

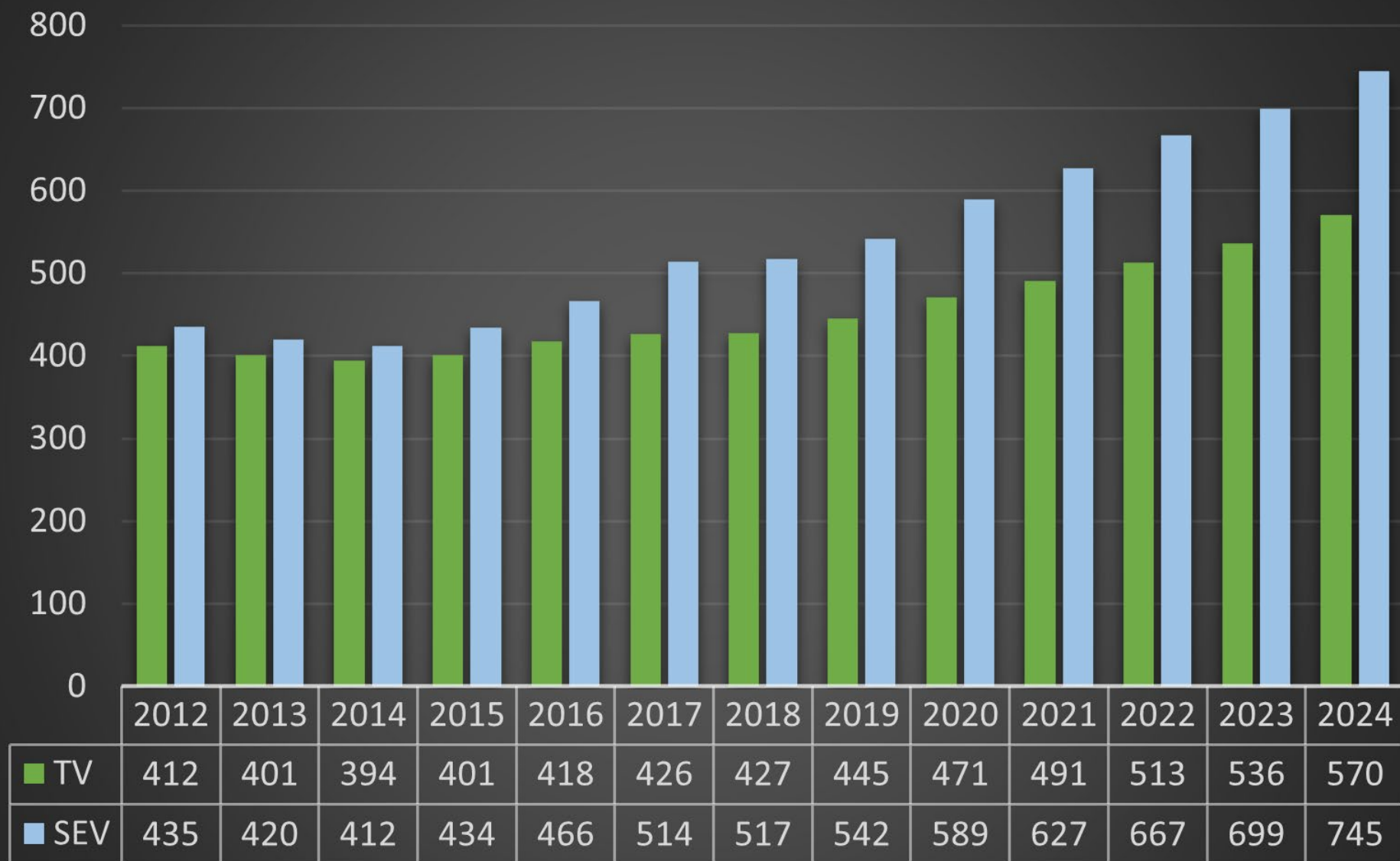
CITY OF BRIGHTON 2024-25 BUDGET

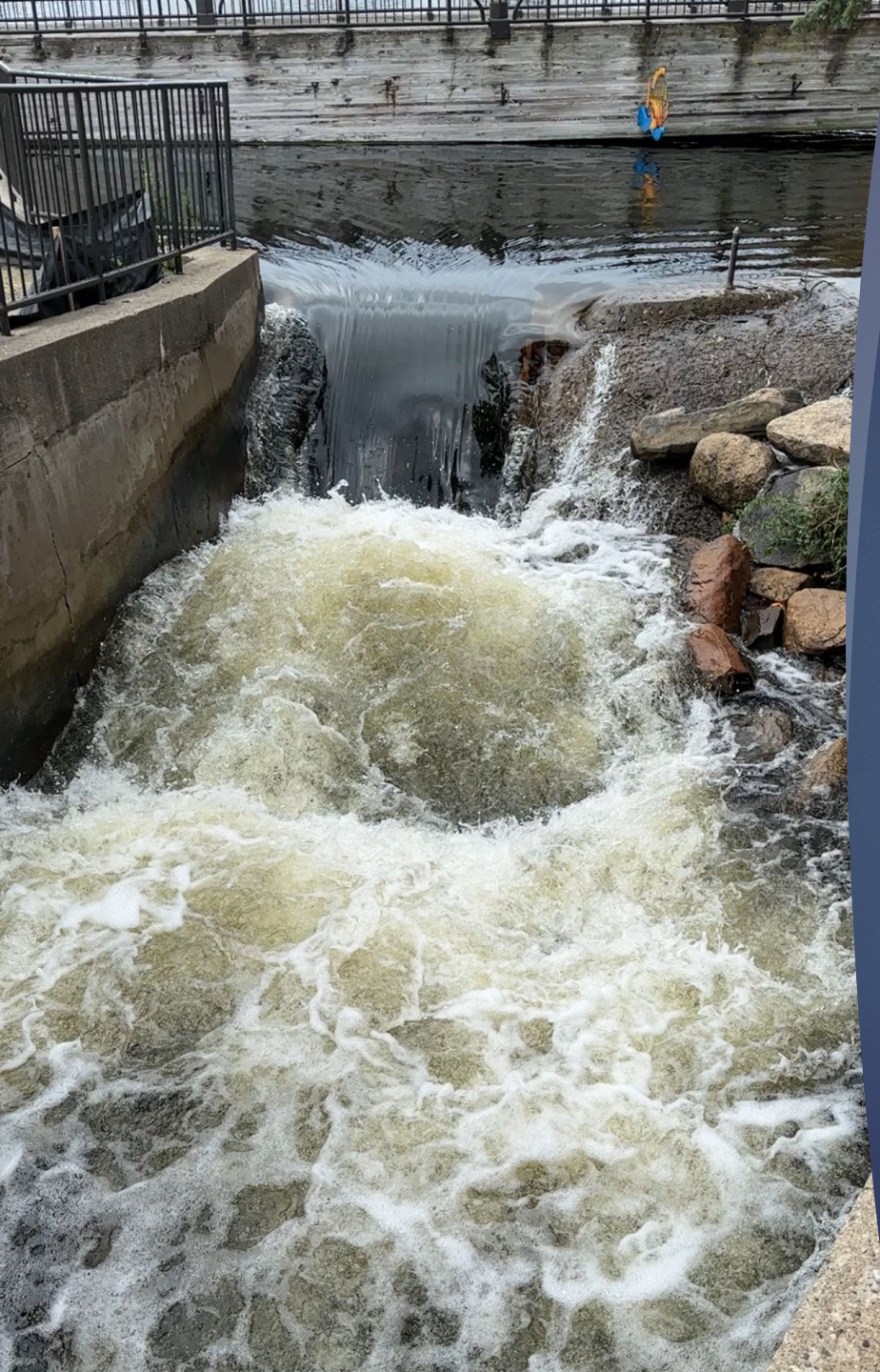
RECOMMENDED BUDGET

JULY 1, 2024 THROUGH JUNE 30, 2025



CLOSING OUT YEAR ENDING JUNE 30, 2024





Grant Opportunities 2023-24

➤ Grant Applications

- Senator Peters Community Project Funding Grants – For Tridge path and lighting restoration – Grant application still being processes – 19 letters of support
- Representative Slotkin's Community Project Funding – Application period to open soon.
 - Wastewater Treatment Plant – applied last year, will be applyin again
- SEMCOG Safe Streets and Roads for All = 12 letter of support
 - Safety Audit for potential crosswalk on Grand River between Cross St. and Main St.
 - Safety Audit for potential closure of sidewalk gap between new MDOT pathway and Challis Rd.
- Consumer Energy “Put Your Town on the Map” – for a memorial tree art installation in lieu of memorial benches or living trees.
- Recycling and Tree Grants



