

CITY OF BERKLEY PROPOSED BUDGET 2013-2014



Appropriation Highlights for FY 2013-14



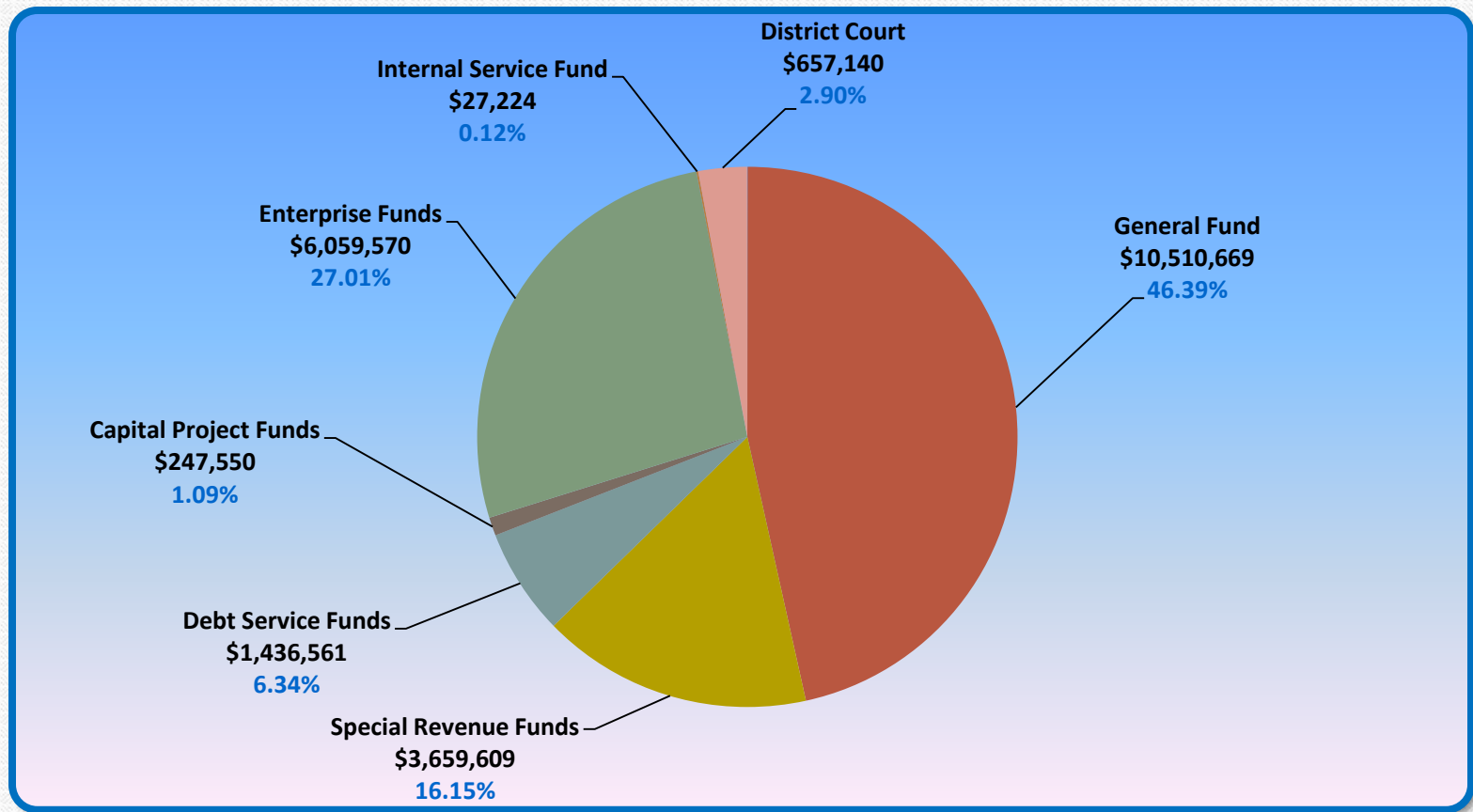
CERP & CIP Plans	
Replace Outdated Capital Equipment 2013/14	\$538,255
Seven Year Capital Equipment Replacement Plan	\$4,088,085
New Investment in City Infrastructure 2013/14	\$1,250,975
Seven Year Capital Improvement Plan	\$22,584,387

Personal Services – All Funds - \$7,630,490
69 Full Time Employees
115 Part Time Employees or 26.96 full time equivalents
4 Contract Positions

