



Budget Work Sessions - May 8 & 9, 2023

# FY 2023/24 OVERVIEW

---

- Fiscal Year 2023/24 Budget Drivers:
  - Inflation Rate of 7.9% in 2023
  - A taxable value increase of 8.34%
  - 1.00 Millage Reduction Fraction - No required decrease in Headlee affected millages
  - Community Promotions millage required to roll back from .0706 to .0652
  - Total city millage levy reduced slightly to 15.7698
  - City has proposed using \$1.6 million in American Rescue Plan Funds over three fiscal years (FY 22/23, FY 23/24, and FY 24/25) while reducing expenditures to match revenues

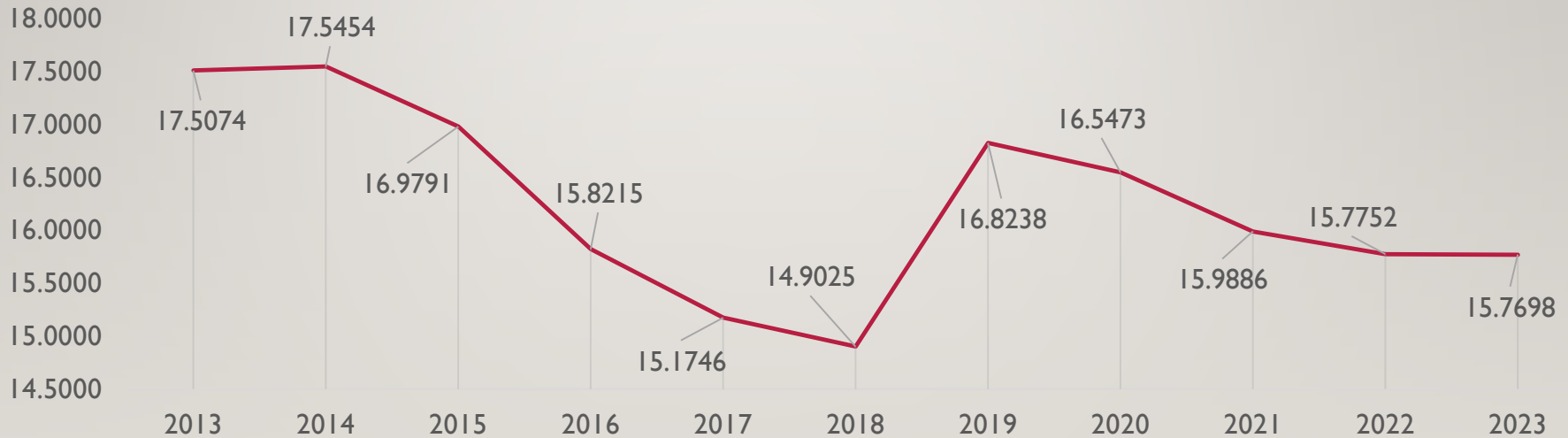
# FY 2023/24 OVERVIEW -MILLAGE RATES

Fiscal Year	Operating	Public Safety	Sanitation	Community Promotions	Public Safety Pension	Debt	CIP	Total
FY 13/14	9.3101	1.8927	1.8927	0.1078	2.7435	1.5606		17.5074
FY 14/15	9.2831	1.8872	1.8872	0.1055	2.712	1.6704		17.5454
FY 15/16	9.1456	1.8592	1.8592	0.1012	2.429	1.5849		16.9791
FY 16/17	8.9818	1.8259	1.8259	0.0982	2.5445	0.5452		15.8215
FY 17/18	8.759	1.7806	1.7806	0.0933	2.2684	0.4927		15.1746
FY 18/19	8.5697	1.7421	1.7421	0.0875	2.2684	0.4927		14.9025
FY 19/20	8.4034	1.7083	1.7083	0.0826	2.4975	0.4625	1.9612	16.8238
FY 20/21	8.2436	1.6758	1.6758	0.0785	2.5000	0.4500	1.9236	16.5473
FY 21/22	8.0696	1.6404	1.6404	0.0749	2.6800	0	1.8833	15.9886
FY 22/23	7.9299	1.6120	1.6120	0.0706	2.7000	0	1.8507	15.7752
FY 23/24	7.9299	1.6120	1.6120	0.0652	2.7000	0	1.8507	15.7698