- Grants Being Researched
 - For Brighton Arts and Culture Commission
 - CSX Transportation's Community Service Grant
 - T-Mobile Hometown Grant
 - National Endowment for the Arts – Our Town Grant
 - National Endowment for the Arts – Grants for Art Projects
 - US Department of Energy (DOE)
 - Several grants surrounding the Millpond Dam
 - State of Michigan
 - Recreation Passport grant
 - Land & Water Conservation Fund
 - Michigan Natural Resources Trust Fund
 - Livingston County Community Foundation



LOOKING BACK AT FISCAL YEAR 2023/2024

GENERAL FUND PROJECTIONS

2023/2024 General Fund

Projections

	Original Budget		Projection
Revenue	\$	10,491,207	\$ 11,009,557
Expenditures	\$	11,638,411	\$ 11,028,109
Use of Fund Balance	\$	(1,147,204)	\$ (18,552)
Beginning Assigned and Unassigned Fund Balance (Audited*)	\$	4,299,117	\$ 4,299,117
Ending Assigned and Unassigned Fund Balance	\$	3,151,913	\$ 4,280,565
Assigned and Unassigned FB as a % of Op. Expenditures (**at Budget Adoption)		20%**	42%

FISCAL PRESSURES STATUS

- FISCAL PRESSURE I: STREETS AND RELATED INFRASTRUCTURE
- FISCAL PRESSURE II: UNDERFUNDED CAPITAL
- FISCAL PRESSURE III: PENSION AND OPEB LIABILITIES

FISCAL PRESSURE I: STREETS AND RELATED INFRASTRUCTURE



FISCAL YEAR 2023/2024

- ▶ COMPLETED GRAND RIVER
- ▶ COMPLETED MAIN STREET STREETScape PROJECT
- ▶ WILL HAVE COMPLETED THE FIRST SIDEWALK GAP PROJECT AT FLINT RD, WILLIAMSEN DR AND NELSON ST.
- ▶ CONTINUED SIDEWALK MAINTENANCE WORK
- ▶ WILL HAVE STARTED GRAND RIVER STUB STREETS

