



City of Berkley Michigan

2010/11

Proposed Budget

“Most Affordable Suburb in America in 2010”

-BusinessWeek Magazine

Appropriation Highlights For FY 2010/11



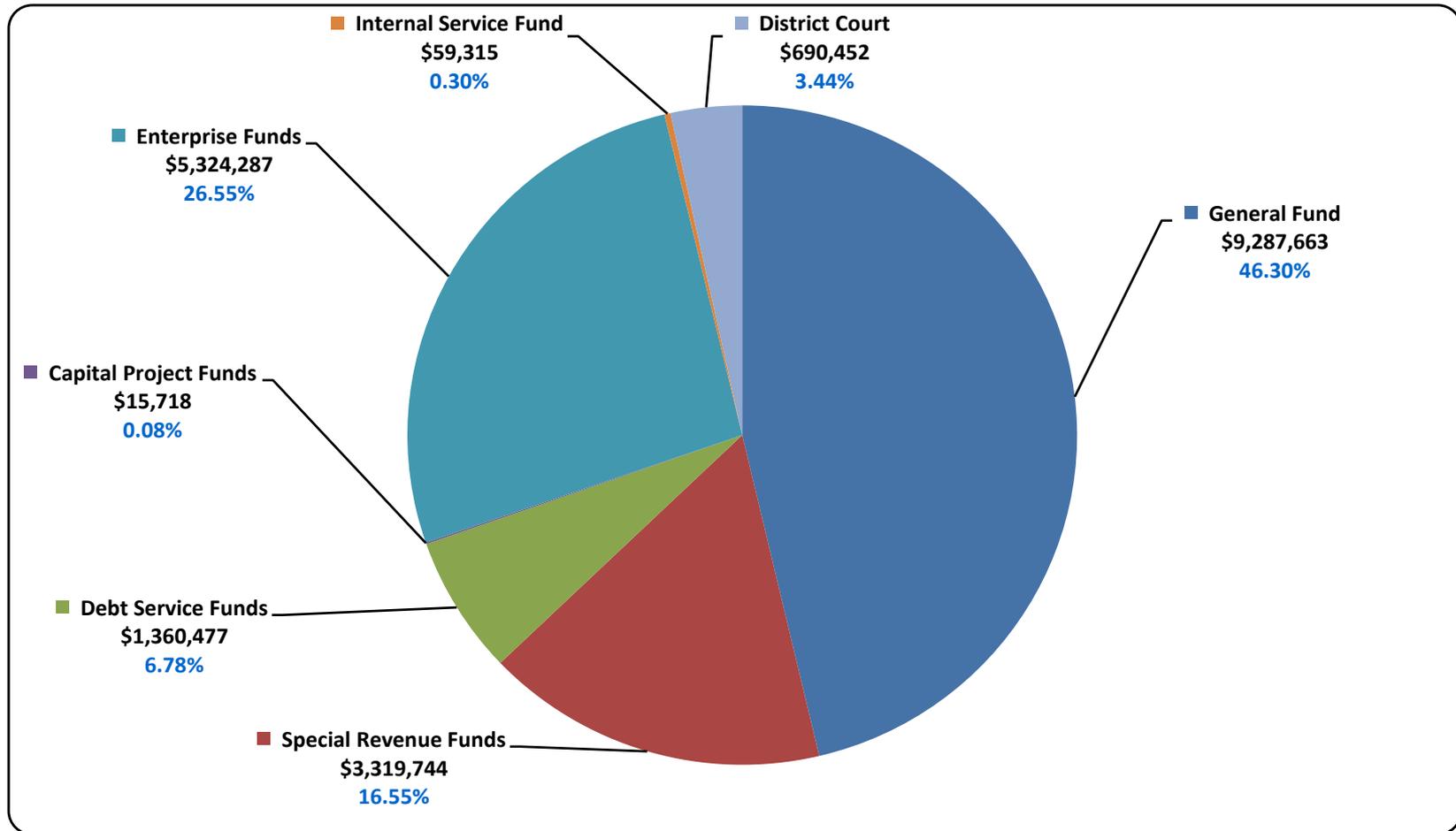
- Replace Outdated Capital Equipment 2010/11 - \$337,579
 - Seven (7) year Capital Equipment Replacement Plan - \$2,766,741
 - New Investment in City Infrastructure 2010/11 - \$1,237,757
 - Seven (7) year Capital Improvement Plan - \$12,552,669

 - Personal Services – All Funds - \$7,744,375
 - 71 Full Time Employees
 - 88 Part Time Employees or 25.8 full time equivalents
 - 4 Contract Employees
-



All Revenues by Fund Type

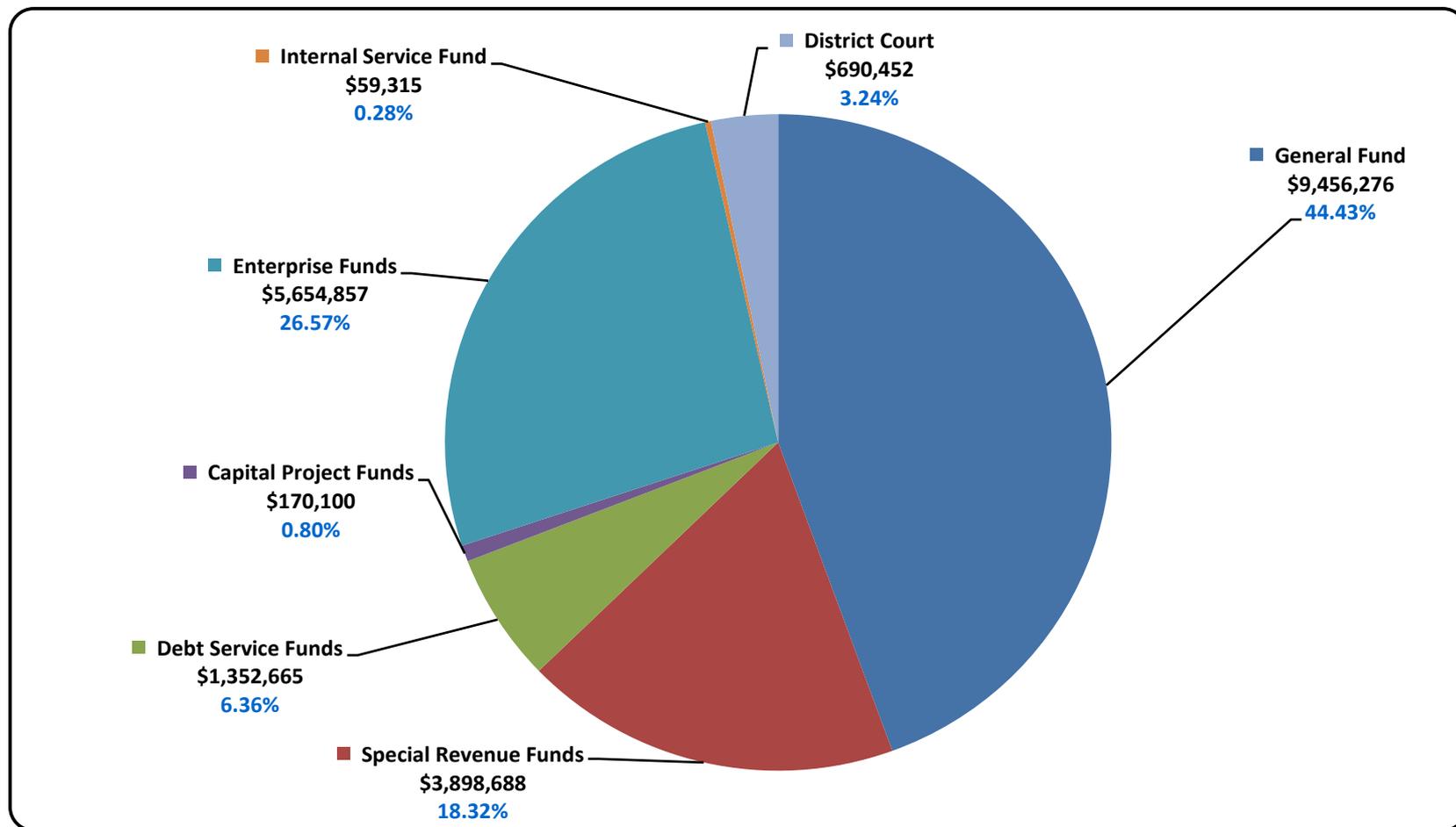
Recommended Budget 2010-2011 - \$20,057,656





All Expenditures by Fund Type

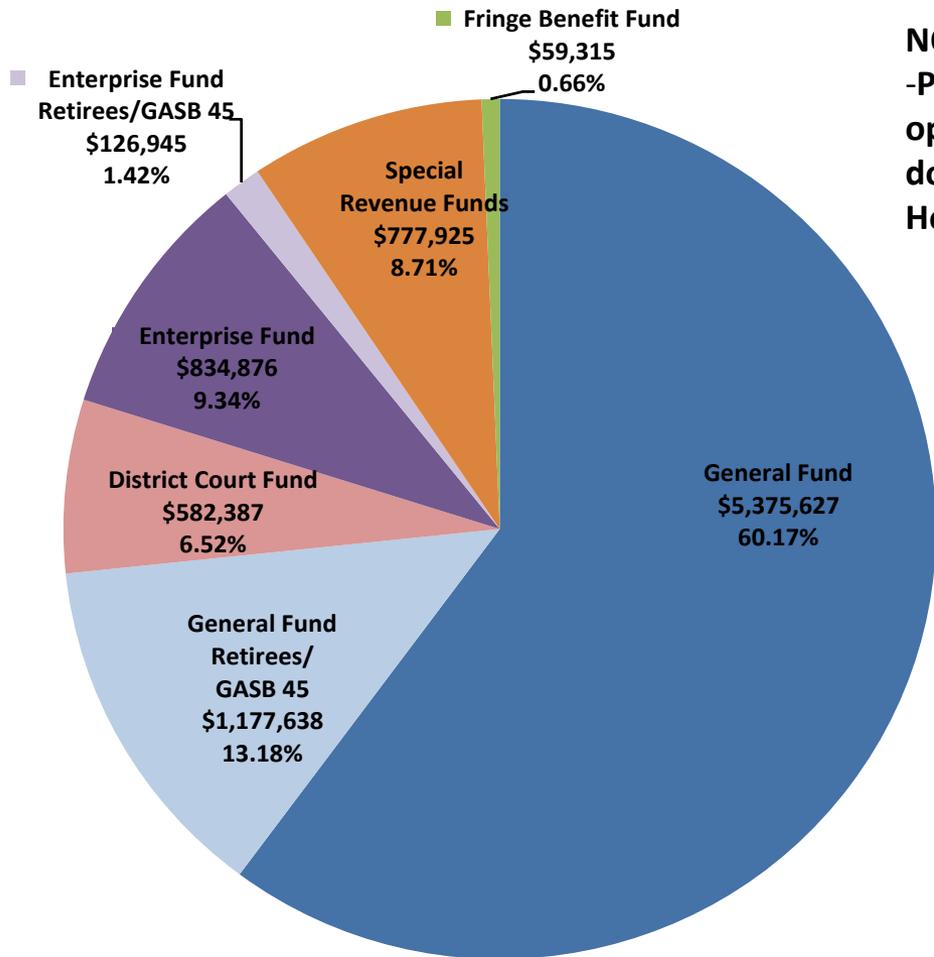
Recommended Budget 2010-2011 - \$21,282,353



Personnel Services by Fund Type



Total Recommended Personnel Budget FY 2010-2011 - \$8,934,713



NOTES:

-Personnel Services represents 47.4% of the total proposed operating budget for FY 2010/11. As noted below, this figure does not include funds with no personnel expenditures. However, this figure does include transfers-in.

