



Village of
ST. CHARLES

FY 2019/2020 PROPOSED BUDGET

Presented/Prepared by:

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“To be a welcoming, desirable community for families to call home.

To be environmentally conscious, family-friendly, and to be an outdoor oasis with sustainable public services in the Great Lakes Bay Region.”

Village of St. Charles

Mission/Vision

What is a budget?

“A budget is a plan of financial operation for a given period of time, including an estimate of all proposed expenditures ...and the proposed means of financing the expenditures.”

- *General Law Village Handbook*

What is a Fund?

“In the private sector, sometimes separate companies are set up for legal liability purposes, or tax purposes; in the public sector, separate activities are accounted for in separate funds, in order to show accountability.

- A specific revenue may be legally restricted, so it is reported in a separate fund to demonstrate that the revenue was spent only for the intended purpose;
- Any unspent amounts (in governmental funds) will then be reported as “restricted, committed, and assigned.”

- *Finance 101- Understanding Municipal Budgets and Financial Reports by MML and GFOA*

What is the General Fund?

“Individual funds are created because of laws, grant requirements, or the desires of the governing body; All activity that has not been assigned to a specific individual fund is then accounted for in the General Fund.

- As a result, most people find the General Fund to be the most important fund. That is the fund that contains uncommitted resources that may be used for general purposes.”
- *Finance 101- Understanding Municipal Budgets and Financial Reports by MML and GFOA*

Fund Types

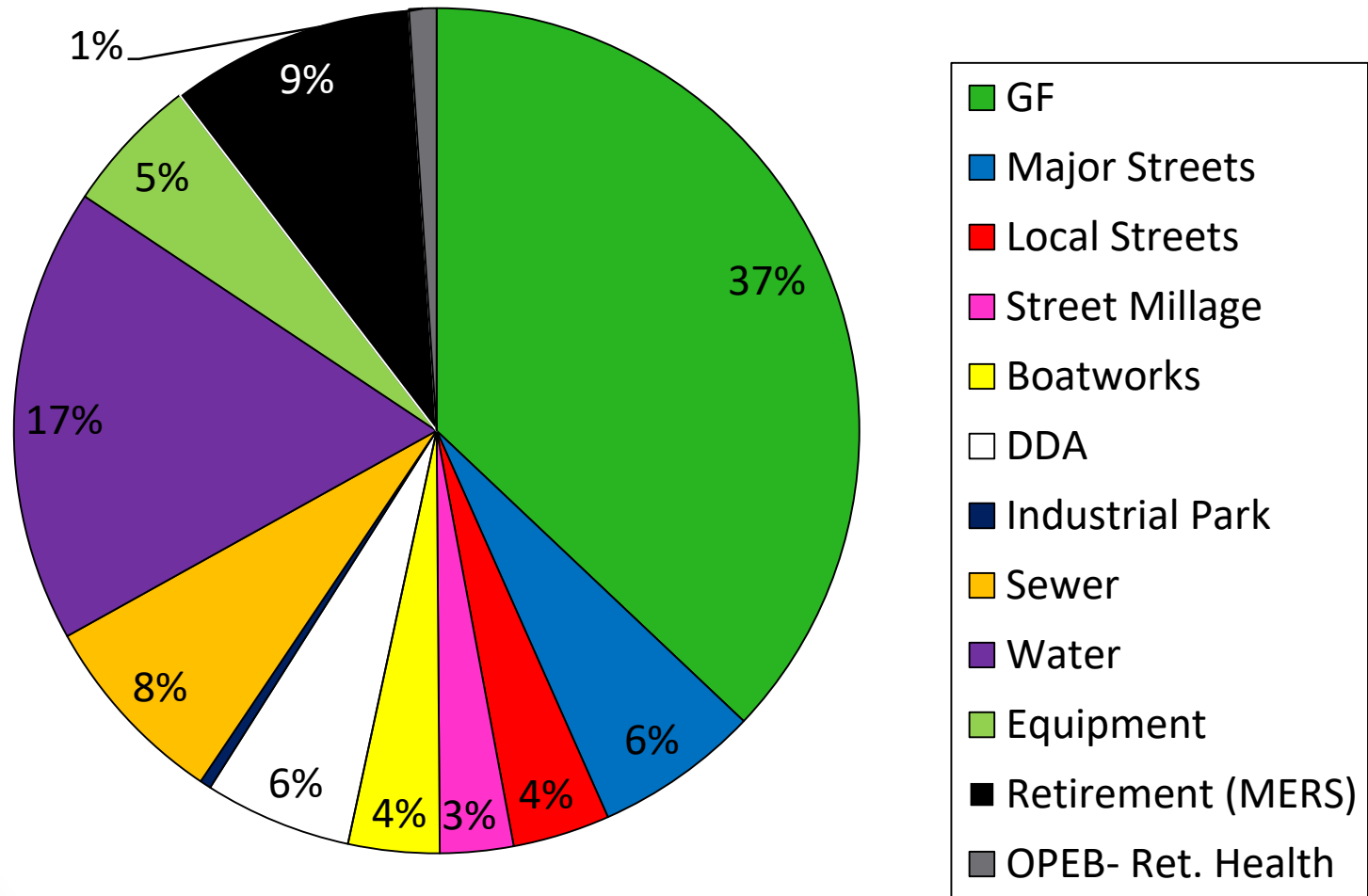
- GENERAL FUND- General Operating Millage, State Shared Revenue, Permits and Fees, Ordinance Fines, etcetera...
- SPECIAL REVENUE FUNDS- Act 51 Funds, Street Millage Fund, Grants, DDA, LDFA
- ENTERPRISE FUNDS- Water, Sewer, Power and Light
- INTERNAL SERVICE FUNDS- Equipment Fund, IT, Motor Pool, Workers Compensation, Insurance
- FIDUCIARY FUNDS- Cemetery Trusts, Pension/OPEB Systems

TOTAL BUDGET:\$2,869,965

- General Fund -- \$1,063,523
- Major Streets -- \$180,900
- Local Streets-- \$106,700
- Street Millage -- \$80,465
- Boat Works Grant Fund -- \$100,000
- DDA -- \$161,683
- Industrial Park LDFA --\$12,261
- Sewer -- \$215,090
- Water -- \$500,344
- *Equipment -- \$150,700
- *MERS -- \$268,299
- *OPEB -- \$30,000

