



# 2018 Road Millage Proposal

Public Information Sessions  
October 2 & 29, 2018

# Introductions

- Village Staff
  - Christian Wuerth, Village Manager
  - Penny Ray, Finance Director/Treasurer
  - Bob Calley, Director of Public Services
- OHM Advisors (Engineering Consultant)
  - Sally Bos
  - Matt Parks

# Overview

- PASER System & Asset Management (OHM)
- 2012 Road Millage Review (Village)
- Projects To Date (Village)
- Impact of 2012 Road Millage (OHM)
- Funding Challenges & New Revenues (Village)
- 2018 Millage Proposal (Village)
- Projected Impact of 2018 Millage Proposal (OHM)
- Q&A

# PASER System

- Pavement Surface Evaluation & Rating system
- Scale of 1 (worst) to 10 (best condition/new pavement)
- Village Staff & OHM review annually in the spring
- Over \$4.6 million in road projects since 2012 (includes engineering costs)
- 2012: average score was 4.5

# PASER Ratings & Asset Management 101

VILLAGE OF MILFORD

# PASER Ratings & Maintenance Options

10	9	8	7	6
Excellent		Very Good	Good	
None	None	Little or None	Routine Crack Filling	Sealcoat
5	4	3	2	1
Fair		Poor	Very Poor	Failed
Sealcoat or Non-Structural Overlay	Recycling or Overlay	Patching, Major Overlay, or Complete Recycling	Reconstruction with Extensive Base Repair	Total Reconstruction

Rating: 8

- 10
- 9
- 8
- 7
- 6
- 5
- 4
- 3
- 2
- 1



Rating: 7

- 10
- 9
- 8
- 7
- 6
- 5
- 4
- 3
- 2
- 1





Rating: 5

- 10
- 9
- 8
- 7
- 6
- 5
- 4
- 3
- 2
- 1



Rating: 4

- 10
- 9
- 8
- 7
- 6
- 5
- 4
- 3
- 2
- 1



Rating: 3

- 10
- 9
- 8
- 7
- 6
- 5
- 4
- 3
- 2
- 1



Rating: 2

- 10
- 9
- 8
- 7
- 6
- 5
- 4
- 3
- 2
- 1



Rating: 2

10

9

8

7

6

5

4

3

2

1



Rating: 1

10

9

8

7

6

5

4

3

2

1



# 2012 Road Millage

- Approved by voters in November 2012
- First collected in July 2013
- 3.5000 mills from 2013-2022
  - Estimated to raise \$763,000 in year 1
  - Budgeted to generate \$794,000 in FY 2018-19
  - Current rate (due to Headlee Rollbacks) is 3.2519 mills
- 1.000 mills from 2023-2032
  - Based upon approximately current Taxable Values, would generate approximately \$240,000 annually

# 2012 Road Millage (cont.)

- Since 2013, has generated \$3.68 million in funds
- Used funds to obtain federal funding for 2 projects
  - Huron Bridge & roadwork (2015) - \$163,000
  - Commerce Rd. (2016) - \$867,000
  - Total Federal funds: \$1.03 million
- Federal funds also granted for 2019 repaving of South Milford Rd. (approximately \$375,000)
- Total spending (millage + federal funds) since 2013: \$4.67 million
- Other Road Funds
  - Since 2013, \$952,000 in funds from the General Fund used for roads
  - \$25,000+ per year for crack sealing
  - Maintenance/preservation overlays on small sections



# Road Projects to Date

- Annually spending \$25,000-50,000 for preventative maintenance
- 2013 – Canal (Crystal – First), Fairview Hills Subdivision (\$522,561)
- 2014 – Knight, Duke, Friar (\$318,307)
- 2015 – Canal (Main – First) & Huron Bridge (\$713,272)
- Remaining 2013-2015 funds were saved & applied toward Commerce Rd.
- 2016 – Commerce Rd. (\$2,619,973)
- 2018 – Heritage Hills/Winding Way (\$492,343)
- 2019 – South Milford Rd. (Planned, includes Federal Funds)
- Other identified projects: N. Milford Rd., Hickory St. (Commerce – Summit), concrete/asphalt repairs on residential streets, some mill & overlay

