



# BERKLEY MICHIGAN

## Proposed Budget 2011-2012



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# Appropriation Highlights For FY 2011/12

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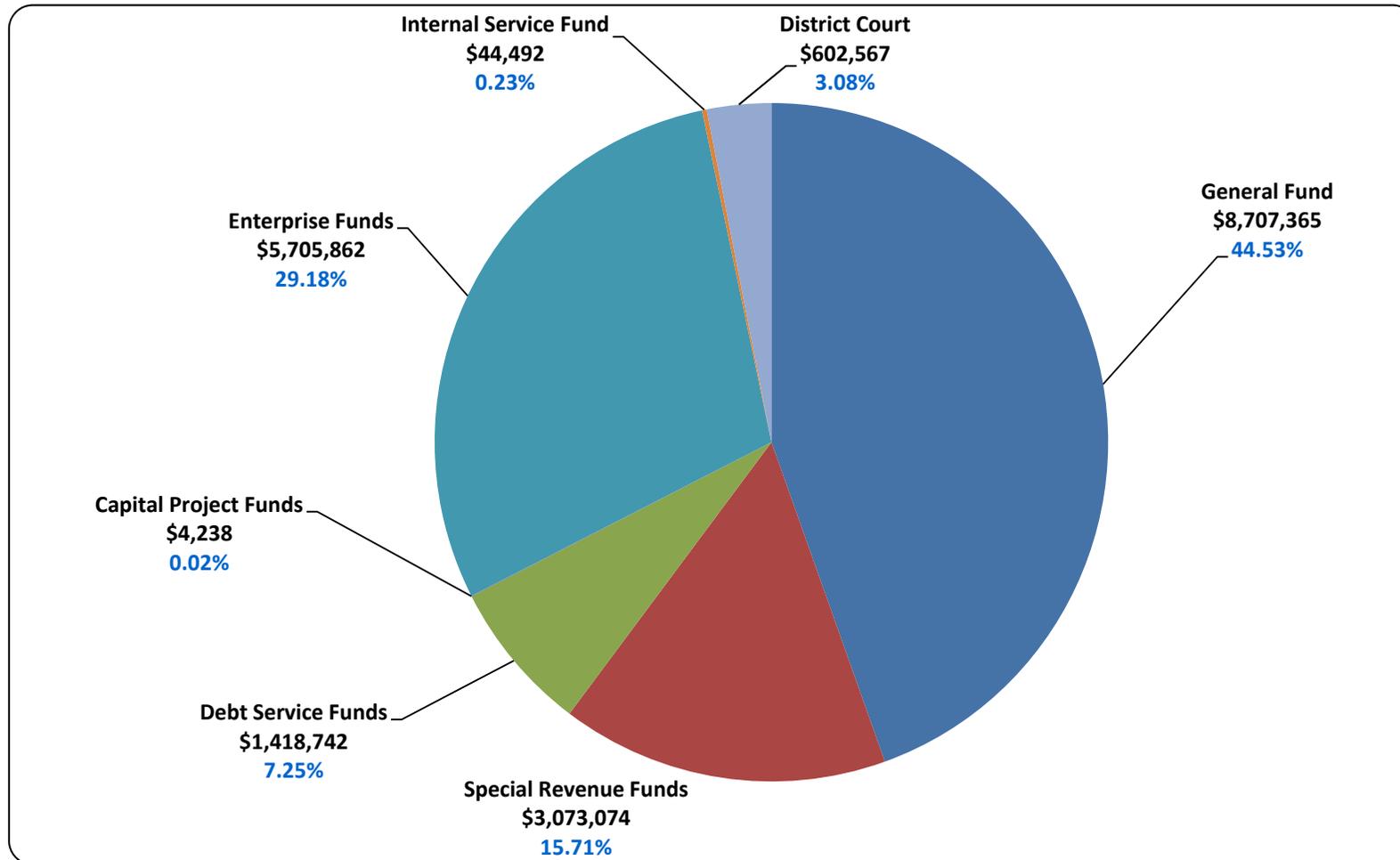


- Replace Outdated Capital Equipment 2011/12 - \$309,812
  - Seven (7) year Capital Equipment Replacement Plan - \$2,754,262
  - New Investment in City Infrastructure 2011/12 - \$806,180
  - Seven (7) year Capital Improvement Plan - \$12,820,692
  
  - Personal Services – All Funds - \$7,333,437
    - 68 Full Time Employees
    - 91 Part Time Employees or 28.2 full time equivalents
    - 3 Contract Positions
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# All Revenues by Fund Type



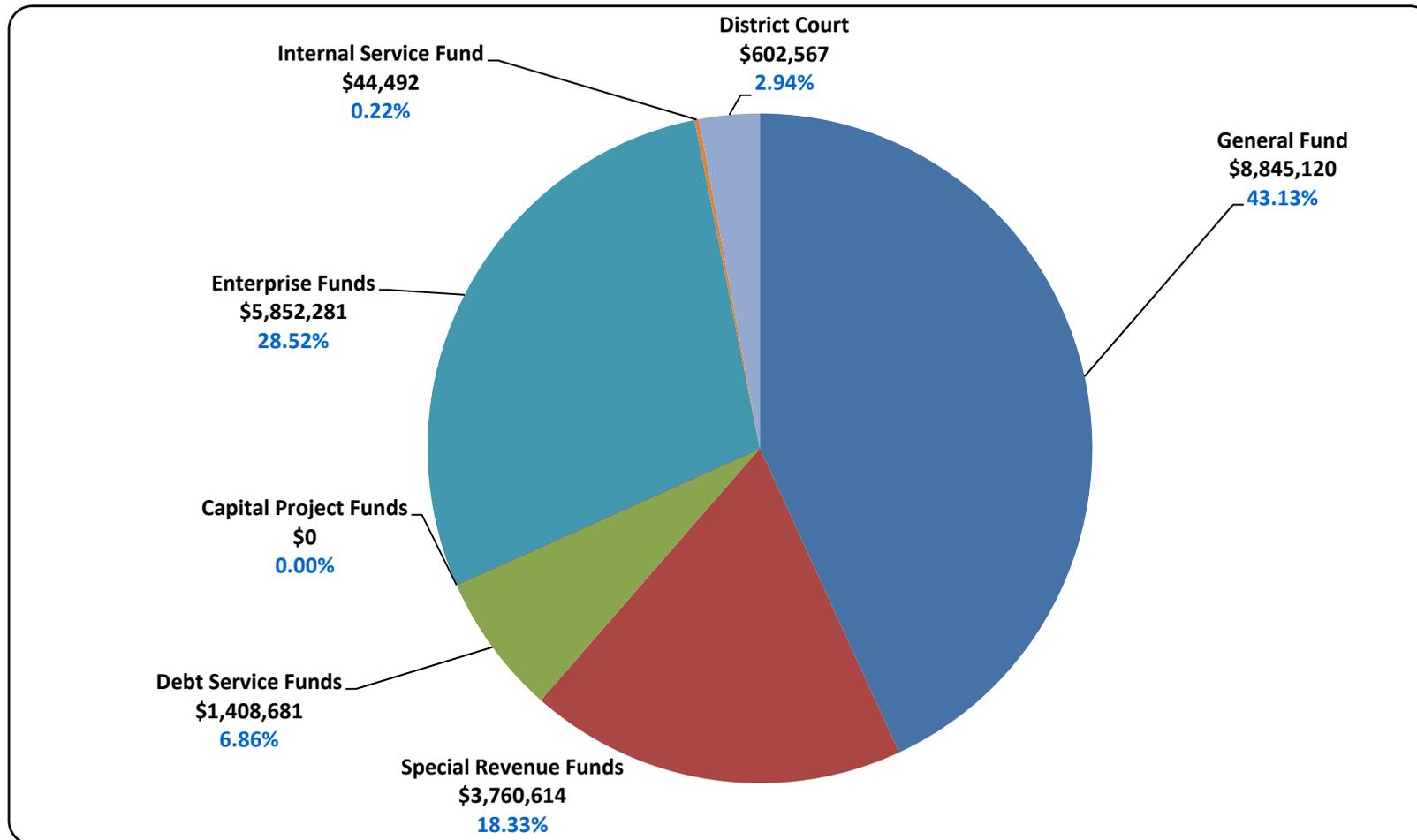
Recommended Budget 2011-2012 - \$19,556,340





# All Expenditures by Fund Type

Recommended Budget 2011-2012 - \$20,513,755

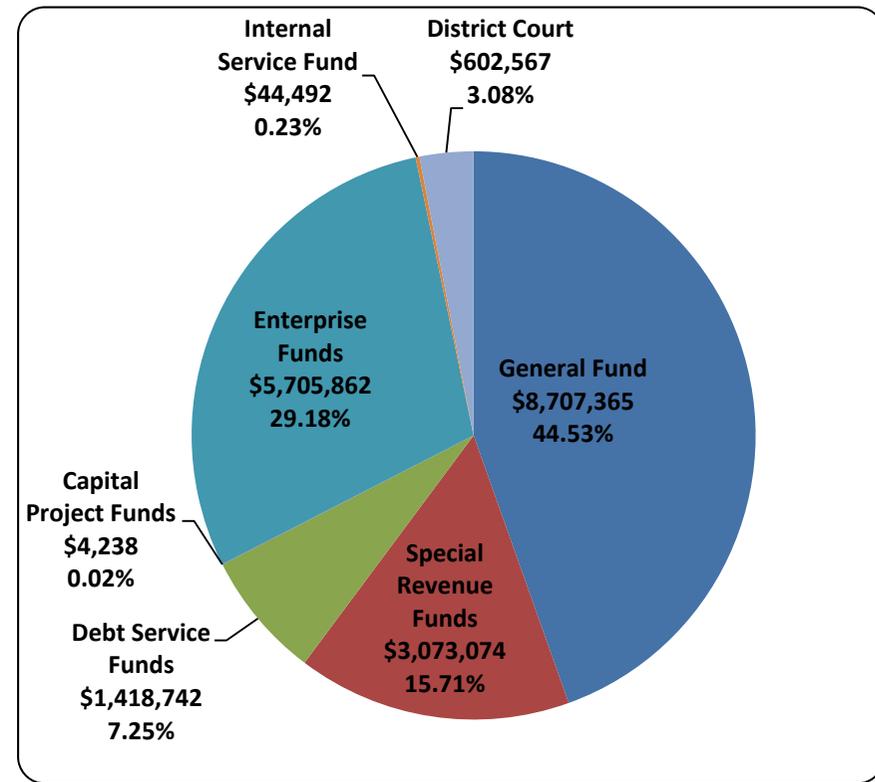
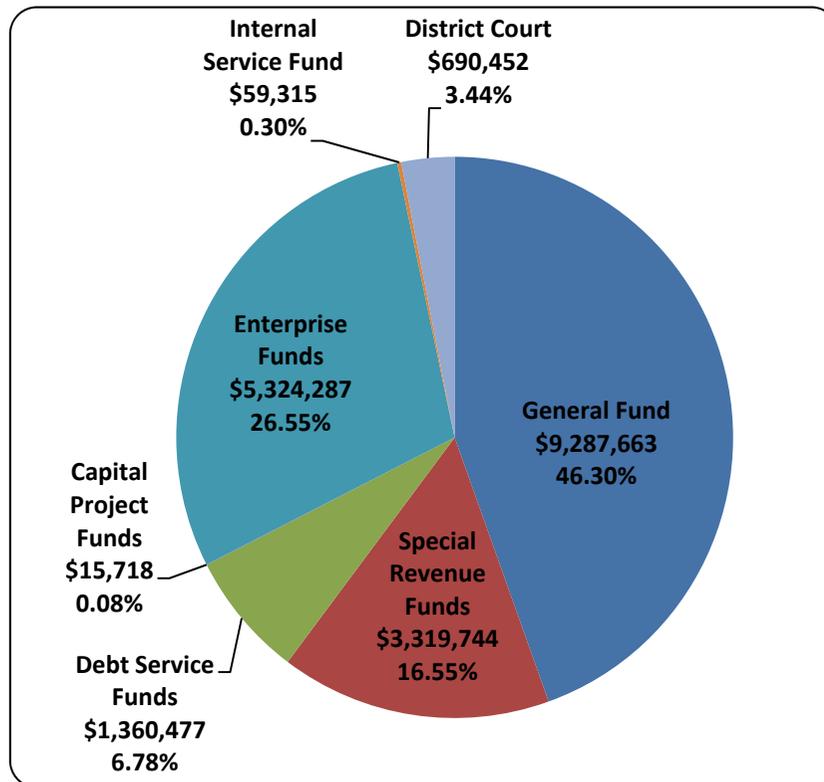