* Internal Services

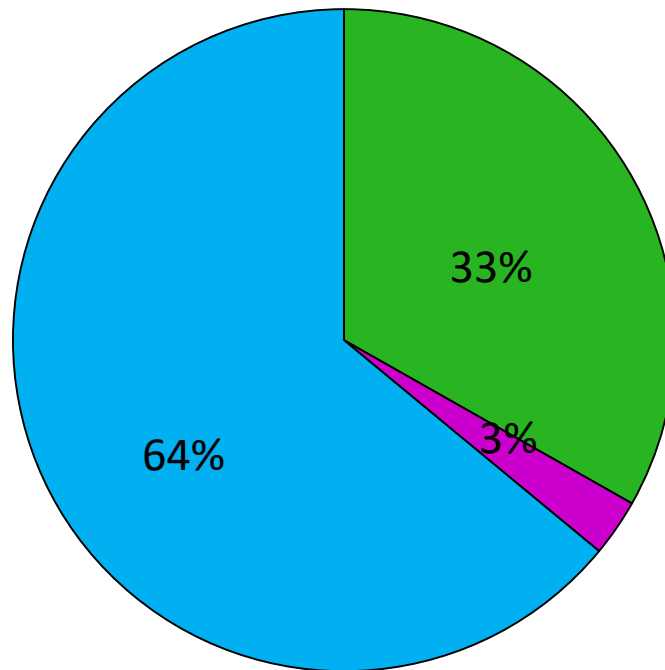
FY 2019/2020 Fund Breakdown



Total Cost Breakdown

FY 2019/2020 Budget

■ Personnel ■ Capital Outlay ■ Operating



BUDGETED REVENUES- GF

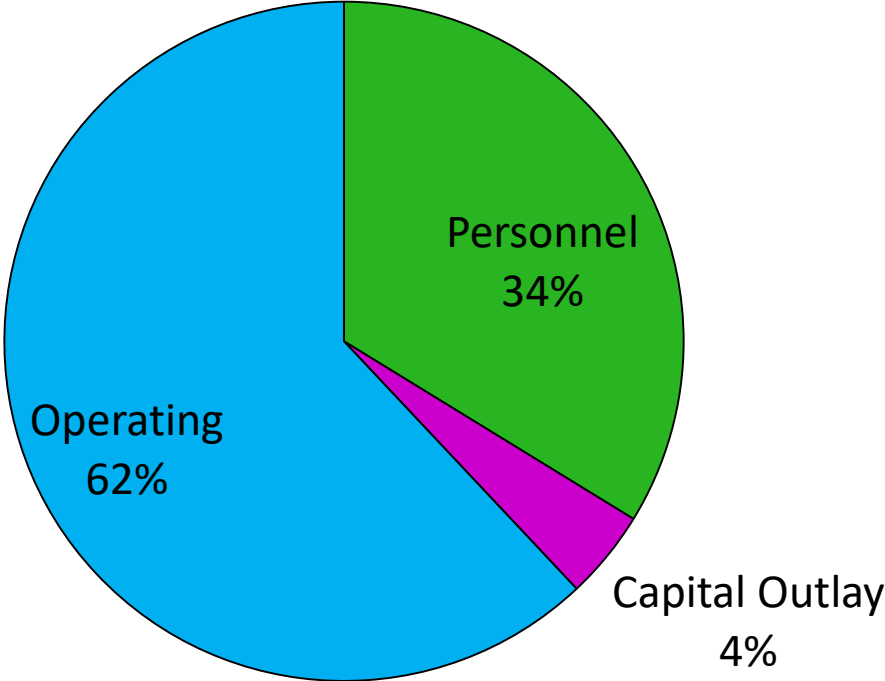
- Property Tax----\$430,000
- PPT Replacement----\$81,500
- State Revenue Sharing----\$200,000
- Inter-fund Loan----\$100,000
- All Other----\$235,065
 - TOTAL INCOME: \$1,038,676

- *Use of Fund Balance*----\$24,847

- **TOTAL GF REVENUE: \$1,063,523**

Cost Breakdown By Fund

General Fund Proposed FY 2019/2020 Budget



101- GENERAL FUND ITEMS

- Environmental Clean-Up-\$100,000 Placeholder
 - Inter-fund Loan from Boat Works Grant for total cost
 - Will need further council approval based on actual bids
- Park Upgrades
 - \$35,000 for Large Pavilion Roof
 - \$5,000 for Waterfowl Park Phase II- Botanical Pollinator Garden
 - \$5,000 for Contingencies on these project

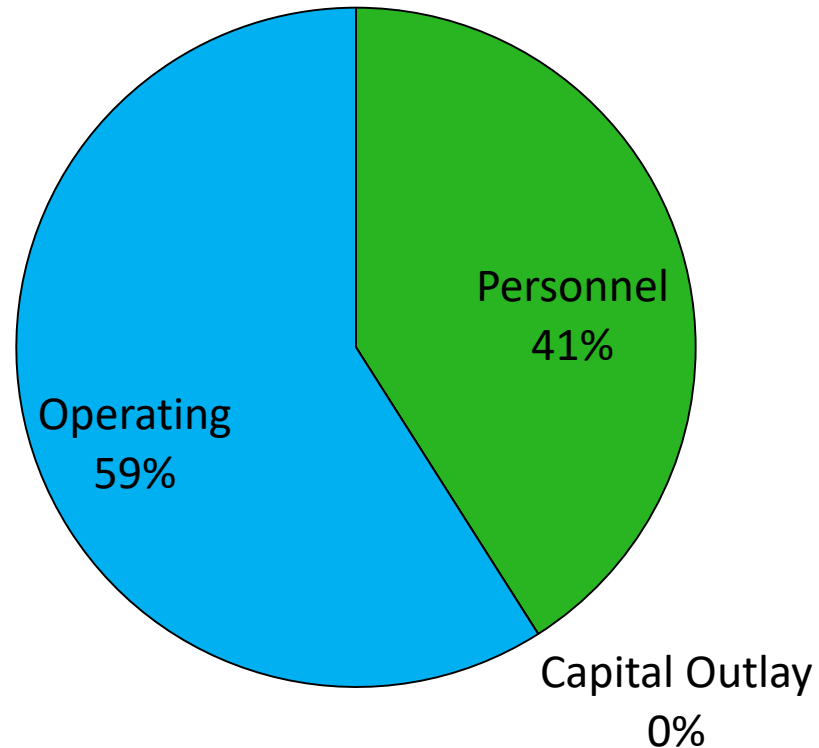
BUDGETED REVENUES- Maj. Streets

- Act 51 Gas & Weight---\$180,000
- Interest Revenue---\$900
 - TOTAL INCOME: \$180,900

- **TOTAL REVENUE: \$180,900**

Cost Breakdown By Fund (Cont.)

Major Streets Proposed FY 2019/2020 Budget



202- MAJOR STREETS ITEMS

- No Capital Outlay in this budget- Projects are not shovel-ready
- Tree Removal Program- \$5,000
 - Working to remove dangerous trees from the Right-of-Way
- Non-Motorized Transit- \$5,000

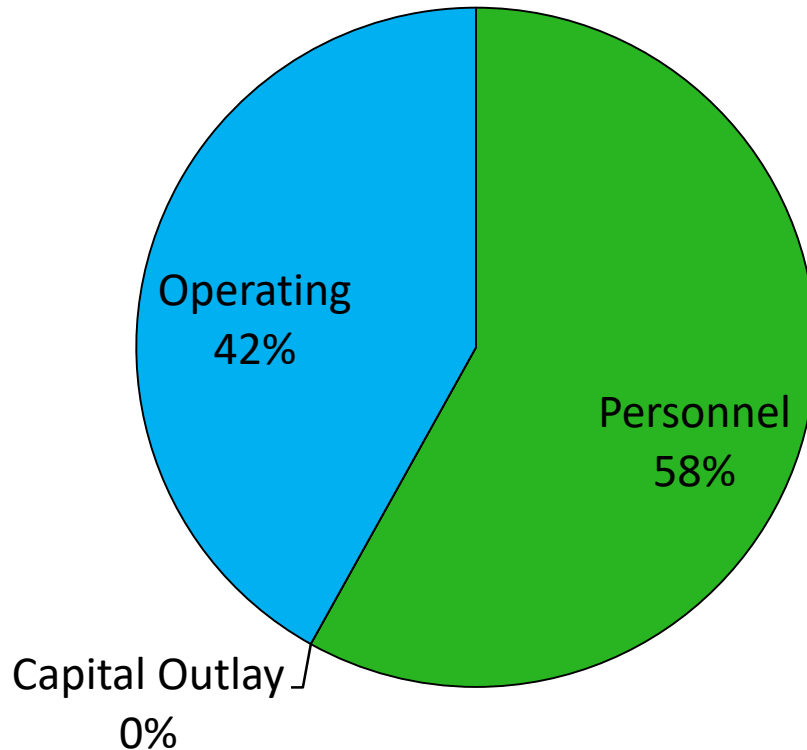
BUDGETED REVENUES- Local Streets

- Act 51 Gas & Weight----\$70,000
- Transfer From Major----\$36,000
- Interest Revenue---\$700
 - TOTAL INCOME: \$106,700

- **TOTAL REVENUE: \$106,700**

Cost Breakdown By Fund (Cont.)

Local Streets Proposed FY 2019/2020 Budget



203- LOCAL STREETS ITEMS

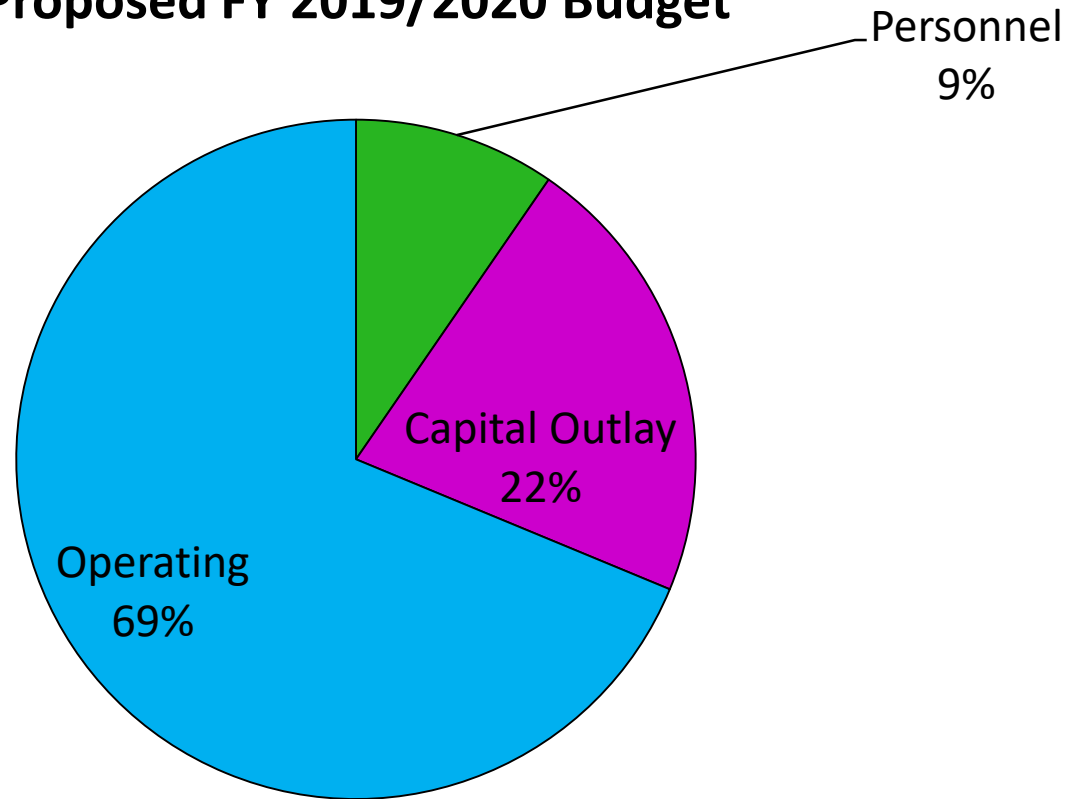
- No Capital Outlay in this budget- Projects are not shovel-ready

