

# 2017-2018 Budget

History and Key Considerations Moving Forward

# What are our tax supported funds?

- General Fund
- Police Fund
- Fire Service and Medical Rescue Fund
- DDA Fund
- Public Safety Building Debt Fund
- Building Authority Debt Fund

# What are our self-sustaining funds?

- State Narcotics Fund
- Federal Narcotics Fund
- Building Department Fund
- Wastewater Treatment Plan (WWTP) Fund

# What are our special assessment districts?

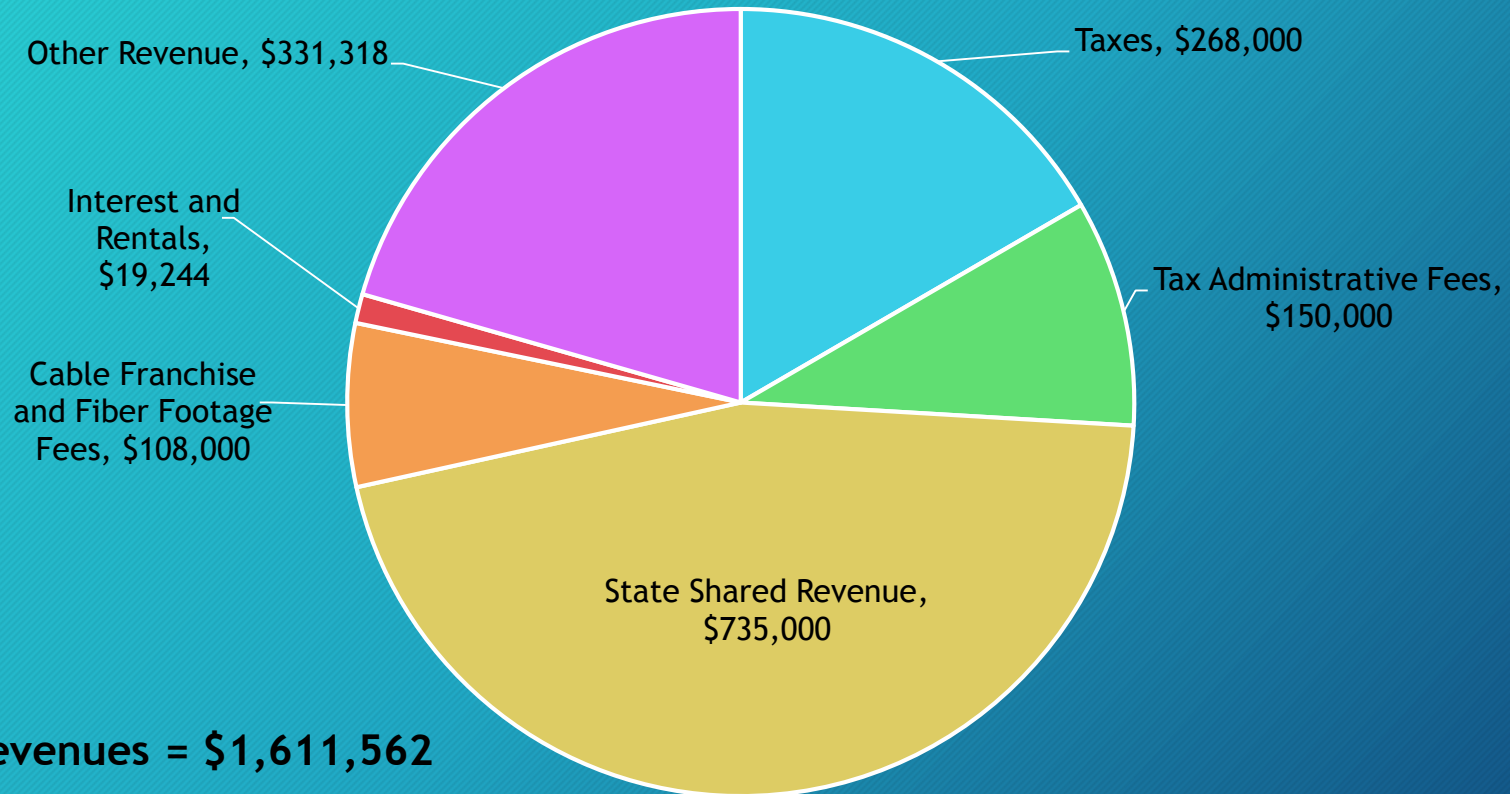
- North Territorial Sewer Fund
- District #5 Seven Mile Sewer Fund
- Whitmore Lake Road Sewer Fund

