

Village of Elk Rapids Budget

Proposed for
Fiscal Year 2013-2014

Introduction

- The purpose of this review is to present the proposed Village of Elk Rapids Budget for the Fiscal Year 2013-2014. The budget presented is as discussed at the January 28, 2013, Budget Work Session and a subsequent meeting with President Dan Reszka.

Budget Procedure

- Based on comments from the public, Council and staff at tonight's meeting, changes to the budget may be made. After tonight's presentation and public hearing, the Council will consider approving the budget. As a community, we adopt our budget formally by fund and activity. During the course of the fiscal year, Council may wish to amend the budget, at which time the dollar amounts designated to specific fund and activity numbers are revised. Also, the manager may amend an account number as long as it does not change the amount in the activity or fund total.

General Fund Expense Activities

Activity (area 101)	Proposed 2013-2014	Change
172 Village Manager	\$58,747*	↑ \$16,777
216 General Services	\$207,776**	↓ \$65,206
260 Clerk	\$92,877	↓ \$8,598
300 Police	\$441,367	↑ \$5,672
690 Park Maintenance	\$122,933***	↓ \$5,992
692 Beautification	\$12,505	↑ \$3,365
694 Parks & Recreation	\$4,500	↑ \$1,640
698 Beautif. Donation	\$1,380	↑ \$320
801 Planning	\$101,028	↑ \$5,288
TOTAL	\$1,043,113	↓ \$46,734

*New Manager/Assistant Manager rates; adjusted allocations for salary/wage expenses