BUDGETED REVENUES- DDA

- TIF Revenue---\$85,000
- GRB Rent---\$29,725
- Interest Revenue---\$1,000
- Misc.---\$500
 - TOTAL INCOME: \$116,225
- *Use of Fund Balance*----\$45,458
- **TOTAL REVENUE: \$161,683**

Cost Breakdown By Fund (Cont.)

Downtown Development Authority Proposed FY 2019/2020 Budget



394- DDA ITEMS

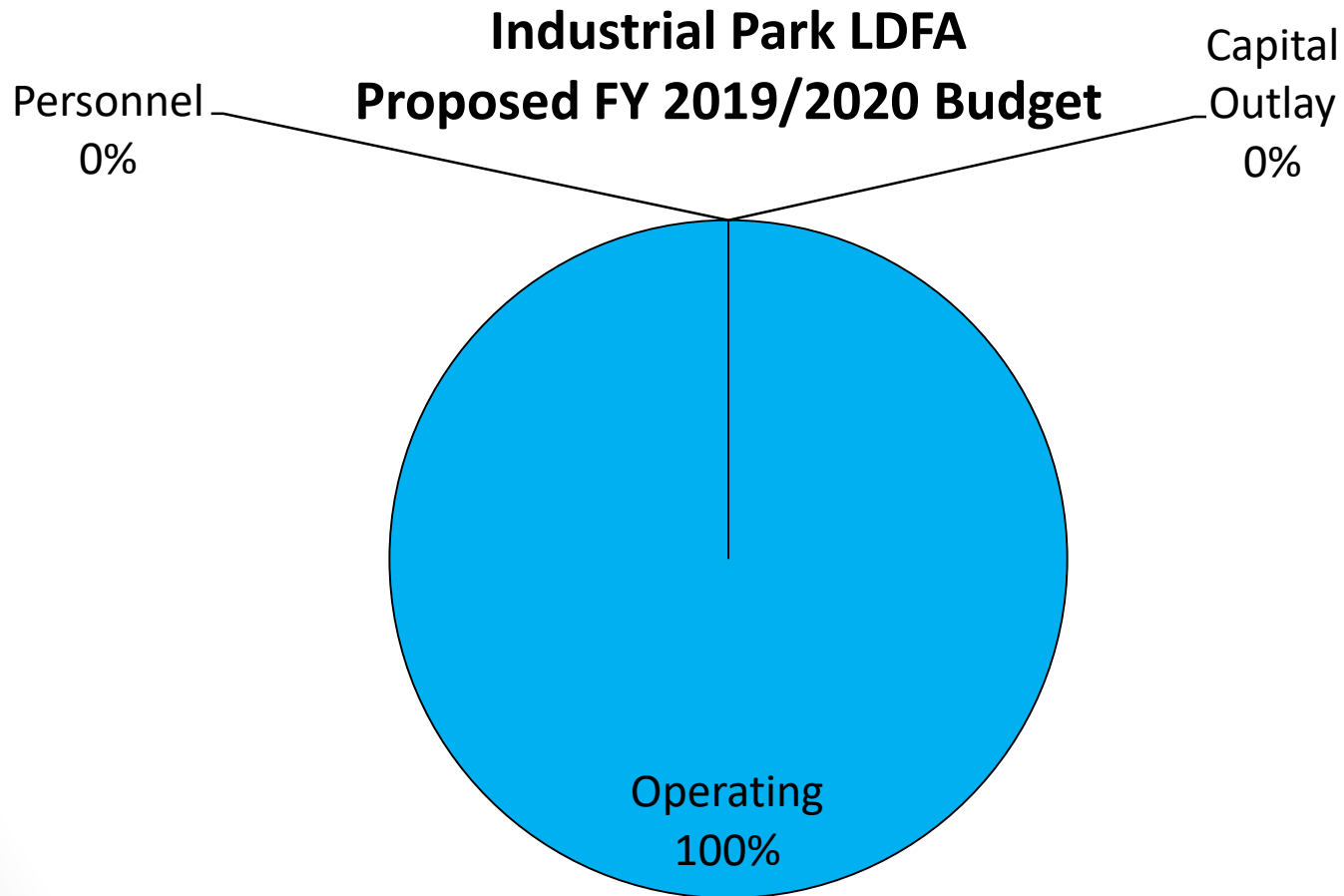
- Begin Street Sign Replacement Program in DDA District- \$15,000
 - Will begin with new design and cost estimates. May be a multiyear project. It is intended to be village-wide but we are starting in downtown area because that is where a bulk of the signs will be concentrated. GF and Streets will be doing other areas in subsequent years.
- Parking Lot Lights- All DDA Lots- \$20,000
 - New Pole, new LED Lights and electrical work to be done by mix of contractor and Village staff.
- Downtown Streetscape-\$40,000
 - Preliminary Engineering for the Downtown Streetscape Design
- Increase to H.A.M.S. Expense- \$10,000
 - 4 H.A.M.S. at \$10/hour for 20 hours a week throughout the summer

BUDGETED REVENUES- Industrial Park

- Sprint Rent---\$12,261
 - TOTAL INCOME: \$12,261

- **TOTAL REVENUE: \$12,261**

Cost Breakdown By Fund (Cont.)



BUDGETED REVENUES- Sewer

- Charges For Service--\$155,290
- Penalties--\$3,000
- Interest Revenue---\$1,800
- SAW Grant---\$50,000
 - TOTAL INCOME: \$210,090

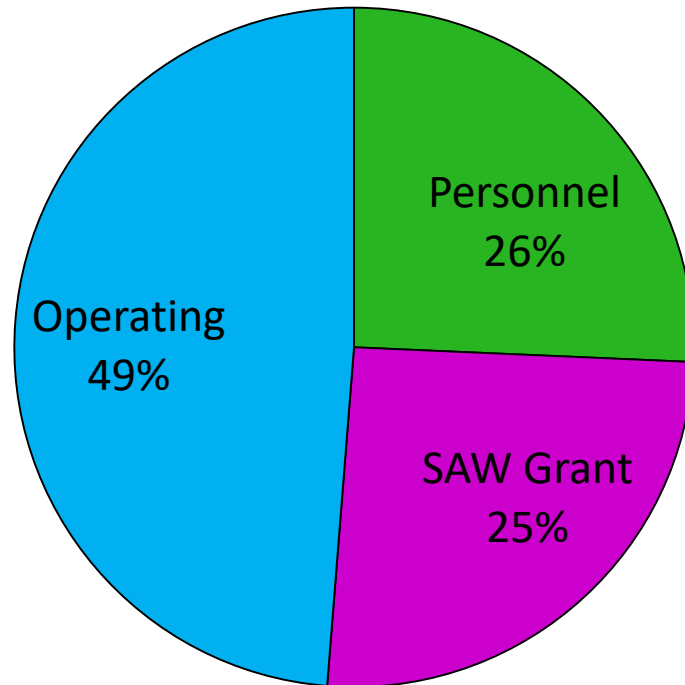
- *Use of Fund Balance----\$5,000****

- **TOTAL REVENUE: \$215,090**

*** 10% Match for SAW Grant

Cost Breakdown By Fund (Cont.)