The primary purpose of these funds is to collect SAD Interest charged to residents, record the bond interest payment and depreciation on related equipment.

# General Fund

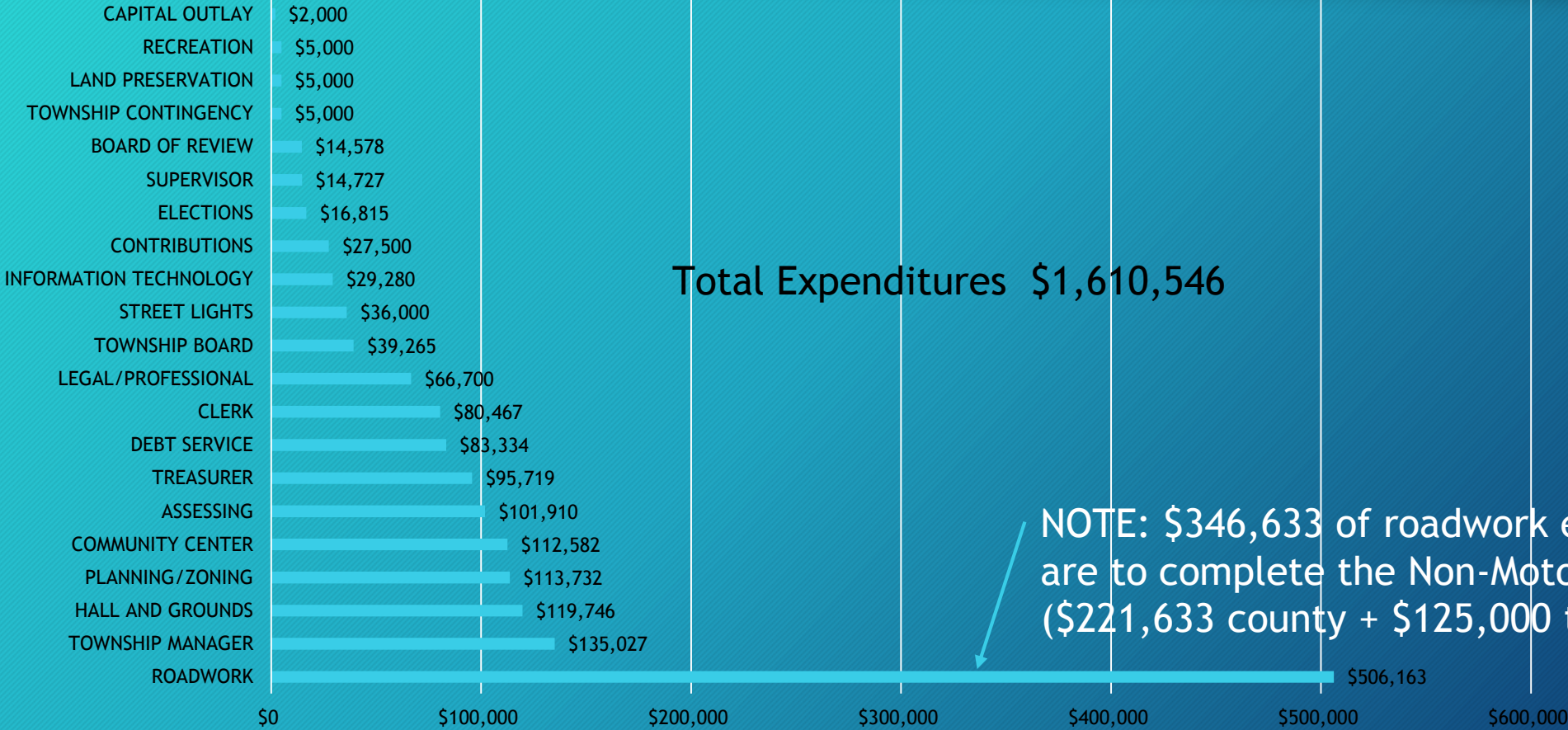
- The purpose of the General Fund is to capture revenue dollars from Property Taxes, State Revenue Sharing, Cable Franchise Fees, Administration Fees from Taxes, Planning & Zoning Fees and other miscellaneous revenue sources and apply those dollars to the operation of the township offices.
- Township departments supported by the General Fund are: Township Board, Supervisor, Township Manager, Elections, Clerk, Board of Review, Treasurer, Assessing, Hall & Grounds, Legal & Professional, Planning & Zoning, Streetlights, Road Work, Community Center, Capital Outlay and Debt Service.