# All Revenues by Fund Type - Comparison



Recommended Budget 2010-2011 - \$20,057,656

Recommended Budget 2011-2012 - \$19,556,340

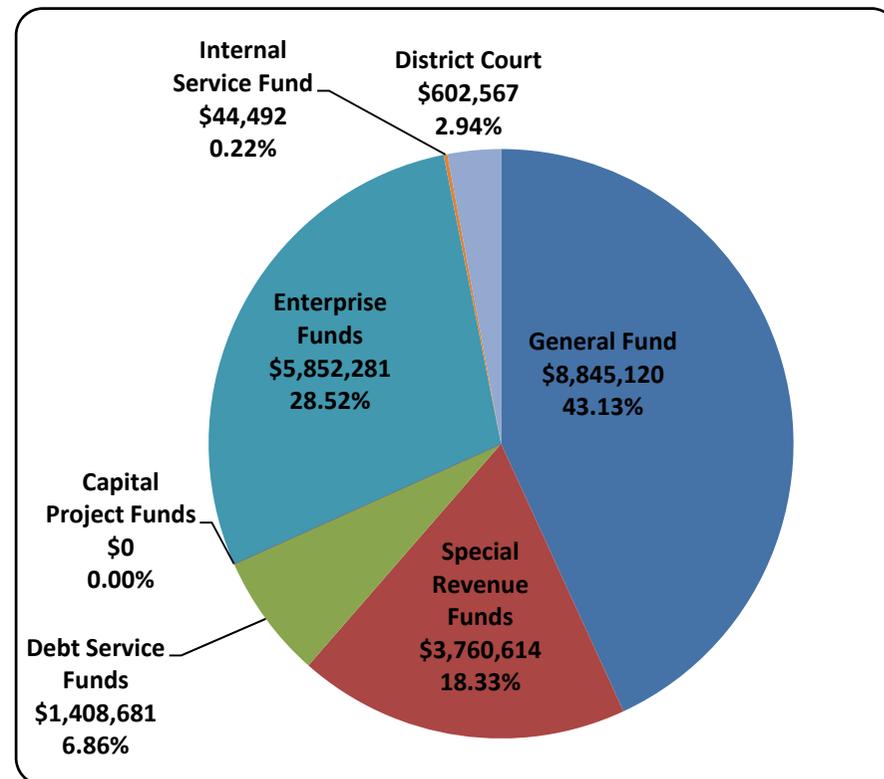
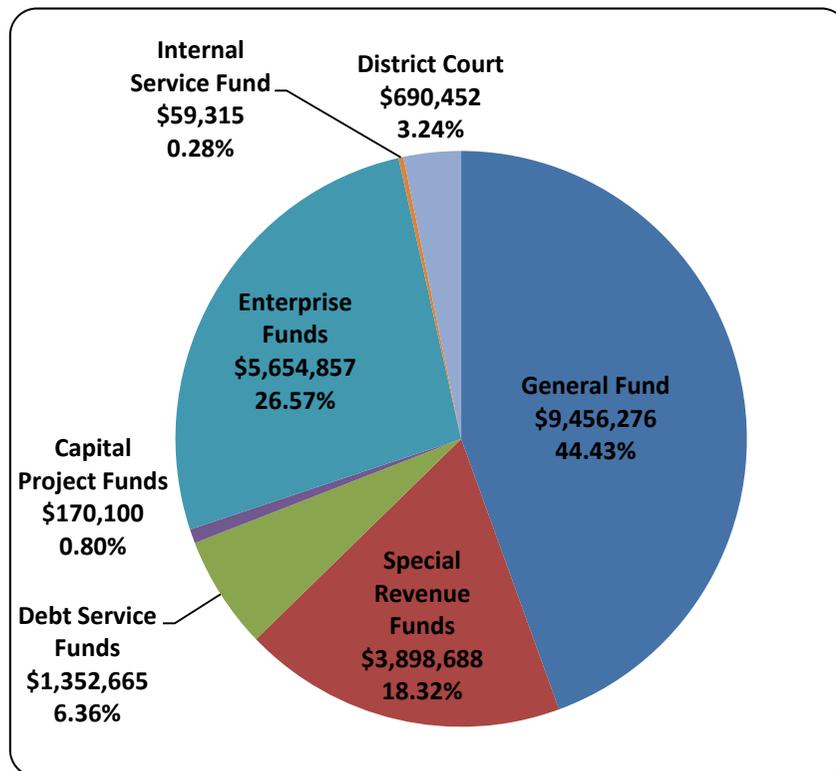


# All Expenditures by Fund Type - Comparison



Recommended Budget 2010-2011 - \$21,282,353

Recommended Budget 2011-2012 - \$20,513,755



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# General Fund

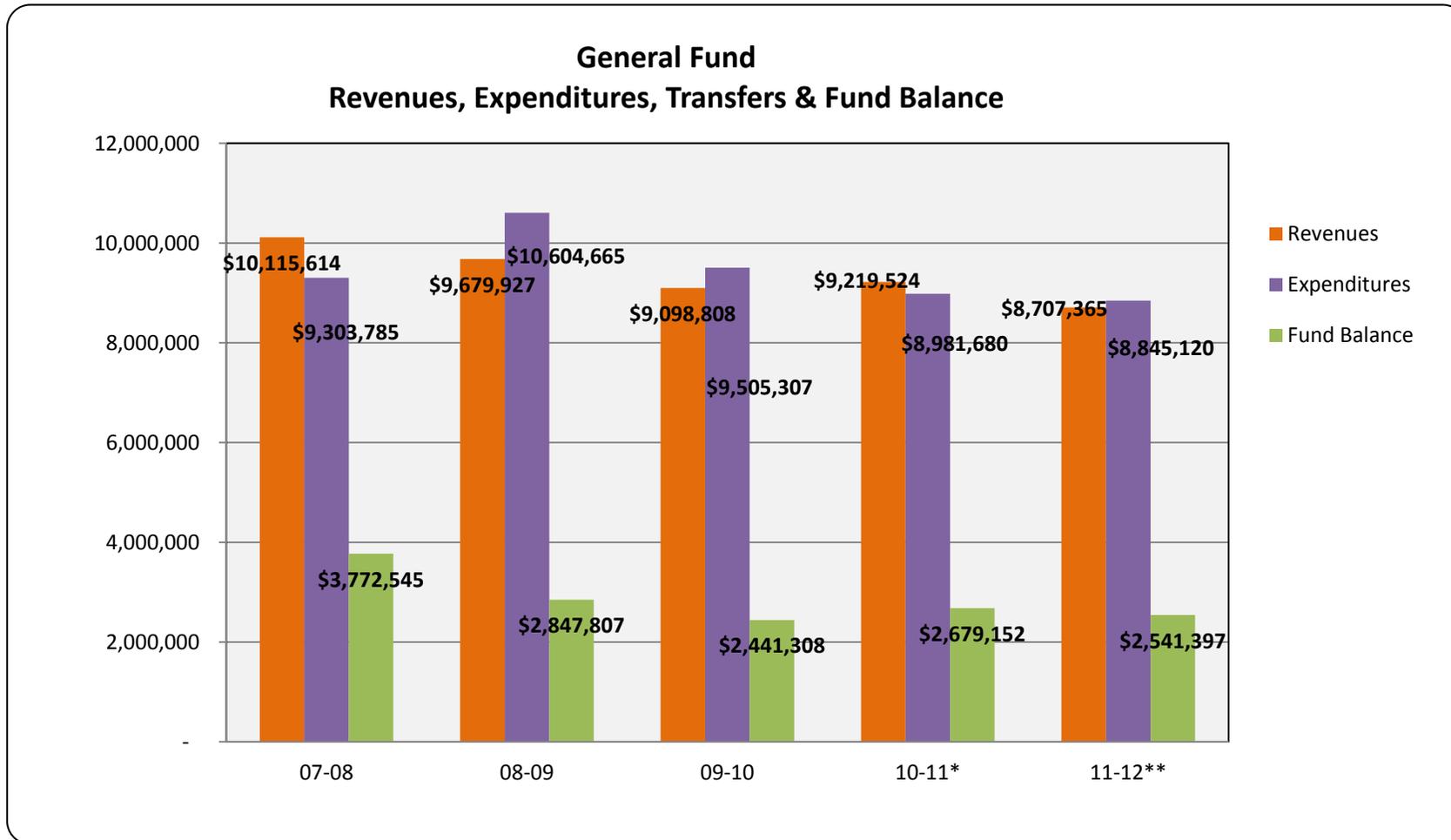
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The chief operating fund that accounts for all financial resources except those required to be accounted for in another fund.

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# General Fund: Yearly Comparison