All Revenues by Fund Type



Recommended Budget 2013-2014 - \$22,598,323

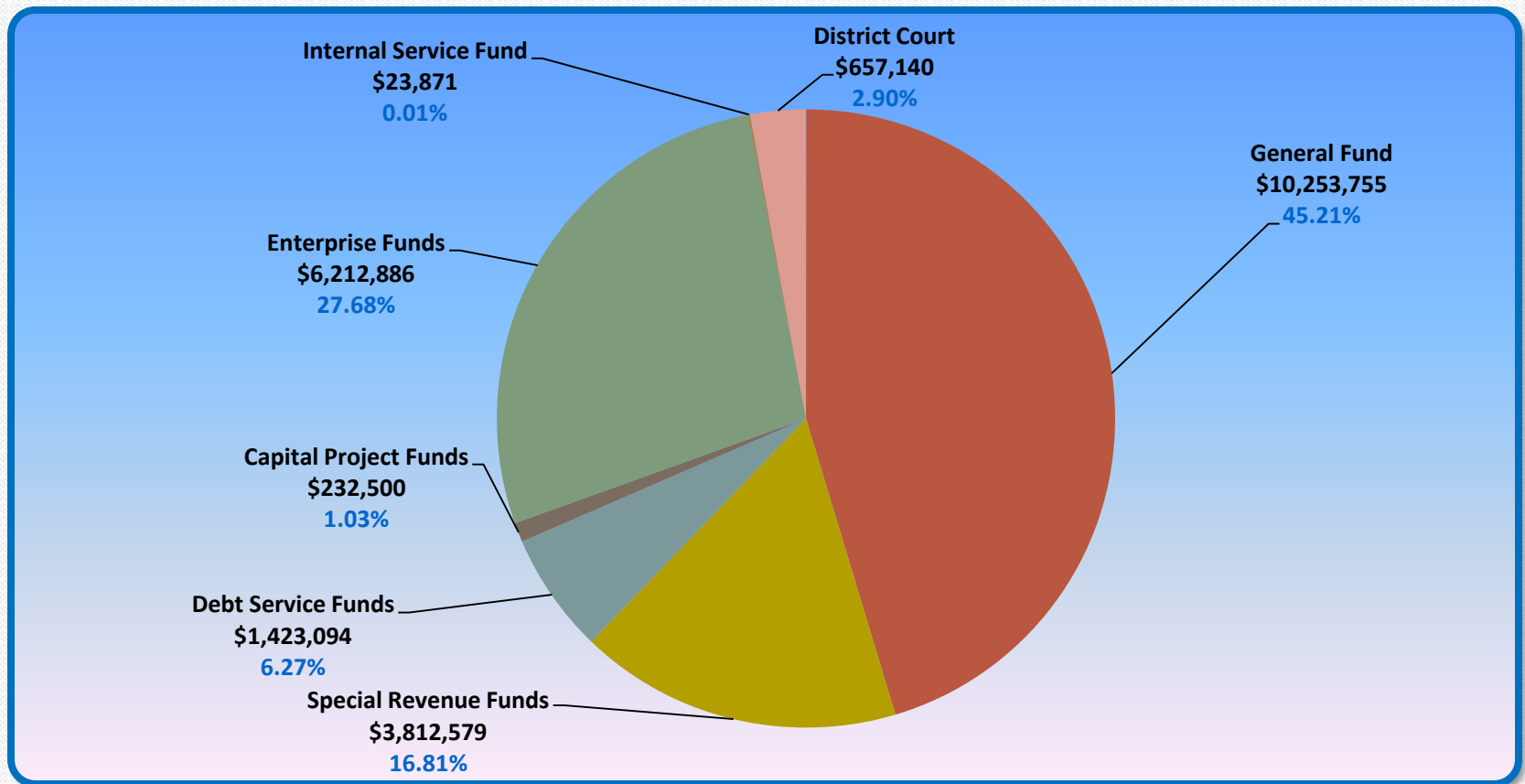


- All values include operating transfers-in

All Expenditures by Fund Type



Recommended Budget 2013-2014 - \$22,615,825



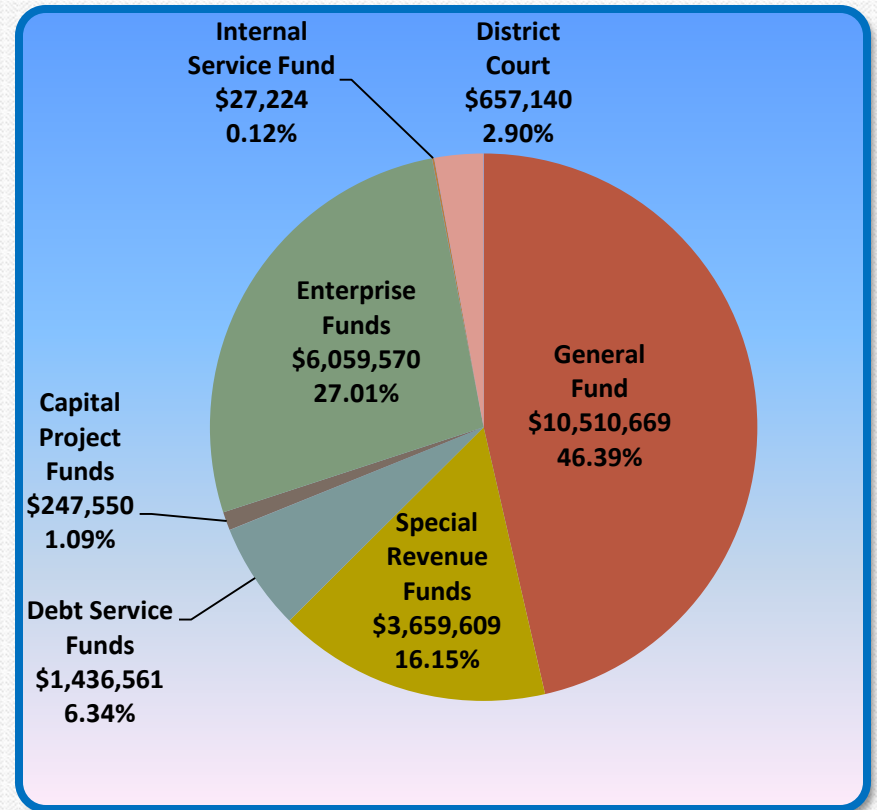
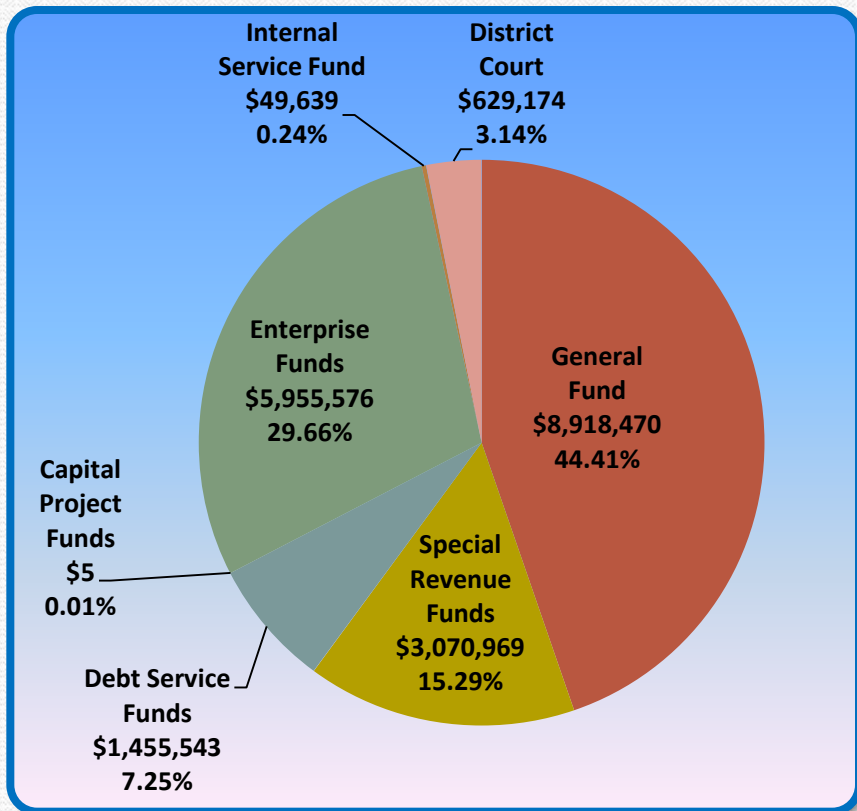
- All Values include operating transfers-out

