

# City of Frankenmuth Annual Budget



Fiscal Year

July 01, 2011 – June 30, 2012

Introduced 03.08.11

Public Hearing 04.05.11



# SEV Taxable Estimates

- Estimated City SEV for 2011:
  - \$286,000,000 (No change) (page 6)
- Estimated Taxable Value for 2010
  - \$269,000,000 ( +0.38%) (page 6)
- Proposed Mill Levy 8.75 (9.60 - .85)
- Estimated Property Tax Revenue \$2,353,750  
(page 6)

# City of Frankenmuth Budget 2010-11

## ○ Overall Budget Goal: (Guide for operations)

- Maintain the current level of municipal services
- Provide stable tax rate
- Continue to implement costs savings initiatives as discussed at City Council work sessions.
- Undertake as some improvements and projects without increasing taxes.
- Continue to provide the taxpayer the best value for their tax dollars.



# Budget Process

- **Department head submits a budget request to the City Manager**
- **City Council throughout the year expresses interest in certain items they want included into the proposed budget.**
- **An initial rough draft is prepared and each department head along with the City Manager reviews the preliminary numbers and discusses the merits of each of their budgeted items.**
- **The City Manager makes the decisions as to what to include or what not to include in the proposed budget. Departments having committees, present their preliminary budget draft to their committee for approval and recommendation to City Council.**
- **City General Fund Budget is adopted and submitted by category. It is not a line by line budget.**
- **All other fund budgets are presented as a budget in total.**



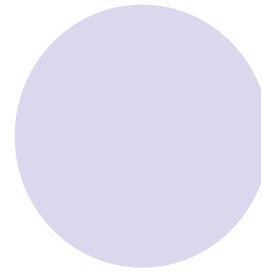
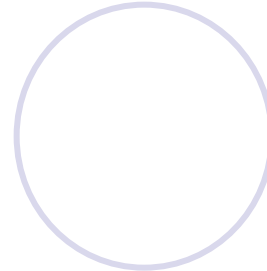
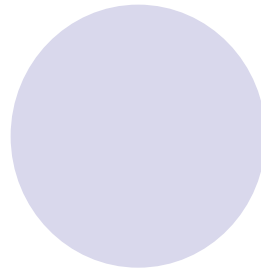
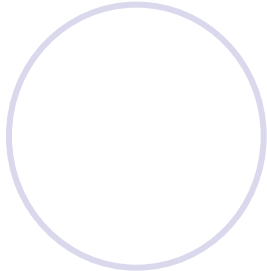
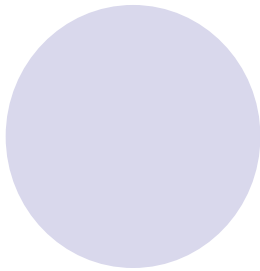
# Budget Summary

- City Budget Document – Comprised of 11 different budgets totaling \$12,909,784. (page 8)
- Proposed property tax rate 8.75 mills.
- Total All Funds - Net Budget: (pg 8 – Summary of All Funds tab)
  - \$8.661 million revenues
  - \$9.588million expenditures (includes Depreciation Expense)
- General Fund recommended expenditures is proposed to decrease by 2.2 % compared to the prior years estimated expenditures. Fiscal year 2011-12 expenditure is \$3,867,900 compared to Fiscal year 2010-1 estimated actual of \$3,934,886. (pg 9)
- Proposing to use **NO** prior years carryover. The Fund Balance as of June 30, 2012 is projected to be \$1.508 million. (4.7 months operations)