# General Fund Revenues



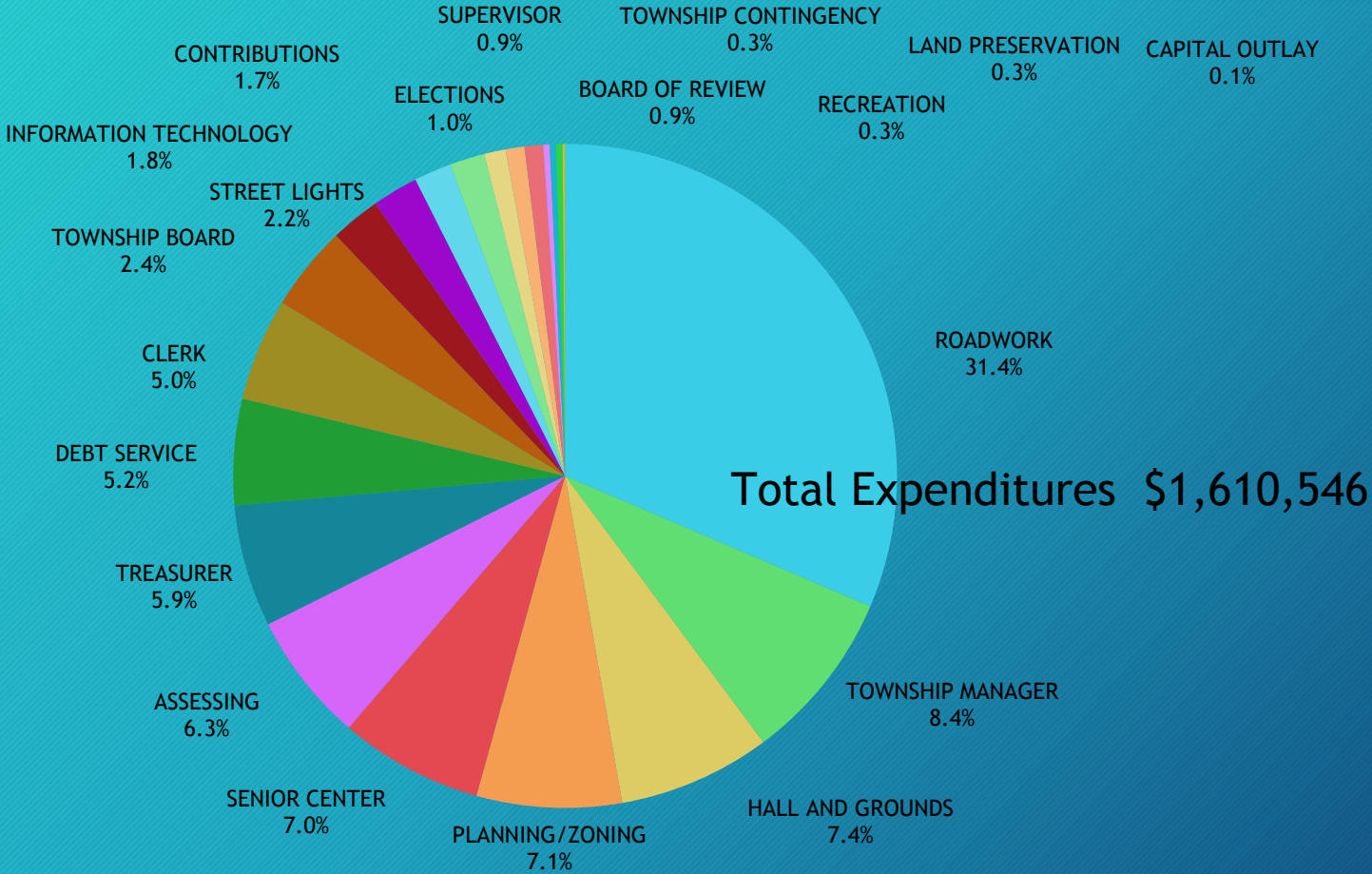
**Total Revenues = \$1,611,562**

# General Fund Expenditures



NOTE: \$346,633 of roadwork expenditures are to complete the Non-Motorized Path (\$221,633 county + \$125,000 township.)

# General Fund Expenditures





# General Fund - Recent Draws in FY 16-17

- Purchase of the VanCurler Property (aka Community Park/North Village)
  - \$330,000 plus taxes \$20,000
- Transfer of funds to purchase a fire truck
  - \$250,000
- Partial Payment for the Non-Motorized Path
  - \$72,000

# General Fund - Fund Balance

- The Fund Balance can be thought of as savings for programs or projects for the benefit of the township's residents.