All Revenues by Fund Type - Comparison

**Recommended Budget
2012-2013 - \$20,079,376**

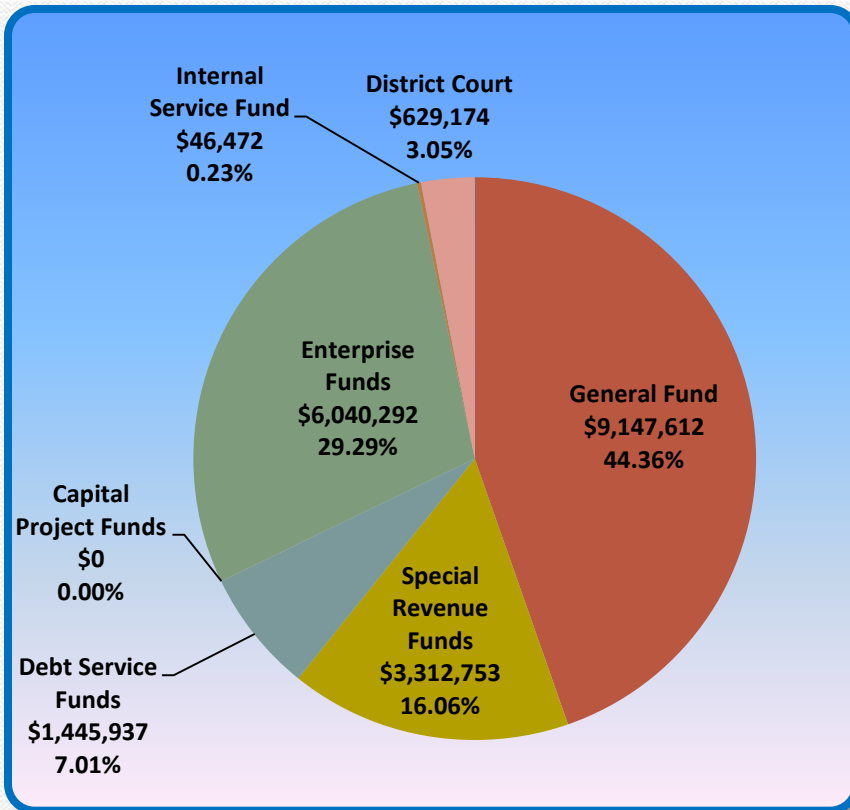


**Recommended Budget
2013-2014 - \$22,598,323**

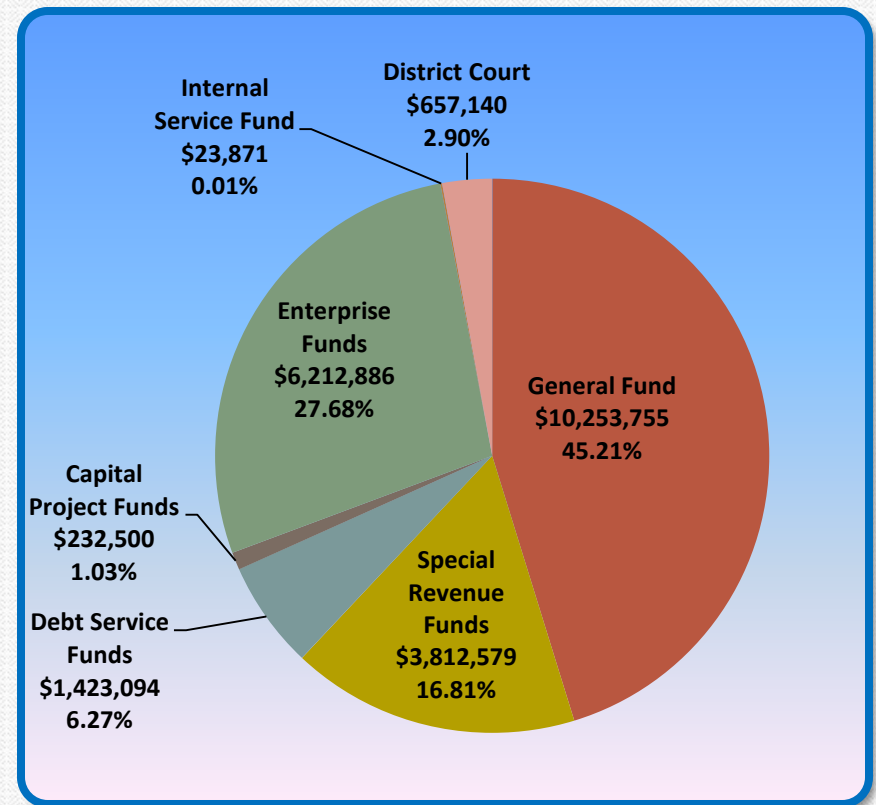


All Expenditures by Fund Type - Comparison

**Recommended Budget
2012-2013 - \$20,622,240**



**Recommended Budget
2013-2014 - \$22,615,825**



General Fund

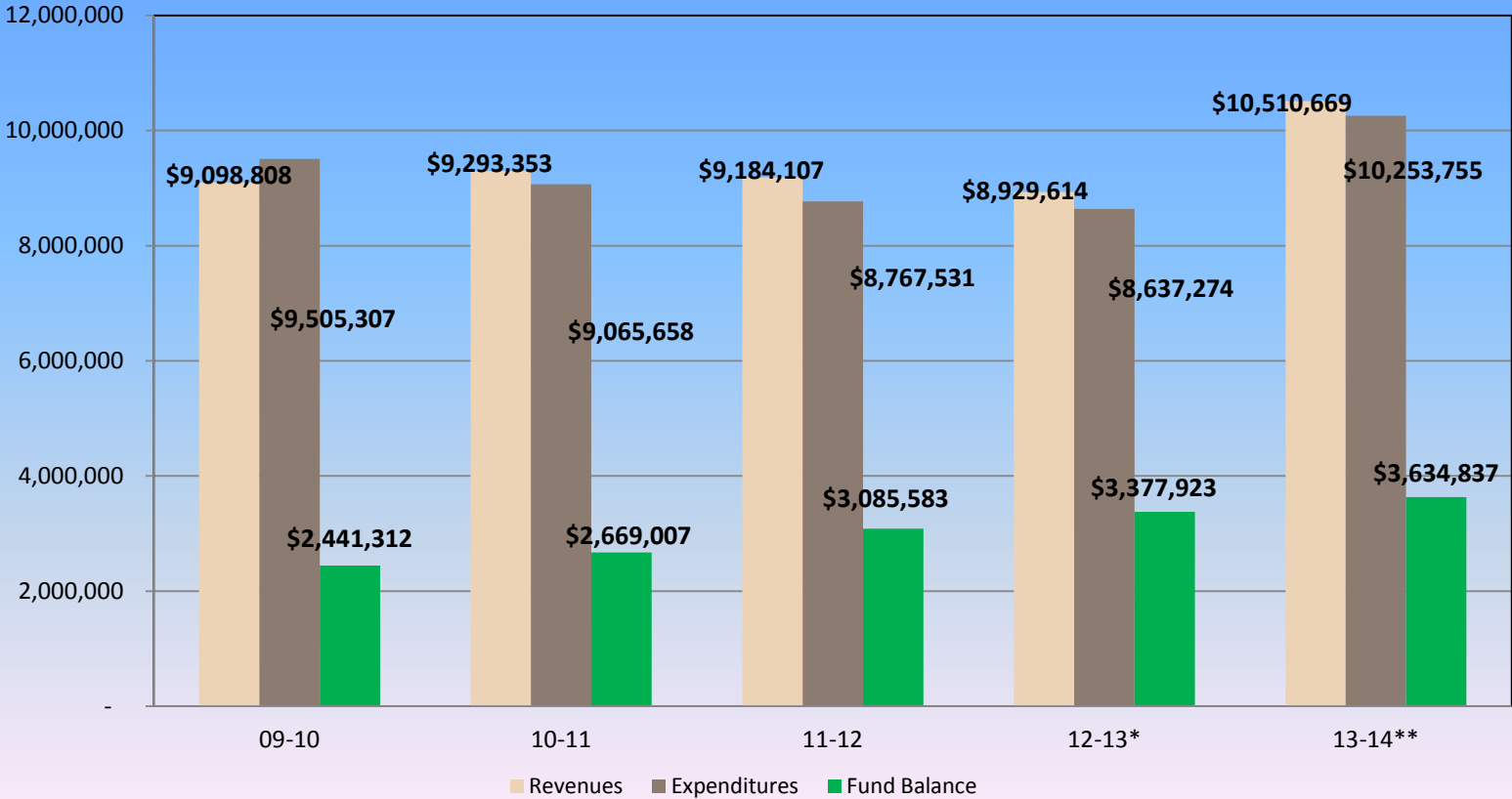


The Chief operating fund that accounts for all financial resources except those required to be accounted for in another fund.

General Fund: Yearly Comparison



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



***Projected **Recommended**

General Fund

2012/13 Projected Fund Balance



Audited beginning fund balance 12/13:		\$3,085,376
Total Inflows – 2012/13:	\$8,929,614	
Total Outflows – 2012/13:	<u>(\$8,637,274)</u>	
Estimated revenues over expenses 2012/13:		<u>\$292,340</u>
Estimated ending fund balance 12/13:		<u>\$3,377,716</u>
Breakdown of Fund Balance 12/13:		
Assigned to Programs:		\$850,999
Unassigned to Programs:		<u>\$2,526,717</u>
Estimated ending fund balance 12/13:		\$3,377,716

General Fund Projected: 2013/14

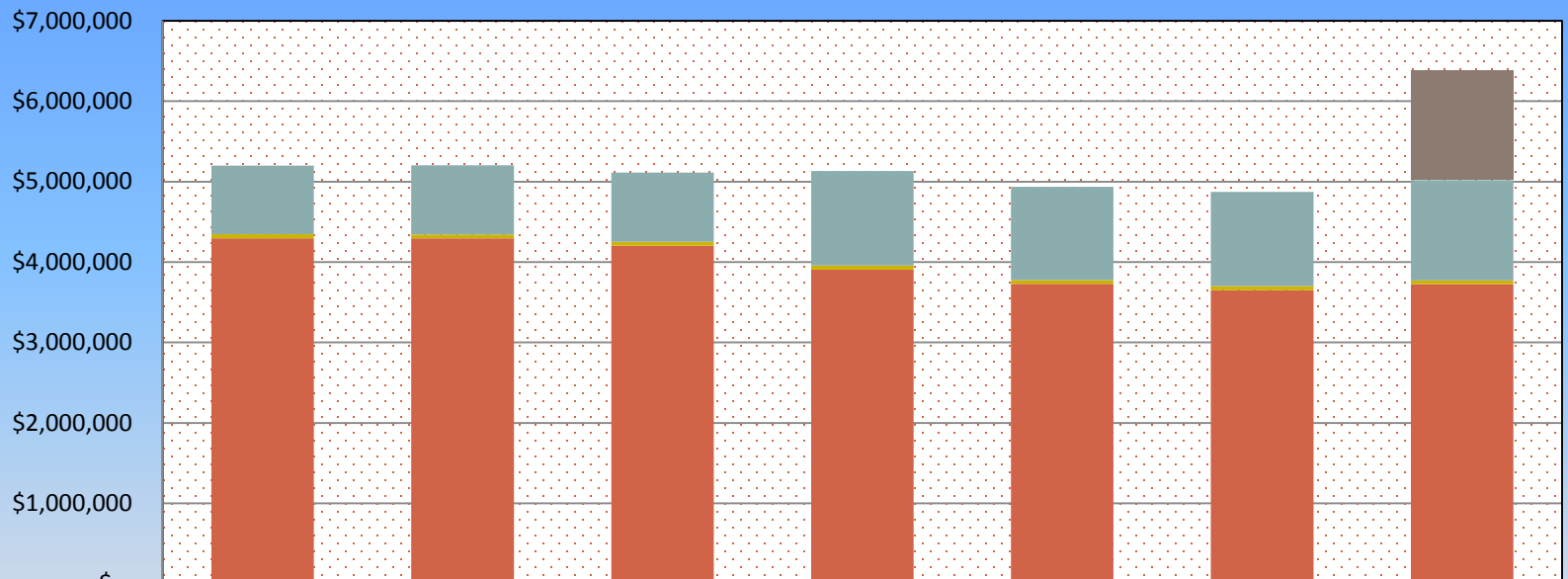


Fund Balance Analysis:		
Total Estimated Beginning Fund Balance - July 1, 2013:		\$3,377,716
Estimated Increase of Fund Balance in 2013/14: 2013/14 Fund Balance Available to Defray Future Operations	\$256,914	
Estimated Ending Fund Balance Combined – June 30, 2014:		\$3,634,630
Estimated Fund Balance Restricted Reserves 6/30/2014:		
Inventory/Prepaid	\$340,630	
Library	\$28,627	
Public Safety Pension System Levy	9,344	
Public Safety PA 302 Fund Match – Training	\$12,000	
Public Safety Lids for Kids/Fire Open House/Honor Guard	\$25,767	
School District Land	\$325,000	
Community Promotions	\$36,502	
Long-Term Receivables	<u>\$73,129</u>	
Total Restricted Reserves for the Ending Fund Balance 2013/14		\$ 850,999
Estimated Undesignated Reserve 2013/14		<u>\$2,783,631</u>
Fund Balance – General Fund at June 30, 2014		\$3,634,630

