camera upgrades for the vehicles. City Council authorized an additional 10 hour per week traffic enforcement shift due to public feedback on traffic issues.

**TRAFFIC AND SAFETY.** The budget includes appropriations for wages and benefits to provide crossing guards at key street intersections for school children.

**COMMUNICATIONS.** The budget includes funds for the two full time and several part time communications officers. The Fire Fund reimburses the General Fund for 10% of the costs of communications services to cover the cost of dispatching the Fire Department.

**CODE ENFORCEMENT.** Due to limited funds, the city will continue to handle code enforcement functions primarily through the Police Department rather than establishing a

separate code enforcement officer position. However, the City Manager's office is working to coordinate a team approach to code enforcement. The City handles most code complaints through civil infractions instead of misdemeanors. Council directed administration to focus on key areas of code enforcement this year including blight, nuisances and inoperable/unlicensed vehicles.

**BUILDING DEPARTMENT.** The city employs a full-time Building Clerk and a part-time Building Official and contracts with others for electrical, mechanical, and plumbing inspection services. The cost of moving the building computer program to BSA.net is being covered within the TIFA Fund as part of the City Hall/Police Post budget.

**PLANNING.** The budget reflects the salary and benefit costs for the full-time Planning and Zoning Administrator position. Fifteen percent of the Planner's salary and benefit costs will be provided through TIFA. The budget also provides for the continuation of in-house training programs for the Planning Commission.

**BOARD OF ZONING APPEALS.** The budget does not provide for any expenditures. The BZA did meet last year and may more frequently in coming years due to development increasing. Any training will be covered out of other budgets.

**EMERGENCY PREPAREDNESS.** The City Manager currently serves as Emergency Management Coordinator with the City Planner and Police Chief as back up. Macomb County Emergency Management has updated the City's Plan. Due to our population size, the City falls underneath the County Plan. Funds have been budgeted to provide for maintenance on the four sirens.

**PUBLIC SERVICE DIRECTOR.** The budget provides for 42.5% of the Public Service Director's salary and benefits, with the remaining percentages allocated to the Major Streets, Local Streets, Water, and Sewer Funds. The budget also includes resources for 10% of the cost of a part-time secretarial position for the department, with the remaining costs to be charged to the Water Fund and Sewer Fund.

**PUBLIC WORKS.** The budget provides for portions of the wages and benefits of public works personnel which are attributable to General Fund functions which cannot be properly allocated to other funds. The percentages allocated to General Fund and the other funds are based upon historical data trends for each position. The budget also includes appropriations for continuation of the tree maintenance programs; city clock maintenance; and equipment maintenance. Funds are allocated to maintain existing trees within the right of way. The budget includes funds to replace the trench drain grates in the main building.

**STREET LIGHTING.** The budget includes appropriations for the continuation of the general street lighting program. The TIFA Fund is being asked to cover the lighting costs of the ornamental street lights that have been installed from Howard Street north to Park Street. The ornamental lights were installed by TIFA to provide an aesthetic improvement in our downtown districts. These lights are closer together and at a higher rate than the average street lights normally installed by the City.

**CAPITAL IMPROVEMENTS.** The FY 2015-16 budget does not have any projects being funded out of the General Fund.

**REFUSE COLLECTION AND DISPOSAL.** In 2011, the city awarded a new five year contract extension to Waste

Management, Inc. The current contract expires June 30, 2017. The FY 2015-16 expected charge for waste collection, yard waste collection, and curbside recycling services will be \$15.35 per household per month. Property owners pay the fee with their summer taxes together with a \$5.00 annual administration fee. The City Manager is recommending to discontinue the sale of garbage bags through City Hall.

**EMERGENCY MEDICAL SERVICES.** EMS services are provided through a contract with Richmond-Lenox EMS (RLEMS). The City of Richmond pays a stipend to help offset the costs of service to residents. RLEMS submitted a decrease in the City's contribution to EMS services from \$24,000 in 2014-15 to \$18,000 in 2015-16. This decrease is to account for Richmond dispatching EMS within the City limits.

**COMMUNITY TRANSIT.** Community Transit services for senior citizens and the handicapped are provided through Suburban Mobility Authority for Regional Transportation (SMART) bus credit funds provided by the SMART millage to communities within urban counties. The City of Richmond provides these services through contract with RLEMS.

**ECONOMIC DEVELOPMENT.** The budget does not provide for allocations for the EDC. The City is currently working with Macomb County Planning and Economic Development Department to update the TIFA Plan. Marketing and economic development activities will be funded out of the TIFA.

**LOIS WAGNER MEMORIAL LIBRARY.** Currently, the budget provides allocations for salaries, wages, and benefits for a full-time Library Director, Children's Programmer, and Library Technician; and part-time Library Clerk, Systems Manager and substi-

tute library workers. Beginning in July 2015, the City will separate the Library and Recreation Directors positions. The budget also provides funding for the continued membership in the Suburban Library Cooperative of Macomb, including utilization of the cooperative's SIRSI/i-Bistro cataloging system.

The budget continues the restructured hours of the Library from 51 hours per week to 44 hours per week. Evening (other than Thursday) and Saturday hours are being maintained. The new hours allowed for reduced personnel costs.

The budget allocates \$4,145 for library book purchases, and \$193 for other types of media. At one time the total book budget was close to \$28,000. The Library is requesting that TIFA undertake a light replacement project within the Library for \$6,800.

**CONTINGENCY.** The budget provides an allocation for General Fund contingencies in the amount of \$5,000 in accordance with the provisions of the City Charter.