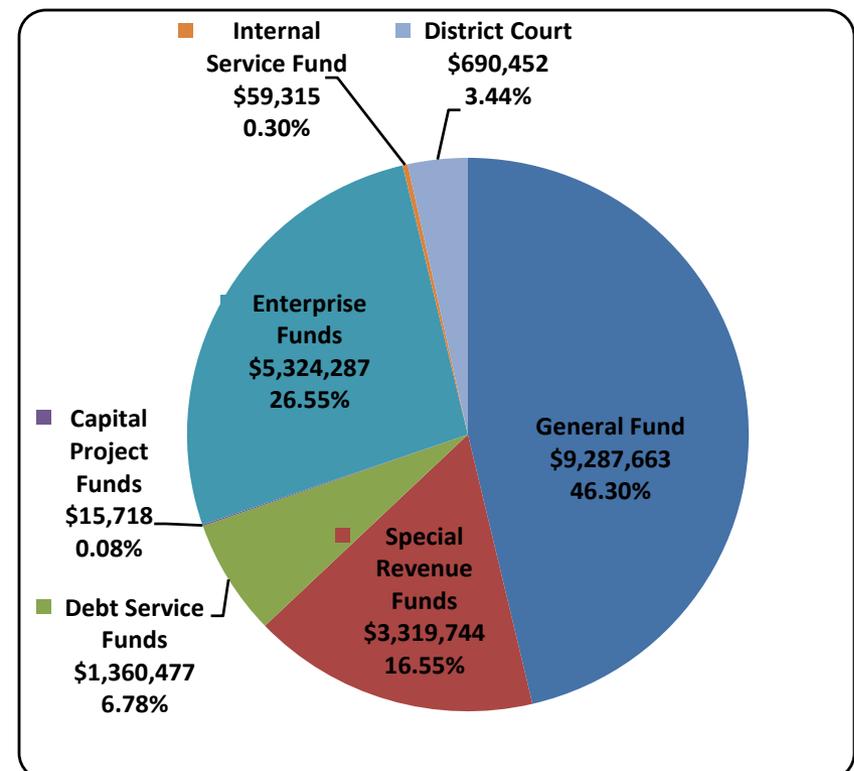
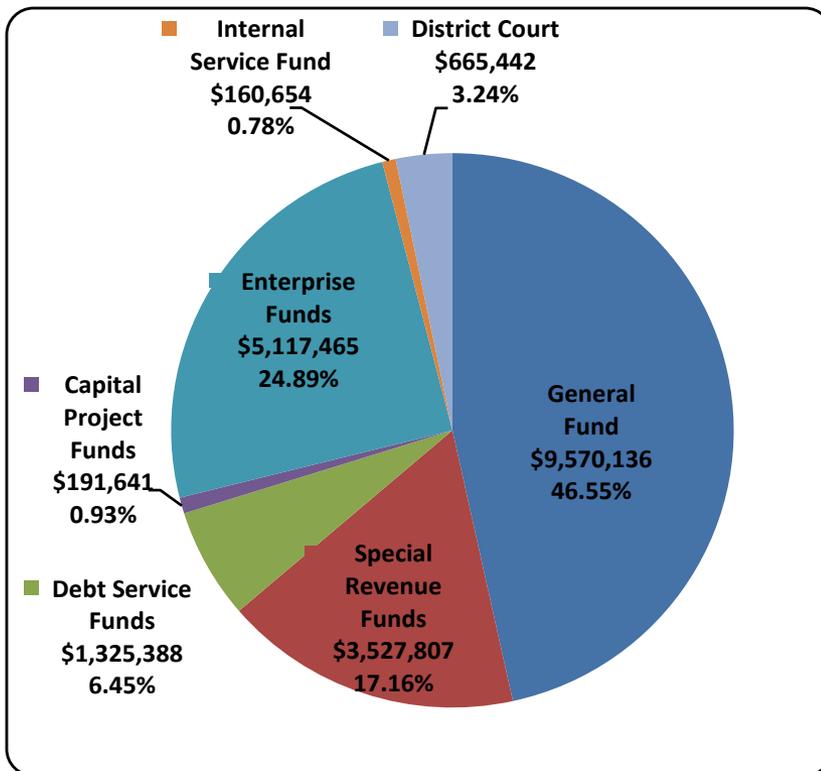
TOTAL PROPOSED OPERATING BUDGET:	\$21,282,353
Less Funds & Accounts without Personnel Services:	
Debt Service Funds (302,310,311,312)	(1,352,665)
Capital Project Funds (402,410,411,412)	(170,100)
Special Revenue Funds: 275 - CDBG	(96,468)
295 – Drug Forfeiture	(8,000)
677 – Loss	(216,013)
814 – DDA Ad Valorem	(123,050)
815 – DDA TIF Capture	<u>(466,297)</u>
TOTAL OPERATING BUDGET THAT INCLUDES PERSONNEL COSTS:	\$ 18,849,760

All Revenues by Fund Type - Comparison



Recommended Budget 2009-2010 - \$20,558,533

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

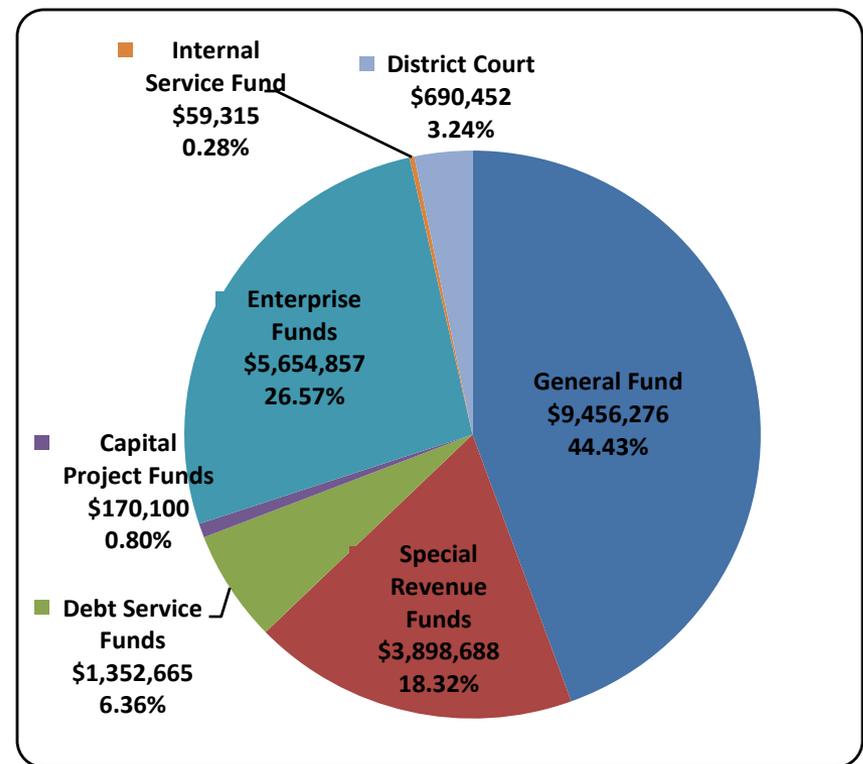
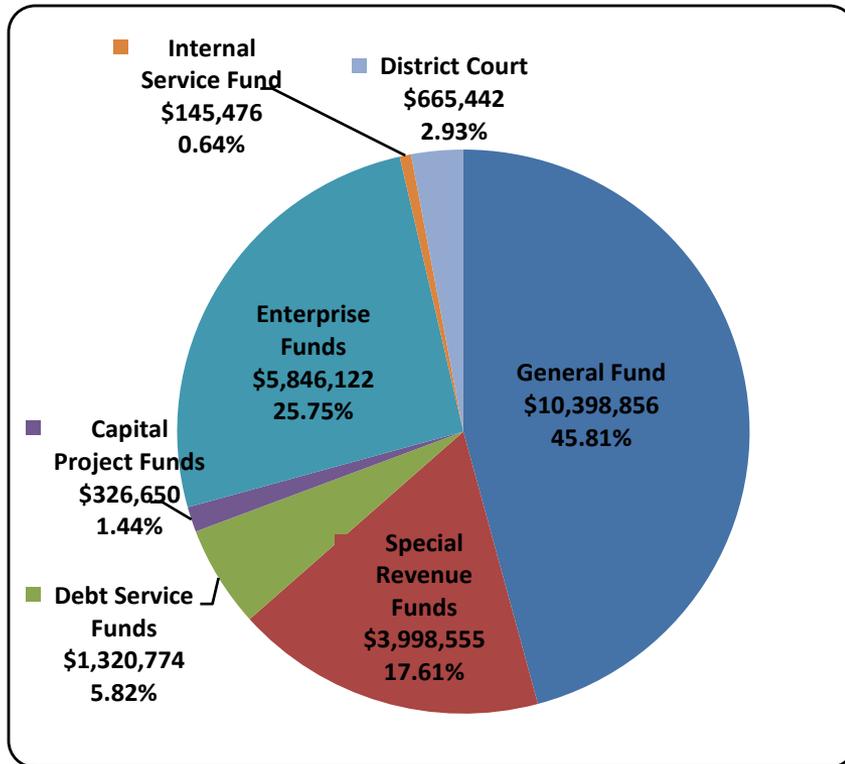


All Expenditures by Fund Type - Comparison



Recommended Budget 2009-2010 - \$22,701,975

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



General Fund

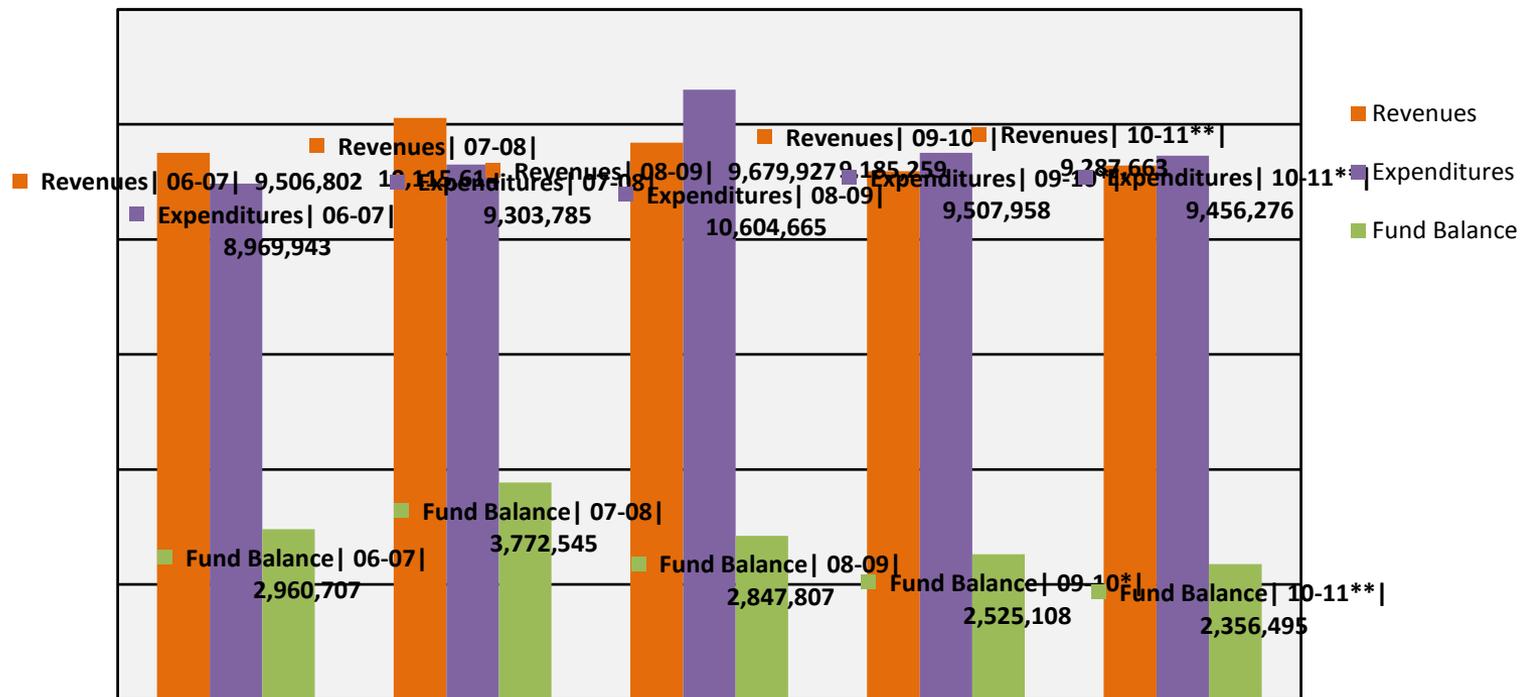


The chief operating fund that accounts for all financial resources except those required to be accounted for in another fund.