# PASER Ratings Summary

VILLAGE OF MILFORD

## SPRING 2018 STANDINGS

Average PASER Rating: **4.2**

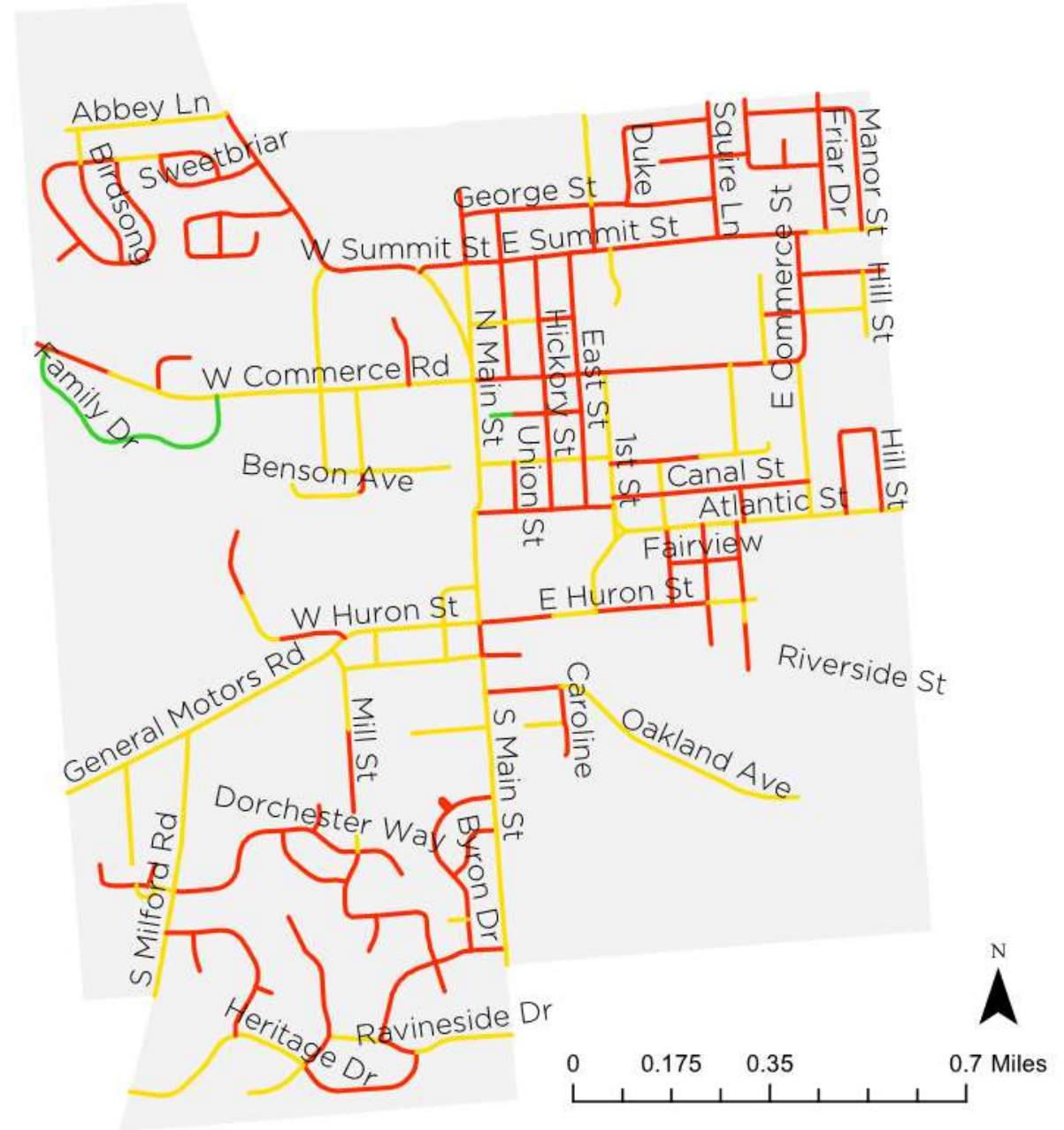
Centerline Mileage	Legal System
7.41	City Major
18.36	City Minor
<b>25.77</b>	<b>Total</b>