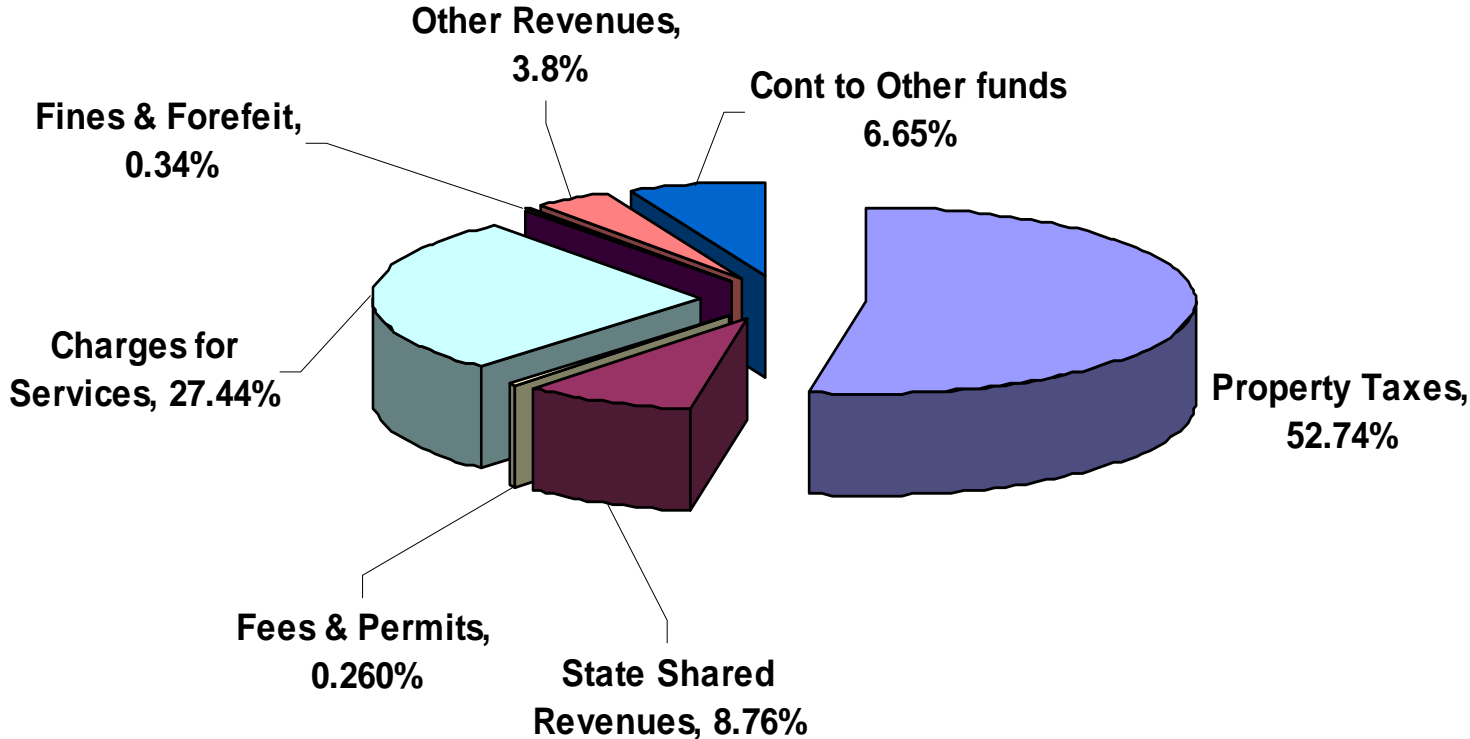
# General Fund

(Summary)

	<u>2011-12</u>
● Revenues: (pg 9)	
○ Property Taxes	\$2,040,000
○ State Shared Revenues	339,000
○ Fees & Permits	10,000
○ Charges for Services	1,061,600
○ Fines & Forfeits	13,000
○ Other Revenue	147,000
○ Contributions from other funds	<u>287,300</u>
● Total Revenues	\$3,867,900

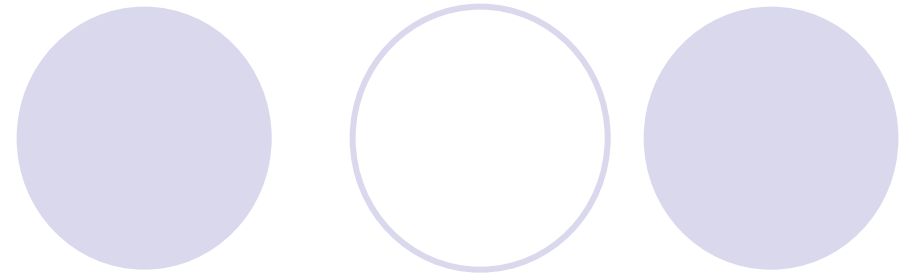


# General Fund Revenue Budget 2011-12



# General Fund continued

(Summary)