General Fund: Yearly Comparison



General Fund
Revenues, Expenditures, Transfers & Fund Balance

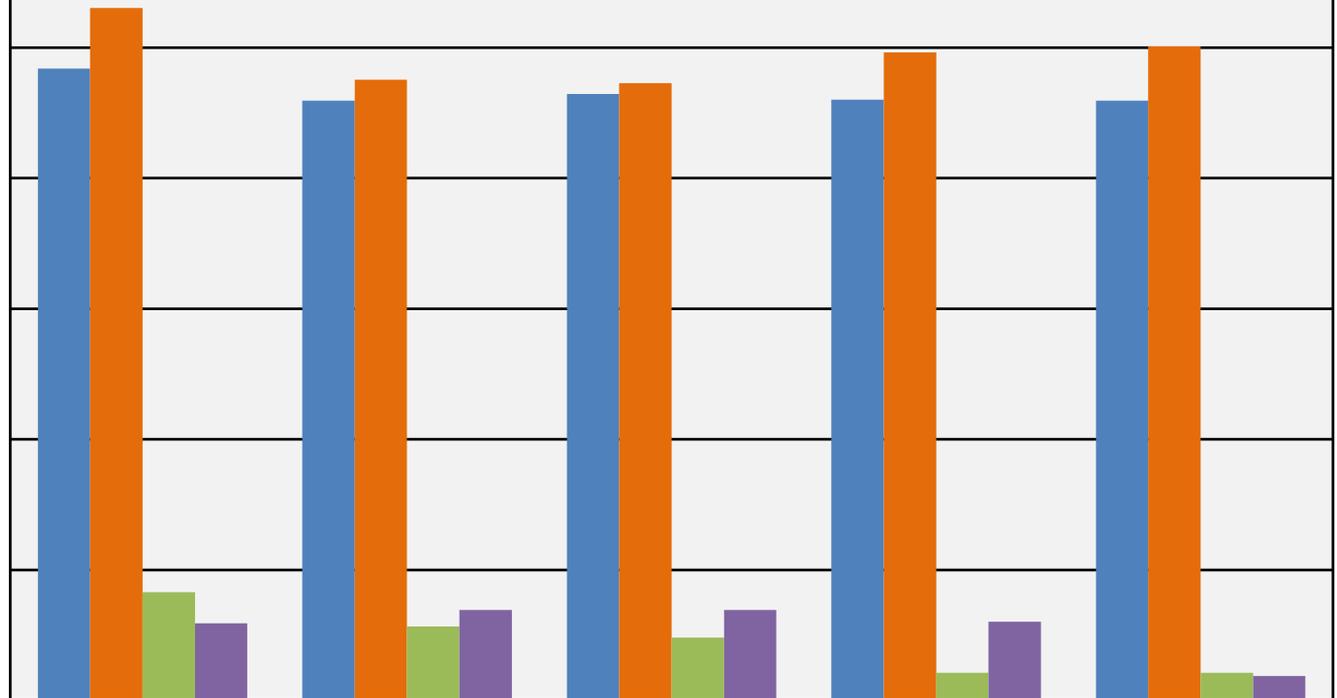


*Projected **Recommended

General Fund: Forecasted Activity



General Fund Revenues, Expenditures, & Fund Balance
Forecast



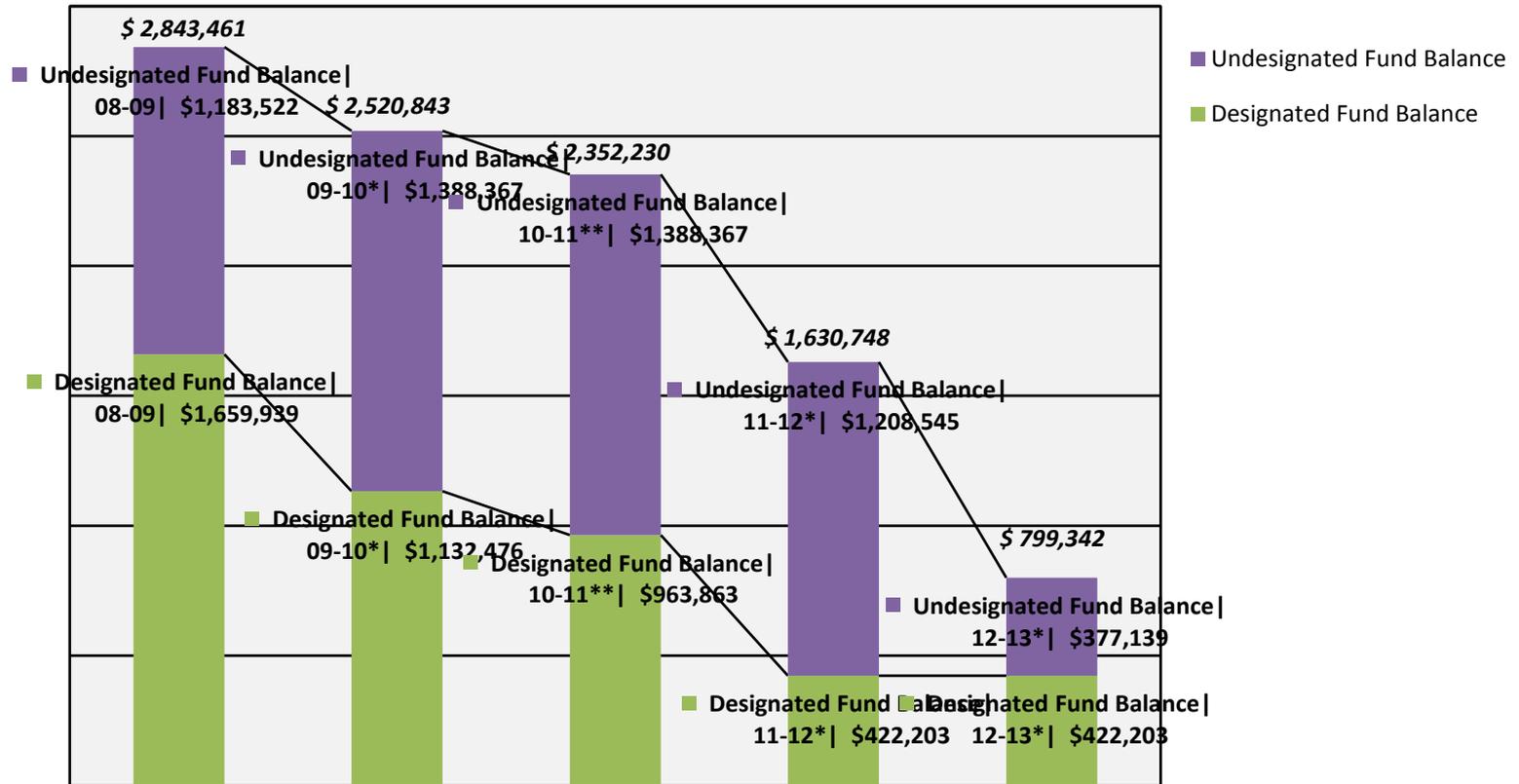
	08-09	09-10*	10-11**	11-12*	12-13*
■ Revenues	\$9,679,927	\$9,185,259	\$9,287,663	\$9,201,894	\$9,188,948
■ Expenditures	\$10,604,665	\$9,507,958	\$9,456,276	\$9,927,291	\$10,020,354
■ Designated Fund Balance	\$1,659,939	\$1,132,476	\$963,863	\$422,203	\$422,203
■ Undesignated Fund Balance	\$1,183,522	\$1,388,367	\$1,388,367	\$1,208,545	\$377,139

*Projected **Recommended

General Fund Forecasted Fund Balance



General Fund - Fund Balance
Designated & Undesignated



*Projected **Recommended

General Fund Projected: 09/10



• Inflows:	Revenues	\$ 9,165,995
	<u>+ Transfer in</u>	19,264
	Total Inflows	\$ 9,185,259
• Outflows:	Expenditures	\$ 8,756,027
	<u>+ Transfer out</u>	751,931
	Total Outflows	\$ 9,507,958
• Estimated excess/(deficit) revenues over expenditures:		\$(322,699)
Audited beginning fund balance 08/09:		\$ 2,843,462
Estimated ending fund balance 09/10:		\$ 2,520,843

General Fund Balance Beginning Analysis: 10/11



Total Estimated Beginning Fund Balance July 1, 2010: **\$2,520,843**

Estimated use of Fund Balance in 2010/11:

GASB 45 Liability – General Fund	\$0
Carry-forward Projects from prior Fiscal Years – See Next Page	(\$165,211)
2009/10 Fund Balance Used to Defray Operations	<u>(\$3,402)</u>

Estimated Ending Fund Balance Combined – June 30, 2011: **\$2,352,230**

Estimated Fund Balance Designated Reserves:

Inventory/Prepaid	\$195,320	
Library	\$13,842	
Public Safety PA 302 Fund Match - Training	\$12,000	
Public Safety Lids for Kids/Fire Open House	\$30,297	
School District Land	\$0	
Community Promotions	\$13,910	
Long-Term Receivables	\$152,839	
Designated for Future Operations (2011-12)	\$545,655	
Total Designated Reserves for the Ending Fund Balance 2010/11		\$963,863
Estimated Undesignated Reserve – 15% of Revenues		<u>\$1,388,367</u>

Available Fund Balance – General Fund at June 30, 2011 **\$2,352,230**

General Fund Balance Beginning Analysis: 10/11

Continued



Unreserved Calculation:

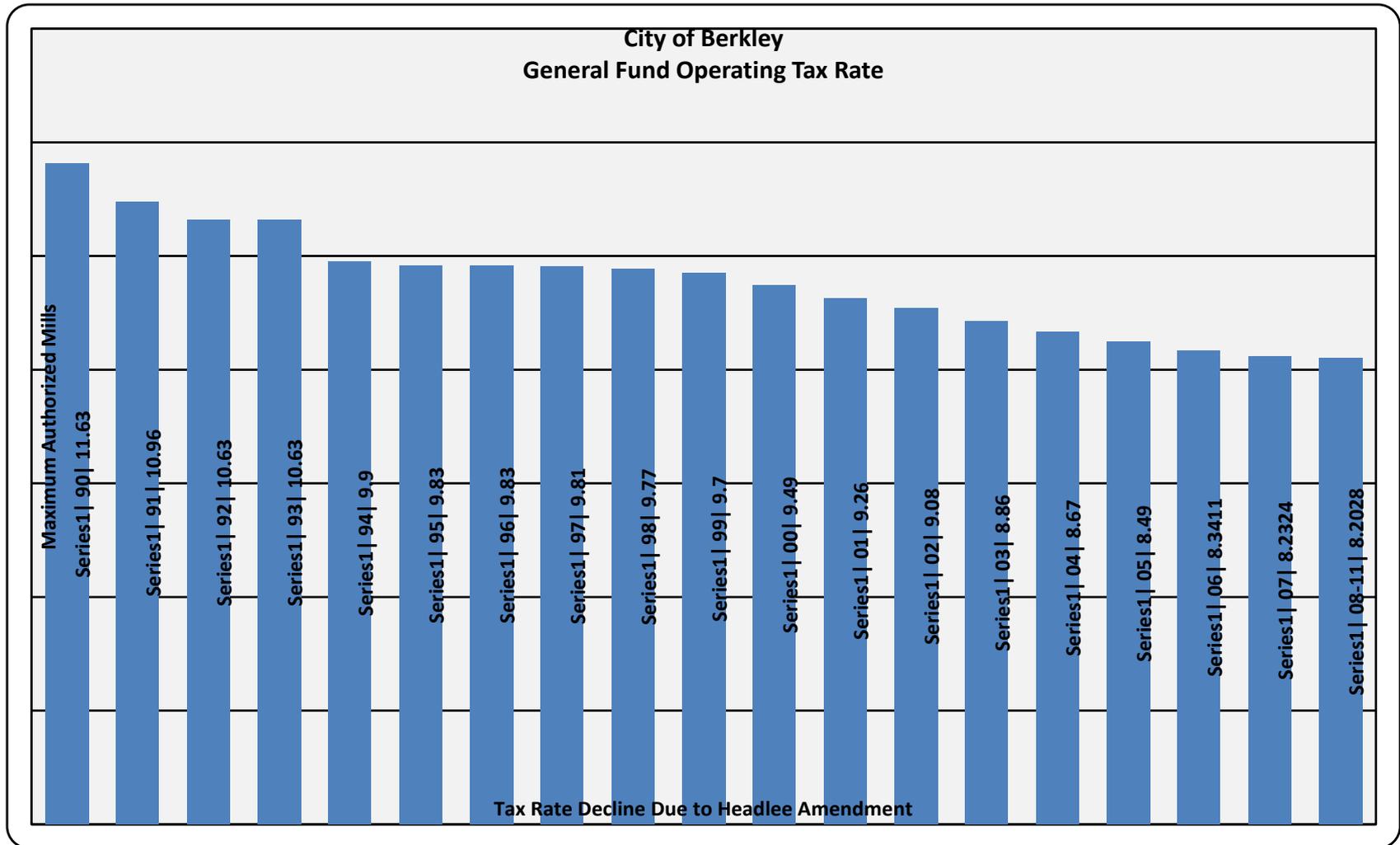
Total Estimated Revenues 2010/11:	\$9,255,785
15% of Revenues:	<u> x 15%</u>
Recommended Unreserved Total:	\$1,388,367

Carry-forward Projects from Prior Fiscal Years:

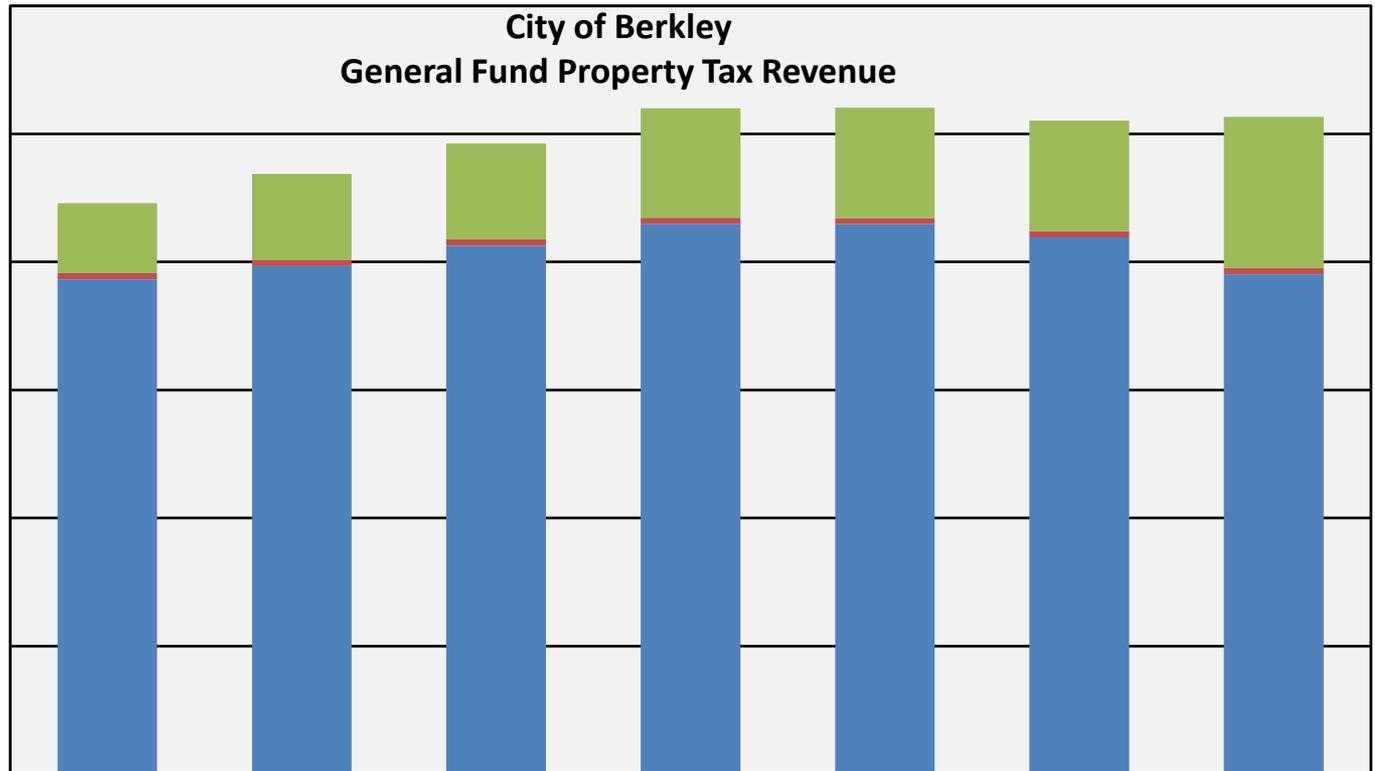
E-911 Dispatch	\$87,000
Fire Truck Installment Payment	<u>\$78,211</u>

Total Projects Required to Use Fund Balance: \$165,211

Headlee Amendment Impact



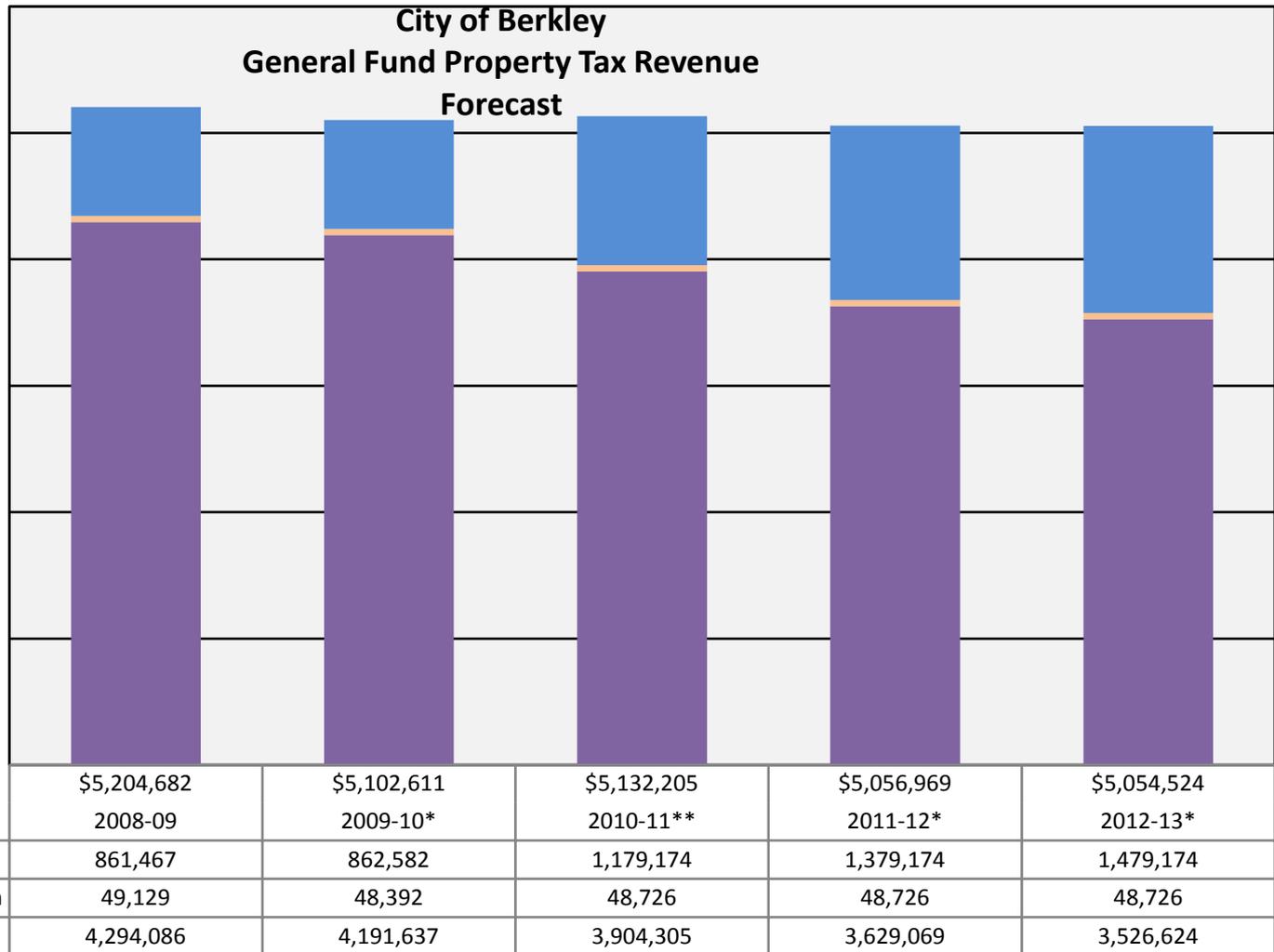
General Fund Property Tax Revenue



	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10*	2010-11**
Public Safety Pension	\$544,868	\$667,220	\$750,305	\$853,970	\$861,467	\$862,582	\$1,179,174
Community Promotion	\$49,105	\$49,194	\$49,227	\$48,982	\$49,129	\$48,392	\$48,726
General Operating	\$3,864,877	\$3,969,230	\$4,126,026	\$4,296,713	\$4,294,086	\$4,191,637	\$3,904,305