FISCAL PRESSURE II: UNDERFUNDED CAPITAL

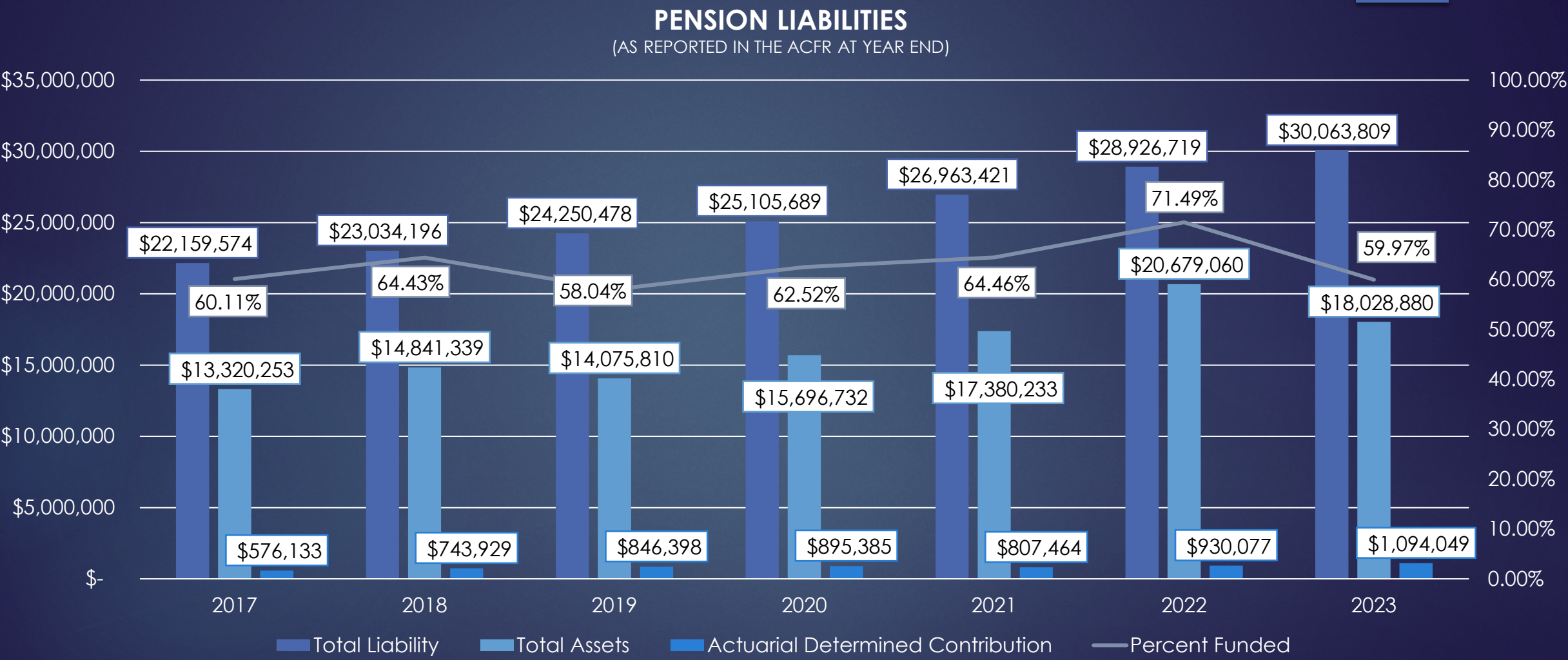


GENERAL
FUND
UTILITIES
FUND

FISCAL YEAR 2023/2024

- ▶ CAPITAL RESERVE FUND
 - ▶ THE “FIRST” MILL - \$500,000
 - ▶ FUNDING DEPRECIATION @ 15% - \$255,000
- ▶ UTILITY RESERVE FUND
 - ▶ PROGRESS HAS BEEN MADE
 - ▶ BOND FUNDS WENT FURTHER THAN PLANNED AS MANY PROJECTS CAME UNDER BUDGET OR DIDN'T TOUCH CONTINGENCY ALLOWING US TO FUND THE PINE CREEK BOOSTER STATION PROJECT
 - ▶ USED ACCUMULATED RESERVES ON MAIN STREET WATERMAIN
 - ▶ MORE WORK TO DO (THE SYSTEMS NEEDS ARE IMMENSE)
 - ▶ WASTEWATER TREATMENT PLANT – SEEKING GRANTS AND CWSRF LOANS