	Good	Fair	Poor
Centerline Mileage	3.42	3.67	18.67

# 2012 STANDINGS

## 2012 PASER Ratings

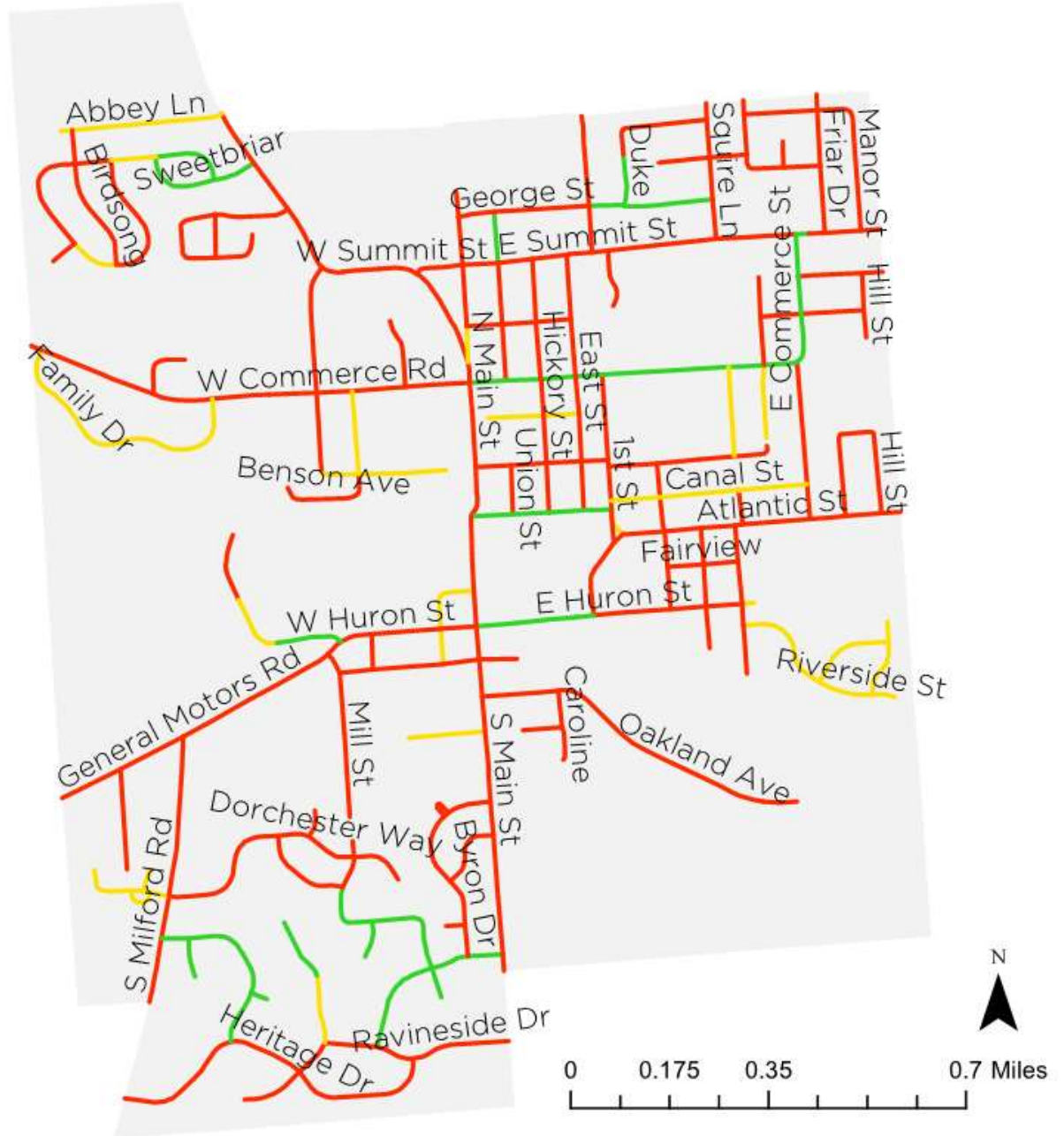
- Poor (1-4)
- Fair (5-7)
- Good (8-10)