*Projected **Recommended

General Fund Property Tax Revenue Forecast

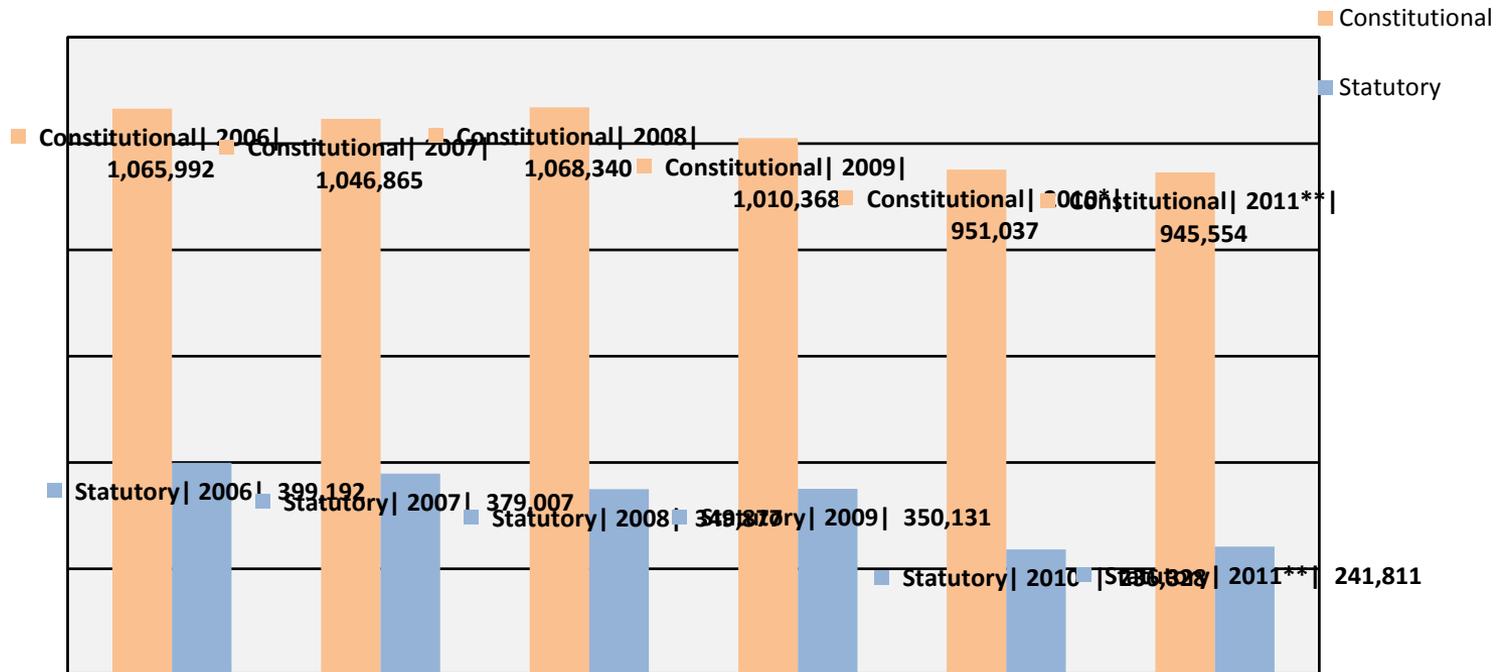


*Projected **Recommended

State Revenue Sharing



City of Berkley
Revenue Sharing

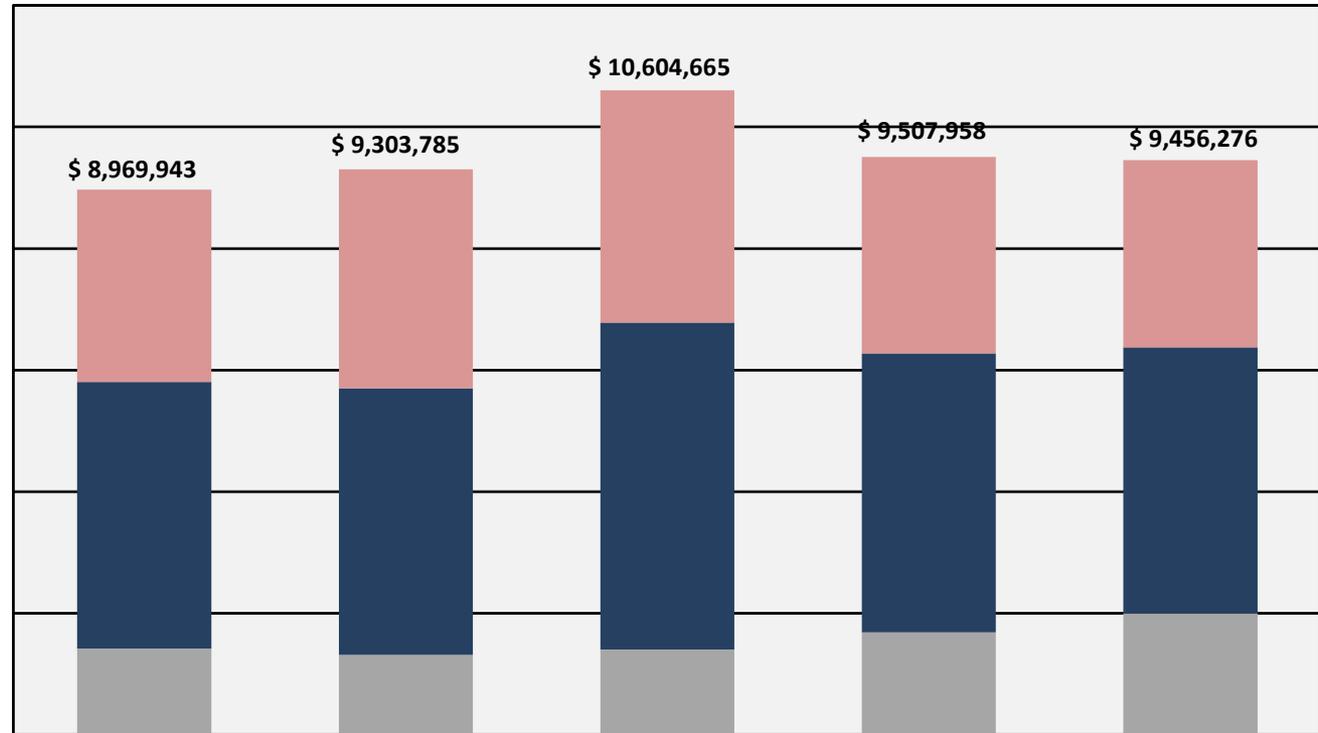


*Projected **Recommended

General Fund Expenditures



General Fund Expenditures



	2007	2008	2009	2010*	2011**
Operating Expenditures	\$3,162,977	\$3,601,702	\$3,822,929	\$3,232,281	\$3,084,011
Salaries & Other Benefits	\$4,383,966	\$4,384,083	\$5,375,736	\$4,589,677	\$4,370,265
Health Care Benefits - BCBS	\$1,423,000	\$1,318,000	\$1,406,000	\$1,686,000	\$2,002,000

*Projected **Recommended



Public Safety



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



E-911 System Upgrade to
Dispatch Area
\$87,000
(funded in 101 fund)

Public Works



Brake & Tire Machine
\$8,000
(funded in 226 fund)



Electric/Hydraulic Lift
Gate for Pickup Truck
\$5,000
(funded in 101 fund)





Parks and Recreation



Relighting Project for
Community Park Ball
Fields 2 & 3
\$35,000
(funded in 614 fund)



Community Center
Improvements:
\$5,750
(funded in 101 fund)



Tennis Courts at
Angell Park

\$66,000
(funded in 614 fund)

\$21,000
(funded in 275 fund)

Berkley Public Library



Books
\$43,000
(funded in 101 fund)



GASB 45 Analysis



Fiscal Year	Actuarial Estimated Unfunded Liability	Actual Unfunded Liability – City Contributions – All Funds
2008/09	\$905,000	\$1,005,251
2009/10	\$934,969	\$464,635
2010/11	\$969,492	\$123,585

TO BE PAID:	July 30, 2010	\$30,896
	Oct 31, 2010	\$30,896
	Jan 31, 2011	\$30,896
	Apr 30, 2011	\$30,897



Special Revenue Funds

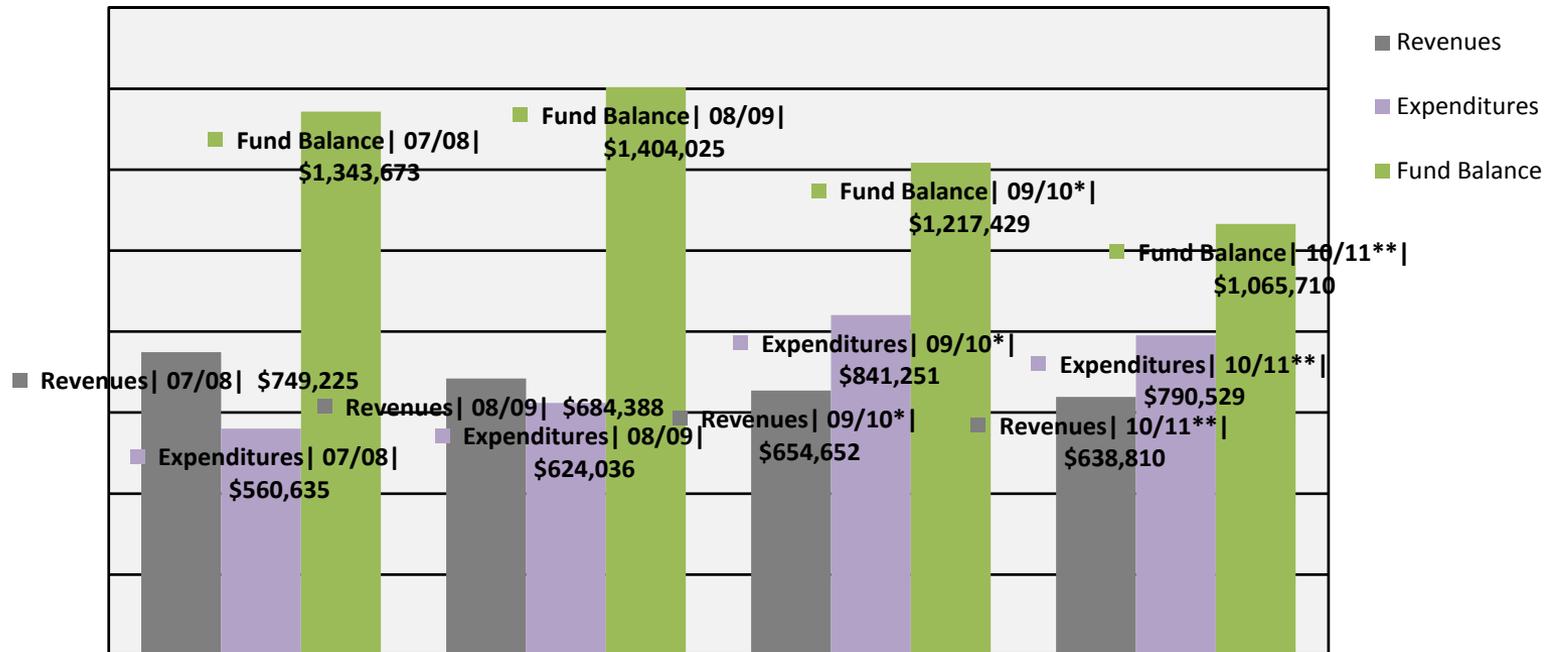
Specific revenues that are legally restricted to expenditures for specific purposes.