General Fund Property Tax Revenue



City of Berkeley General Fund Property Tax Revenue



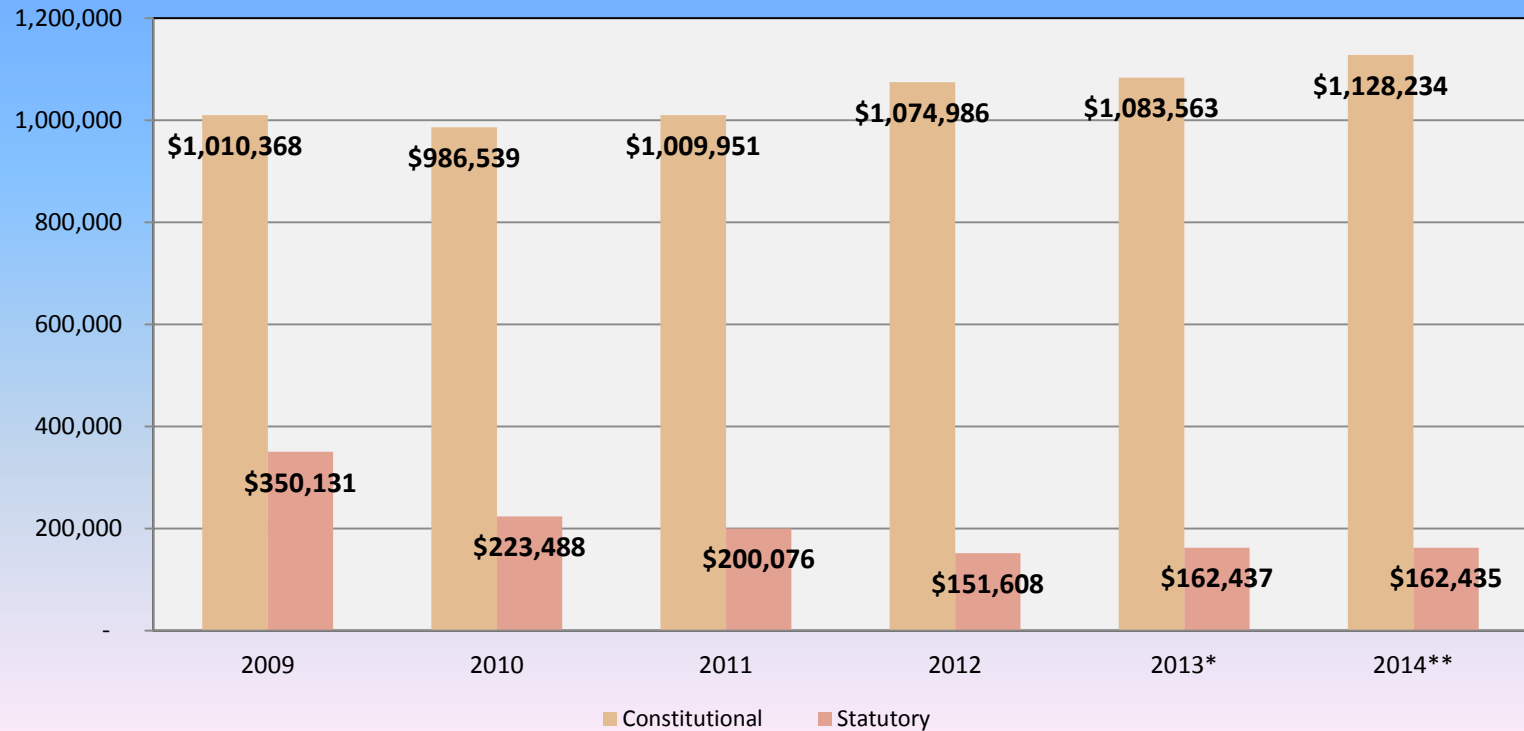
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13*	2013/14**
General Voted	\$-	\$-	\$-	\$-	\$-	\$-	\$1,362,026.00
Public Safety Pension	\$853,970	\$861,467	\$863,124	\$1,178,951	\$1,156,994	\$1,173,747	\$1,245,559
Community Promotion	\$48,982	\$49,129	\$48,421	\$48,651	\$48,819	\$48,859	\$48,932
General Operating	\$4,296,713	\$4,294,086	\$4,202,656	\$3,906,684	\$3,728,592	\$3,651,000	\$3,724,142
Total	\$5,199,665	\$5,204,682	\$5,114,201	\$5,134,286	\$4,934,405	\$4,873,606	\$6,380,659

***Projected **Recommended**

State Revenue Sharing



City of Berkley Revenue Sharing

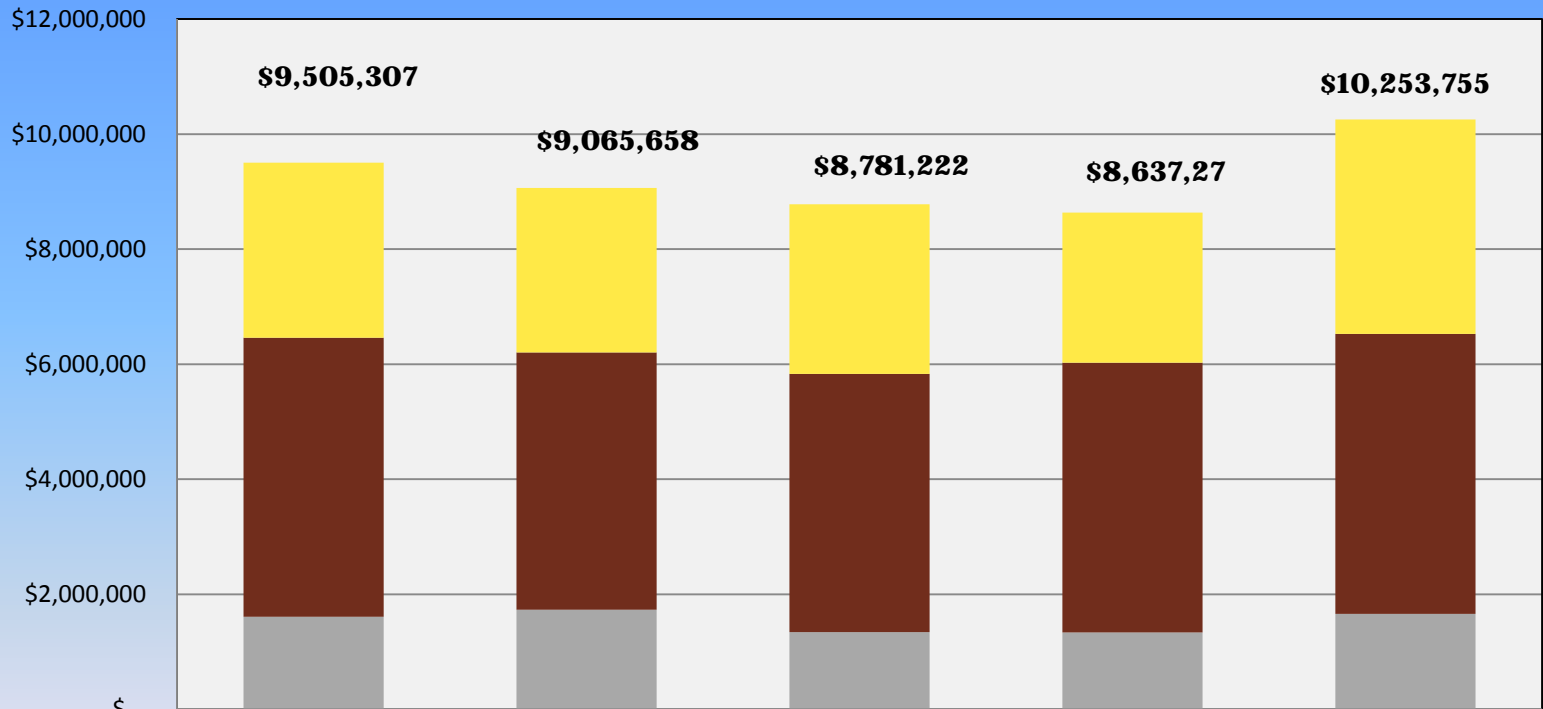


*Projected **Recommended

General Fund Expenditures



General Fund Expenditures



	2010	2011	2012	2013*	2014**
Operating Expenditures	\$3,044,438	\$2,860,734	\$2,947,699	\$2,610,939	\$3,727,478
Salaries & Other Benefits	\$4,852,244	\$4,470,067	\$4,490,074	\$4,688,031	\$4,865,026
Health/Life Care Benefits	\$1,608,625	\$1,734,857	\$1,343,449	\$1,338,304	\$1,661,251

***Projected **Recommended**

General Fund – New Program



Internship Program

- **Supervised by the City Manager**
- **Summer Program**
- **Targeting College Juniors and Seniors**
- **Learning about city government through the work process**
- **\$5,000 appropriation**
- **\$10/hour 40 hours per week for 12 weeks**
- **Funding through the \$3.00 Mill levy.**

\$3.00 Mill Levy Distribution



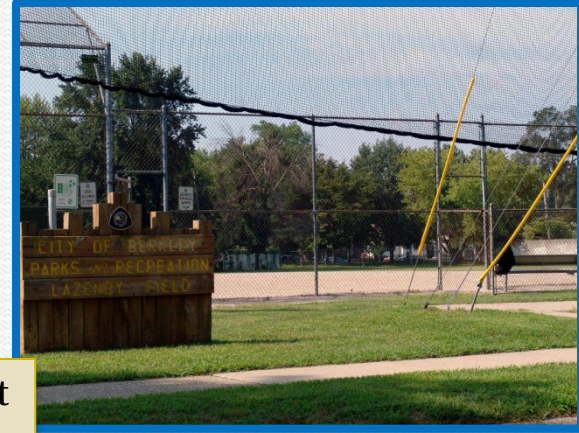
General Fund Analysis:		
Revenue Generated		\$1,362,000
<u>Expenses/Transfers Out:</u>		
Major Streets – Roads	\$122,100	
Local Streets – Roads	\$243,181	
Solid Waste Fund	\$80,000	
Capital Improvement – Parking Lot	\$165,000	
Capital Improvements – Gen. Fund	\$143,500	
Equipment	\$103,000	
Revive Rec. Position / Health Care	\$233,500	
GASB 45 Contribution – Additional	\$25,000	\$1,115,281
To Fund Balance		\$246,914

Public Safety



**Replace 3 Vehicles
\$80,826**

Parks and Recreation



**Improvements at
Jaycee, Lazenby,
Oxford & Tot Lot
\$50,000
(General/Rec. Funds)**



**Community Center
Repairs
\$5,000
Recreation Revolving Fund**

Berkley Public Library



Repair Library Roof
\$165,000
(DDA Tax Capture Fund)