## ● Expenditures: ( pg 9)

○ General Government

2011-12  
\$1,101,000

○ Public Safety

1,264,600

○ Sidewalks & Lights

110,000

○ Sanitation

278,000

○ Other Expenses

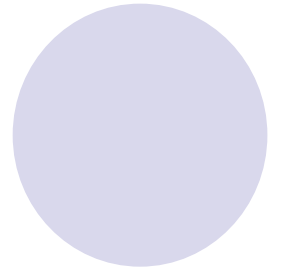
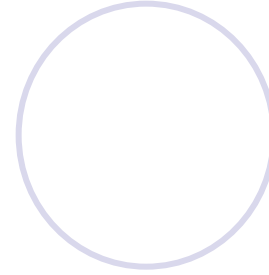
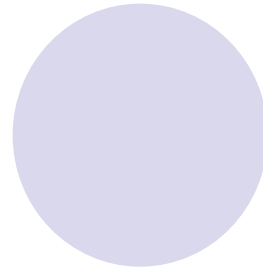
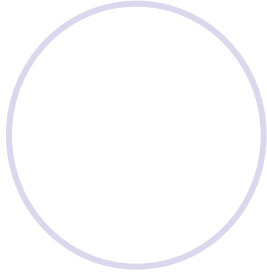
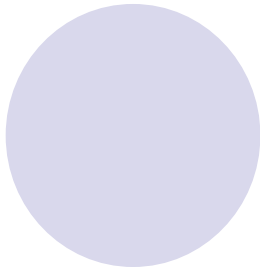
317,600