** Debt repaid in 2012-2013

● *** Job reallocation

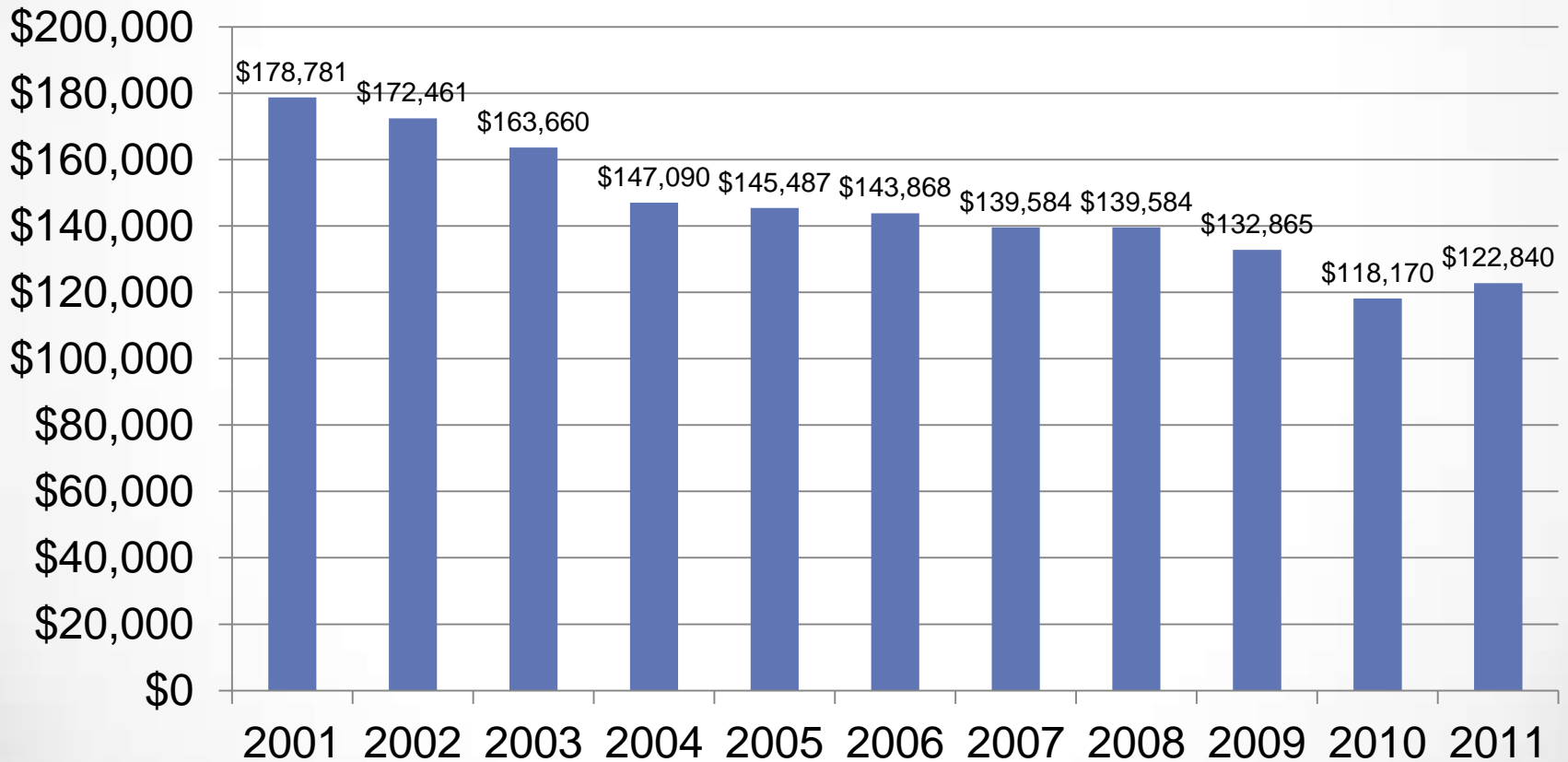
General Fund Revenue Sources

Revenue Source	% of Total Revenue	FY 2012-2013
Taxes Real & Personal	78%	\$787,278
State Sales & Const. Tax	12%	\$121,500
Other Misc.	10%	\$95,925
TOTAL	100%	\$1,004,703

- *Excludes any prior year fund balance that would be used for expenses.

State Revenue Sharing History

State Revenue Sharing (2001-2011)



What Reduced Revenue Sharing Means

- Had revenue sharing remained the same as in 2001, the Village would have realized an additional General Fund revenue of \$362,000. In the State fiscal year 2010-2011, revenue sharing increased slightly (\$4,670, or 2%). A similar increase is expected for the current State fiscal year 2012-2013.

Taxable Value and Millage Rates

2007	2008	2009	2010	2011	2012
Taxable Value					
\$108,909,738	\$111,830,248	\$111,923,254	\$109,668,147	\$105,714,650	\$105,907,946
Millage Rate (excluding debt)					
12.5517	12.2423	11.7398	11.5825	11.5175	11.5510

Property Tax and State Revenue Sharing (2007-2012)

Category	2007	2008	2009	2010	2011	2012
Property Tax (3 funds)	\$1,355,370	\$1,360,826	\$1,308,943	\$1,263,307	\$1,217,767	\$1,223,000
State Revenue Sharing	\$139,584	\$139,584	\$132,865	\$118,170	\$122,840	\$127,818
TOTAL	\$1,494,954	\$1,500,410	\$1,441,808	\$1,381,477	\$1,340,607	\$1,350,818
Change from Previous Year	—	↑ \$5,456	↓ \$58,602	↓ \$60,331	↓ \$40,870	↑ \$10,211

General Fund Highlights

- We are planning to receive all of the statutory revenue sharing available. The Village should receive more this year than last year based upon EVIP qualifications through Shared Services.
- Beatification has requested additional funds for River Street median redesign.
- Chippewa Street Property will be paid off in 2013.
- \$10,000 is being reserved for reformatting Zoning Code.
- \$6,000 is being reserved for picnic table replacement.

Municipal Street Fund

<u>REVENUE</u>	Amount	Change
Tax	\$336,586	
Misc.	\$2,500	
Estimated Cash Balance	\$0	
TOTAL	\$339,086	↓ \$4,354
<u>EXPENSE</u>		
Transfers	\$303,522	
Internal Expenses	\$30,900	
TOTAL	\$334,422	↓ \$8,994

Local Street (11.48 Miles)

<u>REVENUE</u>	Amount	Change
Gas & Weight Tax	\$42,500	
Transfer In	\$135,000	
Contribution from Twp.	\$40,000	
Estimated Cash Balance	\$15,000	
TOTAL	\$232,500	↑ \$54,485
<u>EXPENSE</u>		
Construction	\$51,000	
Maintenance	\$116,323	
Winter Maintenance	\$61,975	
TOTAL	\$229,298	↑ \$73,613

Major Street (6.36 Miles)

<u>REVENUE</u>	Amount	Change
Gas & Weight Tax	\$102,000	
Transfer In	\$80,000	
Misc.	\$400	
Estimated Cash Balance	\$20,000	
TOTAL	\$202,400	↓ \$4,545
<u>EXPENSE</u>		
Construction	\$0	
Maintenance	\$128,300	
Winter Maintenance	\$72,575	
TOTAL	\$200,875	↓ \$5,895