Communications



Various Equipment: \$31,200

- Switch Unit
- Edit System
- Minor Audio Equipment

GASB 45 Analysis



Fiscal Year	Actuarial Estimated Liability	Interest Expense On Balance	City Contribution All Funds (Cash)	Pay as you Go Retiree Health Care	Cumulative Liability
08/09	\$2,084,252	\$0	(\$1,005,251)	(\$976,282)	\$102,719
09/10	\$2,114,221	\$7,704	(\$452,626)	(\$1,032,989)	\$739,029
10/11	\$2,148,744	\$55,426	(\$123,600)	(\$1,279,310)	\$1,540,289
11/12	\$1,867,490	\$107,820	(\$133,600)	(\$983,170)	\$2,398,829
12/13	\$1,822,159	\$167,918*	(\$133,600)	(\$958,252)*	\$3,297,054*
13/14	\$1,802,766	\$230,793*	(\$158,600)*	(\$1,105,126)*	\$4,066,887*
<ul style="list-style-type: none"> • Requesting \$72,200 for GASB 45 liability contribution. 					
Total Contributions			\$1,848,677	(08/09 – 12/13)	
Trust Account Value - 3/31/2013			\$2,629,446	(14.9% Funded)	
Trust Account Value – 6/30/2009			\$1,035,664	(5.9% Funded)	

* Value Estimated

Special Revenue Funds



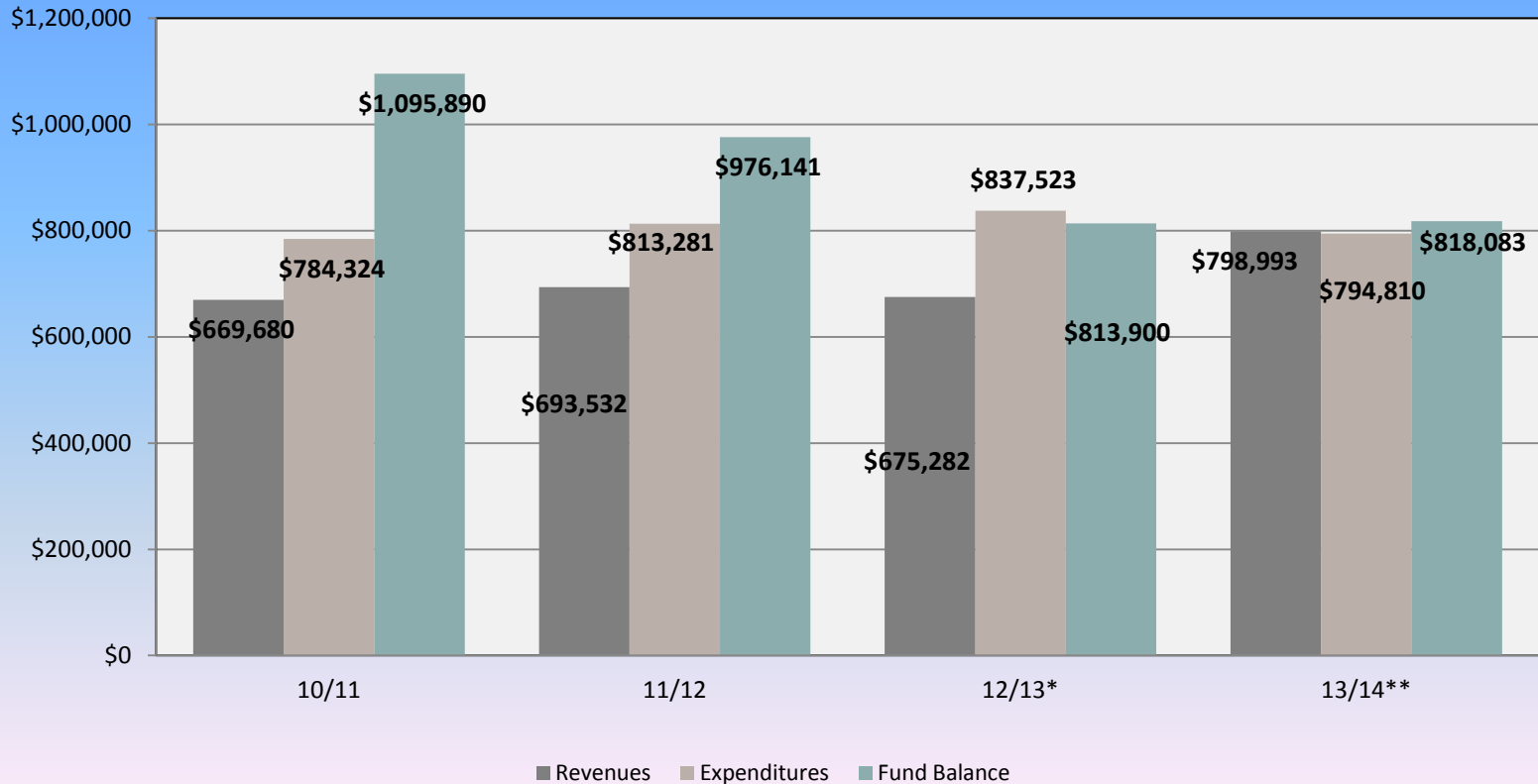
Special revenues that are legally restricted to expenditures for specific purposes.