○ Contributions to other fund

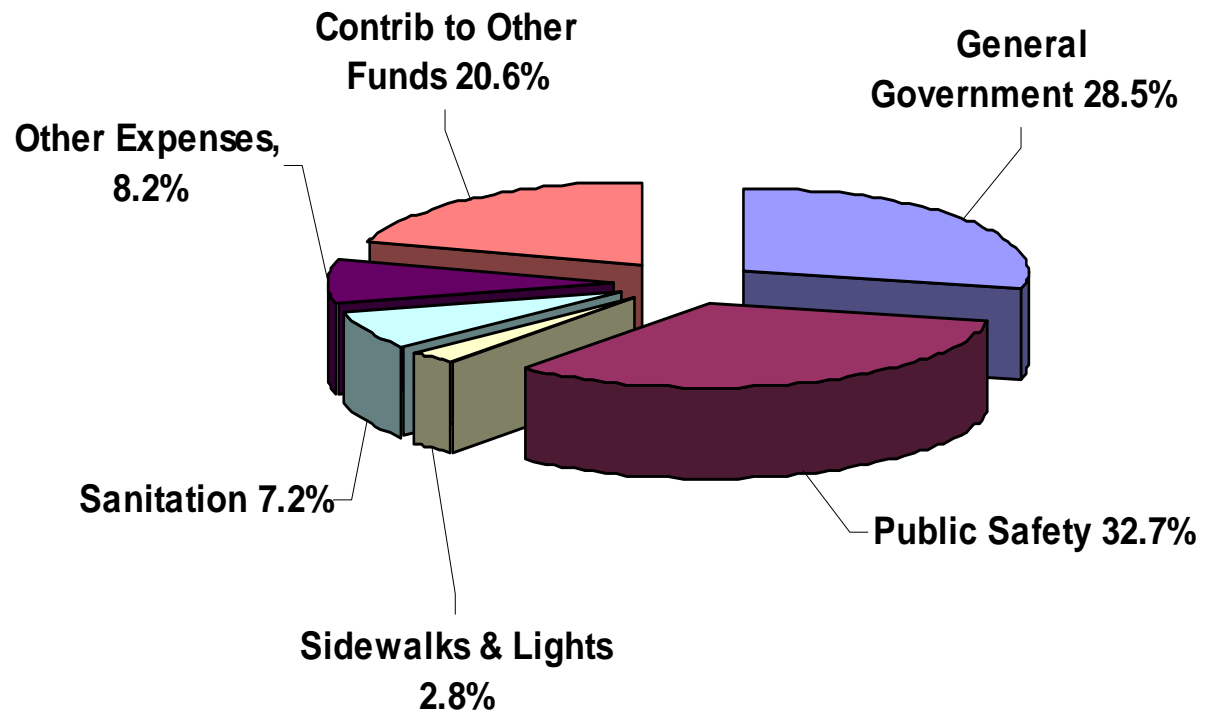
796,700

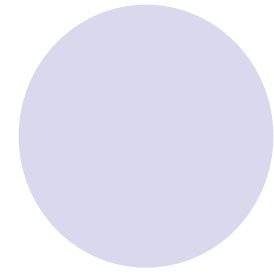
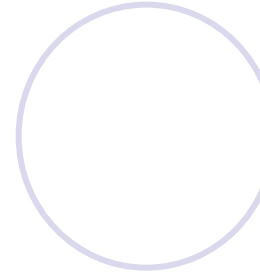
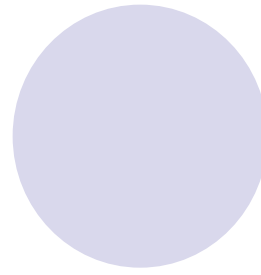
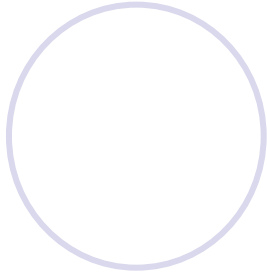
○ Total Expenditures