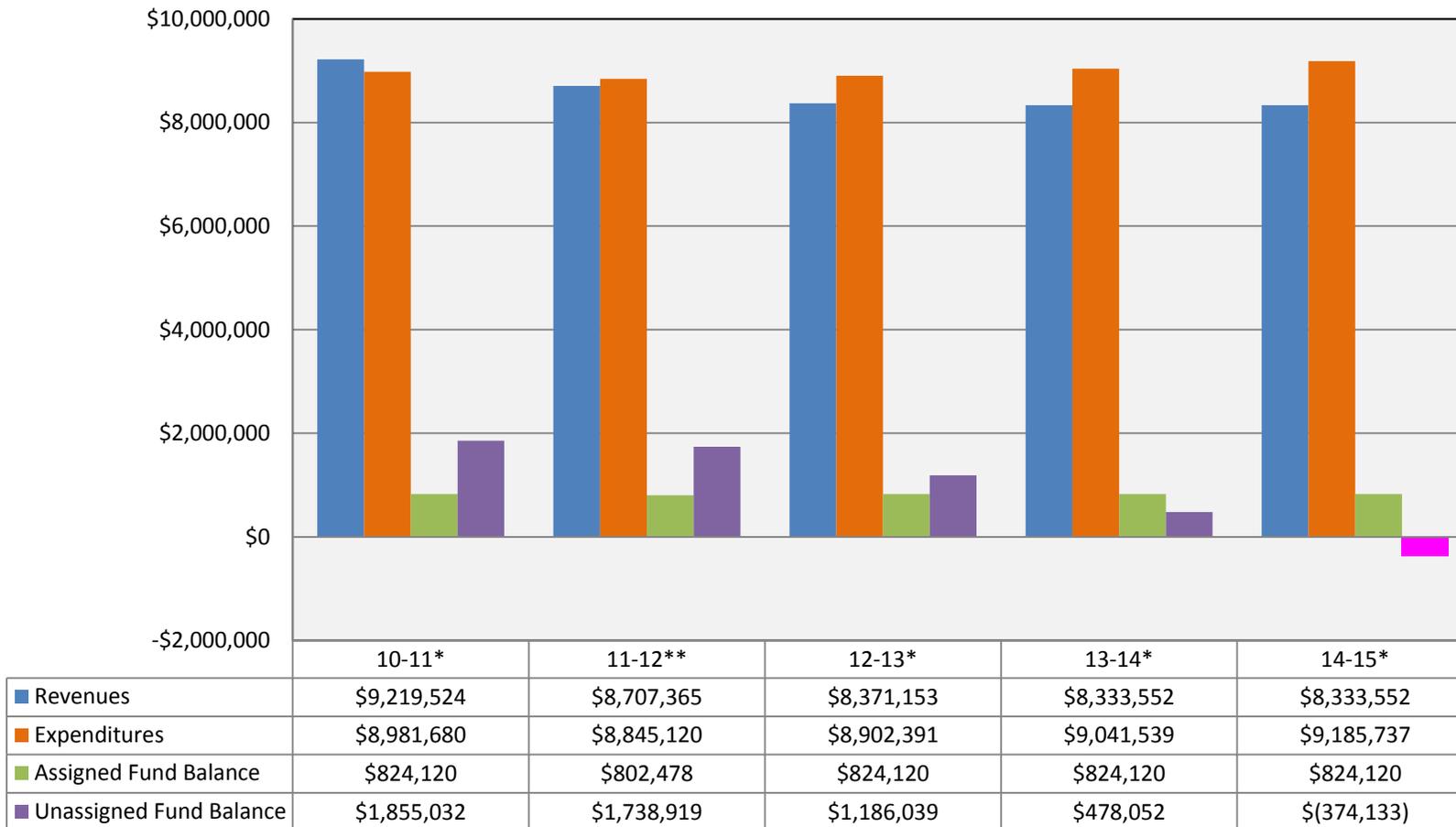


\*Projected \*\*Recommended

# General Fund: Forecasted Activity

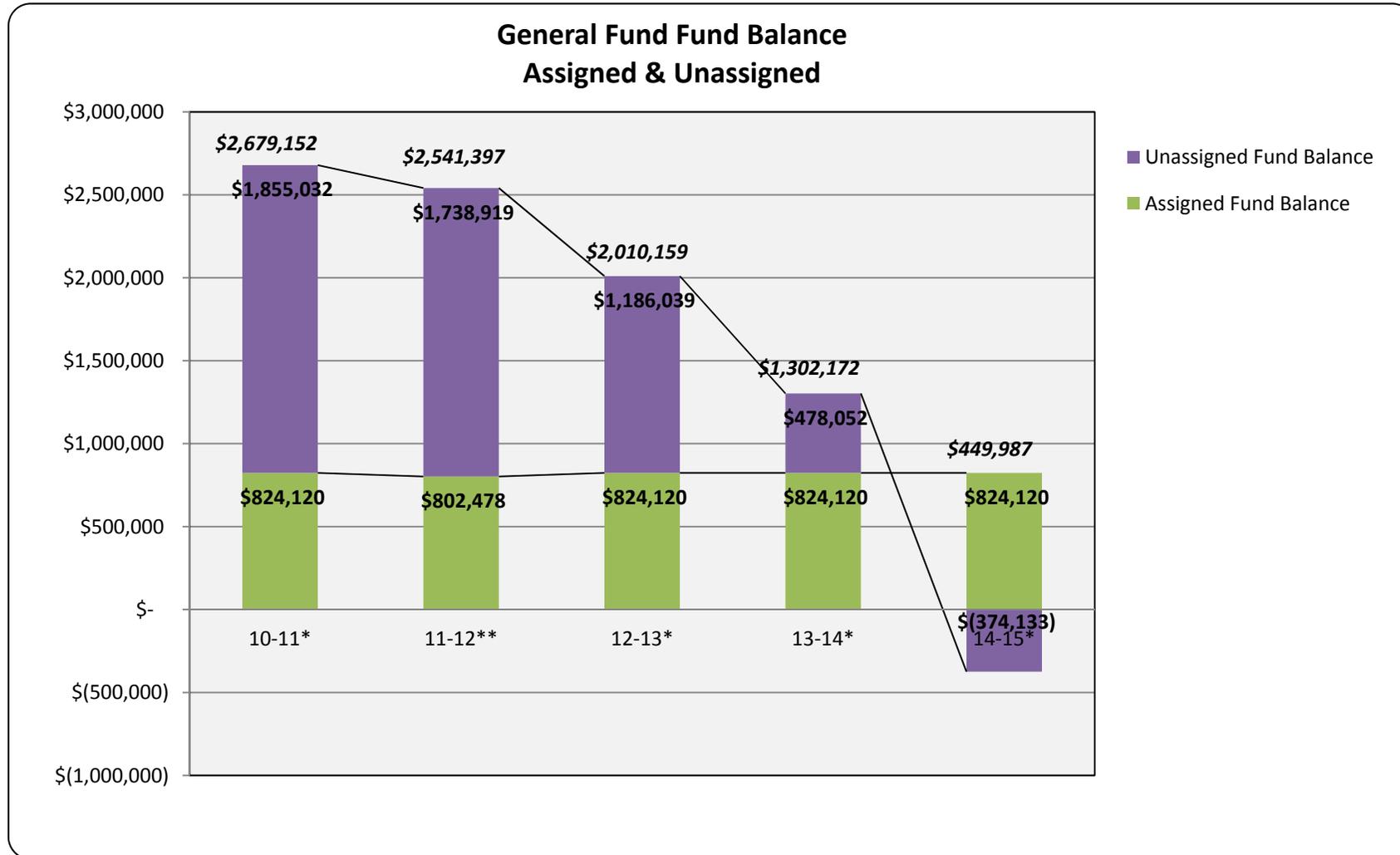


**General Fund Revenues, Expenditures, & Fund Balance  
Forecast**



\*Projected \*\*Recommended

# General Fund Forecasted Fund Balance



\*Projected \*\*Recommended

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# General Fund Projected: 10/11

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• Inflows:	Revenues	\$ 9,107,418
	<u>+ Transfer in</u>	<u>112,106</u>
	Total Inflows	\$ 9,219,524
• Outflows:	Expenditures	\$ 8,342,142
	<u>+ Transfer out</u>	<u>639,538</u>
	Total Outflows	\$ 8,981,680
• Estimated excess/(deficit) revenues over expenditures:		\$237,844
Audited beginning fund balance 09/10:		\$ 2,441,308
Estimated ending fund balance 10/11:		<b>\$ 2,679,152</b>

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# General Fund Balance Beginning Analysis: 11/12

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<b>Total Estimated Beginning Fund Balance July 1, 2011:</b>	<b>\$2,679,152</b>
Estimated use of Fund Balance in 2011/12:	
GASB 45 Liability – General Fund	\$0
Carry-forward Projects from prior Fiscal Years	(\$78,211)
2010/11 Fund Balance Used to Defray Operations	<u>(\$59,544)</u>
<b>Estimated Ending Fund Balance Combined – June 30, 2012:</b>	<b><u>\$2,541,397</u></b>

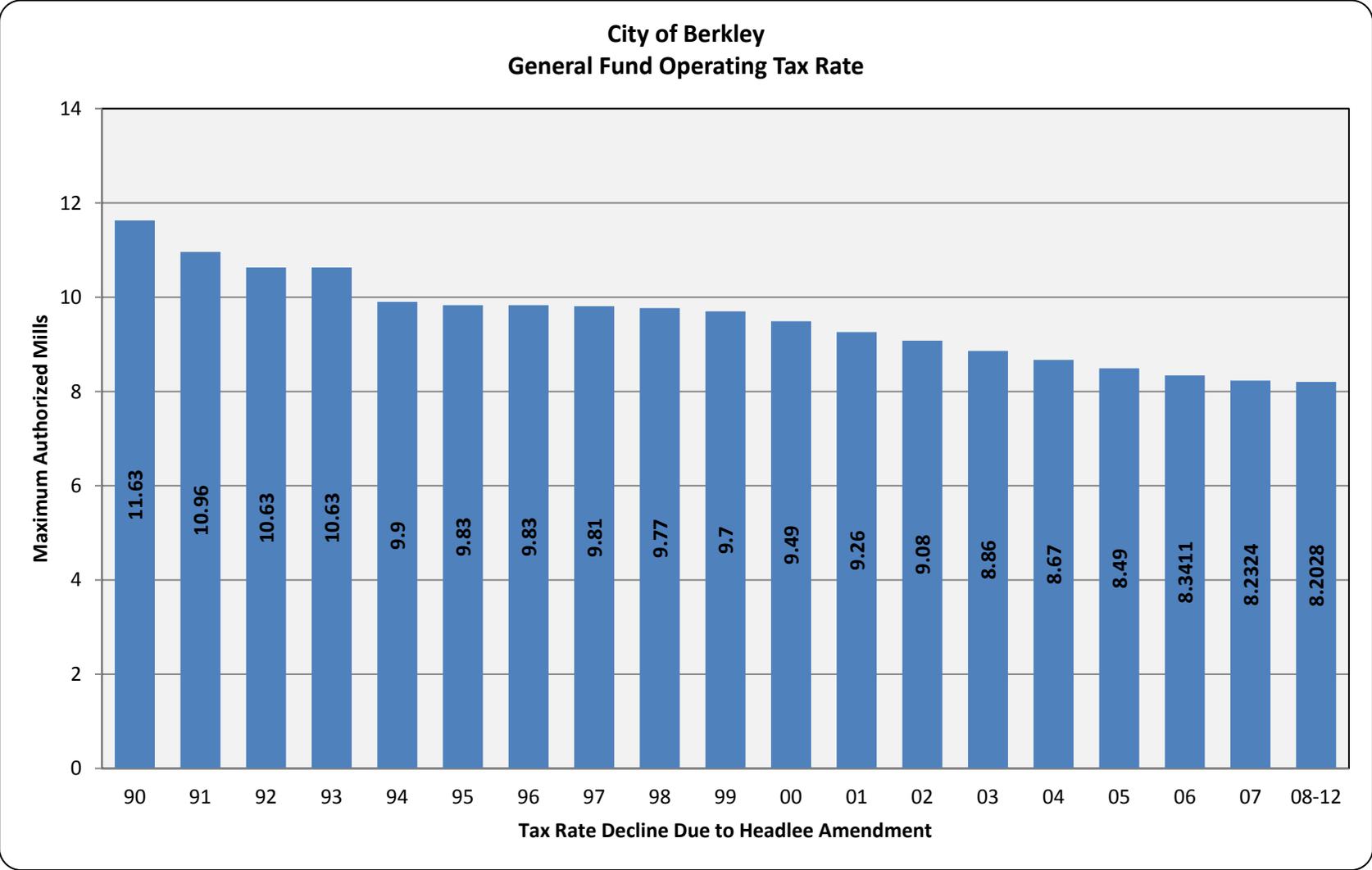
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## Estimated Fund Balance Designated Reserves:

Inventory/Prepaid	\$253,023
Library	\$34,680
Public Safety PA 302 Fund Match - Training	\$12,000
Public Safety Lids for Kids/Fire Open House	\$60,848
School District Land	\$220,000
Community Promotions	\$4,482
Long-Term Receivables	\$125,339
Self Insurance	\$92,106
Total Designated Reserves for the Ending Fund Balance 2011/12	\$802,478
Estimated Undesignated Reserve	<u>\$1,738,919</u>
<b>Available Fund Balance – General Fund at June 30, 2011</b>	<b><u>\$2,541,397</u></b>