Street Fund Highlights

- We continue to increase our tree maintenance dollars, due to the number of Ash trees dying
- Cost of electricity continues to increase
 - Received a credit this year from previous years' overbilling as a result of a survey of street lights requested by the Village.
- Fund balances have increased slightly
- Salaries continue to reflect more time in street system

Refuse Fund Compactor and Recycle

<u>REVENUE</u>	Amount	Change
Tax	\$98,136	
Fees	\$39,000	
Misc.	\$900	
Estimated Cash Balance	\$0	
TOTAL	\$138,036	↑ \$711
<u>EXPENSE</u>		
Compactor	\$131,295	
TOTAL	\$131,295	↑ \$1,149

River Crossing Water Debt

- REVENUE
- Taxes: \$47,372

- EXPENSES
- Debt: \$47,360
- This debt is paid through the receipt of a voted millage.

Water Funds (409 and 595)

<u>REVENUE</u>	Amount
Water Bill	\$337,000
Tower Lease	\$34,000
Misc.	\$46,643
Estimated Cash Balance	\$270,000
TOTAL	\$687,643
<u>EXPENSE</u>	
Water Capital	\$140,628
Water Operation	\$253,534
TOTAL	\$394,162

Water Fund Highlights

- Electronic water reading and billing system almost complete
- Water Capital Rate remains at \$8.70, Flat Rate remains at \$8.80, and Usage Rate increases to \$1.16 (per 1,000 gallons) from \$1.12 (per 1,000 gallons) on March 1, 2013
- Water tower lease revenues increased
- Water tower cleaning is scheduled for this year
- Fourth Street water main replacement is scheduled for this year

Harbor Funds

<u>REVENUE</u>	Amount
Harbor Capital (407)	\$66,022
Harbor Enterprise (594)	\$977,105
Harbor Construction (794)	\$609,000
Harbor Bonds (795)	\$225,548
TOTAL	\$1,877,675
<u>EXPENSE</u>	
Harbor Operations	\$923,899
Capital	\$64,500
Debt	\$113,548
Construction	\$242,500
TOTAL	\$1,344,447

Downtown Development Authority (DDA)

<u>REVENUE</u>	Amount
Tax Increments (East)	\$94,487
Misc.	\$0
Cash Balance	\$65,000
TOTAL	\$159,487
<u>EXPENSE</u>	
Tax Reimbursements	\$19,935
Debt	\$54,750
Operations	\$56,213
Future Construction	\$0
TOTAL	\$130,898

Sanitary Sewer Funds (405, 590, 592)

<u>REVENUE</u>	Amount
Sewer Bills	\$552,180
Misc.	\$121,615
Estimated Cash Balance	\$108,000
TOTAL	\$781,795
<u>EXPENSES</u>	
Capital	\$65,900
Treatment/Collection	\$483,535
Replacement	\$67,383
TOTAL	\$616,818

Sewer Fund Highlights

- Started implementation process for a new waste water treatment plant. WWTP feasibility study completed in 2011. Received MDEQ S-2 Grant funding for planning phase.
- Flat Rate increase \$2, Use Rate \$0.53 (per 1,000 gallons), and Replacement Rate increase of \$0.53 (per 1,000 gallons) – all on March 1, 2013.
 - Flat and Usage rate increases to be used for sewer capital improvement fund

Other Funds

Fund	Revenue	Expense	Balance
General Capital (401)	\$142,565	\$122,748	\$19,817 (\$16,000 reserved)
<ul style="list-style-type: none"> • \$45,000 for sidewalk (new, repair) • \$2,500 for Veterans Memorial Park bathroom repairs • \$15,000 for the addition of two Veterans Memorial Park lights on East end (in last year's budget – not completed) • \$4,000 to complete security camera installation • \$38,000 to replace police vehicle • \$4,748 to complete basketball court lights installation • \$12,500 to replace library roof (partial cost) 			
Motor Pool (661)	\$317,165	\$316,425	\$740
<ul style="list-style-type: none"> • \$15,000 to purchase new Gator • \$6,000 to purchase new mower • \$5,850 to purchase broom/sweeper for Trackless 			
Building Operation (296)	\$55,030	\$55,030	\$0
Bridge Street Bond (394)	\$49,970	\$49,970	\$0
River Street Bond (398)	\$64,380	\$64,380	\$0

Questions and Discussion