# FY 2023/24 OVERVIEW -MILLAGE RATES

---

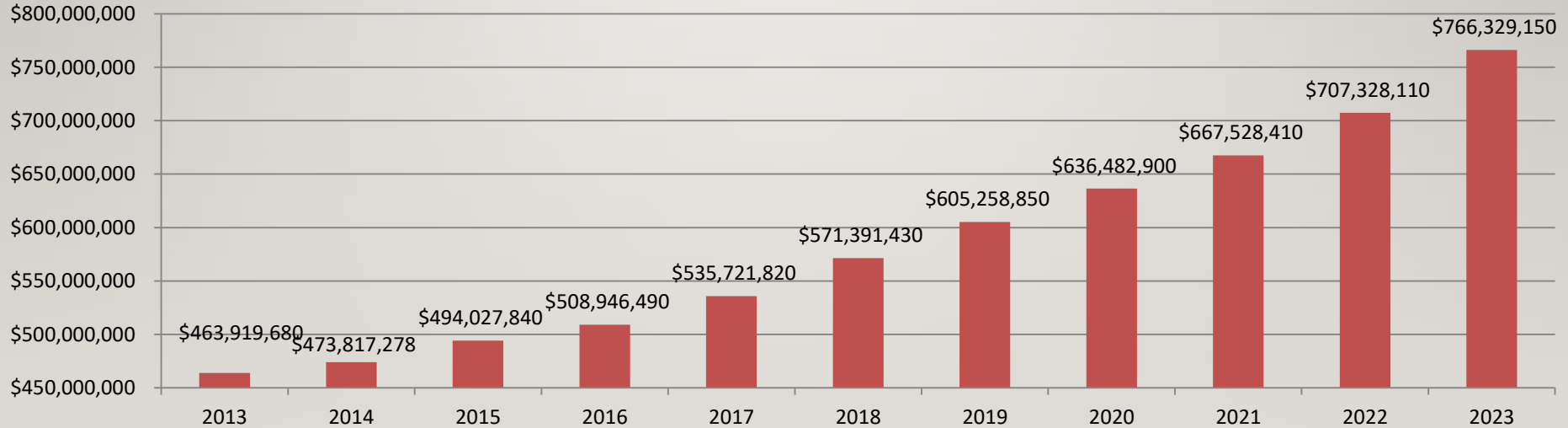
Berkley Millage Rates: A 10 Year History