- There are differing opinions as to how much of a fund balance the township should retain.
- According to Munetrix, a company that tracks township expenses statewide, 40% is the minimum recommended fund balance for a township with a July 1 to June 30 fiscal year.
- Our auditors recommend a much higher (100% or more) balance to hold in reserve for unexpected expenses or special projects.
- The township currently has a fund balance policy of 85%.

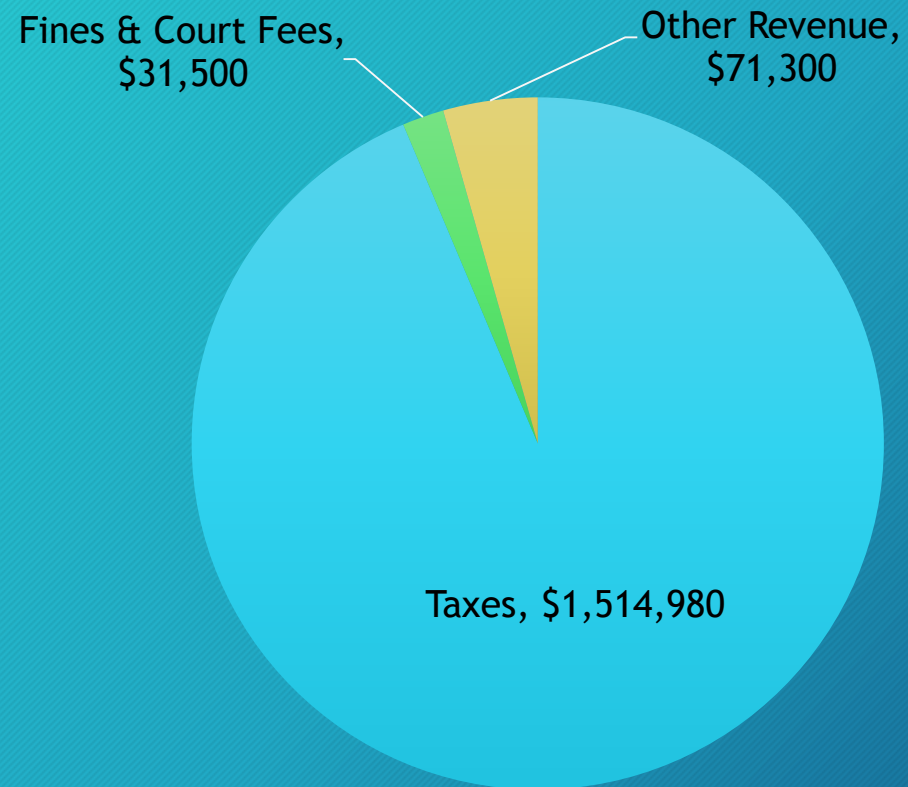
# General Fund Balance

- \$1,603,498 or 129% in FY 15-16
- \$866,418 or 69% of a normal year's expenses in FY 2016-17