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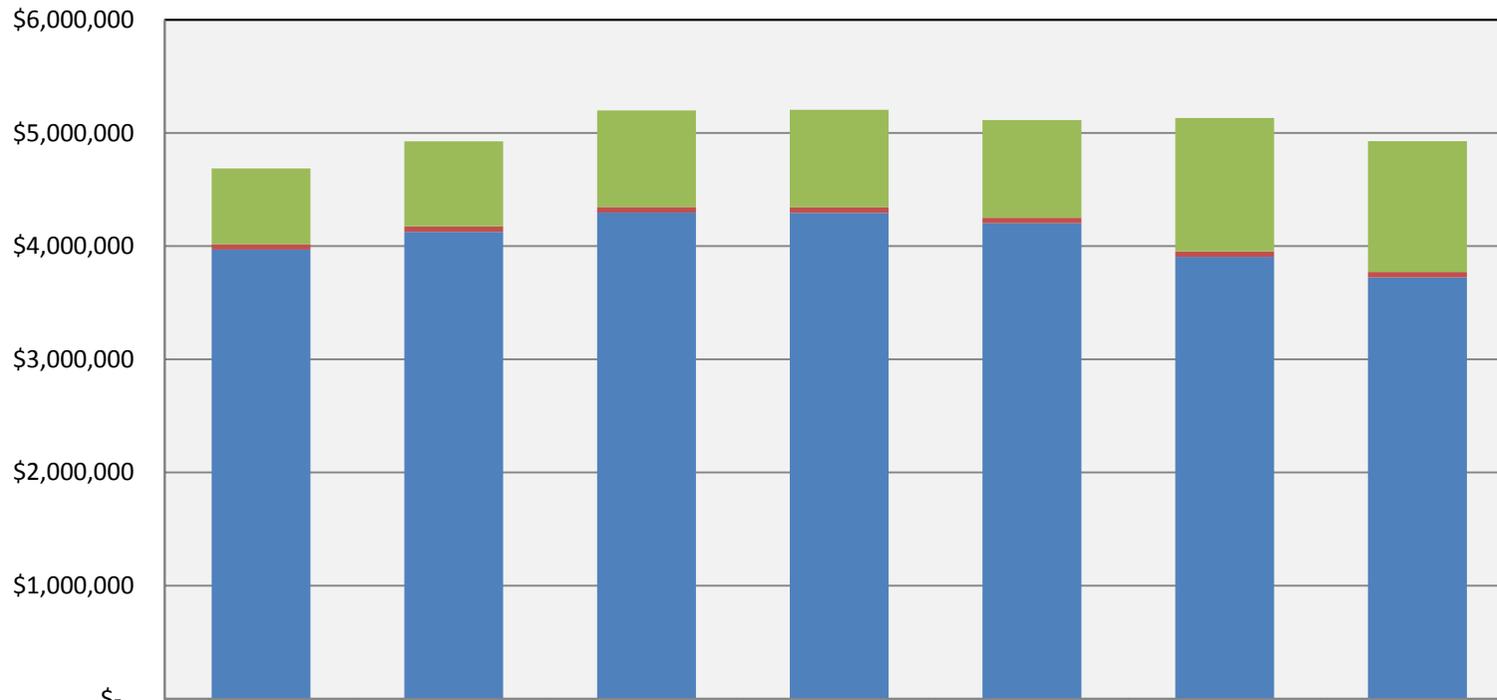
# Headlee Amendment Impact



# General Fund Property Tax Revenue



City of Berkley  
General Fund Property Tax Revenue



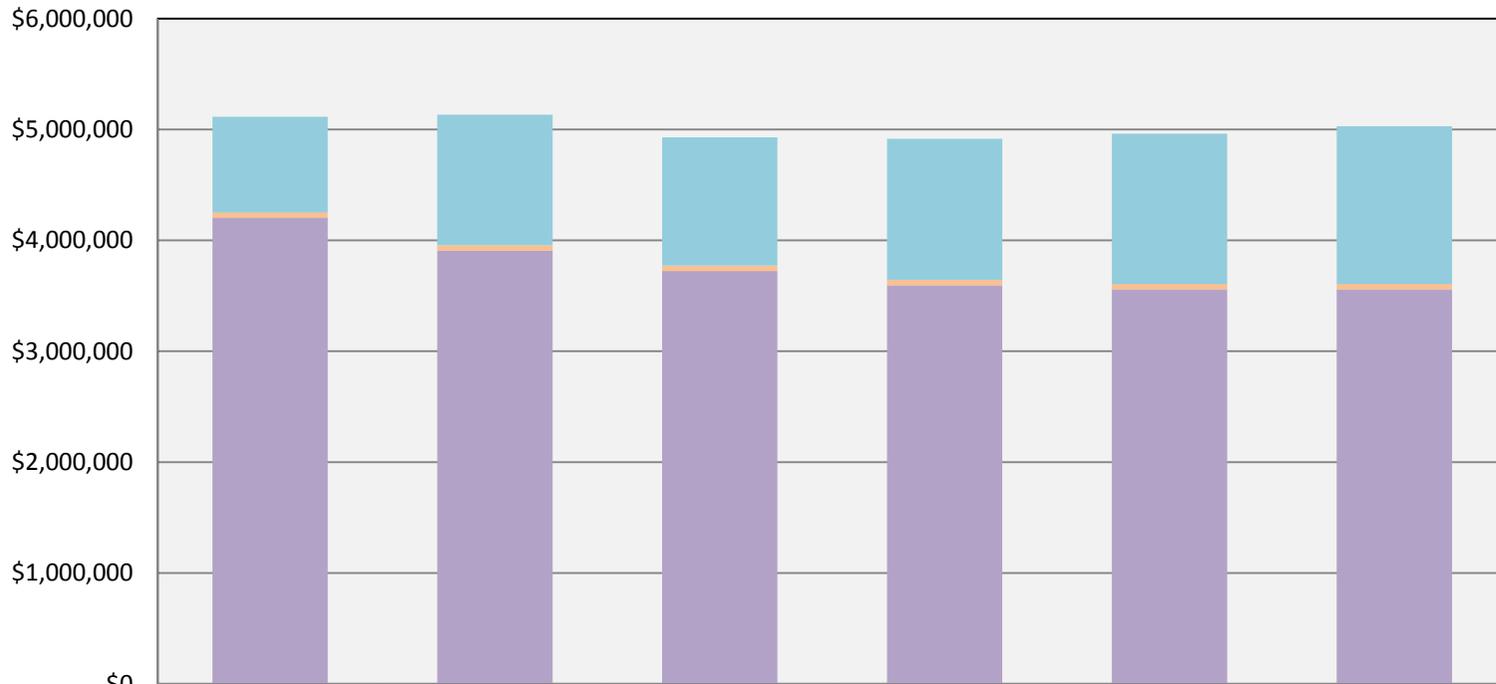
	\$4,685,644 2005-06	\$4,925,558 2006-07	\$5,199,665 2007-08	\$5,204,682 2008-09	\$5,114,201 2009-10	\$5,132,653 2010-11*	\$4,927,933 2011-12**
Public Safety Pension	\$667,220	\$750,305	\$853,970	\$861,467	\$863,124	\$1,178,179	\$1,156,326
Community Promotion	\$49,194	\$49,227	\$48,982	\$49,129	\$48,421	\$48,671	\$48,790
General Operating	\$3,969,230	\$4,126,026	\$4,296,713	\$4,294,086	\$4,202,656	\$3,905,803	\$3,722,817

\*Projected \*\*Recommended

# General Fund Property Tax Revenue Forecast



**City of Berkley  
General Fund Property Tax Revenue  
Forecast**

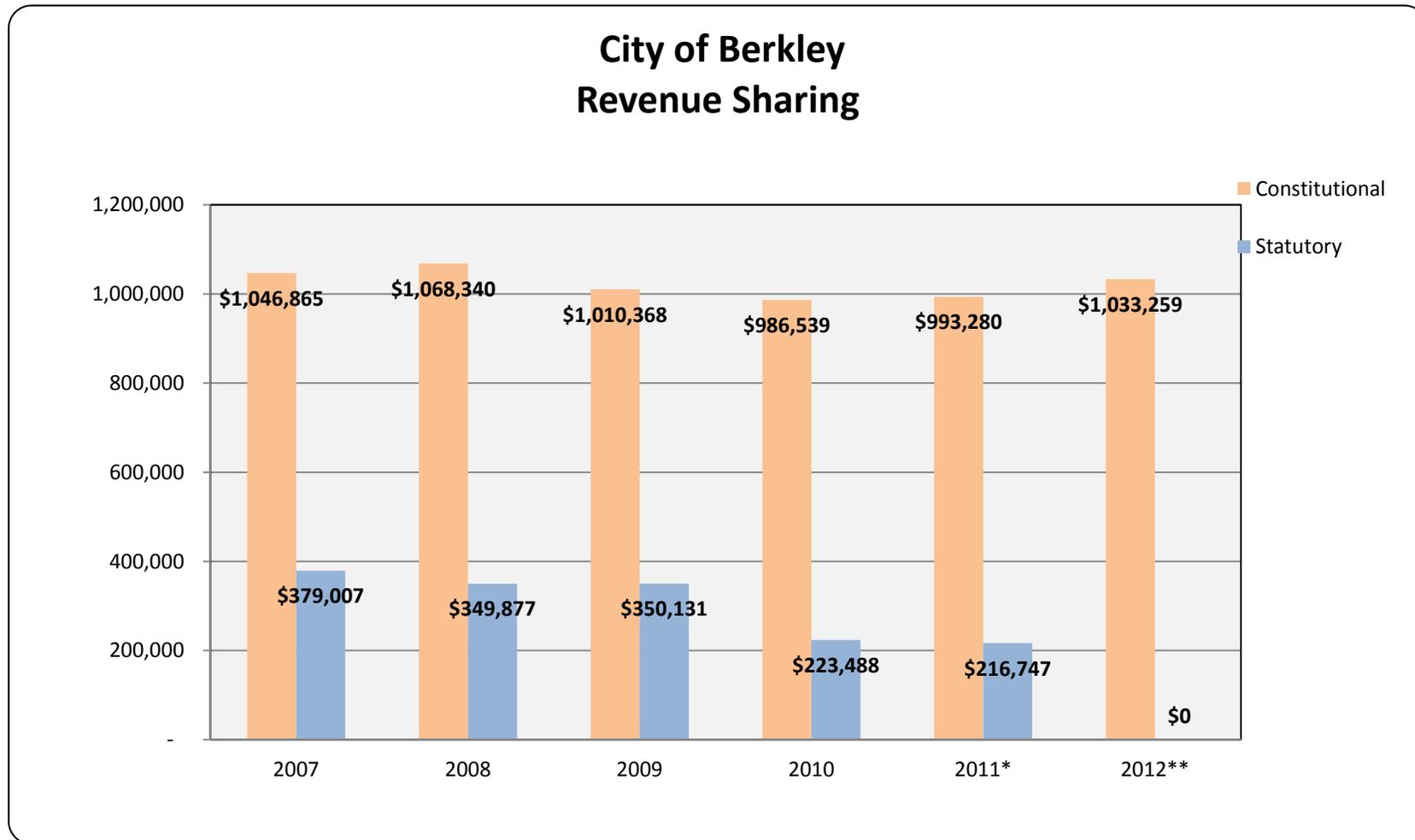


	5114201 2009-10	\$5,132,653 2010-11*	\$4,927,933 2011-12**	\$4,915,637 2012-13*	\$4,961,272 2013-14*	\$5,029,036 2014-15*
Public Safety Pension	863,124	1,178,179	1,156,326	1,272,426	1,355,289	1,423,053
Community Promotion	48,421	48,671	48,790	48,790	48,790	48,790
General Operating	4,202,656	3,905,803	3,722,817	3,594,421	3,557,193	3,557,193