# SPRING 2018 STANDINGS

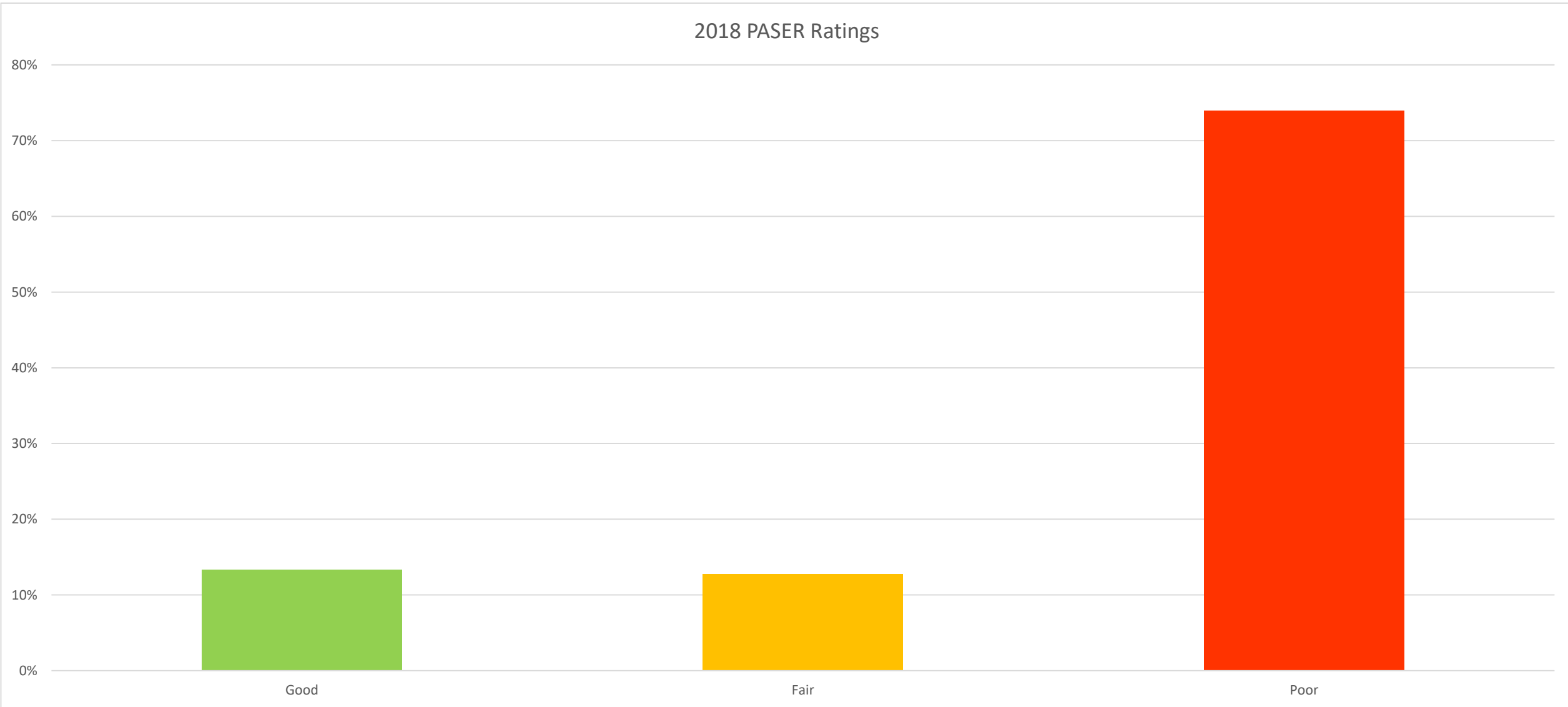
## 2018 PASER Ratings

- Poor (1-4)
- Fair (5-7)
- Good (8-10)



