BUDGET

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Property taxes account for 57 percent of city revenues. While the general operating millage will increase by .1900 mills, the overall millage rate will hold steady at 15.1252 because of a reduction in the taxes levied to pay off existing debt.

So unless a homeowner's property value increases or the home is sold, the city's share of taxes should stay level for the coming year.

The property tax levy will generate a little more than $4 million; debt service, $830,305. Additionally, voters approved taxes to maintain roads and sidewalks that will generate $562,595 and $35,945, respectively.

Councilman Arnie Campbell pointed out Proposal A, which limits the increase on individual property taxes until a home is sold, has cost the city about $785,325.

The city is built out and there's slow housing turnover. As a result, the growth in overall property value, largely due to market appreciation and sales, has increased from 2.5 percent to 4.5 percent annually.

"When you have a community where people want to stay, it's a penalty for having a community like that," Campbell said.

If the budget passes as drafted, officials will end up using $100,000 of the city's approximately $2.4 million fund balance.

"You'll be in good shape with the fund balance," Pastue said, adding, "I don't like the spiraling trend that can take shape with deficit spending."

City Clerk Patsy Cantrell pointed out the larger-than-usual fund balance was a council decision, anticipating future financial hardships.

Over time, however, even that might not be enough to stem the tide. Pastue projected with current trends, the city's budget deficit will grow to $400,000 *by the 2005-2006 fiscal year.*

That assumes 3 percent growth in taxable value and in salaries, 8 percent increase in hospitalization and no increase in state revenue-sharing or interest earnings. Options include fee increases, reductions in employee benefits, staffing, programs and services or, as a last resort, increasing property taxes, Pastue said.

"We should probably start to look at where we're heading," he said. "It's important to communicate to the public."

"And the employees as well," added Councilwoman JoAnn McShane.

Pastue offered to present the council with a variety of scenarios that could cover the proposed deficit so officials could review and prioritize them.

Water and sewer rates are expected to climb in the 2003-2004 fiscal year, Pastue said, due to a pass-through increase in rates charged by Detroit Water and Sewerage Department. The DWSD's wholesale water rate goes from $9.25 per 1000 cubic feet to $10.46; the sewer rate, from $7.87 per 1000 cubic feet to $8.28, increases of 13.08 percent and 5.21 percent, respectively.

Oakland County's charge for Farmington's portion of the Evergreen sewer system will drop slightly, from $11.75 per 1000 cubic feet to $11.07. Customers will also be assessed $6.23 per quarter, a flat fee charged to cover costs of a long-term combined sewer overflow project, charged by DWSD.

The overall proposed rate increase to consumers will amount to about 8 percent. The combined water and sewer charge per 1000 gallons will go from $5.70 to $6.19.

Pastue said the city's proactive approach in the recent sewer lining project, designed to rehabilitate aging utility lines, might not result in a direct savings, but would prevent sewer infiltration and inflow, which reduces overall costs.

"That's a proactive approach," he said. "Sometimes that's taken for granted."

"It's a lot easier to pay a dollar today than four dollars to fix it," Campbell quipped.

Next year, public works director Kevin Gushman plans a water reliability study, to look at the overall system needs, Pastue said.

Officials also discussed a variety of ways to boost revenues at the Farmington Civic Theater, which is publicly-owned and draws about 80,000 patrons annually. Despite its popularity, officials will still have to transfer $35,000 from the city's Capital Improvement Fund to meet a debt-reduction program overseen by the state of Michigan.

More than half of the theater's revenues come from concessions. While a slight increase in ticket price, from $2.75 to $3 is proposed, Campbell wanted to see that be a last resort. He suggested selling advertisements that would run on the movie screen before showings, raising concession prices or offering new items that might entice more concession customers.

Mayor Jim Mitchell asked about cross promotions with other businesses. Councilwoman McShane suggested partnerships to provide coffee and/or cookies and pastries made by downtown merchants.

Campbell asked that Pastue spearhead a look into other revenue-raising strategies between now and when the budget is officially approved in June.

FAMILY

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are retaliating with escalating acts of violence.

While the family's home water-sprinkler system was damaged and trees have been littered with toilet paper in the past, recent incidents have become much more serious, she said. A window to the home was shot out and the front doors were ripped off the frame when someone placed an explosive between the steel and screen doors, she said.

Gaines-Hanna, who is African American, said she's had enough of the harassment and hopes by going public, Farmington Schools and Farmington Hills Police will take the family's plight more seriously and apprehend the teens responsible for terrorizing her family.

She said it seems every time she tries to get the police or the schools to apprehend the students causing the trouble, the students retaliate.

"I want these boys investigated," she said.

Wondering about tactics they'll use next has Gaines-Hanna worried.

"I don't know what their next intentions are," she said.

But, she added, "We're not running."

Police Chief William Dwyer said Gaines-Hanna's recent reports are being taken seriously and extra patrols have been assigned to her home.

The recent incident is still being investigated, he said.

Gaines-Hanna explained that since elementary school, Najib has been harassed by a group of boys to the point he had to change middle schools. Even now as a freshman at North Farmington High School, the problems haven't left.

His mother believes the harassment is racially motivated even though there are other minority students at the school.

"We're not going to be harassed," Gaines-Hanna said.

> 'Each and every incident is investigated. We don't blow them off, they're taken seriously.'
>
> Robert Maxfield
> superintendent

An assault and battery incident in April of last year at Warner Middle School resulted in one boy being prosecuted, but Najib only paid the price with more harassment from the boy's friends, she said.

Farmington Public Schools *Superintendent* Robert Maxfield said he's aware of Najib's issues at school and has the school liaison officer involved in the complaints.

The school's assistant principal, Rick Jones, who is also African American, has worked with Najib.

"Each and every incident is investigated," Maxfield said. "We don't blow them off, they're taken seriously."

Maxfield said Najib and his twin sister, Najiba, were on North's Diversity Committee, through which they worked with others at a district conference on diversity.

The student code of conduct each student is given outlines the consequences for racial intimidation.

"It's a serious offense," Maxfield said, adding a student could be suspended for that kind of behavior.

Accepting different races is a "constant process," he said.

Meanwhile, Gaines-Hanna said she's still not satisfied with how the schools and police are handling the incidents.

"They don't want any bad marks or images to the schools out here," she said.

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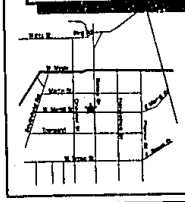

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