\*Projected \*\*Recommended

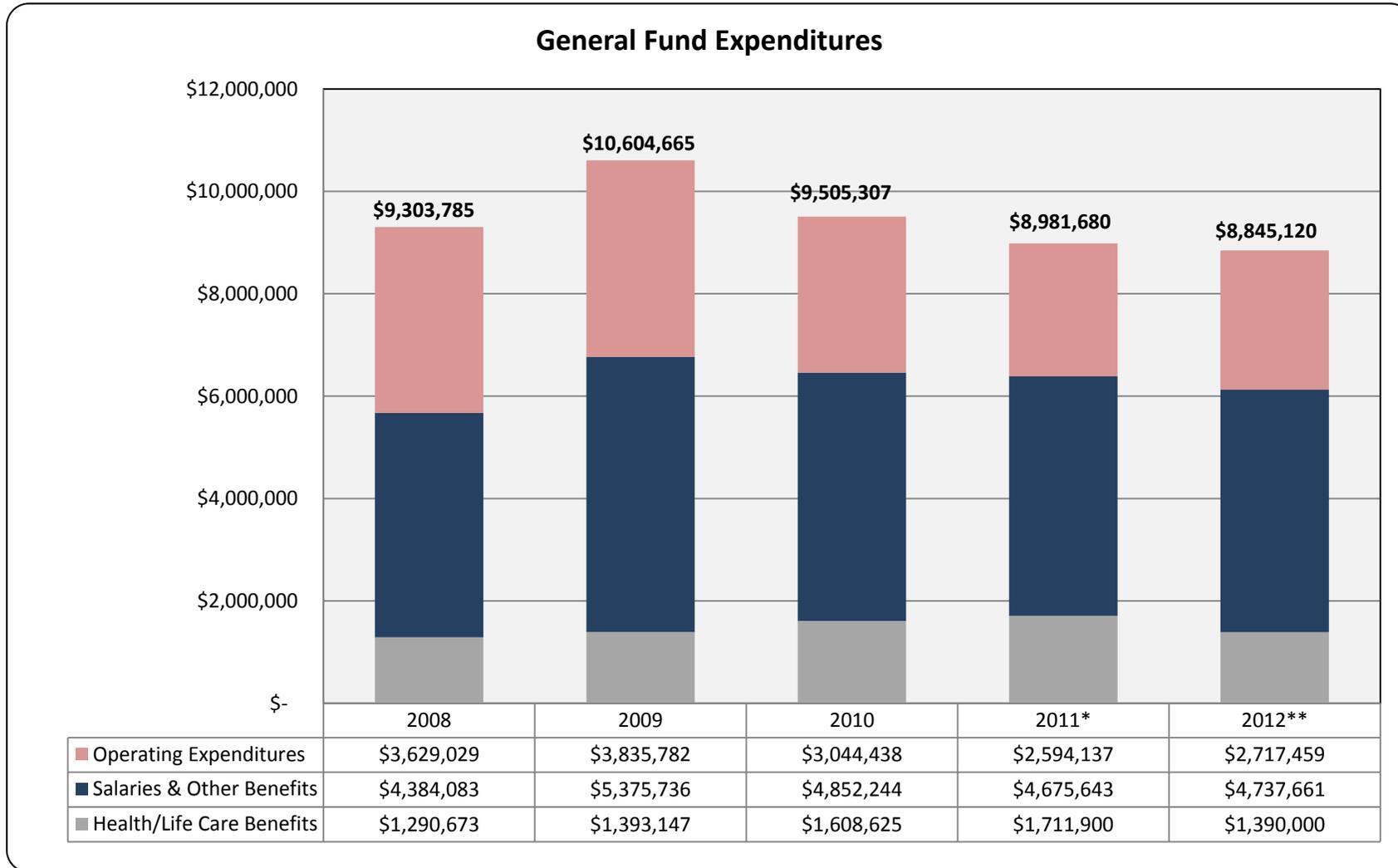


# State Revenue Sharing



\*Projected \*\*Recommended

# General Fund Expenditures



\*Projected \*\*Recommended

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# Public Safety

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Replace 2 Vehicles  
\$50,000  
(funded in 101 fund)

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# Parks and Recreation

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Color Coating & Repair of  
Tennis Courts at  
Community Park  
\$25,000  
(614 fund)



Replace 3 HVAC Units  
at Community Center  
\$25,000  
(101 fund)

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# Berkley Public Library

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Books

\$36,000

(funded in 101 fund)



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# GASB 45 Analysis

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<b>Fiscal Year</b>	<b>Actuarial Estimated Unfunded Liability</b>	<b>Actual Unfunded Liability – City Contributions – All Funds</b>
2008/09	\$905,000	\$1,042,773
2009/10	\$1,143,811	\$499,679
2010/11	\$1,065,514	\$123,600
2011/12	Under actuarial review	\$133,600

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TO BE PAID: July 30, 2011	\$33,400
Oct 31, 2011	\$33,400
Jan 31, 2012	\$33,400
Apr 30, 2012	\$33,400

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# Special Revenue Funds

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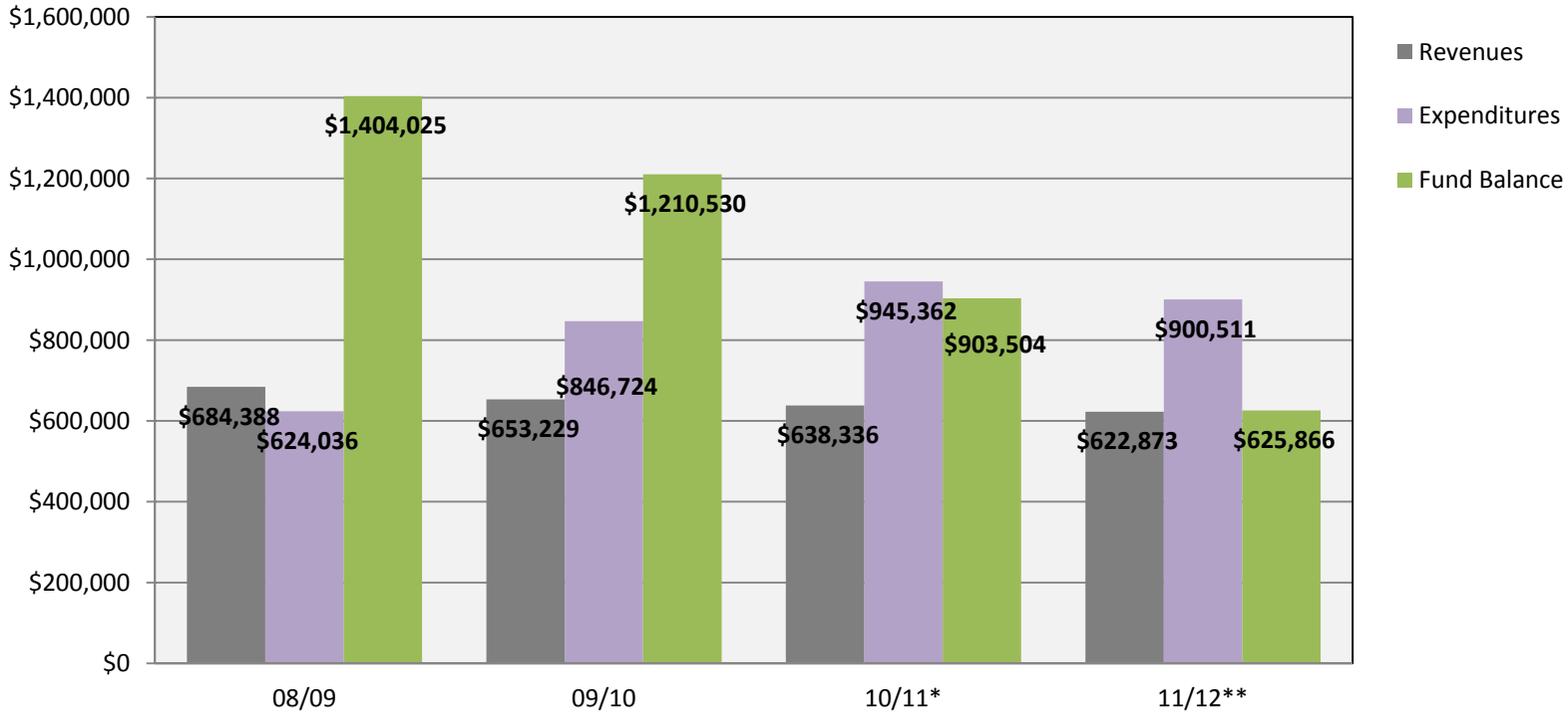
Specific revenues that are legally restricted to expenditures for specific purposes.

- Major & Local Streets
  - Solid Waste
  - CDBG
  - Drug Forfeiture
  - Recreation Revolving
  - Senior Programs
  - DDA & DDA-TIF
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# Major Streets



**Major Street  
Revenue, Expenditures, Transfers, & Fund Balance**

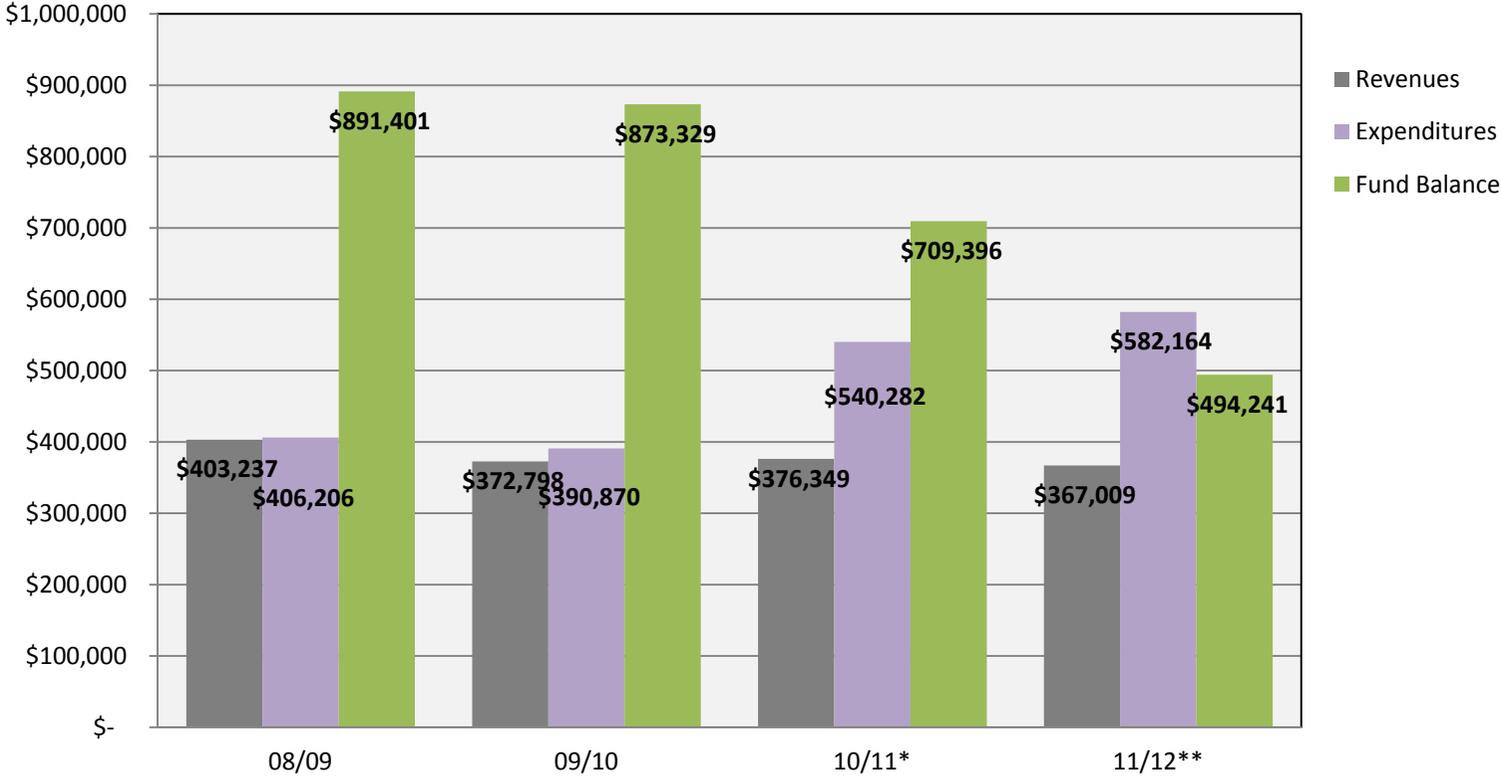


\*Projected \*\*Recommended

# Local Streets



**Local Streets  
Revenue, Expenditures, Transfers, & Fund Balance**



\*Projected \*\*Recommended

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# Major & Local Street Expenditures