# Police Fund

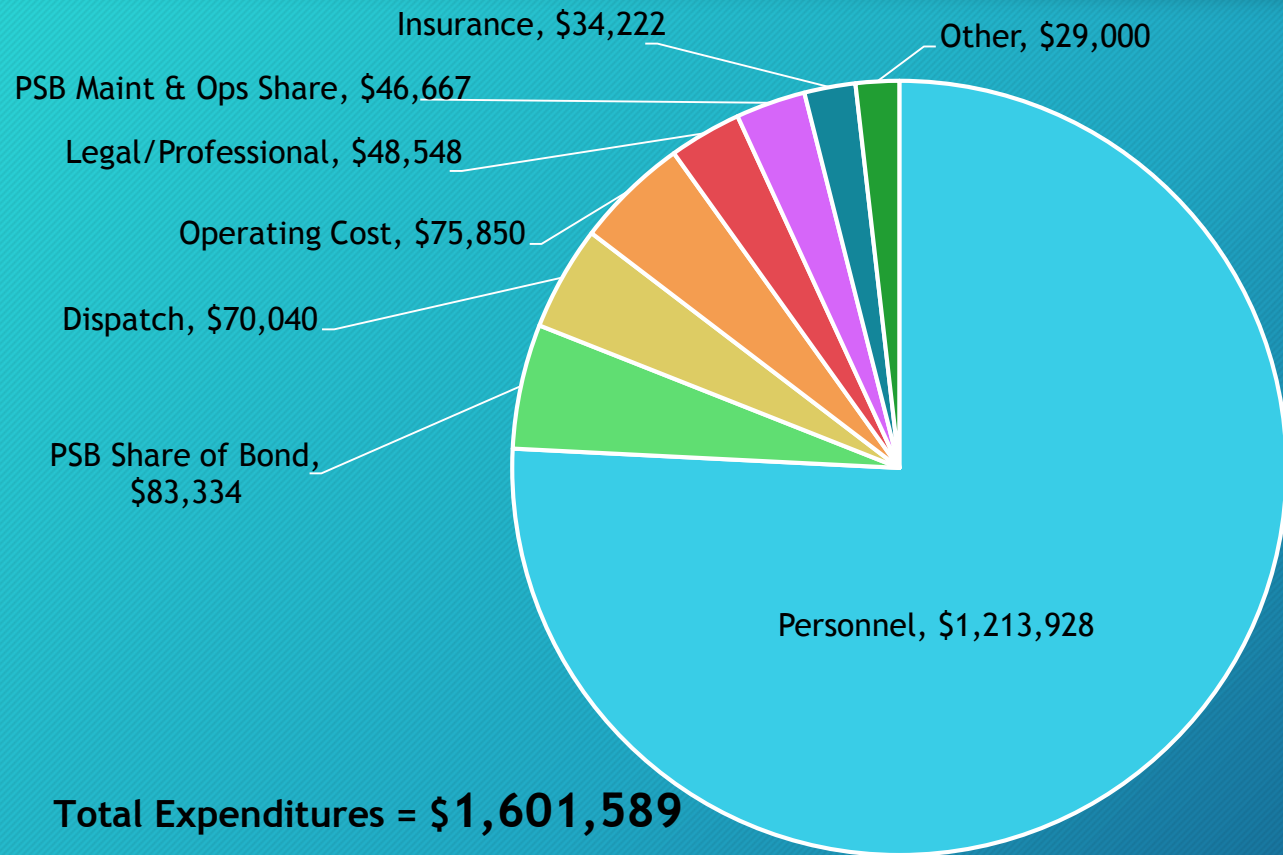
The police fund is a dedicated millage fund that is used to provide police protection throughout the township.