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

Major Streets



Major Streets
Revenue, Expenditures, Transfers, & Fund Balance

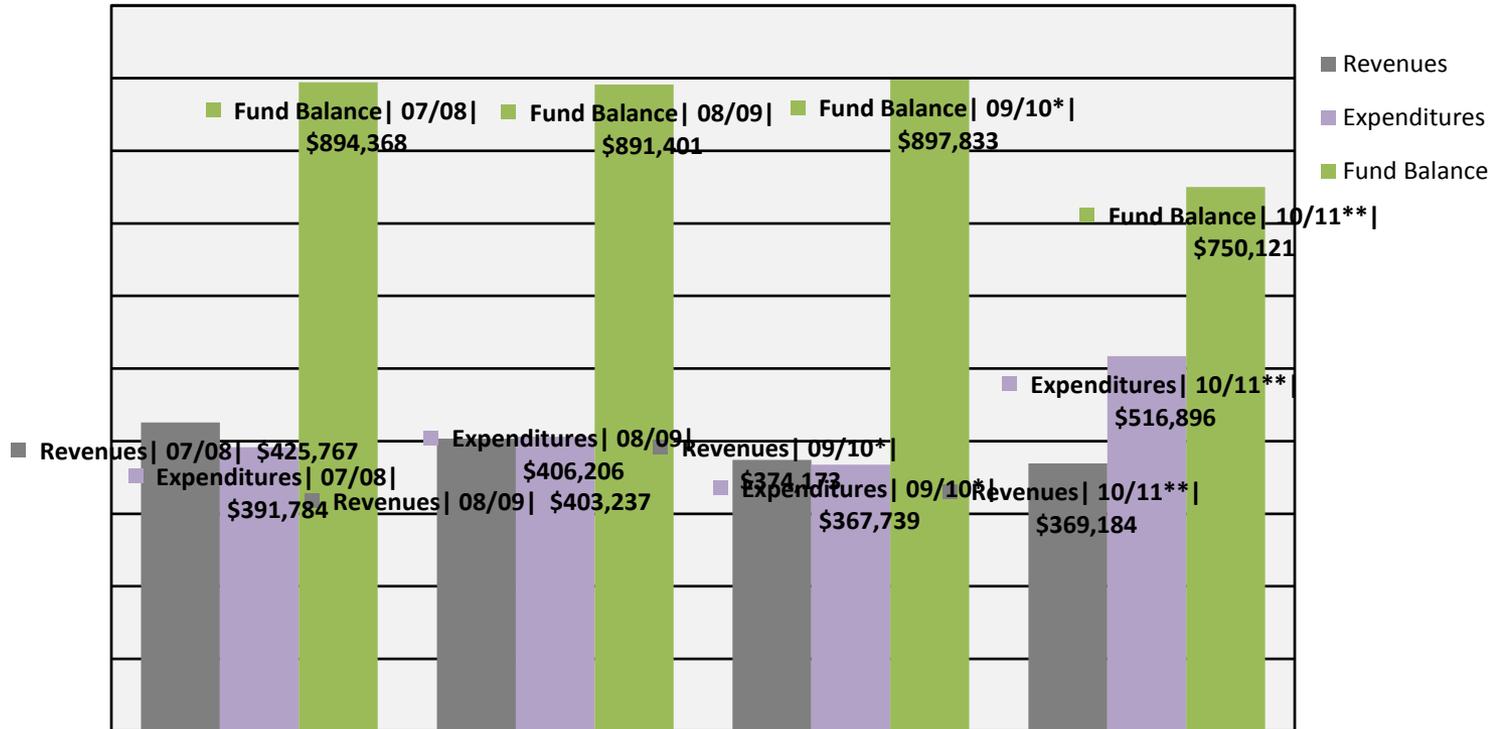


*Projected **Recommended

Local Streets



Local Streets
Revenue, Expenditures, Transfers, & Fund Balance



*Projected **Recommended

Major & Local Street Expenditures



Major: \$790,529

Local: \$516,896

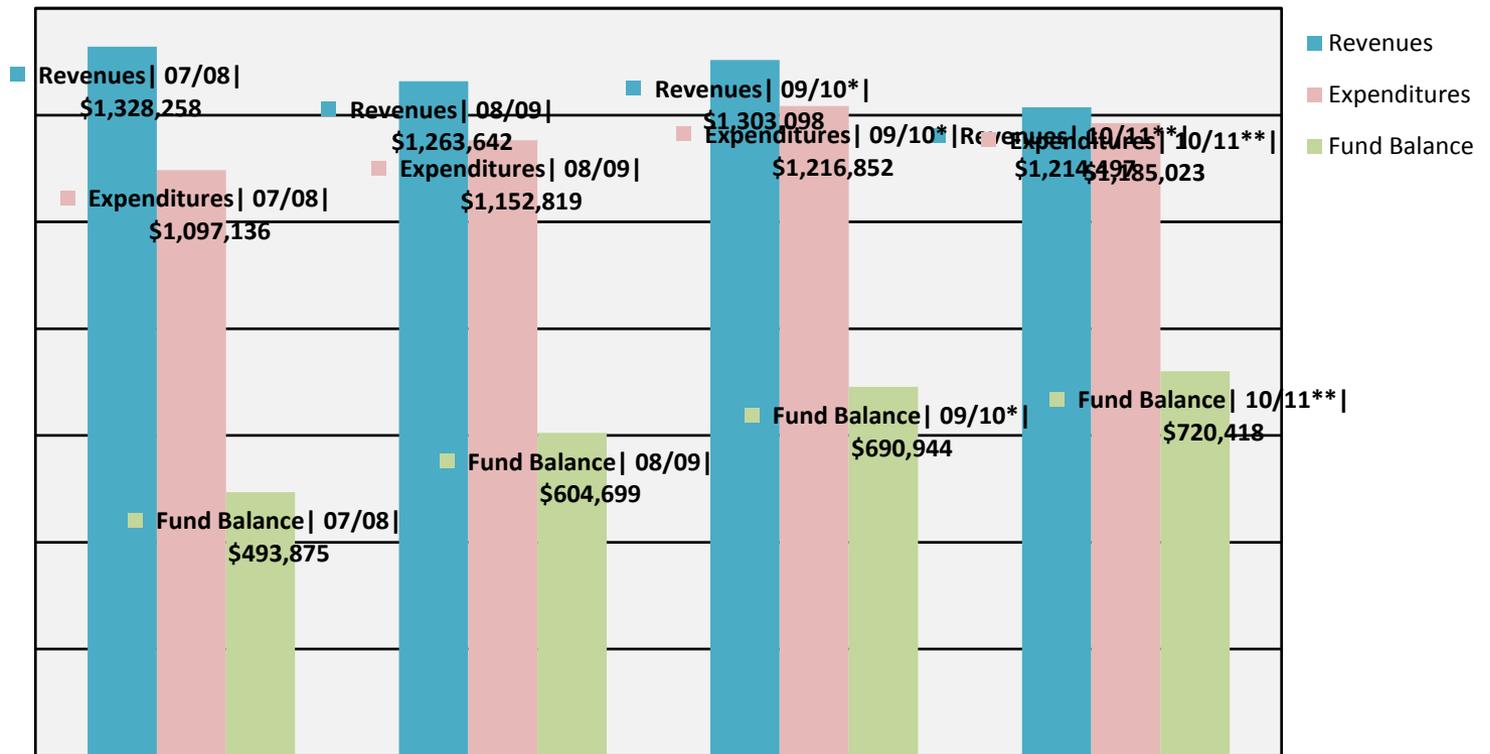
• Street Repair, Catch Basin, Asphalt & Joint Crack Sealing	\$396,418
• Tree Maintenance & Replacement	\$193,056
• Maintenance & Replacement of Signs & Pavement marking	\$58,574
• Winter Maintenance	\$253,665
• Boulevard & Facility Ground Maintenance	\$112,616