Sewer Fund Proposed FY 2019/2020 Budget



590- SEWER FUND ITEMS

- Continuation of SAW Grant
 - Budgeting \$50,000 in grant revenue and a 10% match of \$5,000
 - Total expected activity for SAW is \$55,000
 - We are in year 3 of the 3 year grant
 - Asset Management Plan which results from this project will guide capital improvements moving forward

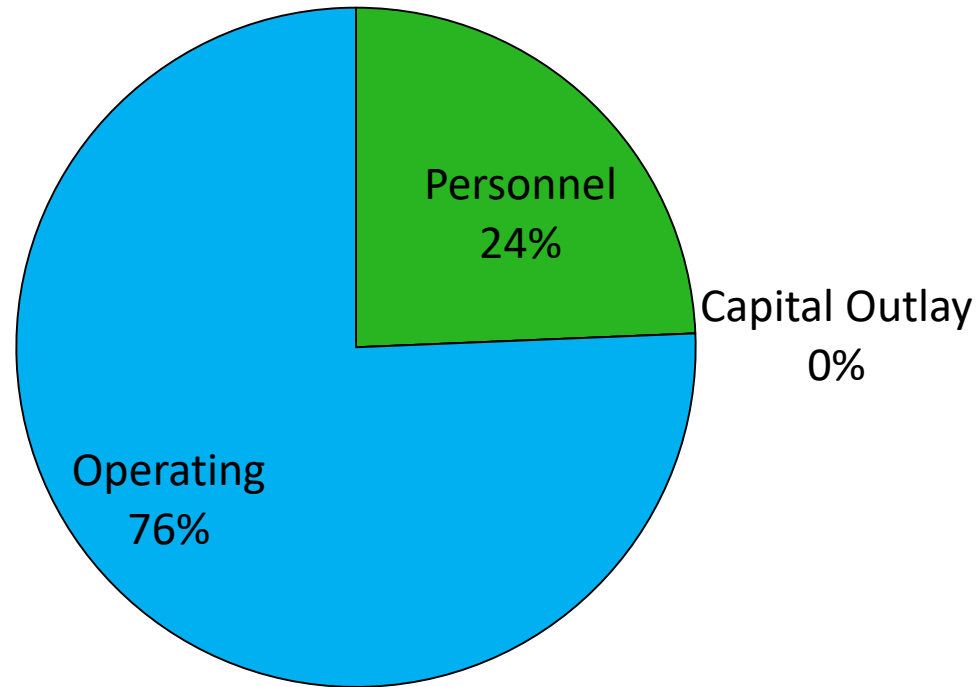
BUDGETED REVENUES- Water

- Charges For Service-IN---\$396,556
- Charges For Service- OUT---\$95,634
- Penalties--\$6,000
- Interest Revenue---\$2,000
- Hydrant Rental---\$154****
 - TOTAL INCOME: \$500,344
- **TOTAL REVENUE: \$500,344**

**** GF Transfer for Hydrant Rentals

Cost Breakdown By Fund (Cont.)

Water Fund Proposed FY 2019/2020 Budget



591- WATER FUND ITEMS

- Continuation of Water Asset Management Plan
 - Preliminary Plan was submitted to the MDEQ in December 2017, waiting to hear feedback on our plan approach.
- Water Reliability Study- \$35,000
- Proposed Cross Connection Program- \$2,000/year

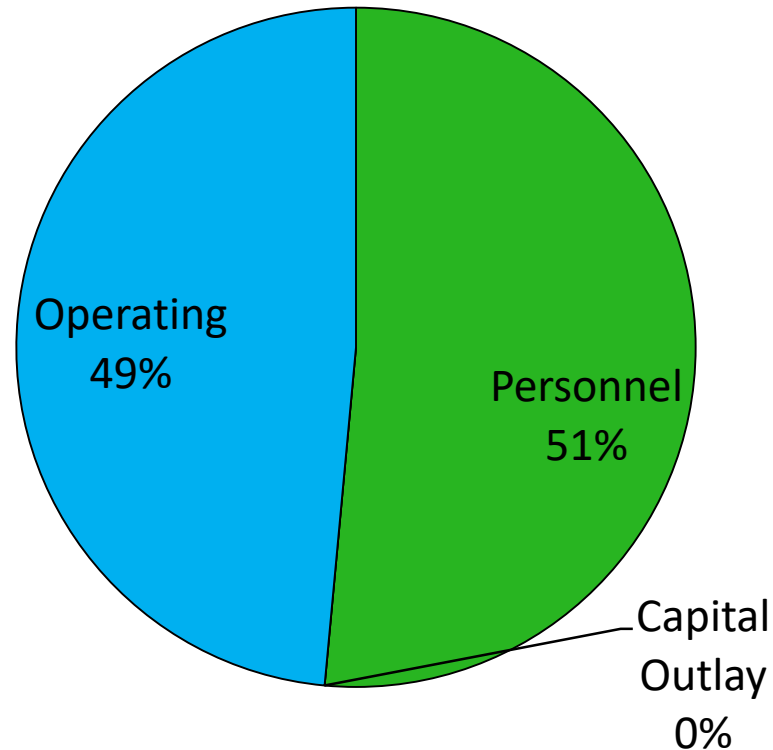
BUDGETED REVENUES- Equipment

- Internal Service Charge---\$150,000
- Interest Revenue---\$700
 - TOTAL INCOME: \$150,700
- **TOTAL REVENUE: \$150,700**

***** No vehicles or large equipment are scheduled to be purchased.

Cost Breakdown By Fund (Cont.)

Equipment Fund Proposed FY 2019/2020 Budget

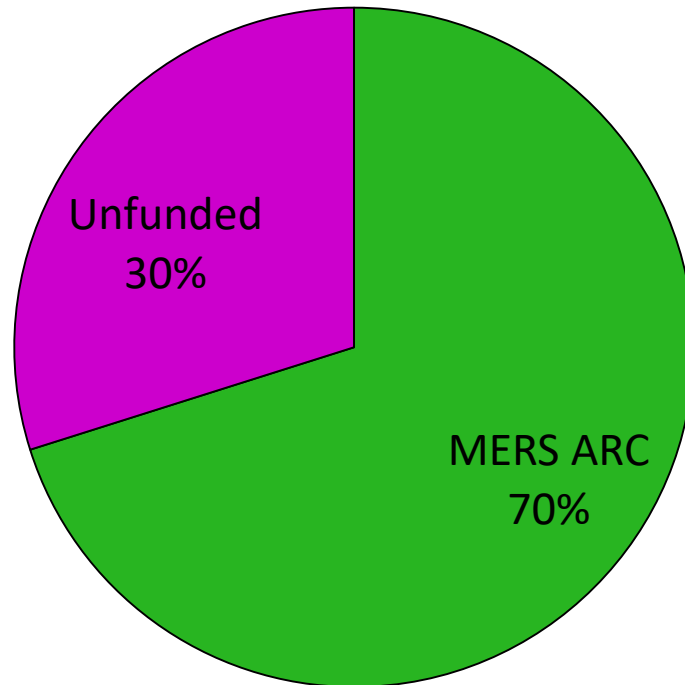


661- EQUIPMENT FUND ITEMS

- There are no large equipment purchases this year
 - Remainder is maintenance and personnel costs

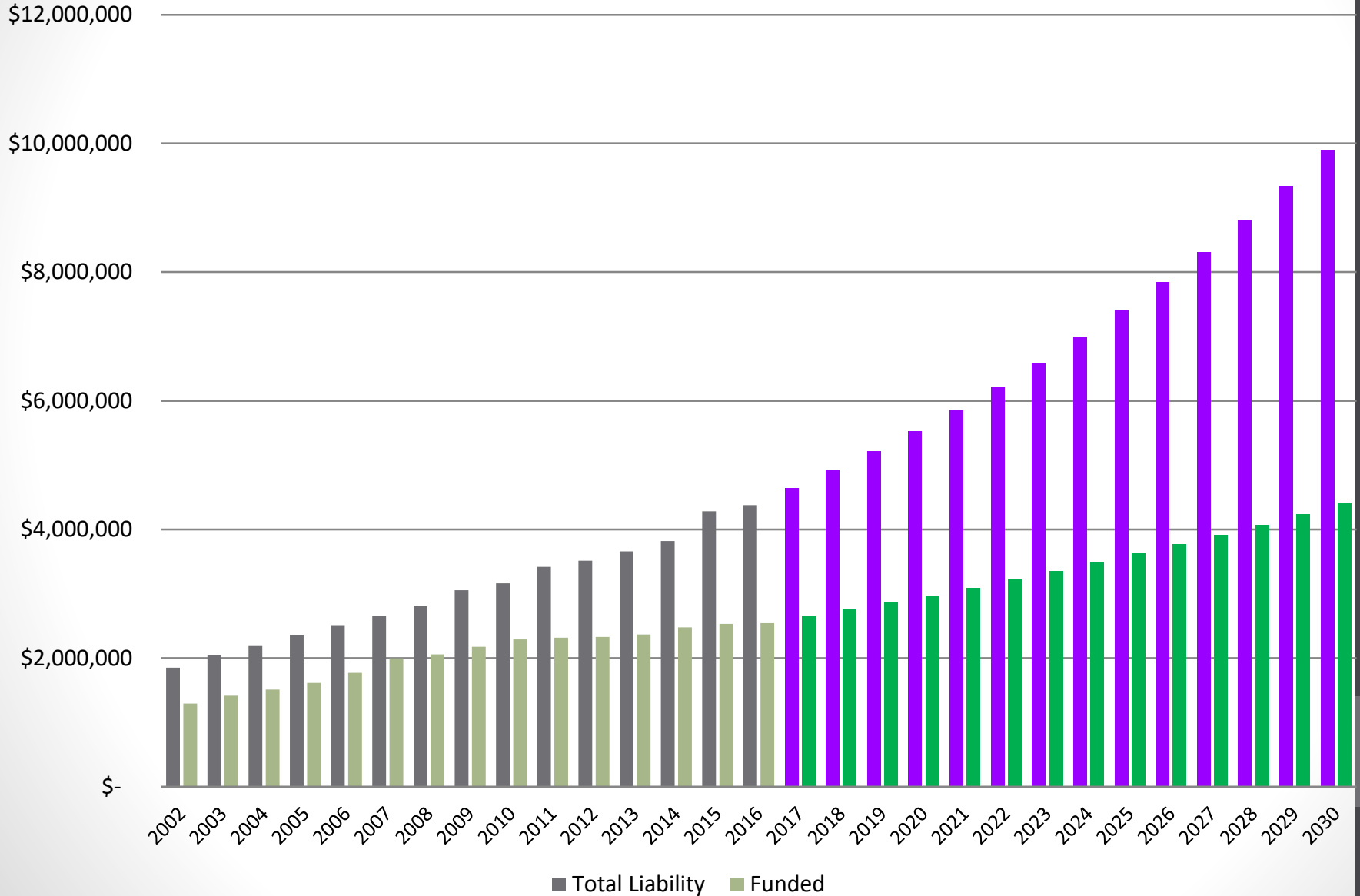
Cost Breakdown By Fund (Cont.)