# FY 2023/24 OVERVIEW - TAXABLE VALUES

---

## Taxable Values: 2013 - 2023



# FY 2023/24 OVERVIEW - TAXABLE VS. ASSESSED VALUES

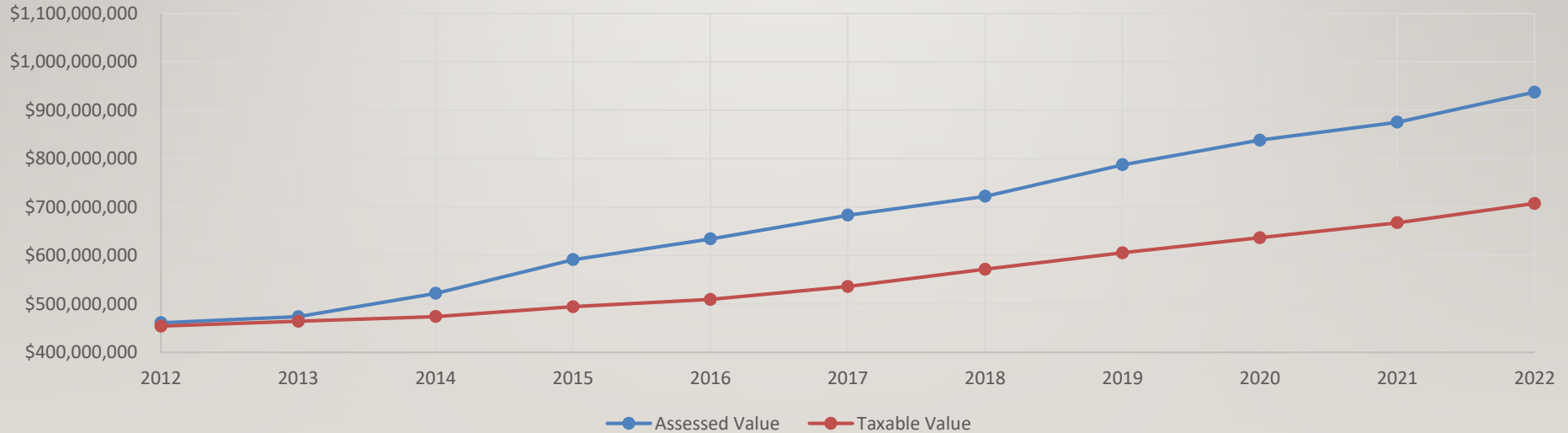
---

Year	Assessed Value	Taxable Value	TV as % of Assessed
2012	\$ 460,925,460	\$ 454,037,820	98.506%
2013	\$ 473,399,655	\$ 463,919,680	97.997%
2014	\$ 521,597,503	\$ 473,817,278	90.840%
2015	\$ 591,165,960	\$ 494,027,840	83.568%
2016	\$ 634,050,220	\$ 508,946,490	80.269%
2017	\$ 683,000,240	\$ 535,721,820	78.437%
2018	\$ 722,186,870	\$ 571,391,430	79.120%
2019	\$ 787,137,440	\$ 605,258,850	76.894%
2020	\$ 838,198,290	\$ 636,482,900	75.935%
2021	\$ 875,290,290	\$ 667,528,410	76.264%
2022	\$ 937,291,860	\$ 707,328,110	75.465%
2023	\$ 1,025,479,280	\$ 766,329,150	74.729%

# FY 2023/24 OVERVIEW - TAXABLE VS. ASSESSED VALUES

---

Difference between Taxable and Assessed Values





# GENERAL FUND REVENUE

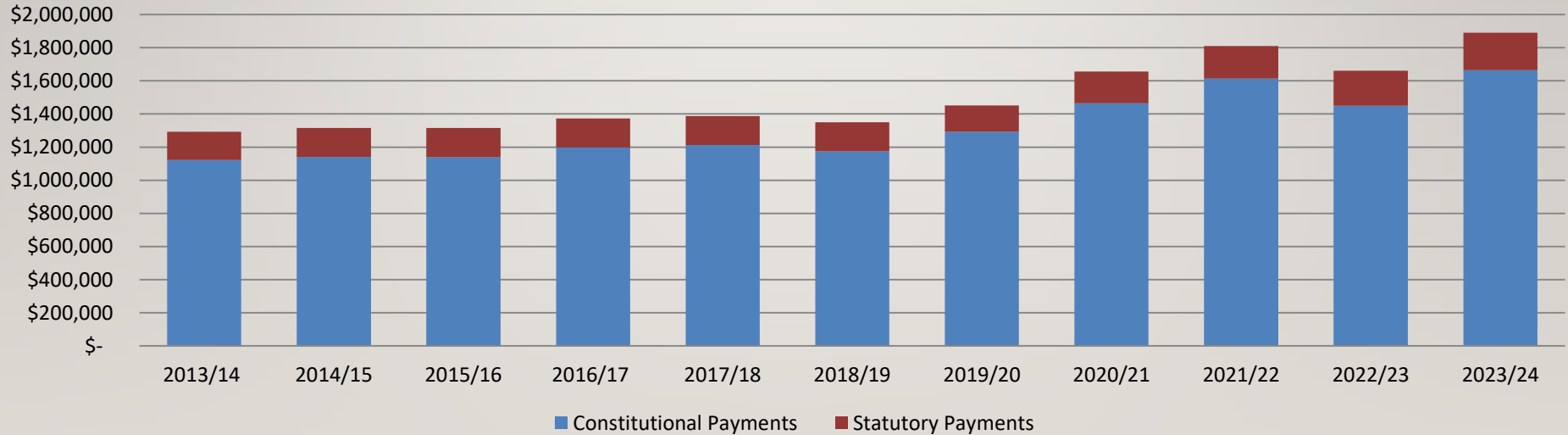
General Fund Revenue Type	Projected Amount	Percentage of Total General Fund Revenue
Property Taxes	\$ 9,337,839	57.19%
State & Federal Revenues	\$ 4,458,440	27.31%
Charges For Services	\$ 1,192,475	7.30%
Licenses & Permits	\$ 667,300	4.09%
Property/Equipment Rental	\$ 231,500	1.42%
Miscellaneous	\$ 228,800	1.40%
Investment Earnings	\$ 210,000	1.29%
Fines & Forfeits	\$ 152,000	0.93%
<b>Total Estimated Revenues</b>	<b>\$ 16,326,354</b>	<b>100.00%</b>