# Police Fund Revenues



**Total Revenues = \$1,617,780**

# Police Fund Expenditures

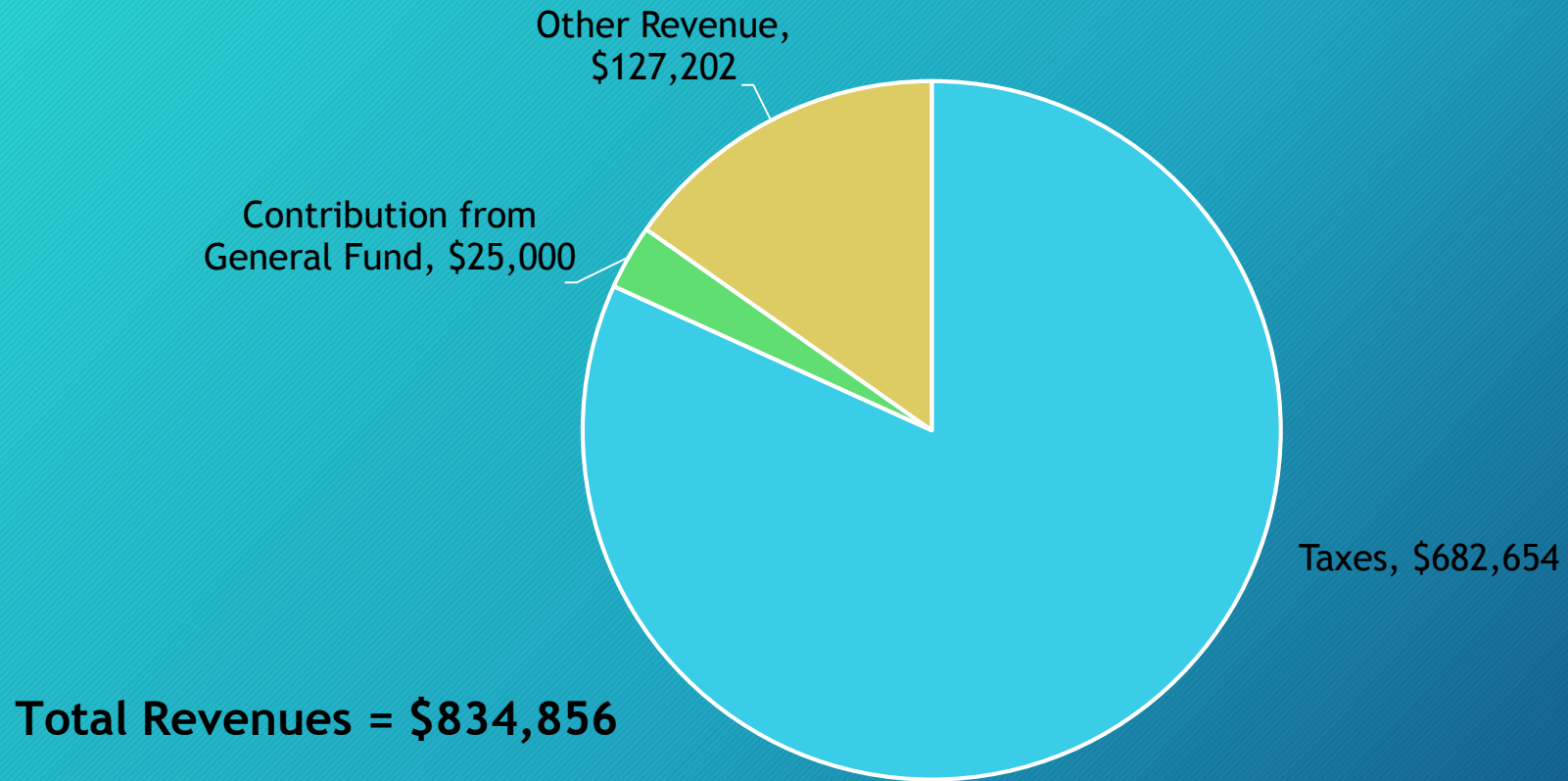


# Fire and Medical Rescue Fund

The fund is a dedicated millage fund that is used to provide fire and medical rescue protection throughout the township.