- Street spending was reduced by 5.92% compared to last fiscal year

Solid Waste



Solid Waste
Revenues, Expenditures, Transfers, & Fund Balance

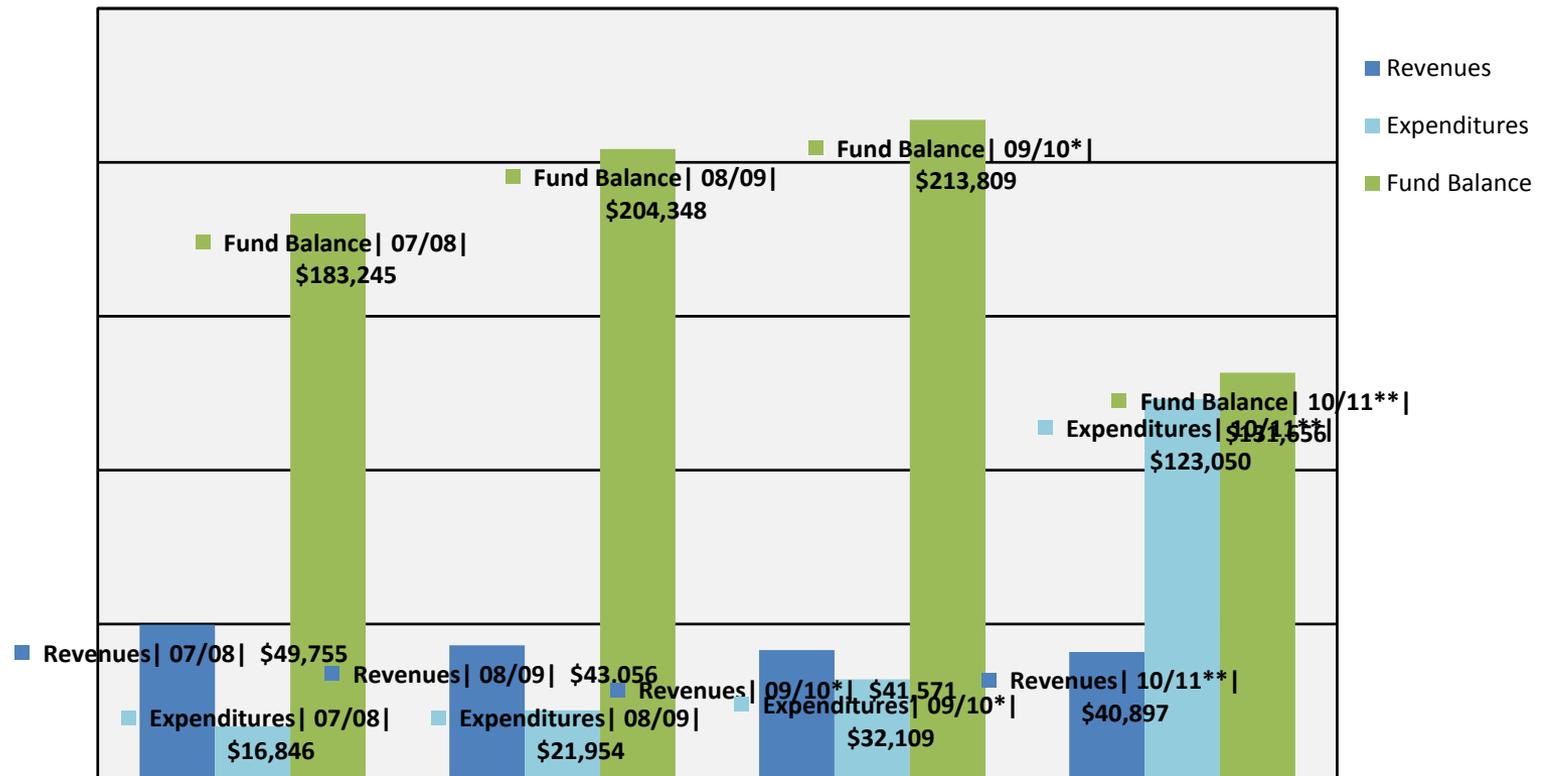


*Projected **Recommended

DDA - Ad Valorem



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

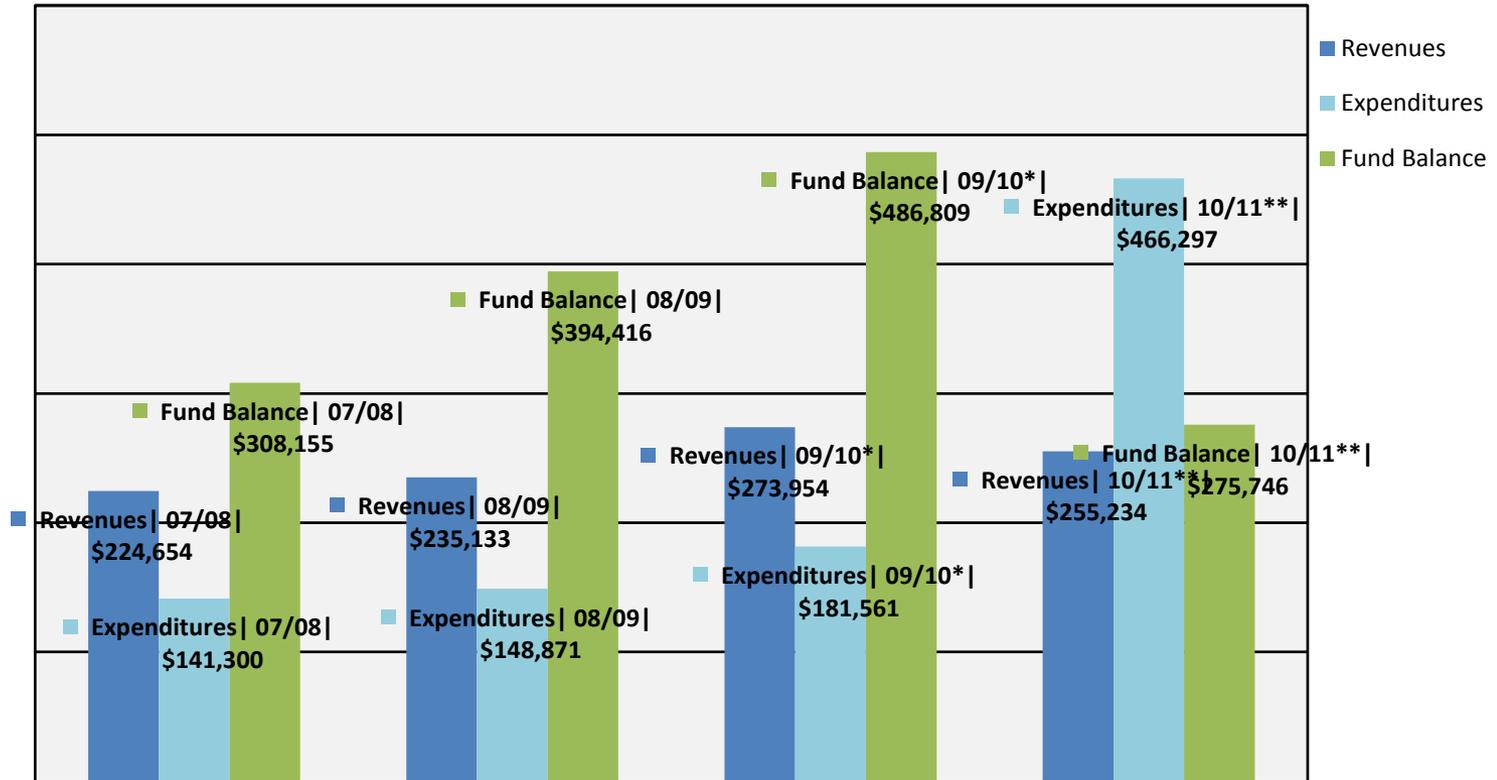


*Projected **Recommended

DDA – TIF Capture



DDA TIF Capture Fund
Revenues, Expenditures, Transfers, & Fund Balance



*Projected **Recommended

Downtown Development Authority

Expenditures



DDA – Ad Valorem: \$123,050

DDA – TIF Capture: \$466,297

DDA Ad Valorem (814)

- Farmer’s Market \$10,000
- Downtown Promotions/Trolley/Banners \$39,751
- Façade Grant Incentive Program \$55,000

DDA TIF Capture (815)

- Improve City Parking Lots behind 12 Mile Rd \$375,000
(carry-forward from 07/08 FY)
 - Coolidge – carry-forward from 08/09 \$50,000
 - 12 Mile Road – Summer/Winter Maintenance \$29,297
 - 12 Mile Coolidge Intersection \$12,000
 - Annual Debt Payment (funding from 402
Construction fund) \$0
-



Debt Service Funds

General long-term debt principal and interest

	<u>10/11 Payment</u>	<u># of yrs. remaining</u>
<input type="checkbox"/> DDA Streetscape/Intersection	\$148,100	5
<input type="checkbox"/> George Kuhn Drainage Bonds	\$543,945	15
<input type="checkbox"/> Major and Local Street Bonds	\$351,985	5
<input type="checkbox"/> 11 Mile Road Project Bonds	\$211,845	10
<input type="checkbox"/> 12 Mile Road Project Bonds	\$96,790	5



Capital Project Funds

- Financial resources used for the acquisition or construction of major capital
 - ❑ 11 Mile Road Project – Engineering Only - \$11,500
 - ❑ 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
(DDA Debt Payment 2010/11 - \$148,100)
-



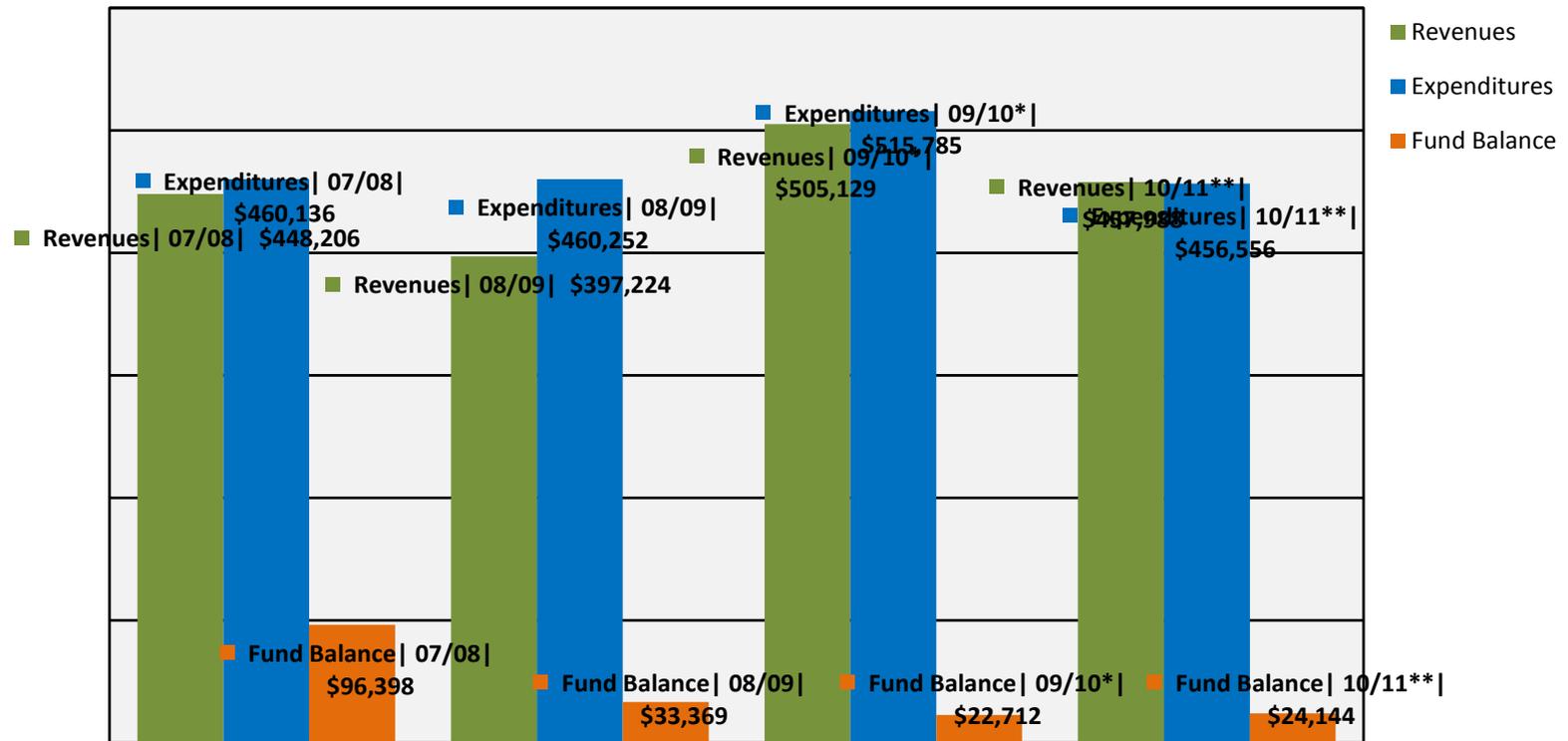
Enterprise Funds

- 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



Arena

Arena Revenues:

\$457,988

❑ Rental Fees - \$414,425

- \$10/hr rate increase for Prime Time Ice

- PRIME: from \$220 to \$230 per hour
- NON PRIME: Varies by time of day
- Anticipate 1 Berkley Youth Hockey teams for the 10/11 season
- Figure Skating Budgeted – A recital will be held in place of the Ice Show

❑ Other Revenues - \$18,563

❑ Operating Transfer in - \$25,000 Total

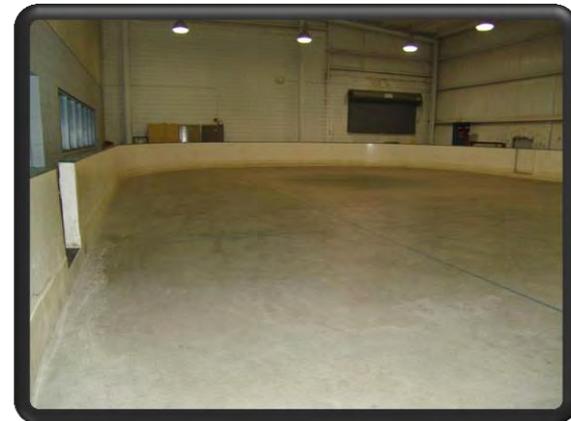
General Fund: \$12,500 Rec Revolving Fund: \$12,500



Arena Expenditures

Arena Expenditures for 2010/11:

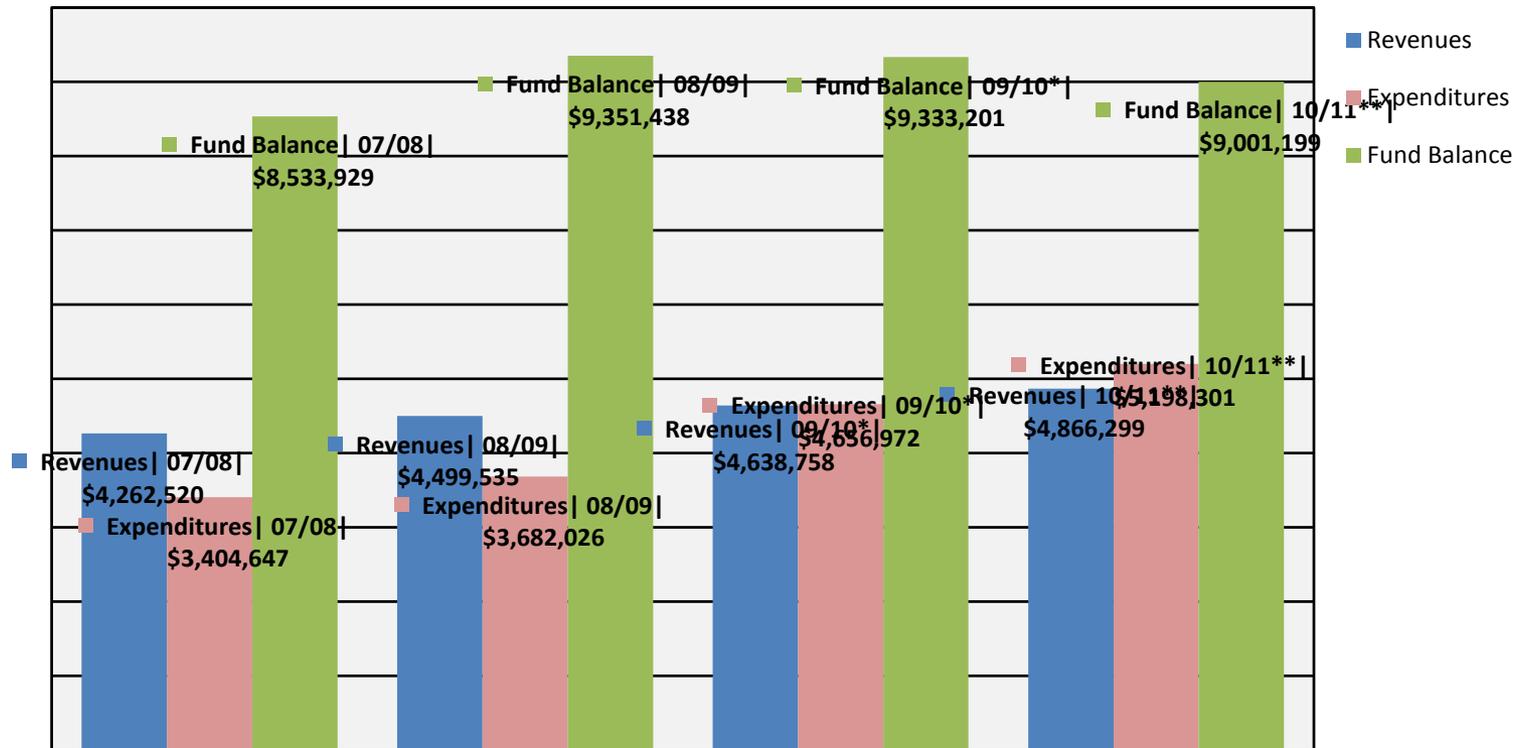
- Salary and Fringe Benefits - \$179,258
- Skating Instructor Contract – Open
- Utility Costs: \$119,000
- Capital Improvements - \$24,700
 - *Building Improvements: \$9,750*
 - *Soccer/Batting Cages: \$13,750*
 - *Various Equipment: \$ 1,200*



Water & Sewer



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



*Projected **Recommended



Water & Sewer

Water and Sewer Revenues: \$4,866,299

- Wholesale Water Rates:
 - Detroit Water & Sewer Department – 12.5% increase
 - SOCWA Pass Thru – 8.5% Increase over last year
 - City of Berkley – 8.5% rate increase
 - Total Estimated Consumption Water Revenues: \$765,126

 - Wholesale Sewer Rates:
 - Detroit Water & Sewer Department/Wayne County –
Estimated Increase: 8.8%
 - Southeast Oakland County Drain Commission –
Estimated Increase: 35.5%
 - New Charge from Drain Commissioner - \$0.25 per MCF – Emergency Repair Maintenance
 - City of Berkley – 9% rate increase
 - Total Estimated Consumption Sewage Revenues: \$793,054
-

Water & Sewer Fund



Consumption Charges:

	<u>Current</u>	<u>Proposed</u>	Proposed <u>Increase</u>
Water Service	\$1.30	\$1.41	8.5%
Sewer Service	<u>\$1.34</u>	<u>\$1.46</u>	9.0%
Total per 100 cubic ft	\$2.64	\$2.87	8.7%

-All new Water/Sewer rates effective the billing of July 1, 2010

Water Service Fixed Charge

(Ready to Serve Charge)



Proposed: \$1,144,065

Amount represents a base charge to all 6,800 customers on a quarterly basis to cover fixed system expenses. Rate increase of 4%.

		Rate per Quarter	
<u>Size</u>	<u>No.</u>	<u>Current</u>	<u>Proposed</u>
.75"	6,658	\$ 38.30	\$39.83
1.00"	68	\$ 63.84	\$66.39
1.50"	36	\$127.66	\$132.77
2.00"	28	\$204.24	\$212.41
3.00"	7	\$446.80	\$464.67
4.00"	3	\$743.64	\$773.39



Storm Water Utility Charge

Proposed: \$1,407,489

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: \$1,349,663 – 16.2% 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: \$543,943 – 0% Increase
 - For each of the 8,593 residential units @ \$55.09 x 4
11% Increase
-



Billing Charge

Proposed: \$94,708

- This is a fixed charge for each water bill to cover the cost of reading meters, preparing water bills, and maintaining water payment records.
 - 6,800 Accounts x \$3.48193 x 4 (Quarter)
-

Proposed Percent Cost Increase



EFFECTIVE JULY 1, 2010

	2009/10	2010/11	Increase/ (Decrease)	City Percent Increase/ (Decrease)	Wholesale Percent Increase/ (Decrease)
Water Service/100 Cubic Feet	\$1.30	\$1.41	\$0.11	0.084615385	8.53%
Sewer Service/100 Cubic Feet	1.34	1.46	0.12	0.089552239	10.50%
Total Consumption Rate	\$2.64	\$2.87	\$0.23	0.087121212	
Yearly Consumption in 700 cubic feet per quarter or (7)	7.00	7.00			
Consumption Cost	\$18.48	\$20.09	\$1.61	0.087121212	
Ready to Serve 3/4 Meter	38.30	39.83	1.53	0.039947781	
Storm water rates	49.63	55.09	5.46	0.110014104	16.20%
Billing Charge	3.04	3.48	0.44	0.144736842	
Quarterly Billing Charge	\$109.45	\$18.49	\$9.04	0.082594792	
Total Quarters	4.00	4.00	4.00		
Annual Billing Charge	\$437.80	\$473.96	\$36.16	0.082594792	

Non Residential Flow- Wayne County Pass Through: \$67,054



<u>Meter Size</u>	<u>Current</u>	<u>Proposed</u>
.75	\$28.14	\$30.84
1.00	\$46.89	\$51.39
1.50	\$103.14	\$113.04
2.00	\$150.00	\$164.40
3.00	\$271.89	\$297.99
4.00	\$375.00	\$411.00

Utility Bill: Solid Waste



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

Water/Sewer Expenditure Highlights



• Bulk Water – SOCWA-Detroit	\$717,391
• Bulk Sewage -Detroit-Drain Commissioner	\$730,496
• Stormflow By-Pass – Drain Commissioner	\$1,354,500
• Kuhn Drain Debt Payment	\$543,943
• City Operations	\$1,030,623

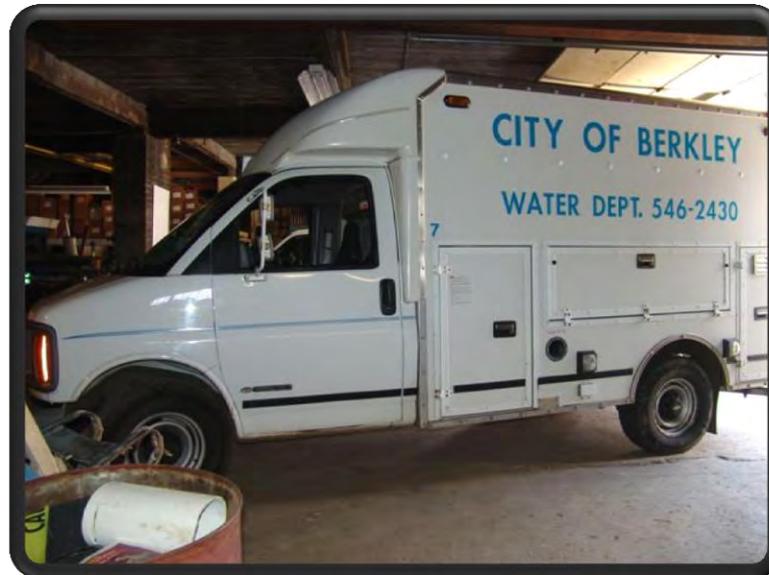
• Gate Valve Replacement	\$115,000
• Sewer Line Re-Lining	\$200,000
• Concrete Repair	\$40,000
• Vehicle Replacement – Service Van	\$120,000

Water/Sewer Expenditure Highlights

Continued



1998 Chevy Service Van
\$120,000





Internal Service Fund

- 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>2010/11</u>	<u>2009/10</u>	<u>2008/09</u>	<u>2007/08</u>
\$59,315	\$44,354	\$114,485	\$96,500



District Court Expenditures

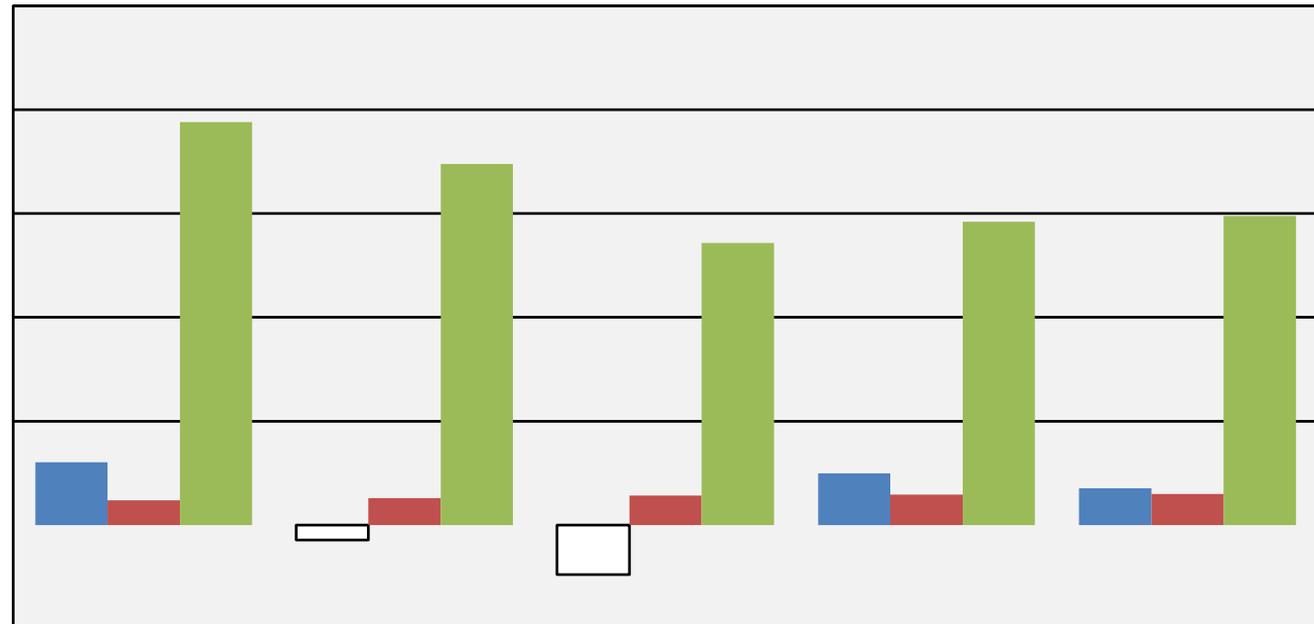
- Fund 265: \$686,391
Operations – 5% increase from 09/10 FY

- Fund 266: \$0
Building Fund

Public Safety Pension



Public Safety Pension



	2006-07	2007-08	2008-09	2009-10*	2010-11**
■ Revenues	\$3,018,537	\$(722,704)	\$(2,384,134)	\$2,482,596	\$1,779,213
■ Expenditures	\$1,185,224	\$1,296,252	\$1,413,198	\$1,461,392	\$1,504,084
■ Retained Earnings	\$19,401,970	\$17,383,014	\$13,585,682	\$14,606,866	\$14,882,015

*Projected **Recommended