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

Major Streets



Major Street Revenue, Expenditures, Transfers, & Fund Balance

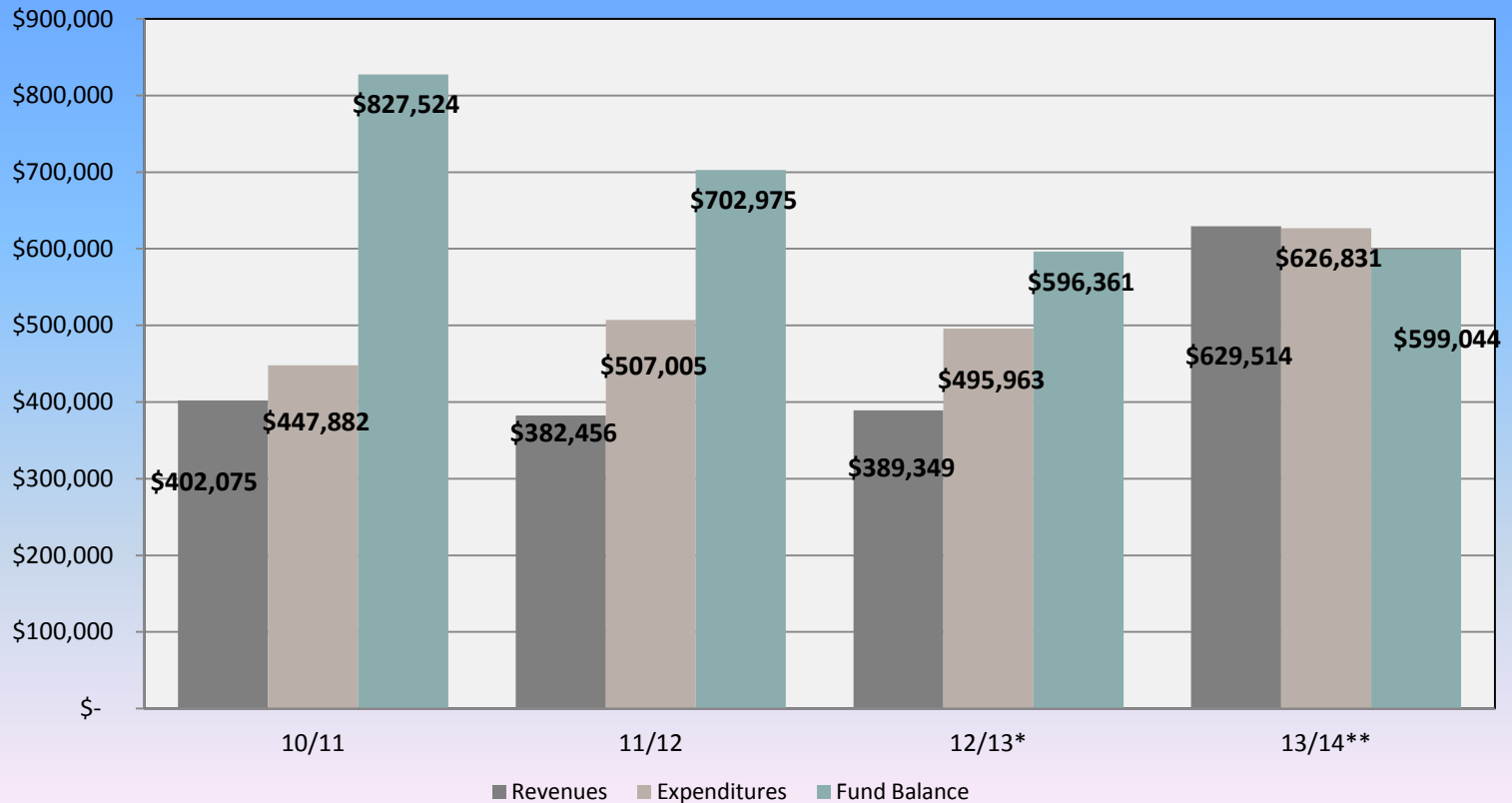


*Projected **Recommended

Local Streets



Local Streets Revenue, Expenditures, Transfers, & Fund Balance



*Projected **Recommended

Major & Local Street Expenditures



Major: \$ 794,810

Local: \$626,831

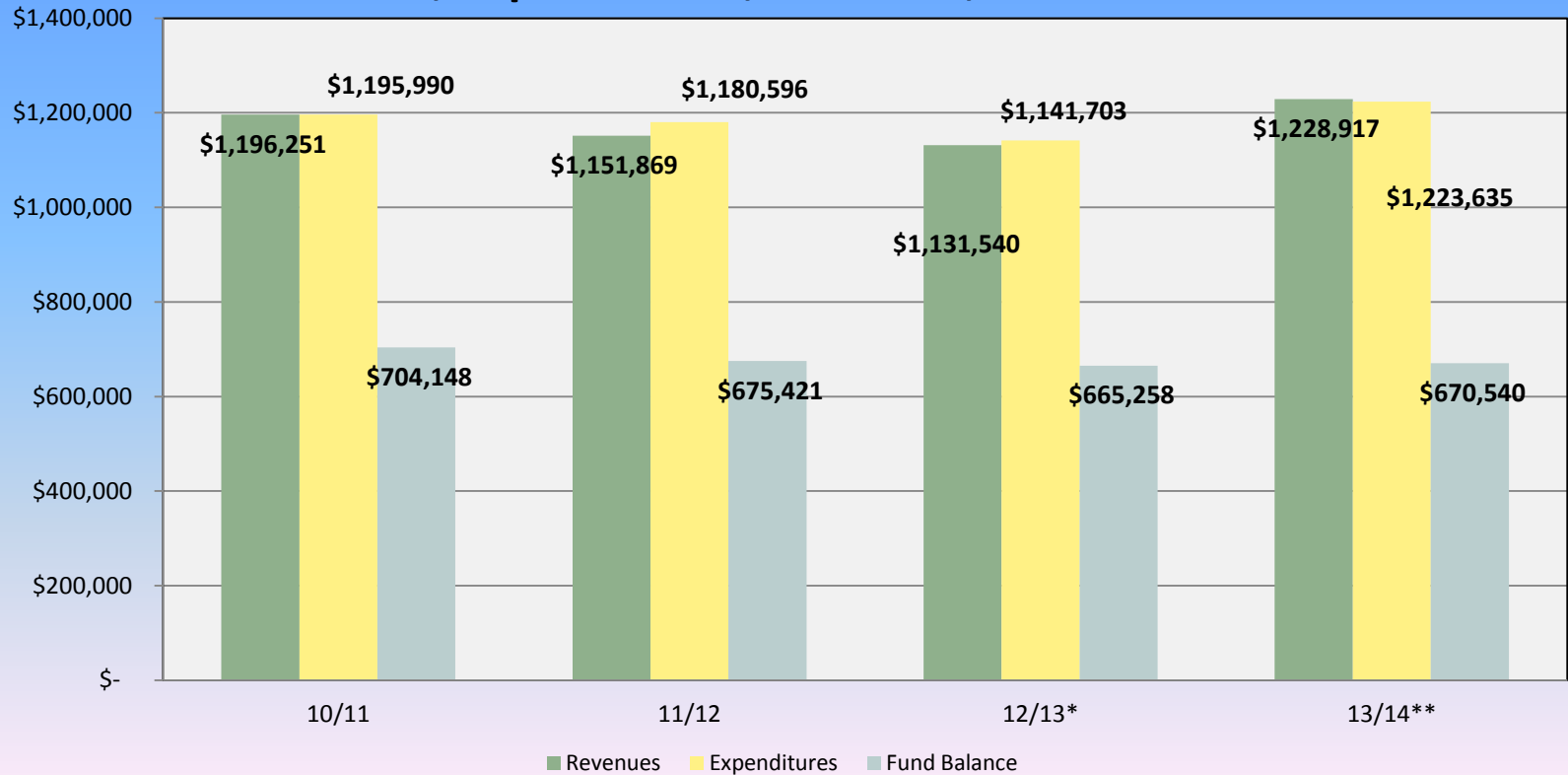
Street Maintenance, Catch Basin, Street Sweeping	\$647,033
Tree Maintenance & Replacement	\$238,925
Maintenance & Replacement of Signs & Pavement marking	\$102,688
Winter Maintenance	\$129,957
Boulevard & Facility Ground Maintenance	\$90,126
Administration	\$65,471
Major Street support to Local Street	\$147,441

- Street Spending is up \$176,929 or 12% from last fiscal year

Solid Waste



Solid Waste Revenues, Expenditures, Transfers, & Fund Balance



*Projected **Recommended

Solid Waste Expenditures



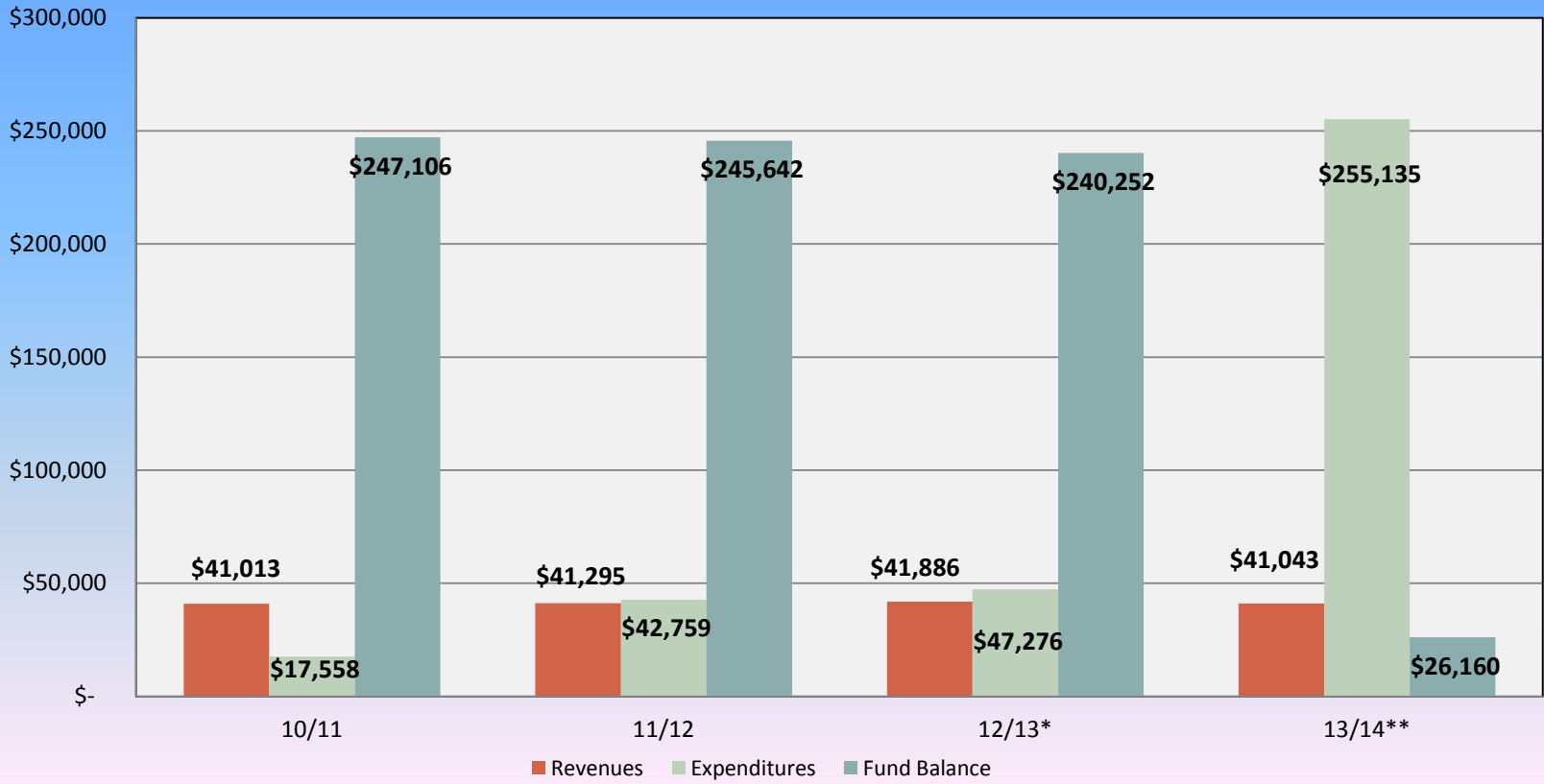
Solid Waste: \$ 1,223,635

- High Level of Service which includes rubbish pickup & disposal, along with leaf pickup
- Yard Waste Collection Programs
 - *Compliance with State regulations*
- Maintain 2006-2007 Disposal Fee for the 7th FY
 - \$30.20/year per resident dwelling or,
 - \$7.55/quarter per resident dwelling