MERS Retirement Fund Proposed FY 2019/2020 Budget



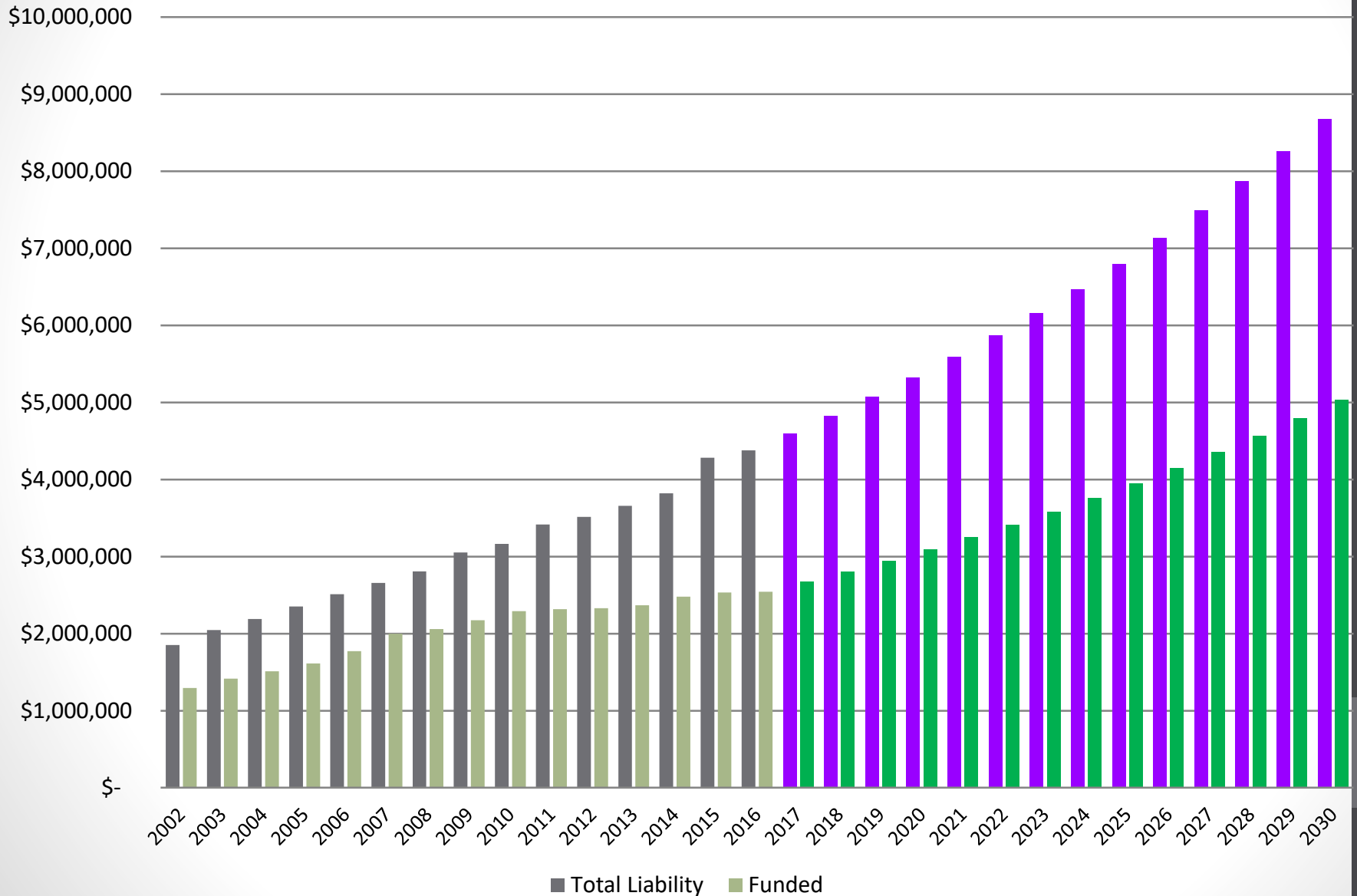
MERS Pension Liability 2002-2030

(Doing Nothing)

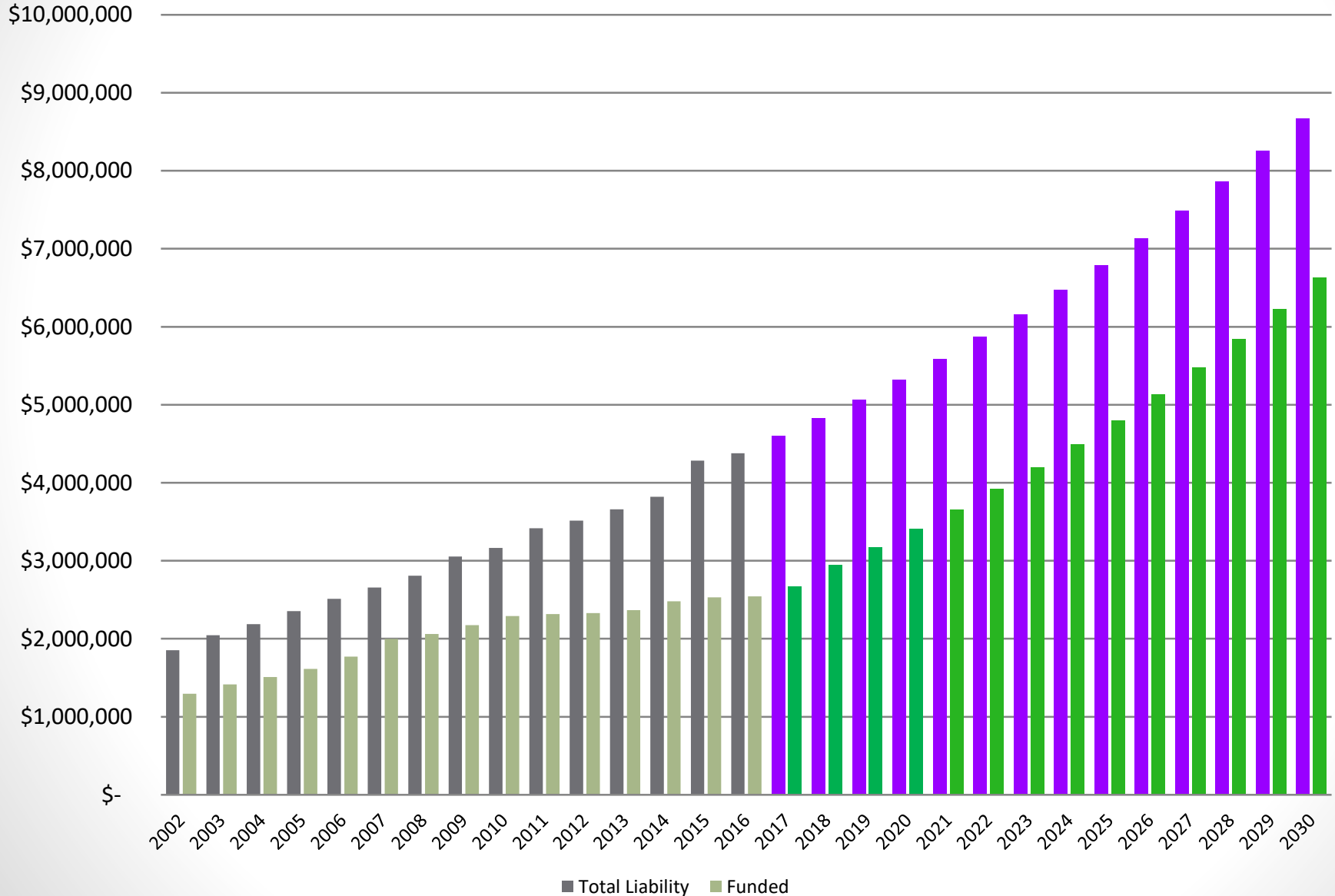


MERS Pension Liability 2002-2030

(Doing Nothing 5%)