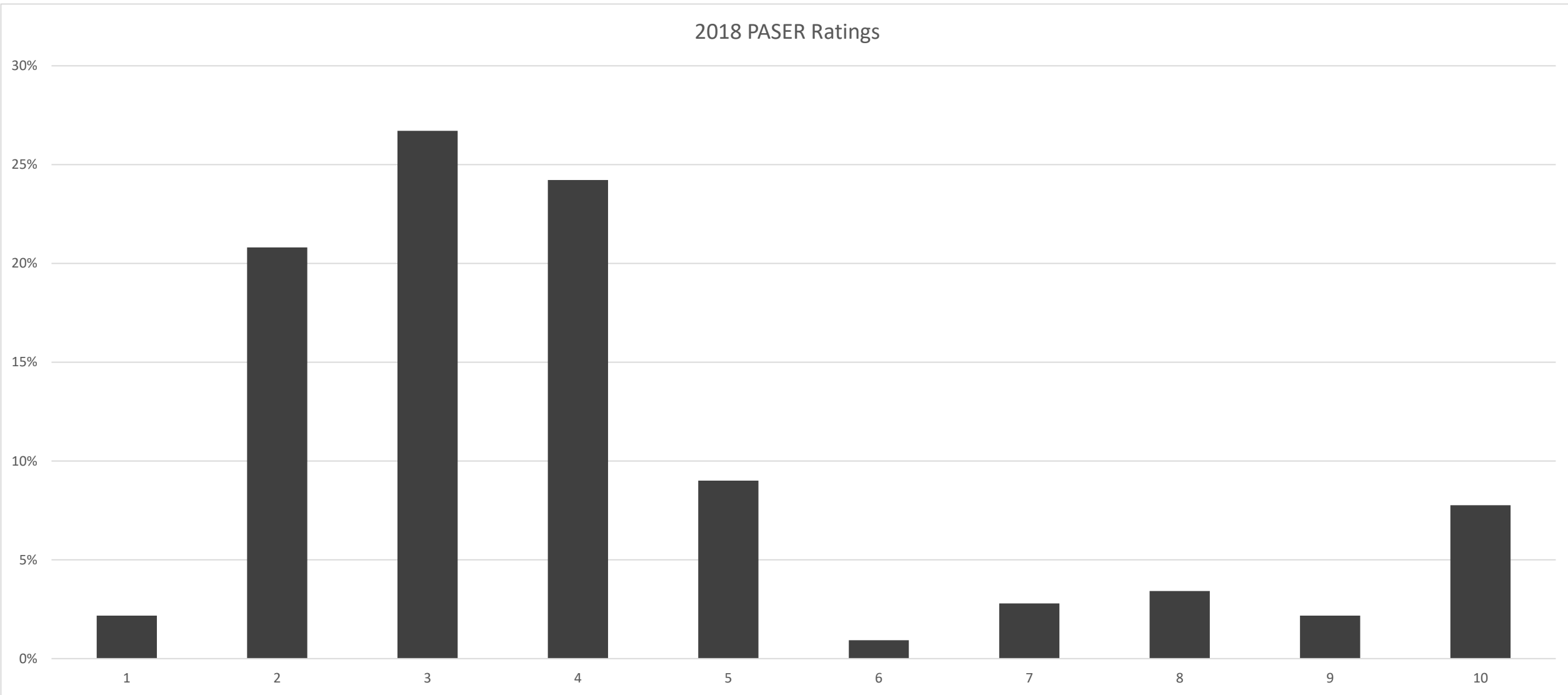
# CURRENT STANDINGS

2018 PASER Ratings



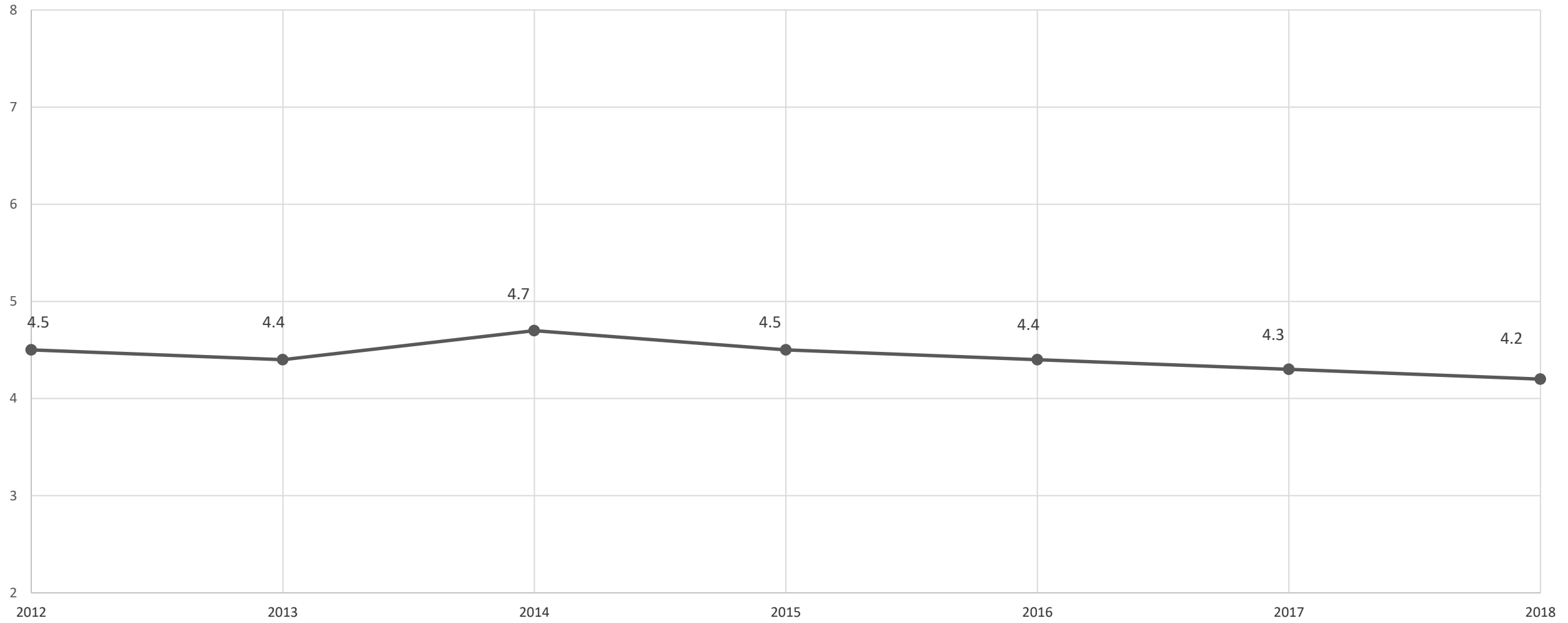
# CURRENT STANDINGS

2018 PASER Ratings



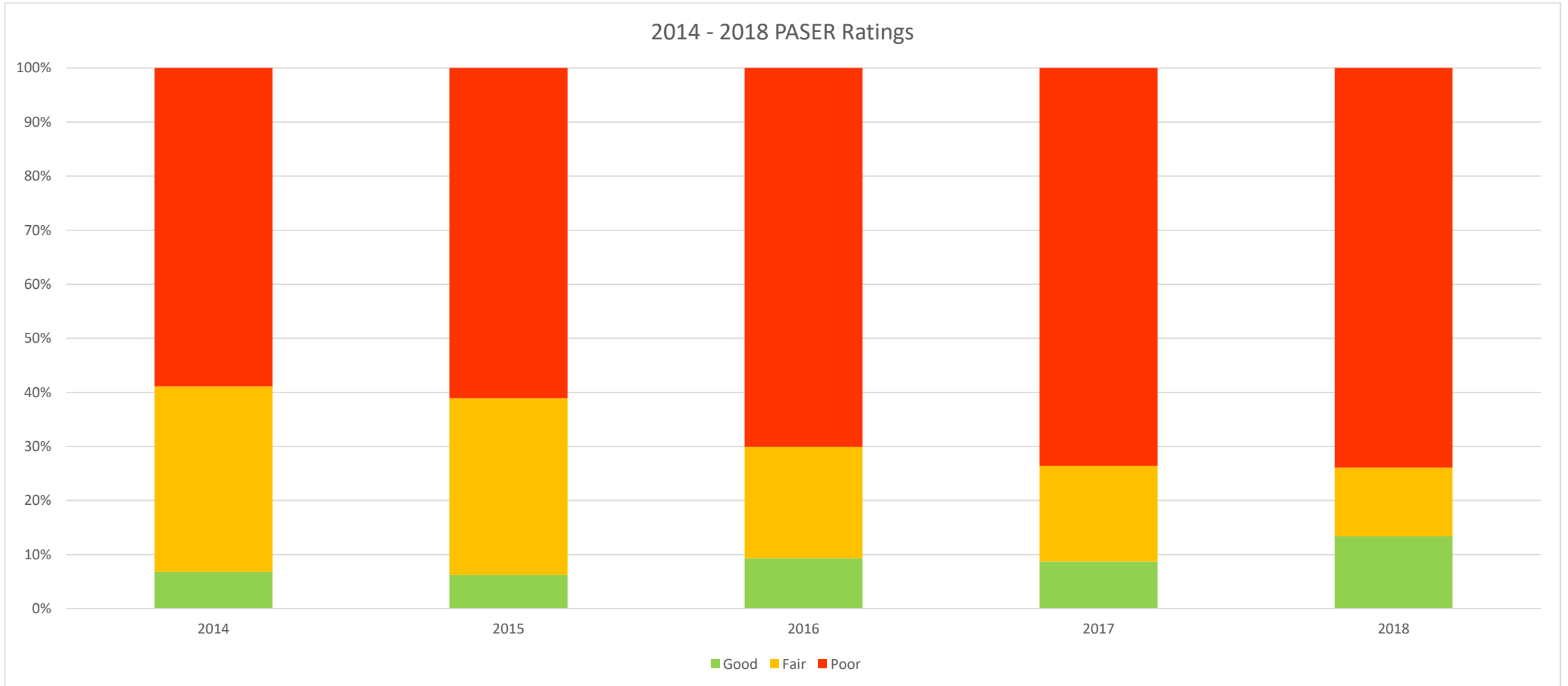
# PASER RATING HISTORY

Average PASER Rating  
2012-2018





# PASER RATING HISTORY



# Funding Challenges

- Still feeling the effects of the recession due to Headlee & Proposal A
  - 2007 Total Taxable Value: \$276.8 million
  - 2018 Total Taxable Value: \$265.8 million
- Major projects and mill & overlay become much more difficult after 2023 due to reduced millage rate
  - Reduction in annual funds available of approx. \$550,000
- 2017 change in Oakland County federal funds distribution
  - Likely means no additional federal dollars coming to the Village
  - May have limited ability to partner with RCOC on some projects (N. Milford Rd.)
- Since 2003, Village's Statutory Revenue Sharing reduced by approximately \$200,000 annually (\$2.1 million between 2003 – 2016)<sup>1</sup>

<sup>1</sup> [www.savemicity.org](http://www.savemicity.org)

# New/Increased Revenues

- State has provided some increased road funding
  - Additional \$143,000 expected in 2018 & 2019
- In 2016, Oakland County Board of Commissioners create a Local Road Improvement Pilot Program
  - 50/50 match with the Village
  - 2016 & 2017: \$8,358 each year
  - 2018: \$13,163
- Developer of The Marquette (former Iverson's Lumber Yard) required to make payment of \$95,000 upon completion of the project to pay for wear & tear on Washington & Oakland – will be used to resurface those streets.