DDA – Ad Valorem



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

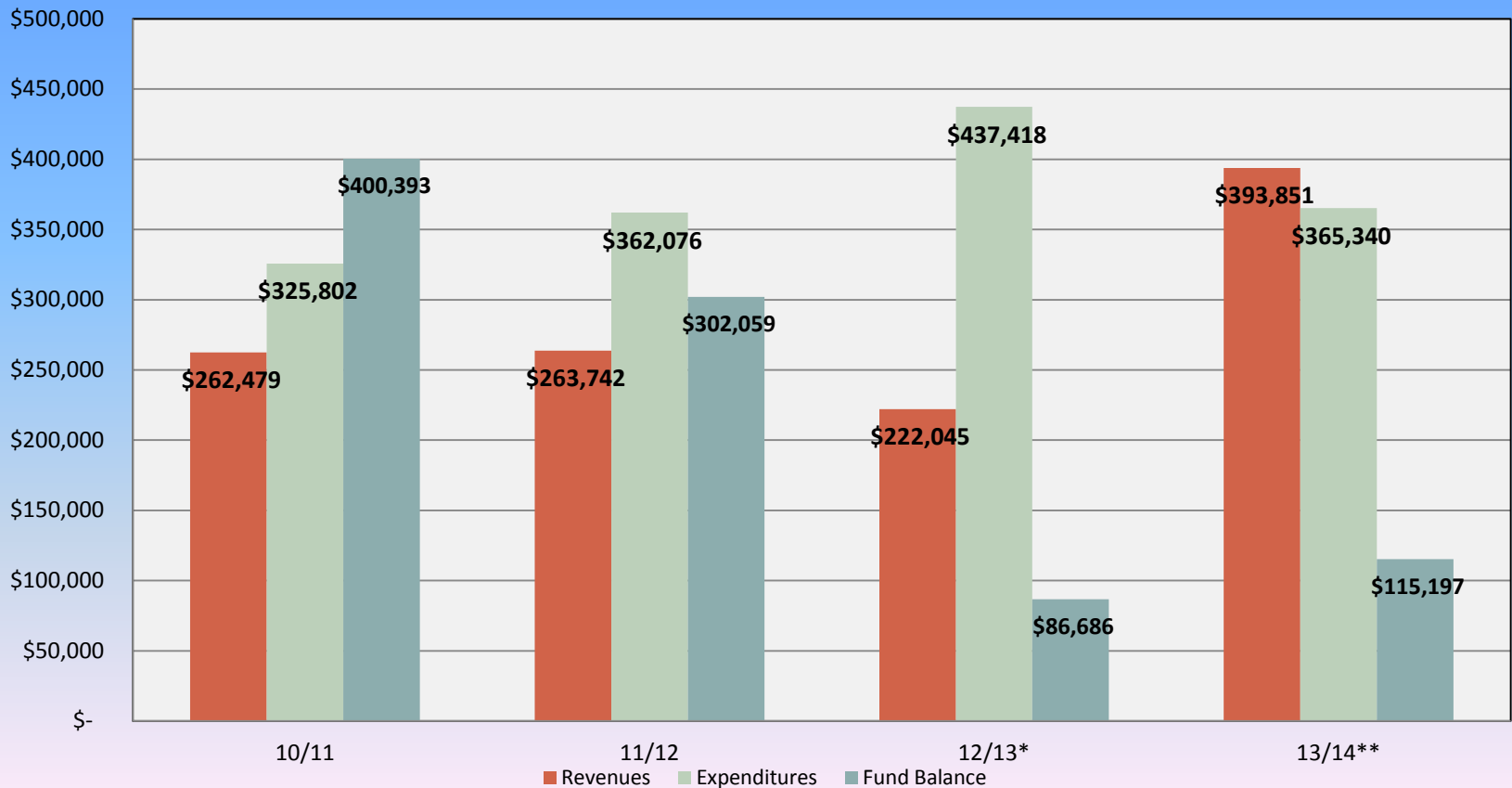


*Projected **Recommended

DDA – TIF Capture



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



*Projected **Recommended

Downtown Development Authority Expenditures

**DDA – Ad Valorem:
\$ 255,165**

**DDA – TIF Capture:
\$ 365,340**

DDA Ad Valorem (814)	
• DDA Events	\$ 19,700
• Transfer to 815 fund – Library Roof Project	\$ 165,000
• Street Maintenance	\$ 45,000
• Operations	\$ 25,465

DDA TIF Capture (815)	
• Library Roof	\$165,000
• Annual Debt Payment	\$188,340
• Tax Tribunal Expenses	\$12,000

Debt Service Funds

General long-term debt – principal and interest

	13/14 Payment	# of years remaining
DDA Streetscape/Intersection	\$ 188,340	2
George Kuhn Drainage Bonds	\$ 539,485	8-15
Major and Local Street Bonds	\$ 376,481	2
11 Mile Road Project Bonds	\$ 225,688	7
12 Mile Road Project Bonds	\$ 117,538	2

Years remaining after the 2013/14 payment

Capital Project Funds



Financial resources used for the acquisition or construction of major capital

Public Improvement Fund

- **Parking Lot Development**
- **E. of Coolidge N. of Catalpa**
- **\$3.00 Mill Levy Funding Source**
- **Create more parking space between Catalpa and Franklin**
- **Total Cost \$165,000**



Enterprise Funds



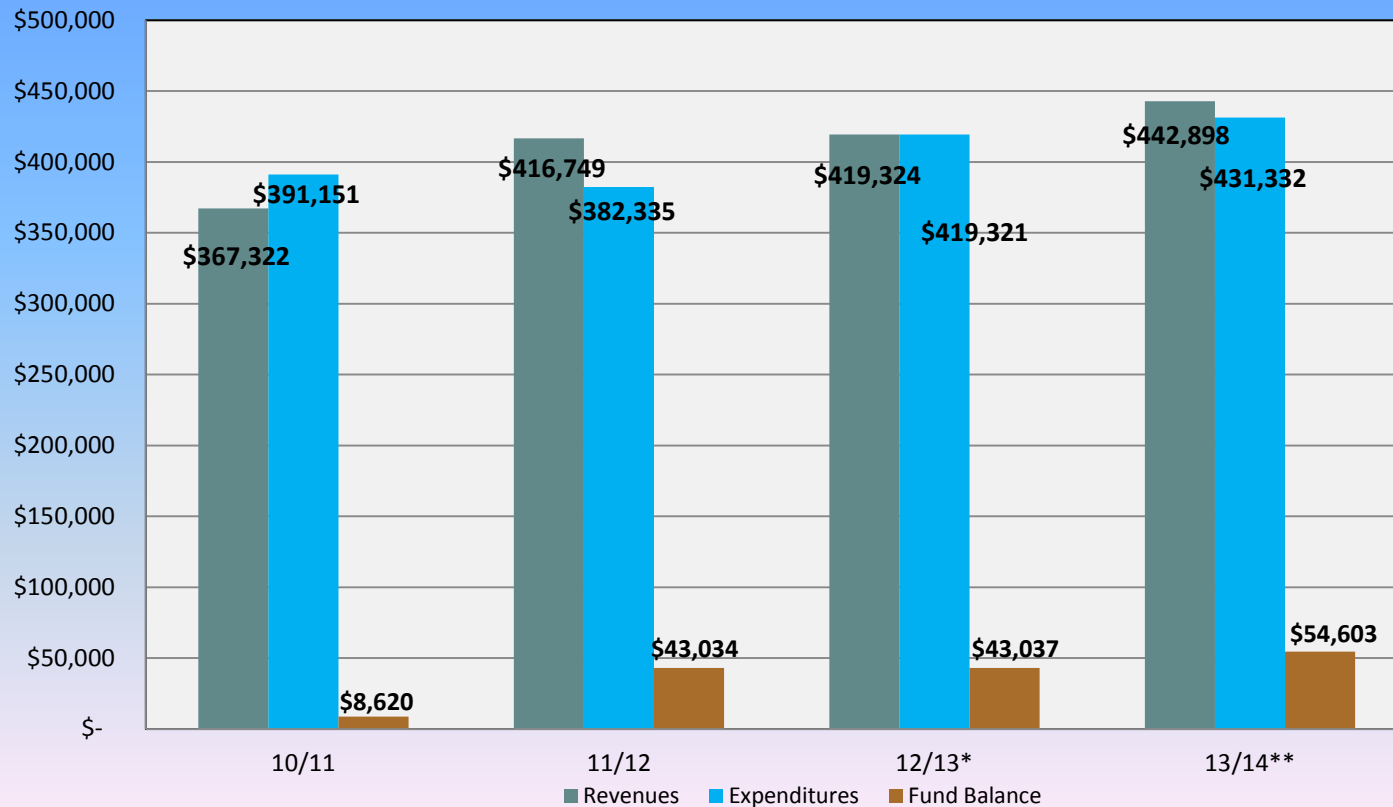
Operations where the costs of providing goods or services is financed or recovered through user fees

- Arena
- Water & Sewer

Arena



Arena Fund Revenues, Expenditures, Transfers, & Fund Balance



*Projected **Recommended

Arena



Total Arena Revenues: \$ 442,898

Rental Fees - \$ 351,625 (all programs)

- PRIME: between \$220 per hour
- NON PRIME: \$190 per hour
- Spring Season Anticipated \$24,300 – six weeks - \$180/hour

Other Revenues - \$ 46,273

- Concession Rental \$5,000
- Pro Shop Lease \$1,600
- Room Rental – Hockey \$6,000
- Studio Space Rental \$10,000