MERS Pension Liability 2002-2030 (with Additional Contributions)



MERS PENSION FUND

- Accounting for Retirement Costs
 - Breaks out ARC and Payments toward Unfunded Liability
 - Created new fund which record activity for payments toward MERS for both the Annual Required Contribution and additional contributions which are applied the unfunded portion of the pension system. The ARC this year is expected to be \$187,799, our additional contribution will be \$80,000.
 - Funding comes from all funds that have personnel costs and that house costs associated with retirees
 - General Fund
 - Streets
 - Water
 - Sewer
 - Equipment

BUDGETED REVENUES- MERS

- INTERNAL SERVICE CHARGES
 - GF Charge---\$168,713
 - Major Streets---\$13,390
 - Local Streets---\$13,390
 - Sewer---\$18,746
 - Water---\$37,492
 - Equipment---\$16,068
 - Interest---\$500
 - **TOTAL INCOME: \$268,299**

OPEB FUND

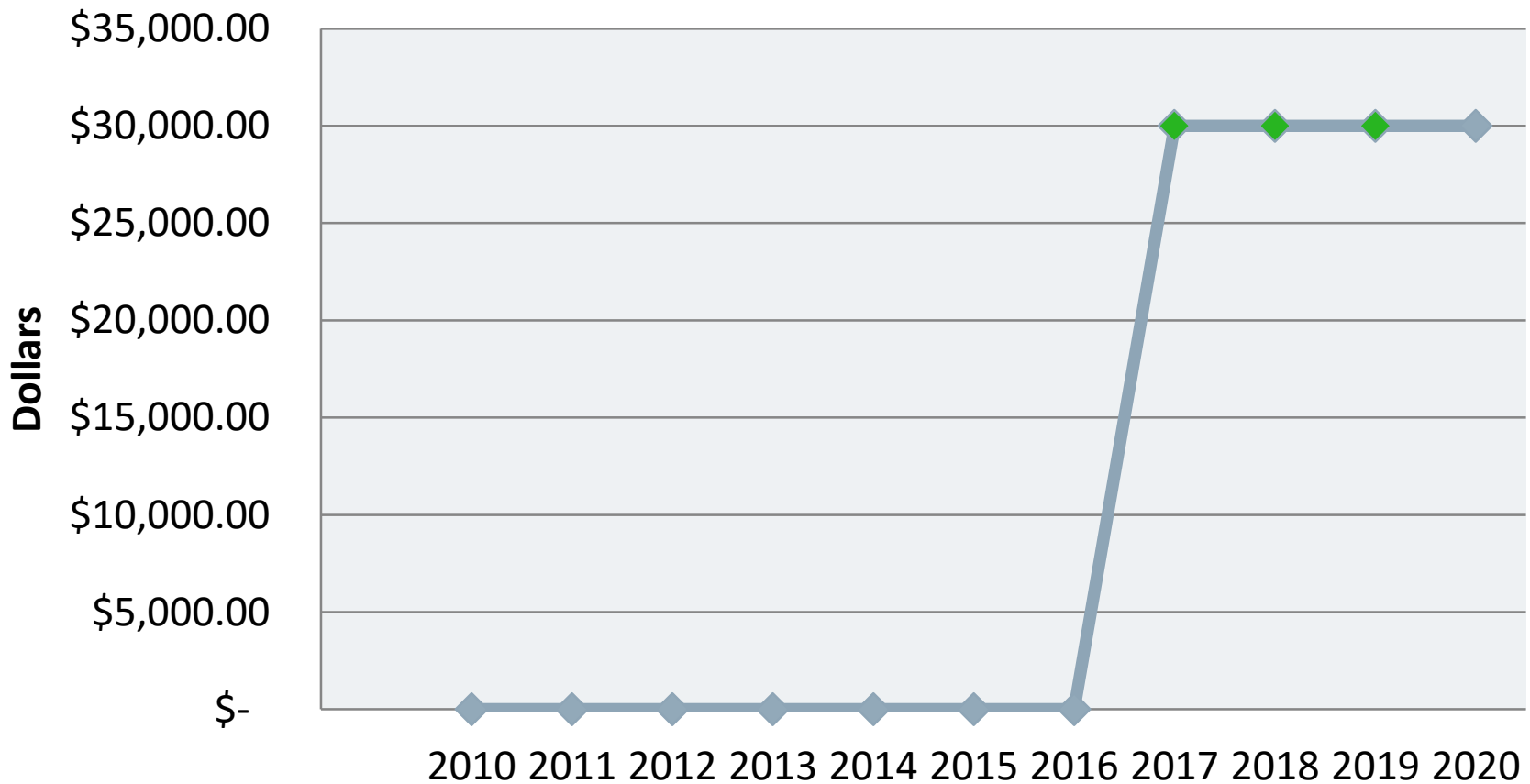
- Other Post Employment Benefits
 - Essentially RETIREE HEALTHCARE
 - Created new which puts aside \$30,000 per year to put towards unfunded OPEB liability.
 - Funding comes from all funds that have personnel costs and that house costs associated with retirees
 - General Fund
 - Streets
 - Water
 - Sewer
 - Equipment

BUDGETED REVENUES- OPEB

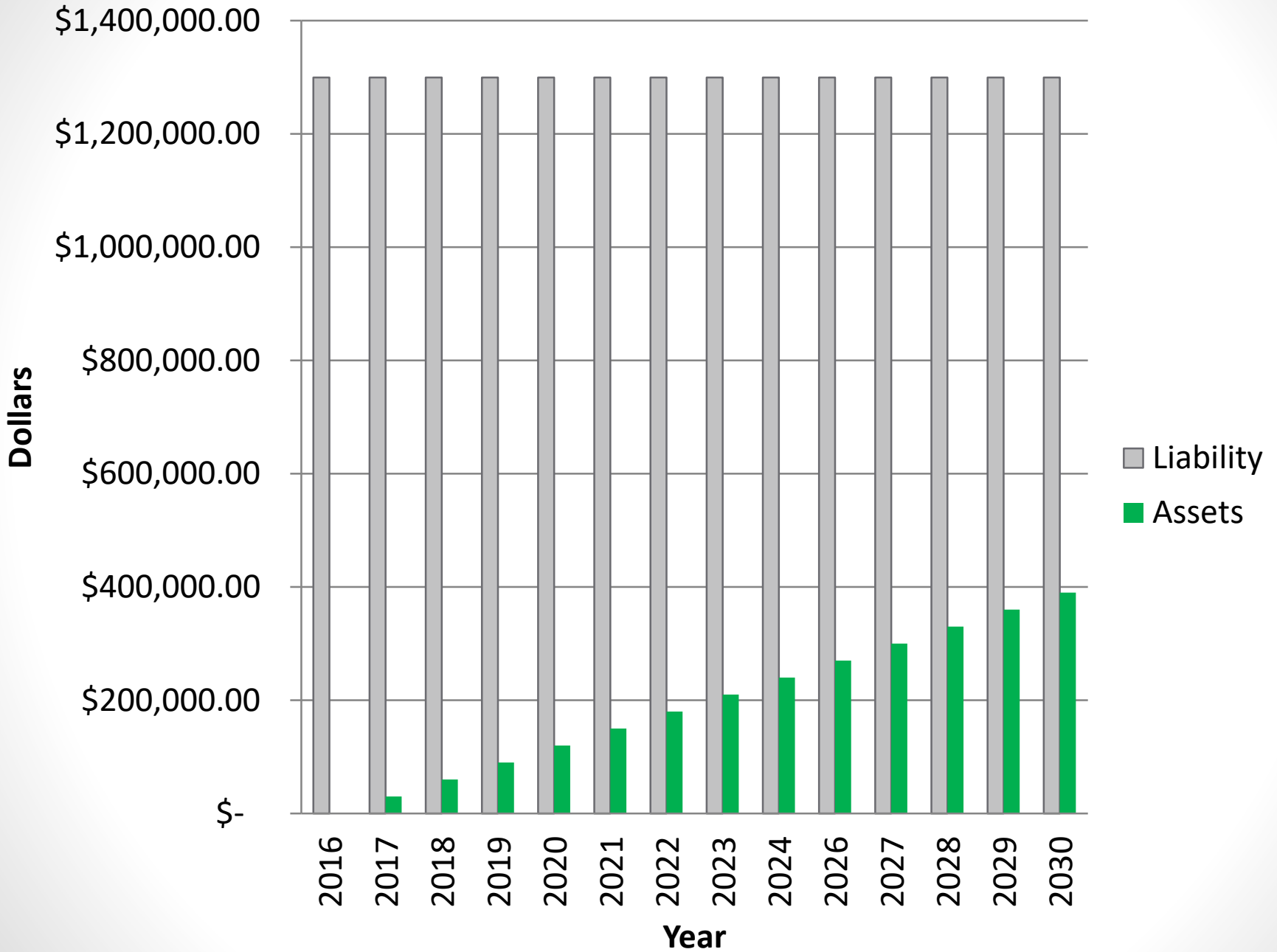
- INTERNAL SERVICE CHARGES
 - GF Charge---\$8,572
 - Major Streets---\$6,570
 - Local Streets---\$2,000
 - Sewer---\$4,286
 - Water---\$4,286
 - Equipment---\$4,286
 - **TOTAL INCOME: \$30,000**