\$3,867,100

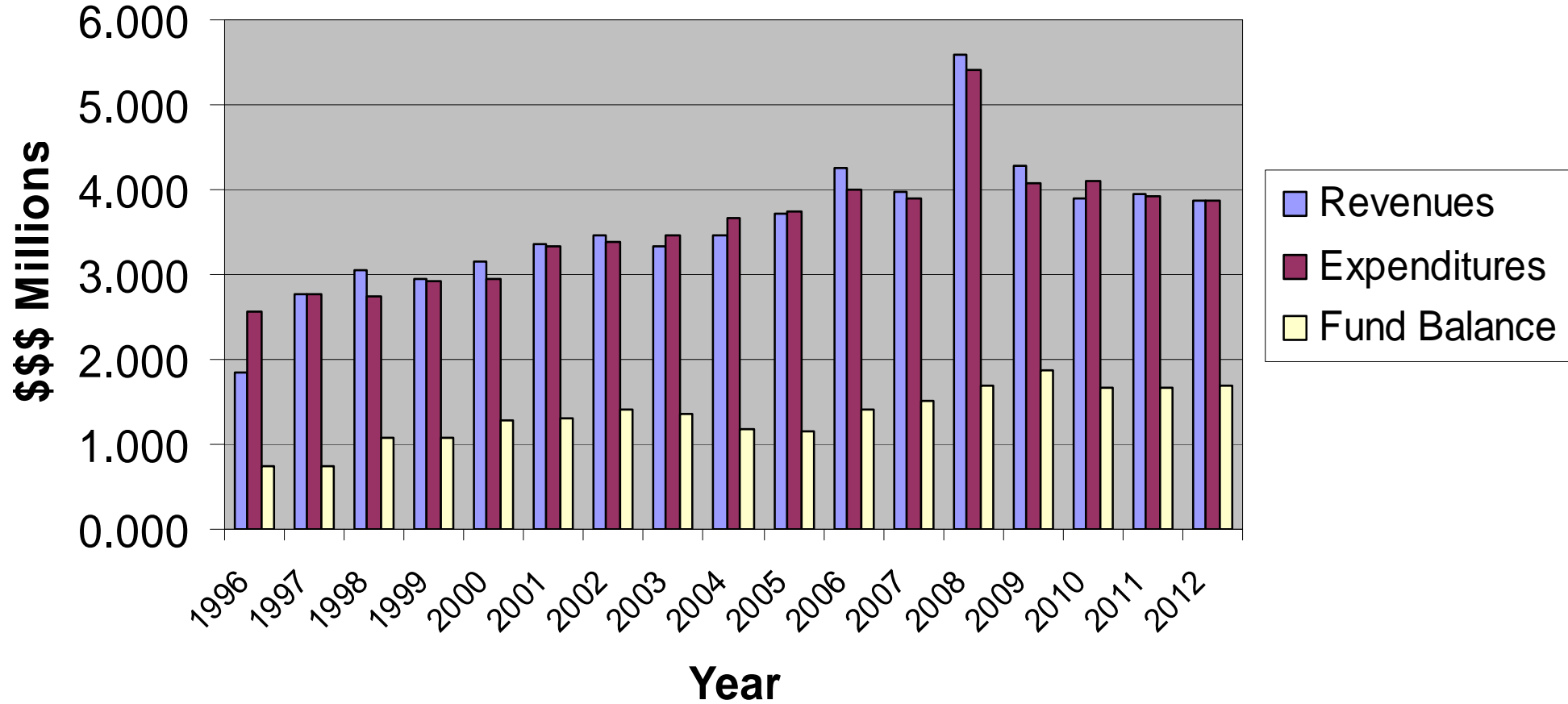


## General Fund Expenditures Budget 2011-12



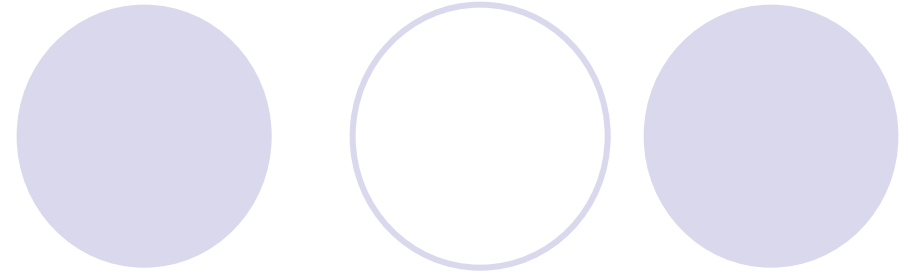


## General Fund Trends



# Budget Highlights

City Manager's Budget Message



- General Fund: (page 2)

- Debt Service Payments \$237,900

- DDA Hospitality Plan I (PO 2017) \$100,400
- North Franklin Street Properties (Balloon 2013) \$70,200
- Fire Truck (vehicle reserve account) \$67,300

# Budget Highlights

City Manager's Budget Message  
(continued)

## General Fund:

Transfers to other Funds \$564,300

- Major Street Fund \$ 50,000
- Local Street Fund \$210,000
- Parks & Recreation \$280,000
- City Beautification \$ 24,300

# Budget Highlights

## City Manager's Budget Message (continued)

### ○ **Proposed General Fund Projects:**

- Business Park engineering expense \$64,800
- DPW Storage Building modifications \$45,000
- EDC Programs - \$10,800
- City Hall Nickless Room modifications \$7,500
- City Hall heat pump replacement \$6,000
- Sister City 50<sup>th</sup> anniversary celebration \$5,000
- County GIS Authority Membership - \$3,000

### ○ **General Government: \$1,101,000**

- **(Pg 12-15)**



# Budget Highlights

## City Manager's Budget Message

(continued)

- **Public Safety:** (pages 15 & 16) \$1,264,600

- **Police Department \$1,042,300**

- Vehicle replacement fund \$18,500



- **Fire Protection \$201,600**

- Building Addition \$50,000 total
- City Share \$37,500 over 2 years (\$18,750/year)



- **Flood Protection \$20,700**

- No DAM expenditures budgeted

# Budget Highlights

## City Manager's Budget Message

(continued)

### ● Major & Local Street Funds (page 19 & 20)

- State Gas & Weight Taxes \$293,500
- General Fund Contribution \$260,000 (-18.75%)
- Reif Street resurfacing project \$57,000
- Sidewalk grinding & replacement \$34,000
- Crack Filling \$20,000
- Debt Service:
  - Major Street \$85,615
  - Local Street 17,700

# Budget Highlights

## City Manager's Budget Message

(continued)