# GENERAL FUND STATE & FEDERAL REVENUE

---

## State Shared Revenue History



# GENERAL FUND OTHER REVENUE HIGHLIGHTS

---

- MDEC - Zoning Rewrite Grant (\$40,000)
- HVAC Improvements State and Federal Grants (\$1.7 Million)
- American Rescue Plan Act (\$1.6 Million across FY 22/23, FY 23/24, and FY 24/25)
- Marijuana Licenses (estimated \$200,000 in FY 23/24 and \$150,000 in FY 24/25)

**Only the Marijuana Licenses revenue is expected to continue in to future (albeit at a reduction). All other items are one time opportunities.**

# GENERAL FUND NEW REVENUES

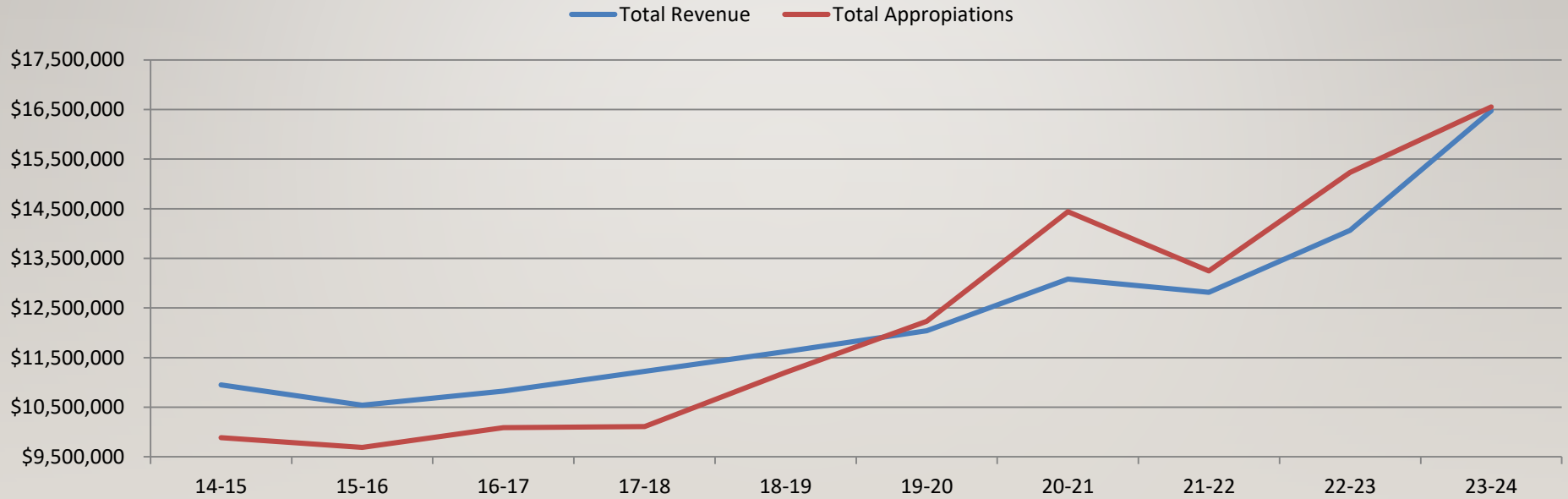
---

\$1,749,000	Add State/Fed Grant Dollars For HVAC Project
\$12,500	State Liquor Licenses
\$200,000	State Marijuana Licenses (5 @ \$40,000)
\$500,000	Realize ARPA Funds from Deferred Revenues
\$36,000	Reestablish Fees for bagged yard waste collection
\$5,500	Establish fee for EV Charges at .23 per kwh projection
-\$15,000	Reduce Golf Outing Revenue to \$0
\$2,500	Cost recovery fee for city labor/materials to support third-party events
\$7,515	Charge for use of athletic facilities
\$3,000	Update fee schedule for usage of Community Center