# November 6, 2018 Ballot Proposal

## VILLAGE OF MILFORD

### CHARTER AMENDMENT PROPOSAL NO. 2

Should Section 8.5 of the Village of Milford Charter be amended to replace the current levy of 3.5 mills, as reduced by the required millage roll-backs, set to expire in 2022, and the current levy of 1 mill for the years 2023 through 2032, with a new levy of 2.9 mills (\$2.90 on each \$1,000 of taxable value), for a period of 14 years, 2019 through 2032, and subject to authorized disbursements mandated by law, for the purpose of defraying the cost of major and local road maintenance, estimated to provide revenue of \$708,792 in the year 2019?

# 2018 Ballot Proposal (cont.)

- **Reduce** - millage rate would drop from 3.2519 mills to 2.9000 mills for the first four years (2019-2022)
  - Reduction would lower revenues by approximately \$86,000 over current FY for the first 4 years
- **Extend** – new rate would be extended through the duration of the millage period (2023-2032)
  - Would generate approximately \$4.3 million in additional revenues over final 10 years
  - Estimate to pave Peters Rd. = \$1.5 million
  - Would allow for approximately \$2.8 million in additional road projects throughout the Village during the millage term

# 10 Year Bonds

	<b>\$1.5 Million Bond</b>	<b>\$2.5 Million Bond</b>
Annual Millage Revenues (FY 2018-19 data)	\$708,000	\$708,000
Bond Amount (includes issuance costs)	\$1,535,000	\$2,545,000
Average Annual Debt Service (Estimated)	\$184,600	\$306,000
Amount Remaining for Other Projects (Annual)	\$523,400	\$402,000