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**Major: \$900,511**

**Local: \$582,164**

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• Street Repair, Catch Basin, Street Maintenance	\$697,128
• Tree Maintenance & Replacement	\$224,120
• Maintenance & Replacement of Signs & Pavement marking	\$75,653
• Winter Maintenance	\$169,977
• Boulevard & Facility Ground Maintenance	\$108,248
• Administration	\$64,183

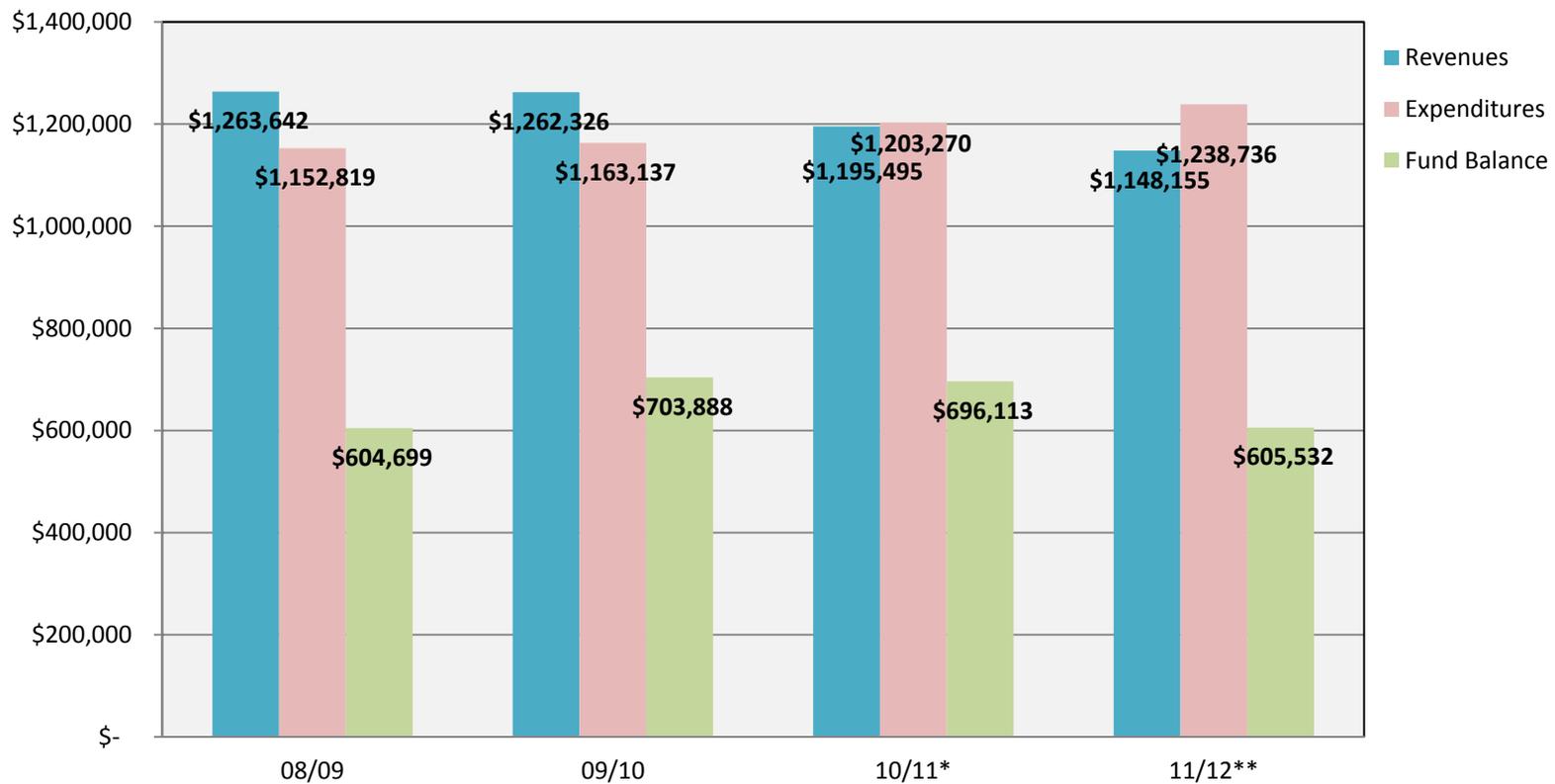
- Street spending is comparable to last fiscal year

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# Solid Waste



**Solid Waste**  
**Revenues, Expenditures, Transfers, & Fund Balance**



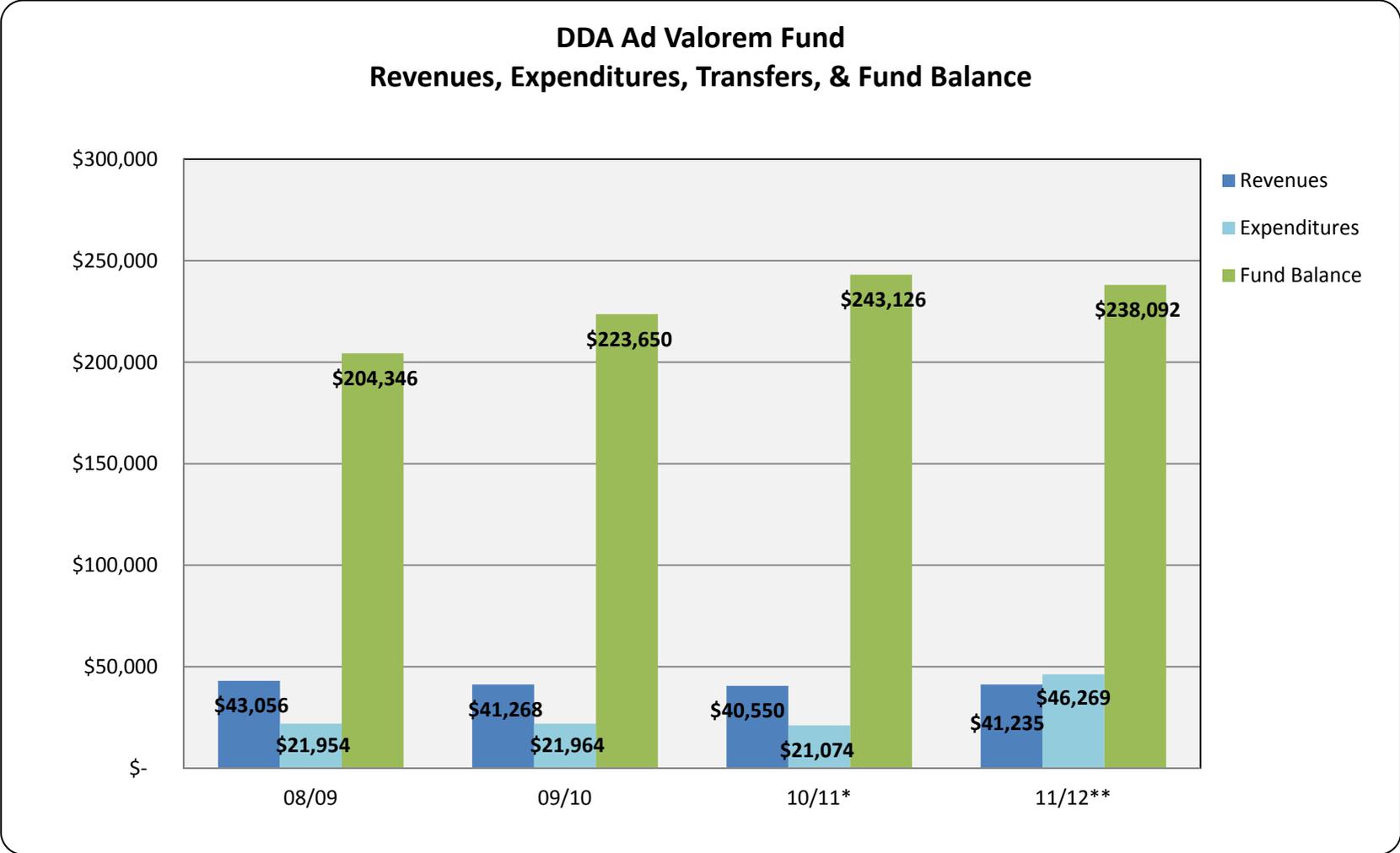
\*Projected \*\*Recommended



# DDA - Ad Valorem

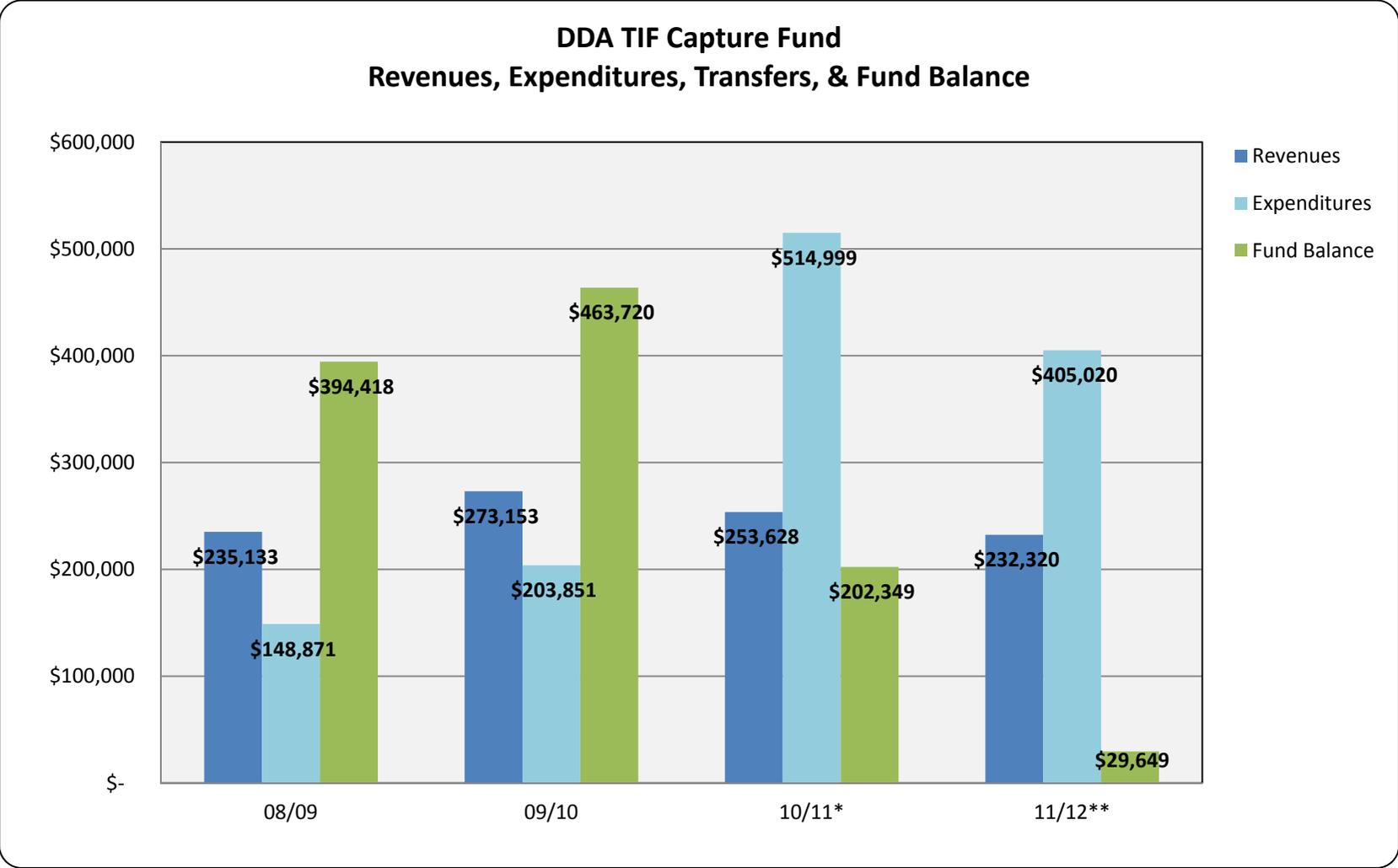


**DDA Ad Valorem Fund  
Revenues, Expenditures, Transfers, & Fund Balance**



\*Projected \*\*Recommended

# DDA – TIF Capture



\*Projected \*\*Recommended

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# Downtown Development Authority