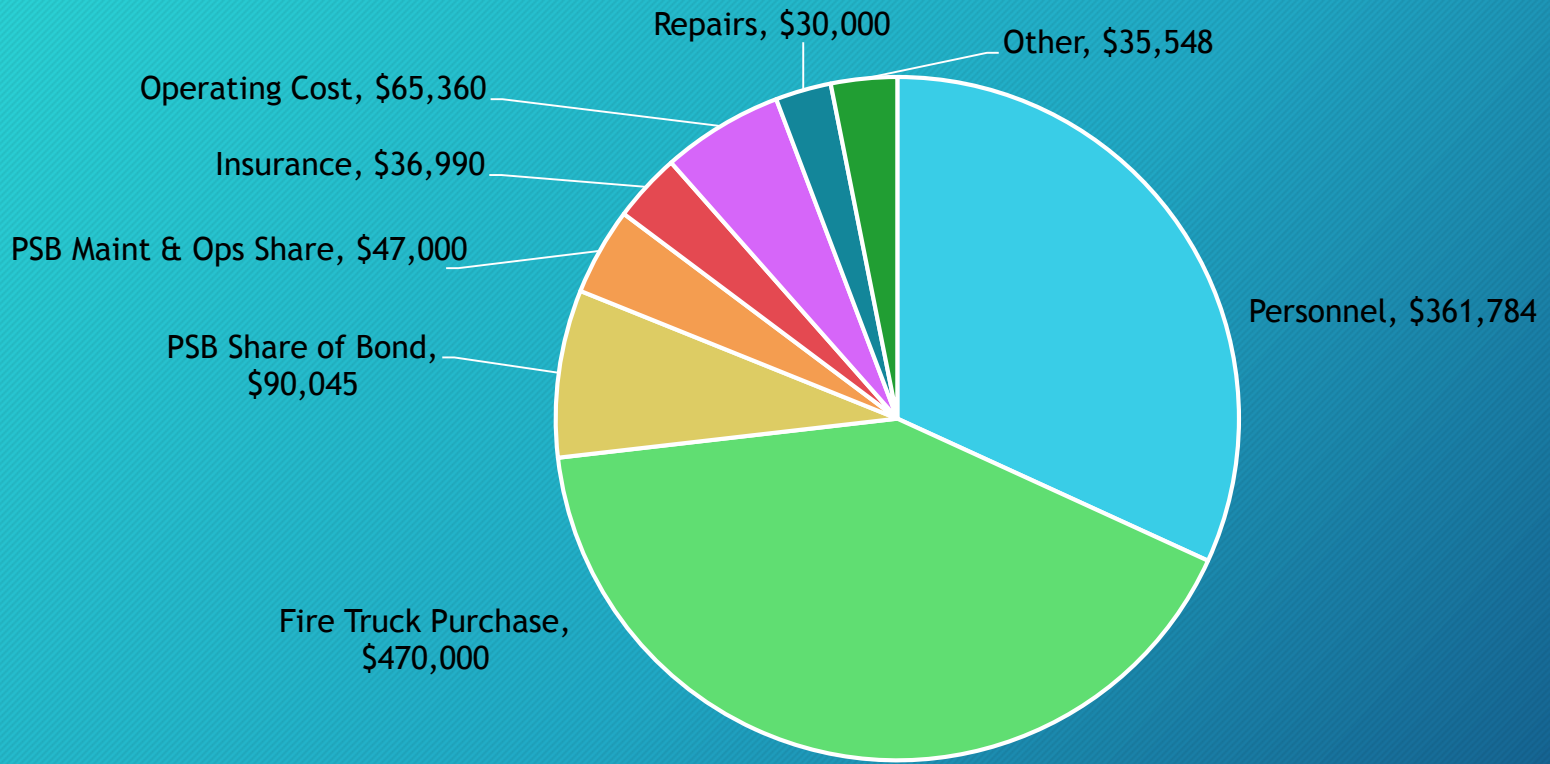
NOTE: This budget is dependent on the passage of a 2.000 mill request on the August 2017 ballot due to the expiration of the prior millage with the 2016 levy.