# What does this mean for your property taxes?

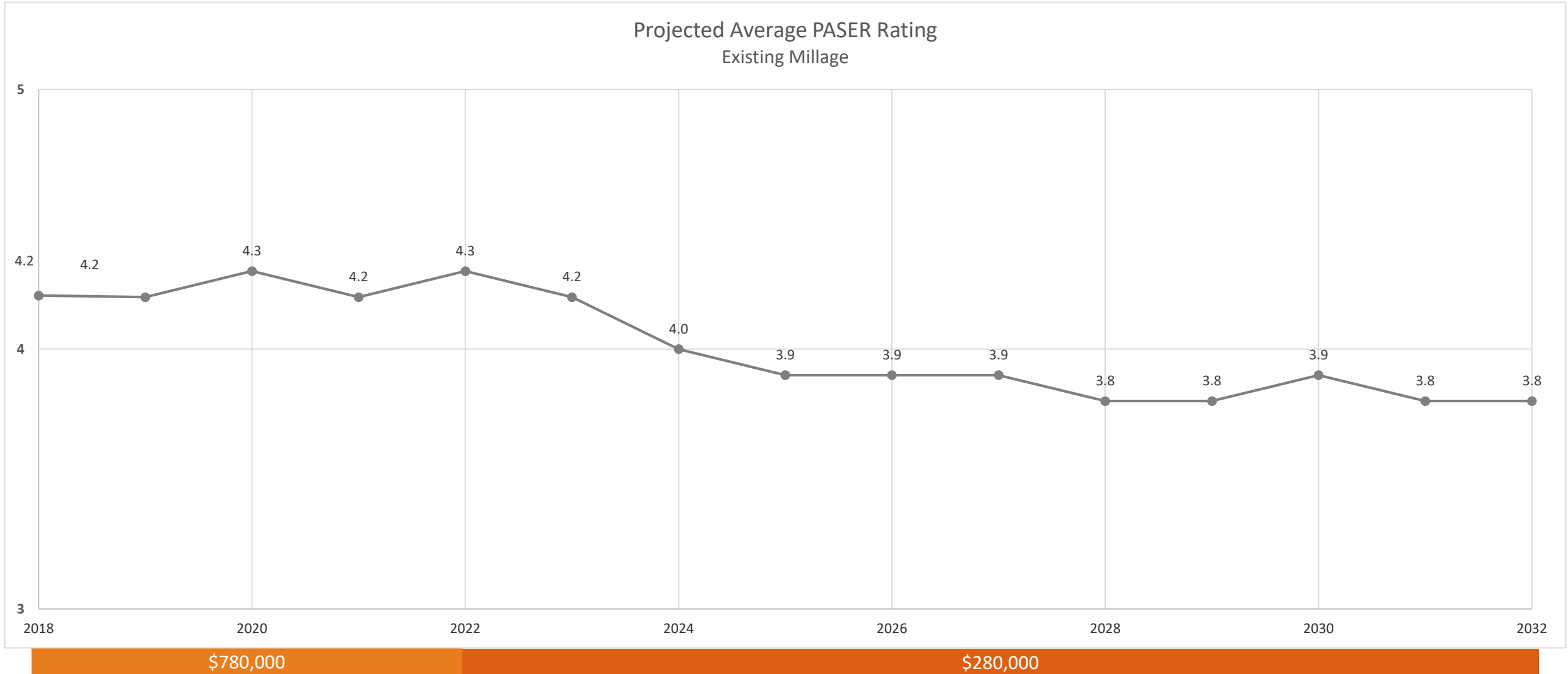
- Average 2018 Market Value = \$180,000 (Taxable Value = \$90,000)
- Multiply \$90,000 x 0.0029 = \$261.00  
*Currently \$90,000 x 0.0032519 = \$292.67*
- Example #2: Market Value of \$250,000 (TV of \$125,000)
  - \$125,000 x 0.0029 = \$362.50 (currently \$406.49)
- Example #3: Market Value of \$150,000 (TV of \$75,000)
  - \$75,000 x 0.0029 = \$217.50 (currently \$243.89)

