

POLICY REPORT - FINANCE

Conduct a Public Hearing on the Proposed FY 2015-16 City Budget

April 16, 2015

Prepared by:

Reviewed by:

Kelly Hanna, Finance Director

Dana Foster, City Manager

ISSUE:

The City Council must conduct a public hearing prior to the adoption of the City Council's FY 2015-16 Budget.

STAFF RECOMMENDATION:

To formally conduct the public hearing on the City's proposed FY 2015-16 Budget, to receive input from the public prior to the adoption of the Budget.

BACKGROUND:

Based on the requirements of Chapter 8, Section 3 of the City Charter, the attached public notice of the said public hearing has been published in the Livingston County Press & Argus issues of April 10 and April 12, 2015. The notice reflects the City Council's changes to the City Manager's proposed FY 2015-16 Budget per City Council's adopted motion on April 2, 2015:

General Fund

1. Reduce the appropriation to SELCRA from \$51,908 to \$36,072
2. Remove the part-time parking enforcement program - \$30,000 (including the revenue of \$30,000 from the DDA Fund)
3. Add an appropriation to the Historical Society of \$2,000
4. Change the part-time Police Dispatch Clerk to Full-time – increase of \$34,000
5. Add a DPW employee - \$50,000
6. Add the Zoning Ordinance Update - \$50,000 (\$25,000 to be funded by an appropriation from the DDA Fund)

DDA Fund

1. Reduce the appropriation to the General Fund by \$30,000 for the removal of the part-time parking enforcement program (until further decisions by the DDA Board and City Council regarding same).
2. Increase the appropriation to the General Fund by \$25,000 for half of the Zoning Ordinance Update

RELATIONSHIP TO GOALS:

The budget document funds, through appropriations, the goals of the City.

BUDGET IMPACT:

The City Council shall consider the public's input when finalizing the FY 2015-16 Budget.

ACTION/MOTION:

Hold the public hearing on the City Council Proposed FY 2015-16 Budget.

CITY OF BRIGHTON
 NOTICE OF PUBLIC HEARING
 ON PROPOSED FY 2015-16
 CITY BUDGET

The City of Brighton will hold a public hearing at 7:30 p.m. on Thursday, April 16, 2015 in the City Council Chambers, 200 North First Street, Brighton, for the purpose of receiving written and oral comment concerning the City of Brighton's proposed budget for fiscal year 2015-16 which is summarized below.

All interested citizens are encouraged to attend and/or submit comments.

SUMMARY OF PROPOSED 2015-16 BUDGET CITY OF BRIGHTON

<u>Source:</u>	<u>Revenue</u>
Property Taxes, Penalties, Interest & Fees	\$ 6,873,593
Licenses & Permits	368,700
Federal Grants	10,000
State Grants	657,026
State Shared Revenue	1,104,215
Local Unit Contribution	93,500
Service Charges	3,996,243
Fines & Forfeits	102,175
Investment Earnings	37,180
Rents & Royalties	71,650
Other Revenue	290,172
Other Financing Sources	5,229,254
Net Use of Fund Balance and Working Capital	(508,573)
Less: Appropriations Between Funds	<u>(1,917,589)</u>
TOTAL REVENUE	<u>\$ 16,407,545</u>

<u>Fund:</u>	<u>Expenditures</u>
General	7,975,493
Streets (including capital improvements)	2,949,459
PSD	102,950
Arts/Cultural Commission	9,900
Imagination Station Maintenance	7,500
Forfeiture Funds	2,720
Street Debt	661,857
Capital Improvements (including debt)	248,019
Law Enforcement/Public Safety	152,050

Building Authority (including debt)	126,911
Downtown Development Authority (including debt)	722,388
Local Development Finance Authority (including debt)	77,173
Utilities (including capital and debt less depreciation)	5,288,715
Less: Appropriations Between Funds	<u>(1,917,589)</u>
TOTAL EXPENDITURES	<u>\$ 16,407,545</u>

The property tax millage rate proposed to be levied and the utility rates proposed to be charged to support the proposed budget will be a subject of this hearing.

A copy of the proposed budget is available for public inspection from 8:00 a.m. to 4:00 p.m., Monday - Friday, at 200 North First Street, Brighton in the office of the City Clerk. Specific questions on the budget should be addressed to the City Manager or Finance Director.

Diana Lowe
City Clerk
City of Brighton

To obtain this notice in alternative formats contact David Blackmar, ADA Coordinator at 810-225-8001.