Operating Transfer In - \$ 45,000

- \$45,000 from 614
- \$0 from 101

Arena Expenditures



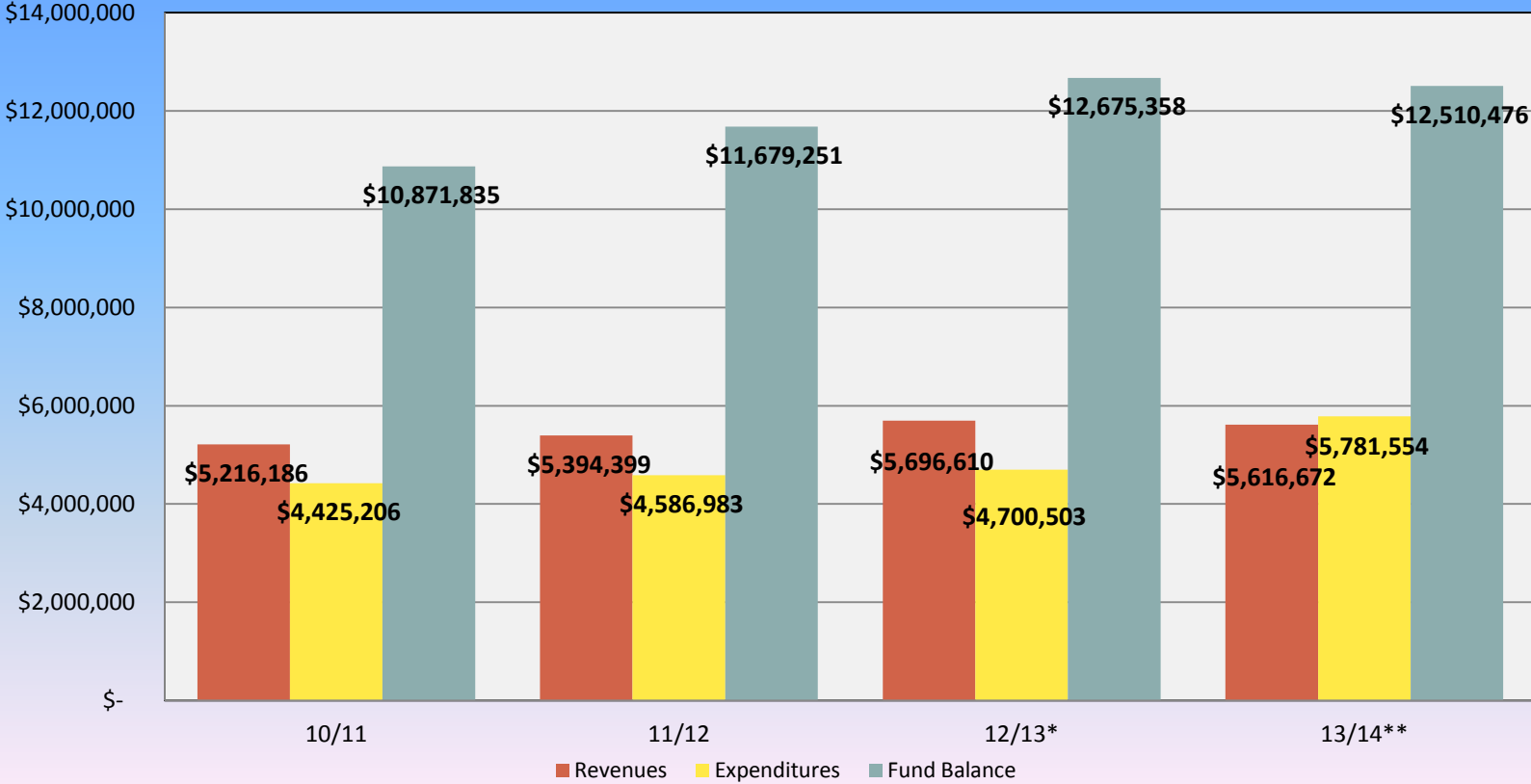
Total Arena Expenditures: \$431,332

- **Salary and Fringe Benefits - \$152,184**
- **Utility Costs - \$121,100**
- **Capital Improvements - \$25,000**
- **Operating Costs - \$133,048**

Water & Sewer



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



*Projected **Recommended

Wholesale Water & Sewer Charges



Wholesale Water/Sewer Charge: \$1,657,359

• WHOLESALE WATER RATES:

Detroit Water & Sewer Department	3.2% increase
SOCWA Pass Thru	82% decrease*
Net Wholesale	1.2% increase
Total Estimated Bulk Water Cost	\$776,056

• WHOLESALE SEWER RATES:

Detroit Water & Sewer Department/Wayne County	5.4% increase
Southeast Oakland County Drain Commission	-2.0% decrease
Net Wholesale	4.9% increase
Total Estimated Bulk Sewage Cost	\$881,303

* Decrease is due to SOCWA water sales to Bloomfield Twp. and Hills

Storm Water Utility Charge



Storm Water Utility Charge	\$2,116,147
Southeast Oakland County Drain Commission Pass Thru Charge:	\$1,576,662
	-2.7% decrease
George Kuhn Drain Debt Service Pass Thru Charge:	\$539,485
	0% increase/decrease
For each of the 8,762 residential units @ \$60.38 x 4	3.8% Decrease

- This charge allocates the cost of storm flows on the basis of the size of the property and relative degree of previous and impervious surface conditions to all customers.
- This charge also includes Berkley's share of the cost upgrading the Twelve Town Drain Complex to meet State & Federal environmental requirements.

City Operating Expenses



City Operating Expenses	\$2,008,048
Depreciation	\$325,000
City System Operating Costs	\$1,221,422
Non-Resident User Charges	\$86,626
Sewer Relining	\$200,000
Sewer Truck	\$175,000

Retail Customer Revenues



Retail Customer Consumption Revenues			\$1,761,379
	<u>Current</u>	<u>Proposed</u>	<u>Proposed Increase</u>
Water Service	\$1.58	\$1.64	3.7%
Sewer Service	\$1.71	\$1.79	5.0%
Total per 100 cubic ft	\$3.29	\$3.47	4.3%

All new Water/Sewer rates effective the billing of July 1, 2013

Water Service Fixed Charge Revenues

(Ready to Serve)



Proposed: \$1,397,600

Amount represents a base charge to all 6,818 metered customers on a quarterly basis to cover fixed system expenses.

Rate increase of 5.5%

Size	Amount	Rate per Quarter	
		Current	Proposed
.75"	6,639	\$45.37	\$47.87
1.00"	88	\$75.62	\$79.78
1.50"	42	\$151.23	\$159.55
2.00"	39	\$241.95	\$255.26
3.00"	10	\$529.28	\$558.39
4.00"	5	\$880.93	\$929.38

Billing Revenues



Proposed: \$85,477

- This is a fixed charge for each water bill to cover the cost of reading meters, preparing water bills, and maintaining water payment records.
- 6,818 accounts x \$3.13 x 4(quarters) (8.4% decline)

Water & Sewer Other Revenues



Water & Sewer Other Revenues: \$169,440

Estimated Late Fees	\$98,525
Estimated Investment Earnings @ 0.50%	\$2,915
Equipment Rentals	\$45,000
Sundry, Medicare Part D & Other Reimbursements	\$5,000
Other Revenues	\$18,000

Proposed Percent Cost Increase



Household Consumption & Rate Increase Calculation					
	2012/13	2013/14	Increase/ (Decrease)	City Percent Increase/(Decrease)	Wholesale Percent Increase/(Decrease)
Water Service/100 Cubic Feet	\$1.58	\$1.64	\$0.6	0.037	1.2%
Sewer Service/100 Cubic Feet	1.71	1.79	0.08	0.05	4.9%
Total Consumption	\$3.29	\$3.43	\$0.14	0.043	
Yearly Consumption in 4,000 cubic feet per quarter or (40)	40.00	40.00			
Consumption Cost	\$131.60	\$137.20	\$5.60	0.043	
Ready to Serve 5/8 Meter	45.37	47.87	2.50	0.055	
Storm Water Rates	62.76	60.38	(2.38)	(0.038)	(2.70%)
Billing Charge	3.42	3.14	(0.28)	(0.082)	
Quarterly Billing Charge	\$243.15	\$248.59	\$5.44	0.022	
Total Quarters	4	4	4		
Annual Billing Charge	\$972.60	\$994.36	\$21.76	0.022	

SOCWA Communities Water Study



Community Rate Analysis		
	<u>Community</u>	<u>Average Cost 4,000 cubic feet 5/8" Meter 2012/13</u>
1	Pleasant Ridge	\$489.24
2	Royal Oak	\$418.25
3	Clawson	\$386.44
4	Huntington Woods	\$386.00
4	Lathrup Village	\$376.89
5	Birmingham	\$372.72
6	Southfield	\$326.06
8	Beverly Hills	\$274.68
9	Berkley (Proposed)	\$248.59
10	Bingham Farms	\$156.29

Source: SOCWA July 2012 Study

Non Residential Flow



Wayne County Pass Through: \$86,625

<u>Meter Size</u>	<u>Current</u>	<u>Proposed</u>
.75"	\$38.07	\$39.84
1.00"	\$63.45	\$66.39
1.50"	\$139.59	\$146.04
2.00"	\$203.04	\$212.40
3.00"	\$368.01	\$384.99
4.00"	\$507.60	\$531.00

Utility Bill: Solid Waste



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

Water/Sewer Expenditure Highlights



Projects being done in Water/Sewer Fund

Sewer Line Re-Lining	\$ 200,000
Concrete Repair	\$ 45,000
Vehicle Replacement – Sewer Van with Camera	\$ 175,000
Building Improvements – Conference Room	\$50,000
CMMS/GIS Implementation	\$60,000

Water/Sewer Expenditure Highlights continued



**Replace Sewer
Van with Camera
\$175,000**

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 2013/14	Projected 2012/13	Actual 2011/12	Actual 2010/11
\$ 23,871	\$ 662	\$ 145,377	\$ 77,135

District Court Expenditures



Fund 265 – 45A District Court		\$657,140
Fund 266 – Berkley Building Fund		\$67,500
	<u>265 Fund</u>	<u>266 Fund</u>
2013/14 Recommended	\$657,140	\$67,500
2012/13 Projected	\$567,295	\$11,500
2011/12 Actual	\$550,939	\$0
2010/11 Actual	\$596,000	\$0

Public Safety Pension

Public Safety Pension