**DEBT SERVICE.** The largest General Fund debt obligation is the payment to Lenox Township for the Muttonville Urban Cooperation Act Agreement, which will increase to \$114,657. The City pays 3.6 mils annually in September to Lenox Township under the agreement based upon the current taxable value of the properties in the Muttonville district. The agreement expires in 2018. This department also shows the repayment to TIFA for the second Police SUV of \$42,063. The final SUV payment will be budgeted next year.

**TRANSFERS OUT.** The **Fire Department** is funded through contracts with the townships of Casco, Columbus, and Richmond as well as a City contribution. The budget reflects the City's share of the contribution

toward operating and equipment replacement costs. Under the contracts, the operating expenses of the Fire Department cannot increase by more than 10% annually.

The **Recreation and Cemetery Funds** also receive transfers from the City's General Fund to allow for operations.

The **DPW Equipment Replacement Fund** is receiving an additional \$29,310 this year to allow for the purchase of a loader.

The **Street Improvement Fund** provides a set-aside that combined with the TIFA contribution is equal to 2 mils of the general operating tax levy to provide a perpetual street improvement program. Currently, a 20-year capital plan for street improvements is in place which requires \$355,000 annually to complete. Due to a recent downturn in the economy, the City has not reached \$355,000. TIFA and the General Fund will transfer a combined \$280,000 this year.

## OTHER FUNDS

**MAJOR STREETS.** The FY 2015-2016 Major Street budget does not have any reconstruction projects.

**LOCAL STREETS.** The FY 2015-2016 Local Street budget includes \$1,115,740 for the reconstruction of Pound Road. This project also includes water main improvements funded through the Water Fund.

**FIRE.** The Fire Department is operated utilizing volunteer firefighters and a volunteer chief who are paid \$14.00 per run. The budget also includes appropriations for medical screening of all Fire Department personnel, boots, replacement of damaged turn-out gear; extrication suits, SCBA fit test screenings as required by MIOSHA; additional funds to provide for maintenance of

the aerial truck; fire officer training, ladder maintenance, and other training. The budget includes a transfer out to General Fund to reimburse the City for 10% of dispatching costs.

**CEMETERY.** The Cemetery Budget maintains the seasonal part-time help for cemetery maintenance.

**MAUSOLEUM.** There are no substantial changes to the Mausoleum budget. The Cemetery Perpetual Care Fund was eliminated by ordinance in 2004, and a portion of the assets were transferred to the Mausoleum Fund.

**TAX INCREMENT FINANCE AUTHORITY.** This year the TIFA is being asked to provide for a portion of the operational costs of City Hall. The City and TIFA have worked together on a tax base sharing agreement to limit the amount of capture for the budget years FY2012-13 (\$184,669); FY2013-14 (\$150,000); FY2014-15 (\$149,209) from the City's General Fund. In addition, Administration is proposing a tax base sharing agreement that would limit the capture by \$153,866 for FY2015-16.

Once again funds are allocated for street-scape improvements, property acquisition, façade programs and park improvements. The TIFA Fund has an allocation to provide for Police and Dispatch costs for special events that occur within the TIFA District designed to bring people into the District. As part of the City Hall/Police Post Consolidation Project, the TIFA budget includes \$20,000 to replace the Police department's server and workstations. TIFA will have a proposed fund balance of \$267,482 at the end of FY2015-16.

**COMMUNITY DEVELOPMENT BLOCK GRANT.** Macomb County has changed the

administration of the County's CDBG funds to rotate the community allocations on a three year rotation. The City will receive its first three year allocation in FY2015-16. Council approved using a majority of the funds to improve the handicapped ramps in the north business district. Fifteen percent of the City's allocation will help pay a portion of the Senior Services Coordinator's wages.

**WWTP EQUIPMENT REPLACEMENT.** The budget includes an appropriation of \$2,100 to replace a spectrophotometer and \$25,000 to convert the WWTP from chlorine gas to chlorine liquid.

**DPW VEHICLE & EQUIPMENT REPLACEMENT.** This year's budget includes the \$15,440 loan payment to TIFA for the purchase of the new street sweeper and \$130,000 for the purchase of a new loader.

**SANITARY SEWER CONTRIBUTING CAPITAL.** There is no transfer this year.

**WATER CONTRIBUTING CAPITAL.** This Fund includes a transfer of \$505,818 to the Water Fund for the Pound Road water main project.

**RECREATION.** The budget includes appropriations for Recreation Department salaries and wages including a part-time Recreation Director. The budget also includes appropriations for the community center, park property and equipment maintenance, Camp Richmond, and swimming pool operations, staffing, and maintenance. In recent years, the pool hours have been restructured to reduce personnel costs.

The Recreation Board has been looking into the possibility of restructuring how Recreation programming is provided to Richmond

residents. This budget includes a reduction in Recreation programming proposed by the Recreation Board in order to allow for the department to be run by a part-time Recreation Director. Other organizations such as the PTA and RGOD have taken over some of the programming.

**SANITARY SEWER.** The sanitary sewer budget does not include a rate increase this year. The sewer budget also includes \$238,410 for principal and interest payments on the State Revolving Loan Fund bond debt. The budget includes appropriations for normal operations and \$4,500 to purchase a truck mounted pump hoist. Both the Sewer and Water Funds include \$2,400 for the purchase of a new DPW generator.

**WATER.** The water budget includes a 2% rate increase this year. The budget also includes an appropriation for normal opera-

tions, and \$505,818 for water main improvements as part of the Pound Road project. This will increase the size of the main on Pound Road from 4" to 12".

## SUMMARY

The FY 2015-16 Budget is formulated conservatively with the top priority being establishing sound fiscal planning for operations and capital needs in a time of significant financial constraints. In light of the current economic climate, the city must continue to be conservative in planning its revenues and expenditures.

Sincerely,

Jon Moore, City Manager  
June 1, 2015