# Fire and Medical Rescue Fund Revenue





# Fire and Medical Rescue Fund Expenditures



**Total Expenditures = \$1,136,727**

# Donation Fund

- The donation fund tracks miscellaneous donations given to the township for various community events and tracks the spending of those donations.
- There are currently no revenues or expenditures estimated for this fund.

NOTE: Donations given to the township for a public good are tax deductible.

# Downtown Development Authority Fund

- The DDA Fund captures tax dollars from the General, Fire, Police and Library Funds along with capturing tax dollars from Washtenaw County and Washtenaw Community College. These funds are used to make improvements throughout the township.
- Due to property values that have fallen below the base established when the DDA was started, no tax dollars are projected to be collected this coming fiscal year.

# Narc Funds

- State Narc Fund
  - This fund collects drug forfeiture monies from the state level. These funds can be used to supplement some items within the Police Fund.
- Federal Narc Fund
  - This fund collects drug forfeiture monies from the federal level. These funds can be used to supplement some items within the Police Fund but need to be used within three years of receipt.

# Building Department Fund

- The building department is a self-sustaining fund that receives revenue dollars in the form of fees charged for various permits required to perform any building related activities within the township.
- Money is expended to cover inspections of permitted work and some minor operating expenses.

# Public Safety Building Debt Fund

- The purpose of this fund is twofold: 1) To capture the \$2.415 million principal and interest bond payment, which is covered by its own township millage and 2) To capture expenditures related to the PSB building. Total costs over and above the principal and interest payments are again split equally between General, Fire and Police.

# Wastewater Treatment Plant Fund

- The purpose of this fund and the smaller SAD district funds is to account for all daily activities related to our sewer systems throughout the township. It captures Usage Fees charged to residents, which is the bulk of their revenues (99%+) and various expenditures including labor and related benefits, legal and professional fees, operational expenses including repairs, bond interest payments and capital purchases.

# Special Assessment District Sewer Funds

- North Territorial Sewer Fund
- District #5 Seven Mile Sewer Fund
- Whitmore Lake Road Sewer Fund



# FY17-18 Budget - What revenue is included?

- A \$30,000 estimated state revenue sharing increase
- \$221,633 in grant funds for the Non-Motorized Path

# FY17-18 - What expenditures are included?

- Expenditures approved by the Board
  - The Township Manager position at the posted minimum
  - The Non-Motorized Path
  - An extra application of dust control for rural roads
  - Replacement of the 6 Mile Road Culvert
- Raises for several office staff and deputies pending a salary study and recommendation by the personnel committee
- Code Enforcement increased to 2 days per week
- \$5000 for the Parks and Recreation Board
- \$5000 for the Land Preservation Committee

# FY17-18 - What expenses are not included?

- No funding for the Master Plan Review including the Survey
- No funding for a Non-Motorized Plan
- No funding for the RFQ for the North Village
- No funding for a Capital Improvement Plan or improvements to township facilities
- No funding for an additional staff person for the building department
- No funding for the HVAC in the PSB

# Space Needs



# FY17-18 - What do we do now?

- The budget includes funding needed to manage day to day operations, but we need to be aware that there is no extra money unless we dip into the fund balance further.
- Consider the ramifications of not funding or delaying certain important projects and prioritize the items that were not included in this budget.
- Revisit the items identified at the retreat and develop a plan to address them.
- Explore other funding mechanisms, such as fees and grants.
- Explore potential cost savings with our contracts.

# FY17-18 - What do we do now?

1. Approve this budget
2. Establish a date to hold a retreat to discuss:
  - A. Priorities
  - B. Potential Revenue Streams
  - C. Potential Cost Savings
  - D. Fund Balance Policy