BA 04/10/15, 04/12/15

CITY OF BRIGHTON
GENERAL FUND SUMMARY

CITY COUNCIL'S PROPOSED BUDGET
With Committed Fund Balance Transfer

SIX YEAR FINANCIAL FORECAST (as of April 2, 2015)

	13-14 Year End <u>Actual</u>	14-15 Adopted <u>Budget</u>	FY 2014-15 Year-end <u>Projection</u>	15-16 <u>Forecast</u>	16-17 <u>Forecast</u>	17-18 <u>Forecast</u>	18-19 <u>Forecast</u>	19-20 <u>Forecast</u>	20-21 <u>Forecast</u>
Revenue	7,536,060	7,626,141	7,833,878	8,034,966	7,989,222	8,165,255	8,351,725	8,569,936	8,759,099
Less: Expenditures	7,822,437	7,655,211	7,988,149	7,975,493	7,805,150	7,930,483	8,189,579	8,334,756	8,522,002
Funds Available	(286,378)	(29,070)	(154,272)	59,473	184,072	234,772	162,145	235,180	237,097
Less: Committed Fund Balane-Succession	-	-	-	-	-	-	-	-	-
Less: Committed Fund Balance-Capital	-	40,338	30,950	19,179	149,797	157,844	109,596	174,876	216,510
Funds Available after Committed Fund Balance	(286,378)	(69,408)	(185,222)	40,294	34,275	76,928	52,549	60,304	20,587
Add: Beginning Unreserved Fund Balance*	1,488,963	1,293,269	1,204,723	1,019,501	1,059,795	1,094,070	1,170,999	1,223,548	1,283,852
Ending Unreserved Fund Balance	1,171,908	1,223,860	1,019,501	1,059,795	1,094,070	1,170,999	1,223,548	1,283,852	1,304,439
Minimum Target Unreserved Fund Balance (15%):	994,941	965,951	1,012,575	1,020,751	1,028,868	1,046,976	1,077,157	1,109,008	1,141,009
Unreserved Fund Balance Over/(Under)									
Minimum Target Fund Balance	176,967	257,910	6,926	39,044	65,202	124,023	146,391	174,844	163,430
Unreserved Fund Balance as a % of Oper. Expend	18%	19%	15%	16%	16%	17%	17%	17%	17%
Ending Committed Fund Balance-Capital	77,139	117,477	108,089	127,268	277,065	434,909	544,505	719,381	935,891
Ending Committed Fund Balance-Succession				-	-	-	-	-	-
*Fund Balance for FY14/15 includes \$30,677 of Assigned Fund Balance for Prepaid Expense and Carryover PO's from FY13/14 and \$2,137.81 EDC Restricted FB									

CITY OF BRIGHTON
 DDA FUND SUMMARY
 SIX YEAR FINANCIAL FORECAST (as of April 2, 2015)

Includes Debt Service for 2nd Street Project

	13-14	14-15	14-15	15-16	16-17	17-18	18-19	19-20	20-21
	<u>Actual</u>	<u>Adopted Budget</u>	<u>Year-End Projection</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>	<u>Forecast</u>
Revenue (except Grants)	884,396	766,667	1,135,783	788,998	840,440	848,165	863,071	873,316	889,902
Grant Revenue	-	-	-	-	-	-	-	-	-
Total Revenue	884,396	766,667	1,135,783	788,998	840,440	848,165	863,071	873,316	889,902
Less: Expenditures	904,647	781,160	1,246,085	722,388	315,263	316,997	320,414	327,459	626,959
Funds Available	(20,251)	(14,493)	(110,302)	66,610	525,176	531,168	542,656	545,857	262,944
Add: Beginning Unreserved Fund Balance	161,279	141,028	141,028	30,726	97,336	622,512	1,153,680	1,696,337	2,242,194
Ending Unreserved Fund Balance	141,028	126,535	30,726	97,336	622,512	1,153,680	1,696,337	2,242,194	2,505,137
Debt Service Coverage 120%	680,860	753,758	760,133	58,684	100,199	108,496	113,653	121,354	480,058
Debt Service	567,384	628,132	633,444	48,903	83,499	90,413	94,711	101,128	400,049
Minimum Fund Balance (20% of Debt Service)	113,477	125,626	9,781	9,781	16,700	18,083	18,942	20,226	80,010
Fund Balance over/under target ratio for Debt	27,551	909	20,946	87,555	605,813	1,135,598	1,677,394	2,221,968	2,425,128
2nd Street Debt Service					34,596	41,510	45,808	52,225	51,810