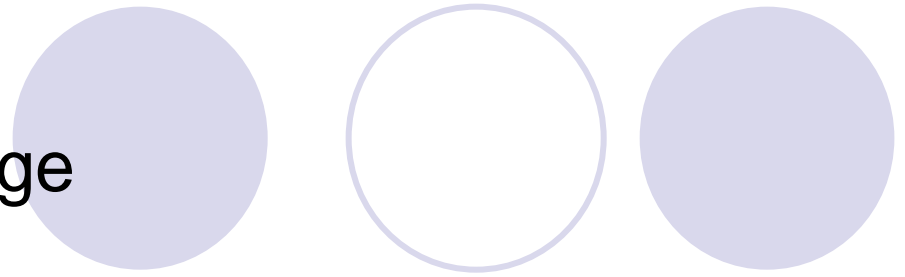
### ● Parks & Recreation Funds (page 21 - 24)

- General Fund Contribution \$277,000 (-10%)
- Projects Totaling \$46,500
  - Replace Zehnder Park playground equipment \$12,000
  - Harvey Kern Pavilion Long Term Maintenance Fund \$8,500
  - Crack fill parking lots \$7,000
  - Heritage Park tree replacement \$4,000
  - Replace ice rink liner \$4,000
  - Repaint Kern Pavilion restrooms \$4,000
  - Memorial Park signs \$4,000
  - Repaint Band shell exterior \$3,000



# Budget Highlights

## City Manager's Budget Message (continued)



### ● DDA Fund (page 25 - 27)

- Captured Taxes \$950,000
  - 45% City
  - 35% Saginaw County
  - 20% DDA, Delta, Library
- Debt Service Contribution \$708,260
- Capital Reserve Maint. Fund. \$10,000
- City Beautification \$7,500



### ● Building Dept Fund (page 28 & 29)

- Self supporting (?) thru fees!
  - \$38,500 Permit fees
  - Proposing to use \$17,600 Fund Balance
  - Struggling due to low volume of construction permits
  - Board has taken steps to reduce operating expenditures – hopefully things have stabilized.

# Budget Highlights

City Manager's Budget Message  
(continued)

## ● Waste Treatment Fund (page 31 - 33)

### ○ Rate increase (?)

○ Total Debt Service Payments \$835,724  
● (1988 WTP Expansion G.O. Bond Payoff 2012!)

○ Projects Requested \$49,800

- Replace sludge transfer pump \$20,000
- TV Sewers Project - \$10,000
- Lab improvements \$8,000
- Replace digester control building roof \$4,000
- Replace main drive on mechanical bar screen - \$4,000
- Replace administration building garage door - \$3,800



# Budget Highlights

City Manager's Budget Message  
(continued)

- **Water Fund** (page 34 – 36)

- **City of Saginaw water rate increase???**

- **Continue to study alternate water source for the community.**

- Total Debt Service                      \$70,420

- Proposed Projects                      \$39,900

- Replace 5 water main valves \$35,000
- Leak detection survey equipment \$4,900

# Budget Highlights

## City Manager's Budget Message

(continued)

- Equipment Fund (page 37 - 38)

- Projects/Equipment Fund Total \$93,000–

- Brush Chipper \$33,000
- Arrow board \$5,200
- Scissor man lift \$9,000
- P&R Pickup \$27,000
- Utility Cart \$9,800
- Snow blade \$3,900
- Weighing System \$5,100

- Debt Service Funds (page 39 - 49)

- Total Debt Service Payments \$1,974,415

- Outstanding Debt as of June 30, 2010: (G.O. Limit 10% of SEV = \$28,604,350)

- Total \$13,169,767 (principal)  
\$15,815,821 (p & i)

- General Obligation \$4,544,767 (principal)

- Special Assessment \$3,355,000 (principal)

- Enterprise Funds \$5,270,000 (principal)



# City of Frankenmuth

## Budget Summary



- Attempting to maintain the current level of municipal services
- Undertakes some projects
- Maintains level property tax rates in anticipation of lower levels of state financial aid and flat taxable value change.



City of Frankenmuth

## **Budget 2011-12**

○ **Questions/Comments?**

["Changes start occurring when budgets are cut."](#)