## Expenditures

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DDA – Ad Valorem: \$46,269

DDA – TIF Capture: \$405,020

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DDA Ad Valorem (814)

- Farmer's Market \$10,000
- Downtown Promotions/Trolley/Banners \$21,900
- Operations \$14,369

DDA TIF Capture (815)

- Improve City Parking Lots behind 12 Mile Rd \$13,620
  - Coolidge – Streetscape Improvements \$200,000
  - 12 Mile Road – Summer Maintenance \$6,500
  - 12 Mile Coolidge Intersection \$12,000
  - Annual Debt Payment (funding from 402  
Construction fund) \$172,900
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# Debt Service Funds

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## General long-term debt principal and interest

	<u>11/12 Payment</u>	<u># of yrs. remaining</u>
<input type="checkbox"/> DDA Streetscape/Intersection	\$172,900	4
<input type="checkbox"/> George Kuhn Drainage Bonds	\$542,900	14
<input type="checkbox"/> Major and Local Street Bonds	\$364,563	4
<input type="checkbox"/> 11 Mile Road Project Bonds	\$206,531	9
<input type="checkbox"/> 12 Mile Road Project Bonds	\$121,787	4

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# Capital Project Funds

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- Financial resources used for the acquisition or construction of major capital
    - ❑ 11 Mile Road Project – \$970,934 – Due to Oak Park
    - ❑ 12 Mile Road Project – Completed 2007
    - ❑ Major & Local Road Projects – Completed 2007
    - ❑ Sidewalk Program – 12 Mile – Completed 2007
    - ❑ 12 Mile & Coolidge Intersection Repair–Completed 2008
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# Enterprise Funds

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- Operations where the costs of providing goods or services is financed or recovered through user fees.

- Arena

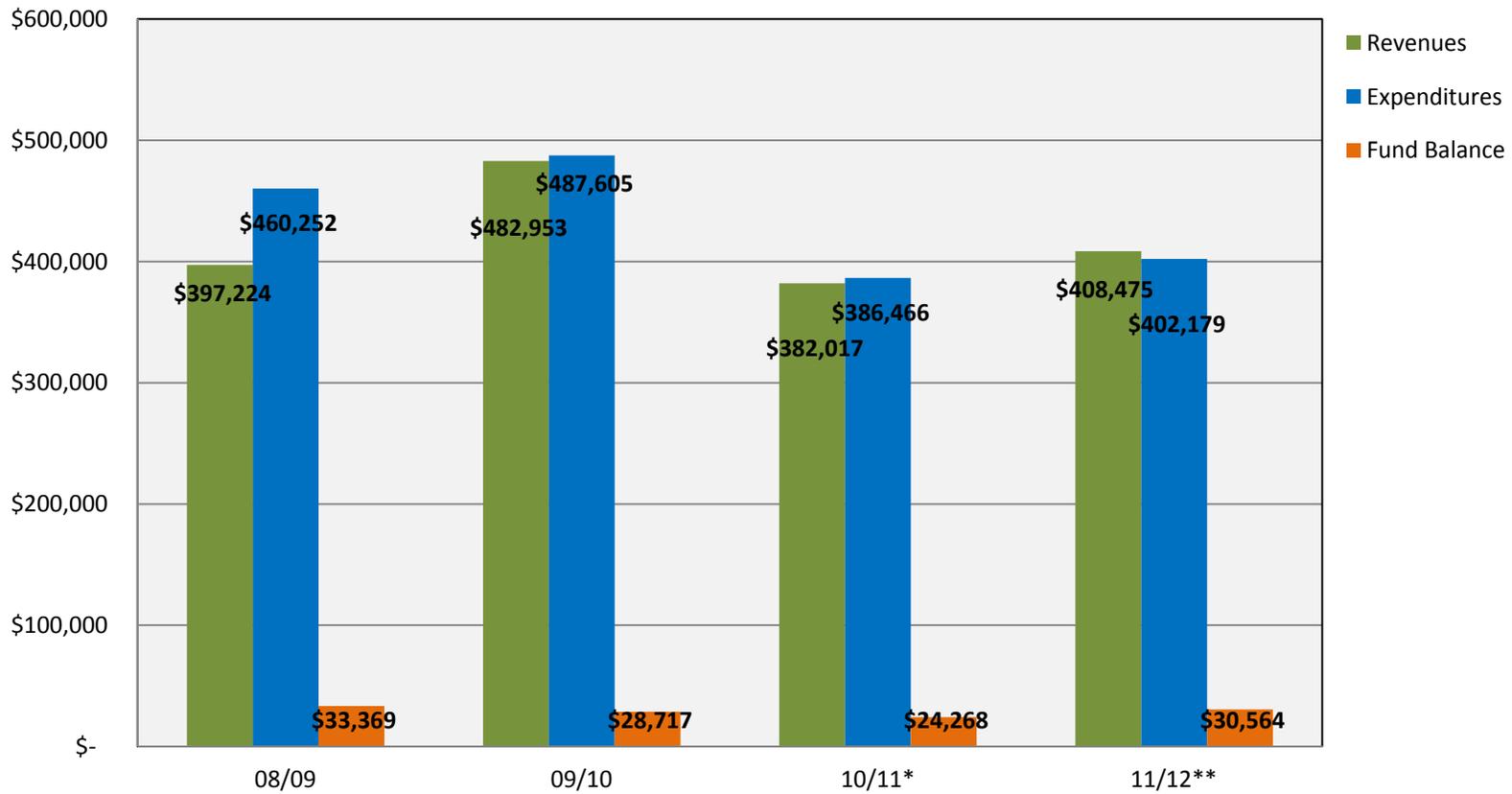
- Water & Sewer



# Arena



**Arena Fund**  
**Revenues, Expenditures, Transfers, & Fund Balance**



\*Projected \*\*Recommended

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# Arena

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## Arena Revenues:

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**\$408,475**

- Rental Fees - \$391,875
    - PRIME: between \$205 to \$220 per hour
    - NON PRIME: Varies by time of day
    - Working on a new Prime tenant
    - Figure Skating – Optional Program
  - Other Revenues - \$16,600
  - Operating Transfer in - \$0
  - Paid down inter-fund by \$55,000 in 2010/11
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# Arena Expenditures

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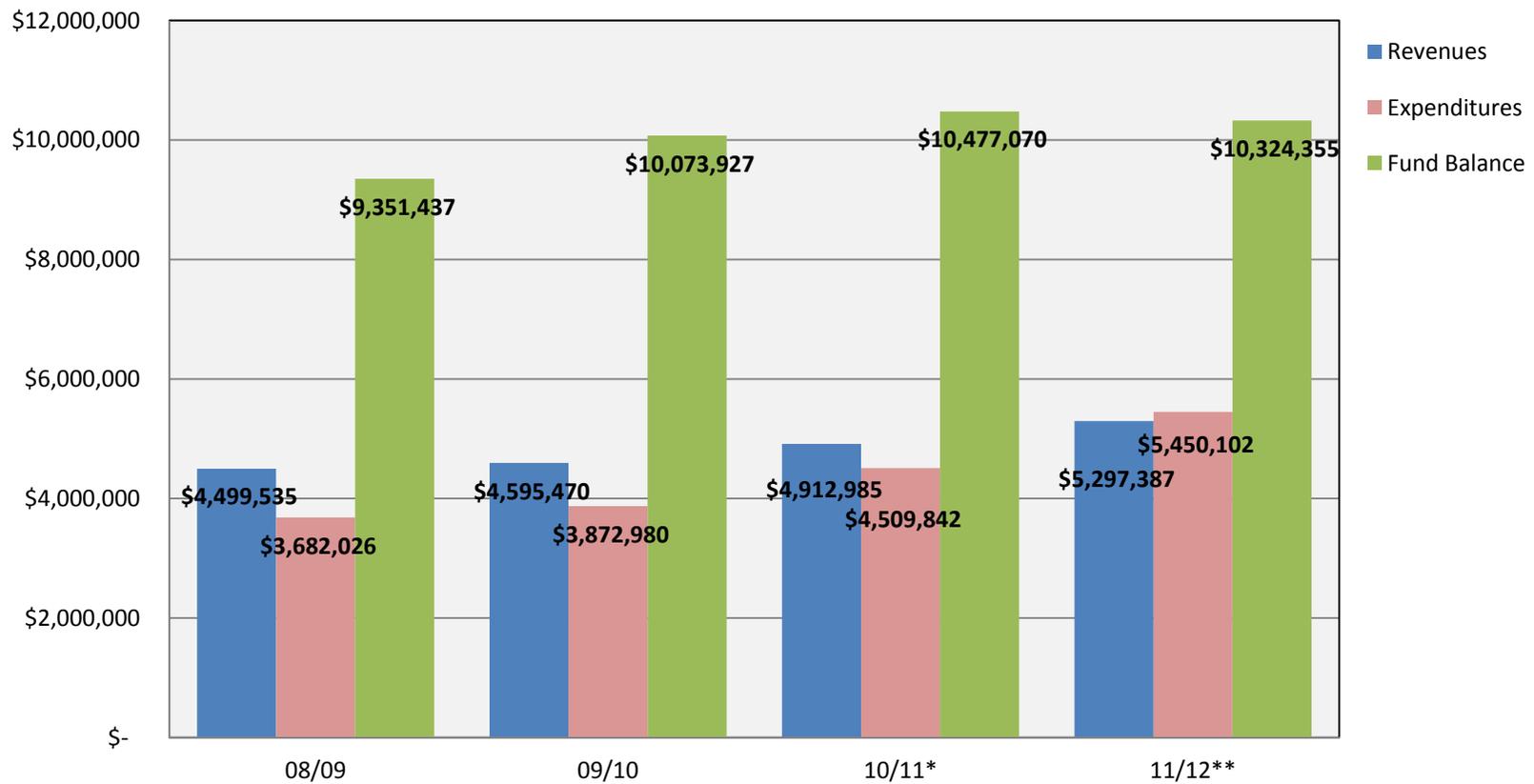
## Arena Expenditures for 2011/12:

- Salary and Fringe Benefits - \$149,783
- Utility Costs: \$115,000
- Capital Improvements - \$7,800
  - *Building Improvements*

# Water & Sewer



**Water & Sewer Fund**  
**Revenues, Expenditures, Transfers, & Fund Balance**



\*Projected \*\*Recommended

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# Water & Sewer

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**Water and Sewer Revenues:                    \$5,297,387**

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- Wholesale Water Rates:
    - Detroit Water & Sewer Department – 6.7% increase
    - SOCWA Pass Thru – 16.5% decrease over last year
    - City of Berkley – 3.5% rate increase
    - Total Estimated Consumption Water Revenues: \$764,470
  
  - Wholesale Sewer Rates:
    - Detroit Water & Sewer Department/Wayne County –  
Estimated Increase: 12.0%
    - Southeast Oakland County Drain Commission –  
Estimated Decrease: 5.8%
      - New Charge from Drain Commissioner - \$0.07 per MCF – CIP Plan
      - New Charge from Drain Commissioner - \$0.30 per MCF – Maintenance Repair
    - City of Berkley – 11.6% rate increase
    - Total Estimated Consumption Sewage Revenues: \$849,518
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# Water & Sewer Fund

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## Consumption Charges:

	<u>Current</u>	<u>Proposed</u>	Proposed <u>Increase</u>
Water Service	\$1.41	\$1.46	3.5%
Sewer Service	<u>\$1.46</u>	<u>\$1.63</u>	11.6%
Total per 100 cubic ft	\$2.87	\$3.09	7.6%

-All new Water/Sewer rates effective the billing of July 1, 2011

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# Water Service Fixed Charge



(Ready to Serve Charge)

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**Proposed: \$1,213,985**

Amount represents a base charge to all 6,809 customers on a quarterly basis to cover fixed system expenses. Rate increase of 4.5%.