**\$39,515**

# GENERAL FUND REVENUE & EXPENDITURES

---



# GENERAL FUND EXPENDITURE REDUCTIONS

---

- In the year ahead, the following programs, services, events, and projects could be cut or eliminated. I am appreciative our Department Directors and staff who worked hard to adhere to the will of the voters while also working to preserve as much of the spirit of Berkley as our resources will support. As with the revenue section, items highlighted in green were already proposed as reductions in spending in the initial draft of the FY 23/24 budget. The green cuts amounted to a \$1,251,500 and the non-highlighted section proposes an additional \$545,600 in cuts for a total of \$1,797,100 in the upcoming fiscal year.

# GENERAL FUND EXPENDITURE REDUCTIONS

Budget Area	Reduction	Percentage of Total
City Hall	\$793,500	44.15%
Public Works	\$513,400	28.57%
Public Safety	\$257,000	14.30%
Recreation	\$110,000	6.12%
Library	\$101,200	5.63%
Community Promotions	\$22,000	1.22%
	<b>\$1,797,100</b>	<b>100.00%</b>

# GENERAL FUND EXPENDITURE REDUCTIONS

---

## City Hall

\$3,500	Remove ICMA Conf and Reduce Millage to \$500
\$1,700	Precinct Consolidation (Precincts 4 & 5 for August Special Election)
\$2,000	Email All Building Inspection Reports- No Postage
\$50,000	Defer Wayfinding Program to FY 24/25
\$50,000	Remove Funding for EV stations in FY 23/24 (unless grants can be obtained)
\$570,000	Defer Cummings lot, Remove ERLF Contribution
\$100,000	Reduce City Hall Projects to \$100,000
\$13,000	Reduce TelComm Equipment to \$7,000
\$3,300	Cancel Santa Drive (staff time and materials)

**\$793,500**



# GENERAL FUND EXPENDITURE REDUCTIONS

---

## Community Promotions

\$15,000	Cut annual contributions to Tri-Community Coalition, Holiday Lights Parade, and BHW Youth Assistance
\$7,000	Reduce Berkley Buzz to three issues each year

**\$22,000**

- The Community Promotions budget is find by a specific Community Promotions millage which is allowed raise no more than \$50,000 annually. These cuts are intended to align expenditures to that specific level of funding.

# GENERAL FUND EXPENDITURE REDUCTIONS

---

## Library

\$3,000	Discontinue WiFi hotspots
\$6,000	Defer Reupholster of 14 lounge chairs to FY 2024/25
\$3,500	Discontinue scanning station service for public
\$20,000	Defer Security camera system expansion to FY 2024/25
\$5,980	Close Library on Saturdays (between Memorial Day and Labor Day weekends)
\$5,720	Close Library 1 Evening/Week Year Around
\$57,000	Hiring freeze on replacing 3rd full time position

**\$101,200**

# GENERAL FUND EXPENDITURE REDUCTIONS

---

## Public Works

\$130,000	Defer to 3/4 Ton Pick Up to FY 2024/25
\$175,000	Defer or Move Cold Planer to 202/203
\$1,000	Reduce DPW Overtime for precinct set up due to precinct consolidation in August Special Election
\$150,000	Reduce curbside yard waste leaf collection season by half
\$5,000	DPW Overtime reduction due to Leaf Collection, Brush Collection, and Reduced Events
\$50,400	End brush collection (chipper service)
\$2,000	Restrict to City chipping disposal only

\$513,400

# GENERAL FUND EXPENDITURE REDUCTIONS

---

## Public Safety

\$20,000	Reduce Tuition Reimbursement to \$10,000
\$50,000	Defer Basement Renovations to FY24/25
\$140,000	Defer two of four Police Vehicles
\$15,000	Public Safety Overtime reduction due to reduced events
\$6,000	Cancel Lids 4 Kids
\$6,000	Cancel Fire Open House
\$20,000	Cancel Golf Outing

**\$257,000**

# GENERAL FUND EXPENDITURE REDUCTIONS

---

## Recreation

\$20,000	Reduce Engineering to \$20K from \$40K
\$90,000	Defer Parking Lot, Jaycee Park Pavilion, Lazenby Field Materials (All Other Capital items shift back one year)

**\$110,000**

# DISCUSSION

---