Cost Breakdown By Fund (Cont.)

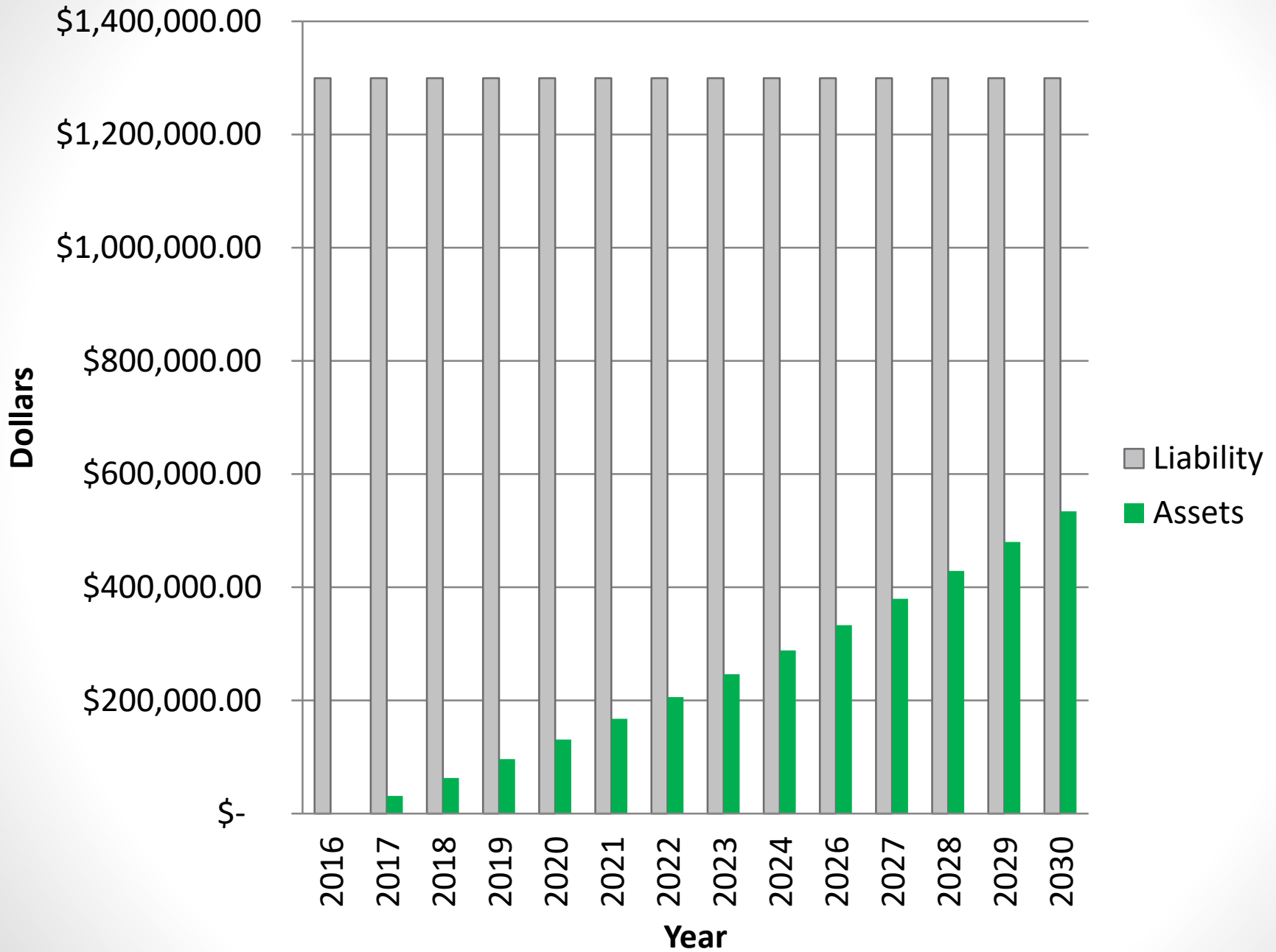
OPEB Fund
Proposed FY 2019/2020 Budget



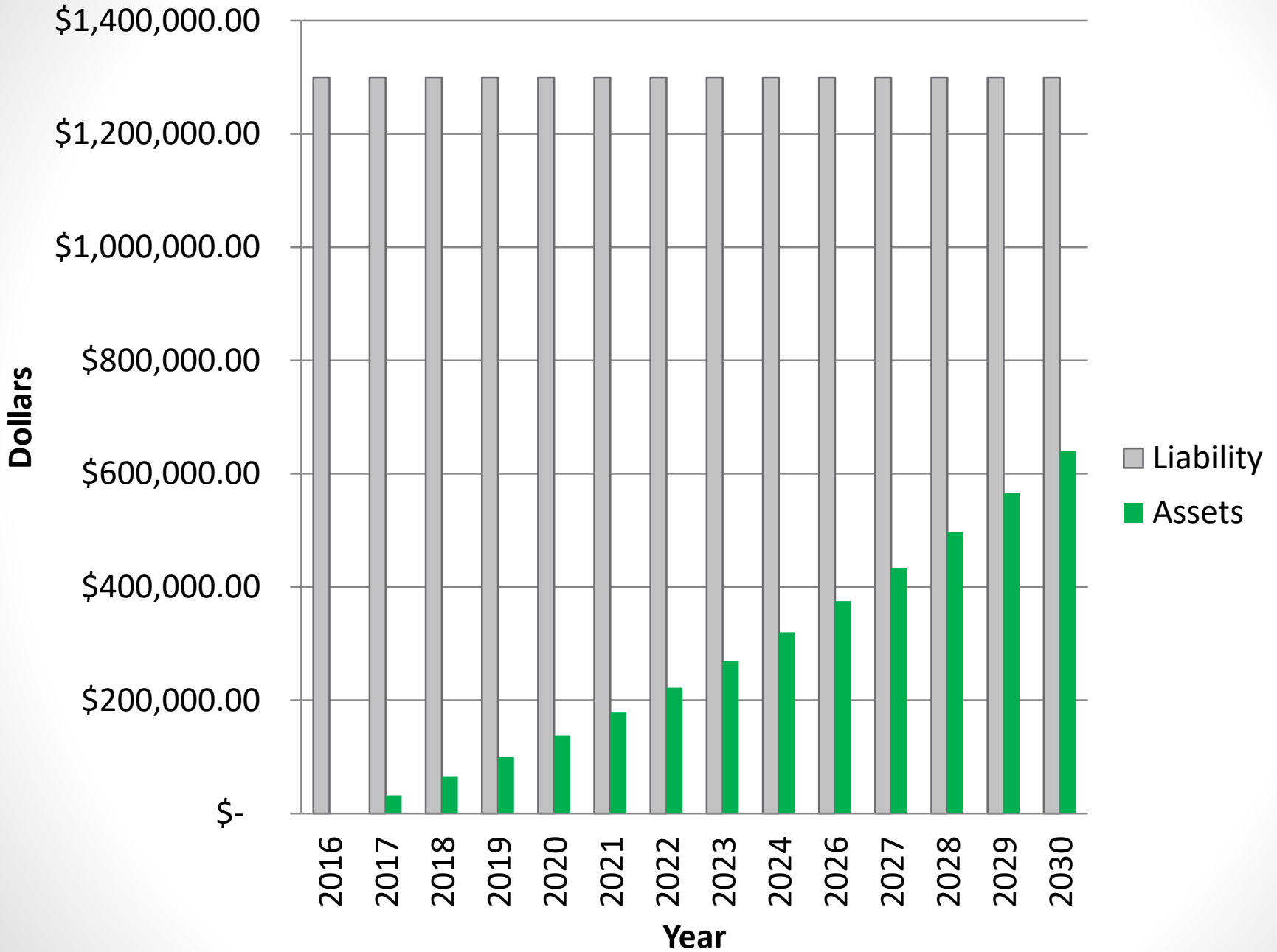
OPEB- No Trust



OPEB-Trust Fund 5%

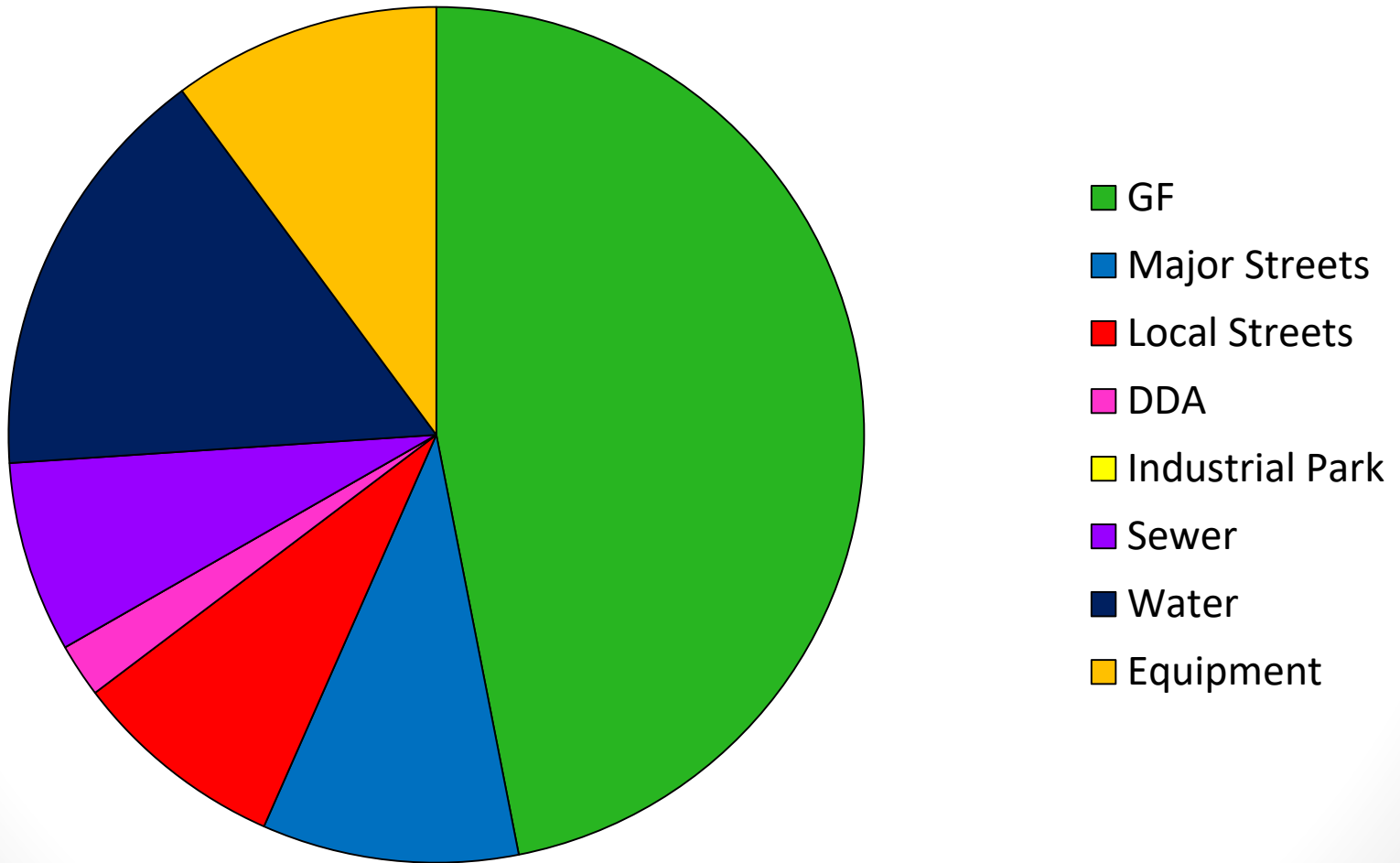


OPEB- Trust Fund 7.75%



Personnel Costs By fund

FY 2019/2020 Proposed Budget



PERSONNEL % OF REVENUE BY FUND

- General Fund – 34%
- Major Streets – 41%
- Local Streets– 58%
- Street Millage -- 0%
- Boat Works Grant Fund –0%
- DDA – 10%
- Industrial Park LDFA –0%
- Sewer -- 26%
- Water – 24%
- *Equipment – 51%
- *MERS – 100%
- *OPEB – 100%

* Internal Services

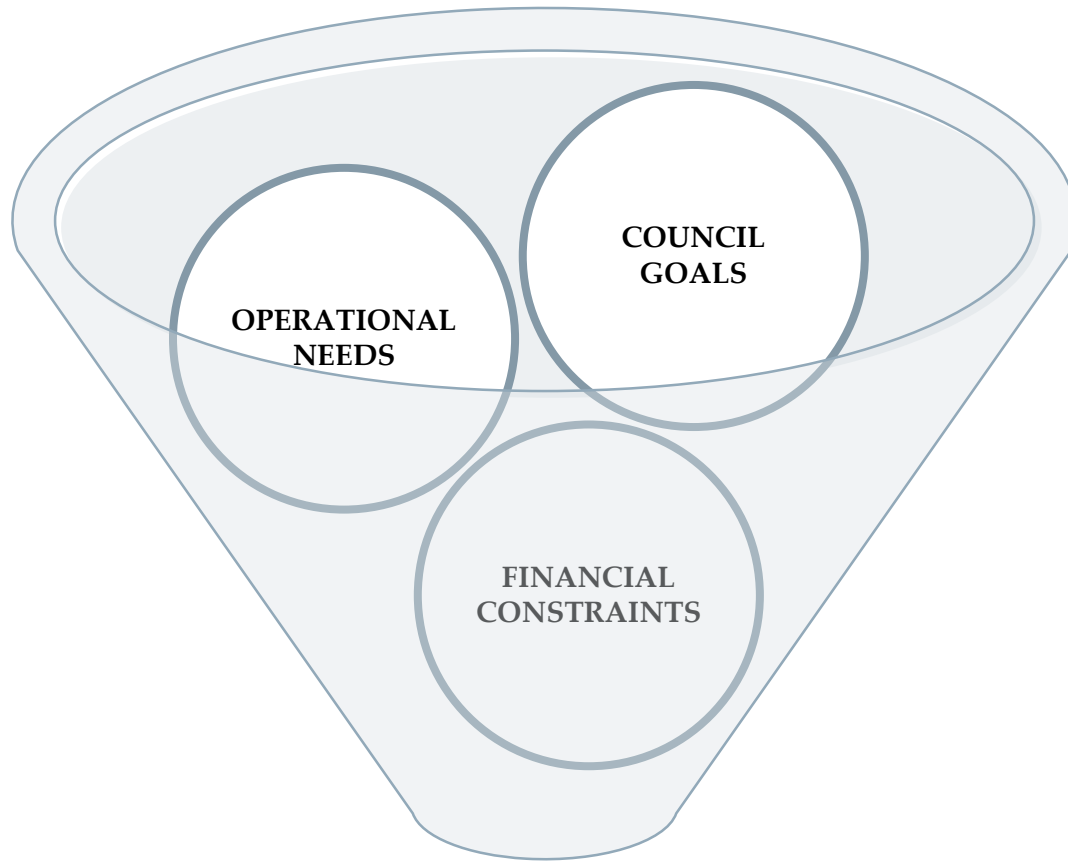
FUND BALANCE BY FUND

	2018	* 2019	*2020
• General Fund –	\$729,624	\$722,124	\$697,277
• Major Streets –	\$196,365	\$176,365	\$176,365
• Local Streets	\$128,902	112,351	\$112,351
• St. Millage	\$48,684	\$128,684	\$209,149
• Boat Works Grant Fund	\$211,025	\$211,025	\$111,025
• DDA	\$351,761	\$365,761	\$320,303
• Industrial Park LDFA	\$751,255	\$0	\$0
• Sewer	\$583,201	\$581,425	\$576,425
• Water	\$955,780	\$1,000,901	\$1,009,075
• Equipment	\$367,605	\$342,305	\$359,561
• MERS –	\$0	\$0	\$0
• OPEB –	\$0	\$0	\$0

* 2018 is audited FB. This assumes we are using all FB budgeted

How We Get To a Budget





Proposed Budget

QUESTIONS