Rate per Quarter

<u>Size</u>	<u>No.</u>	<u>Current</u>	<u>Proposed</u>
.75"	6,631	\$ 39.83	\$41.62
1.00"	85	\$ 66.39	\$69.38
1.50"	42	\$132.77	\$138.74
2.00"	39	\$212.41	\$221.97
3.00"	8	\$464.67	\$485.58
4.00"	4	\$773.39	\$808.19

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# Storm Water Utility Charge

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## **Proposed: \$2,114,630**

This charge allocates the cost of storm flows on the basis of the size of the property and relative degree of pervious and impervious surface conditions to all customers.

- Southeast Oakland County Drain Commission Pass Thru Charge: \$1,571,730 – 16.5% Increase

The storm water utility charge also includes Berkley's share of the cost of upgrading the Twelve Town Drain Complex to meet State and Federal environmental requirements.

- George Kuhn Drain Debt Service Pass Thru Charge: \$542,900 – 0% Increase
  - For each of the 8,601 residential units @ \$61.46 x 4  
11.6% Increase
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# Billing Charge

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**Proposed: \$90,641**

- This is a fixed charge for each water bill to cover the cost of reading meters, preparing water bills, and maintaining water payment records.
  - 6,809 Accounts x \$3.33 x 4 (Quarter)
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# Water & Sewer

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<b>Water &amp; Sewer Other Revenues:</b>	<b>\$143,615</b>
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- Estimated Late Fees \$102,650
  - Estimated Investment Earnings @ 0.50% \$965
  - Equipment Rentals \$31,000
  - Sundry-Medicare Part D Reimbursement \$9,000
-

# Proposed Percent Cost Increase



EFFECTIVE JULY 1, 2011

	2010/11	2011/12	Increase/ (Decrease)	City Percent Increase/ (Decrease)	Wholesale Percent Increase/ (Decrease)
Water Service/100 Cubic Feet	\$1.41	\$1.46	\$0.05	0.035460993	2.00%
Sewer Service/100 Cubic Feet	1.46	1.63	0.17	0.116438356	10.60%
Total Consumption Rate	\$2.87	\$3.09	\$0.22	0.076655052	
Yearly Consumption in 2000 cubic feet per quarter or (20)	<u>20.00</u>	<u>20.00</u>			
Consumption Cost	\$57.40	\$61.80	\$4.40	0.076655052	
Ready to Serve 3/4 Meter	39.83	41.62	1.79	0.044940999	
Storm water rates	55.09	61.46	6.37	0.115628971	16.50%
Billing Charge	3.48	3.33	(0.15)	-0.043103448	
Quarterly Billing Charge	<u>\$155.80</u>	<u>\$168.21</u>	<u>\$12.41</u>	<u>0.079653402</u>	
Total Quarters	4.00	4.00	4.00		
Annual Billing Charge	<u>\$623.20</u>	<u>\$672.84</u>	<u>\$49.64</u>	<u>0.079653402</u>	

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# Non Residential Flow- Wayne County Pass Through: \$76,840

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<u>Meter Size</u>	<u>Current</u>	<u>Proposed</u>
.75	\$30.84	\$35.34
1.00	\$51.39	\$58.89
1.50	\$113.04	\$129.54
2.00	\$164.40	\$188.40
3.00	\$297.99	\$341.49
4.00	\$411.00	\$471.00

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# Utility Bill: Solid Waste

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	Current	Proposed
Residential Refuse Service Fee/Quarter	\$7.55	no change

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# Water/Sewer Expenditure Highlights

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• Bulk Water – SOCWA-Detroit	\$714,472
• Bulk Sewage -Detroit-Drain Commissioner	\$810,895
• Stormflow By-Pass – Drain Commissioner	\$1,571,730
• Kuhn Drain Debt Payment	\$542,900
• City Operations	\$1,810,104

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● Gate Valve Replacement	\$25,000
● Sewer Line Re-Lining	\$200,000
● Concrete Repair	\$40,000
● Vehicle Replacement – Service Van	\$140,000

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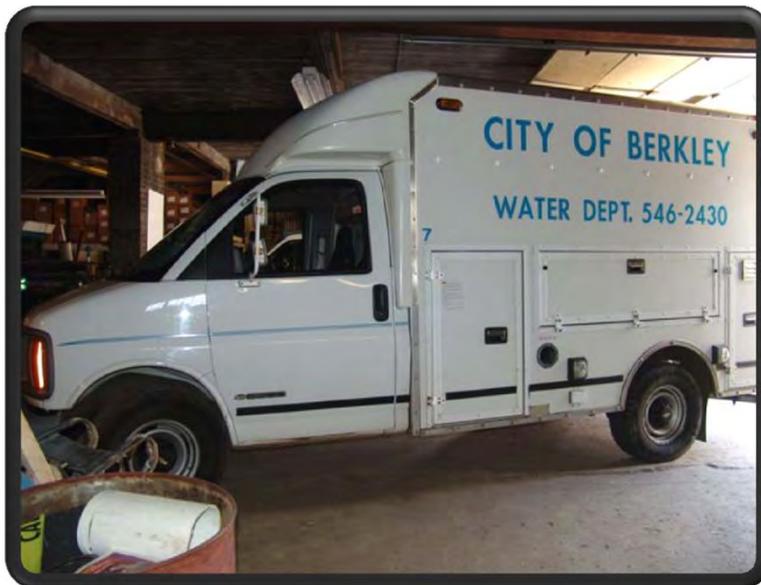
# Water/Sewer Expenditure Highlights

## Continued

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1998 Chevy Service Van  
\$140,000



Handheld Meter  
Reader  
\$7,000



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# Internal Service Fund

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- Goods or services provided by one department or agency to other departments or agencies of the governmental unit.

## Leave Benefit Accruals:

Recommended	Projected	Actual	Actual
<u>2011/12</u>	<u>2010/11</u>	<u>2009/10</u>	<u>2008/09</u>
\$44,492	\$34,557	\$67,174	\$114,485

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# District Court Expenditures

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- Fund 265: \$602,657
- Fund 266: \$11,500  
Building Fund

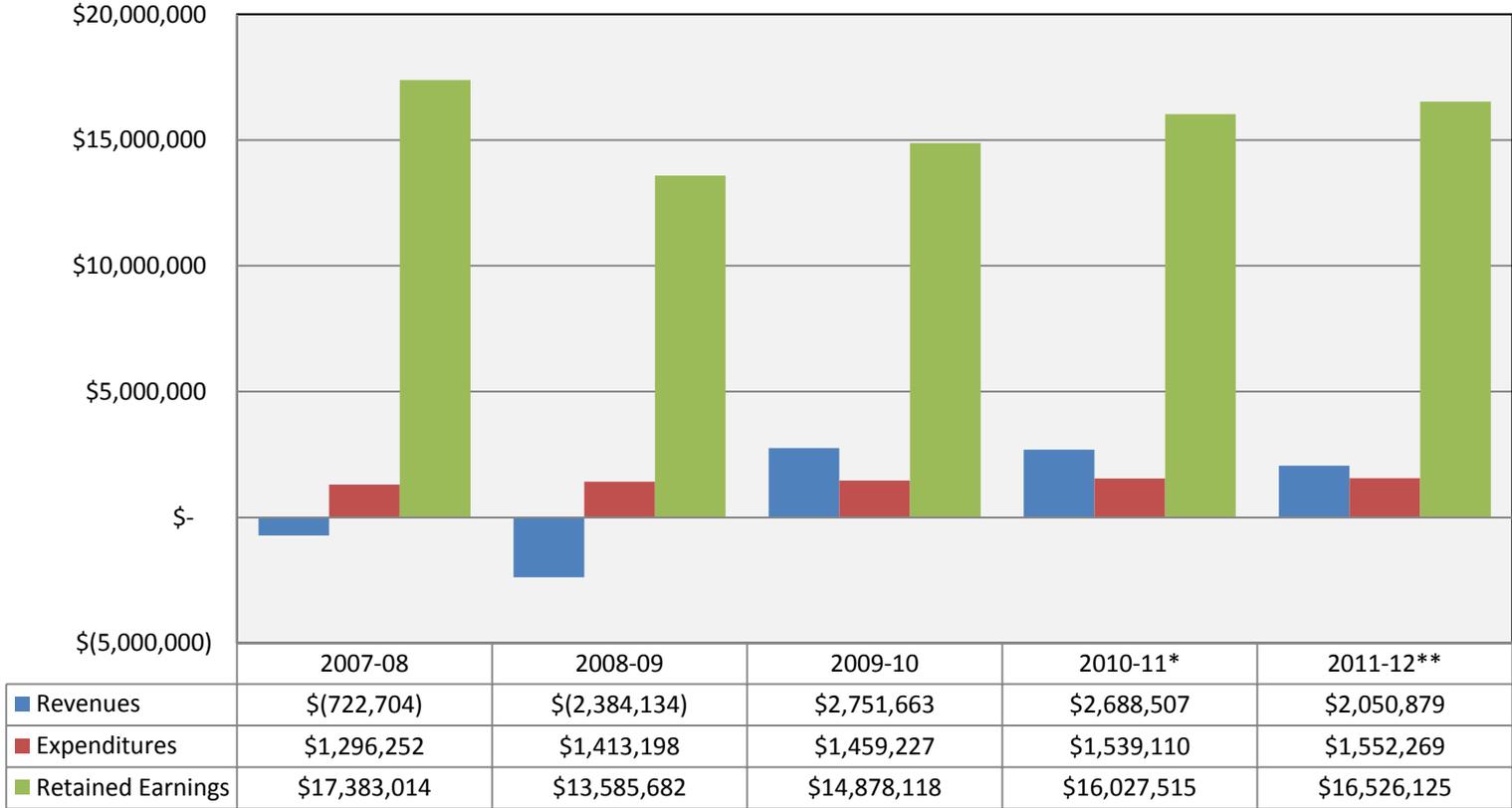
	<u>265 Fund</u>	<u>266 Fund</u>
2011/12 Recommended	\$602,657	\$11,500
2010/11 Projected	\$598,500	\$0
2009/10 Actual	\$644,513	\$11,655
2008/09 Actual	\$715,937	\$9,051

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# Public Safety Pension



Public Safety Pension



\*Projected \*\*Recommended