# PASER Ratings Summary – Part 2

VILLAGE OF MILFORD

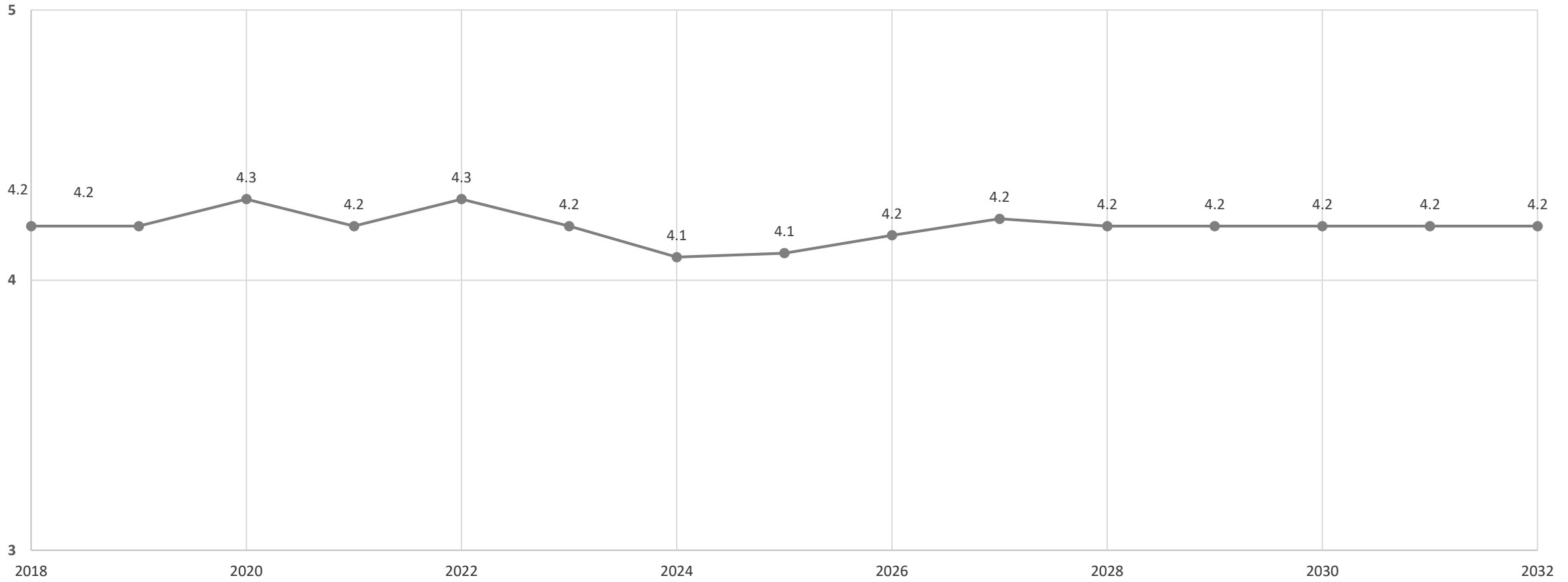


# PASER RATING HISTORY



# PASER RATING HISTORY

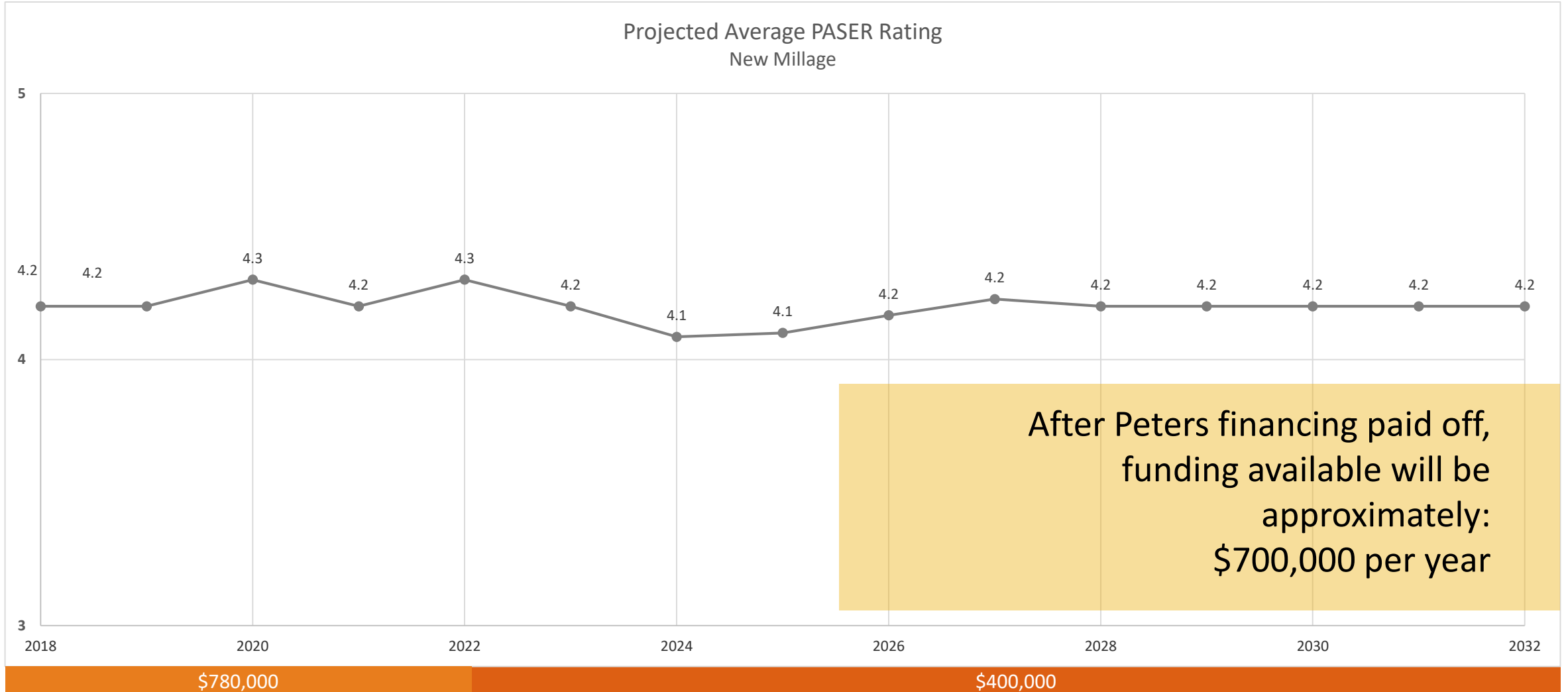
Projected Average PASER Rating  
New Millage



\$780,000

\$400,000

# PASER RATING HISTORY





**Questions?**