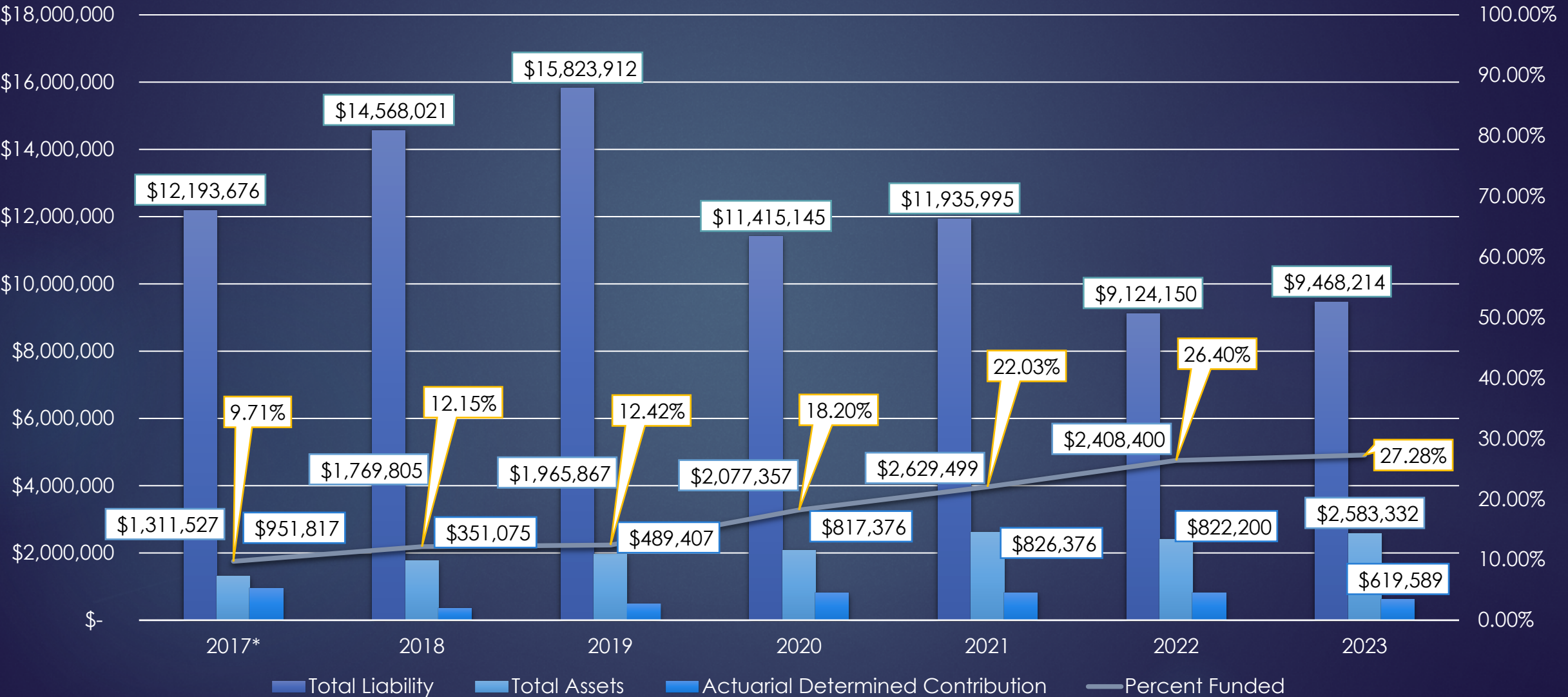
FISCAL PRESSURE III: PENSION AND OPEB LIABILITIES



FISCAL PRESSURE III: PENSION AND OPEB LIABILITIES

OPEB LIABILITIES

(AS REPORTED IN THE ACFR AT YEAR END)

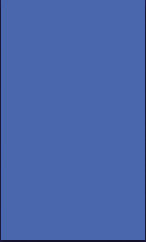




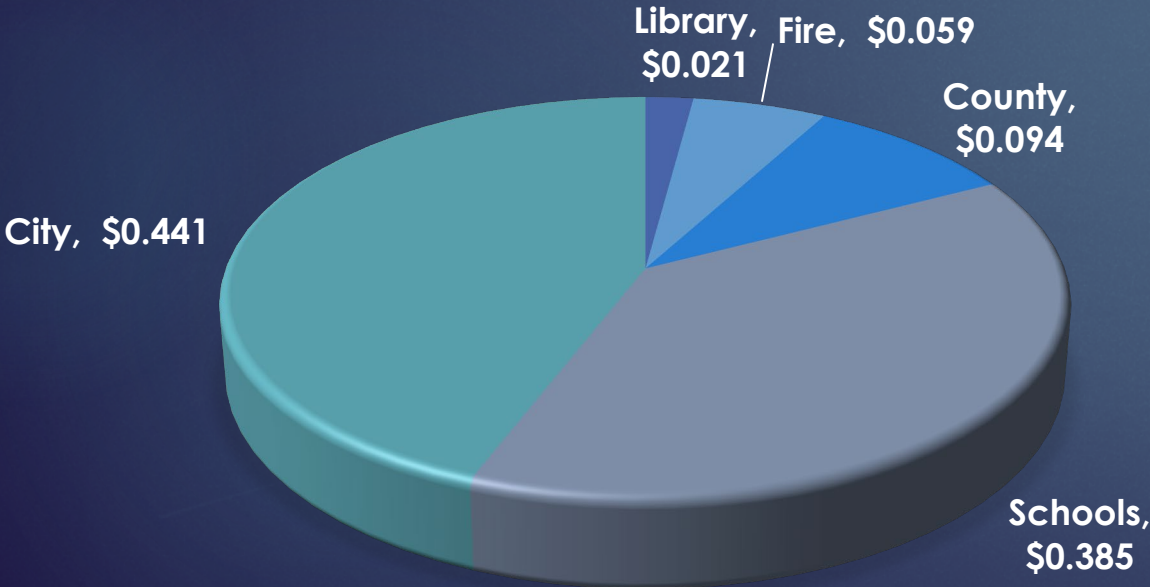
FISCAL YEAR 2024/2025

RECOMMENDED BUDGET

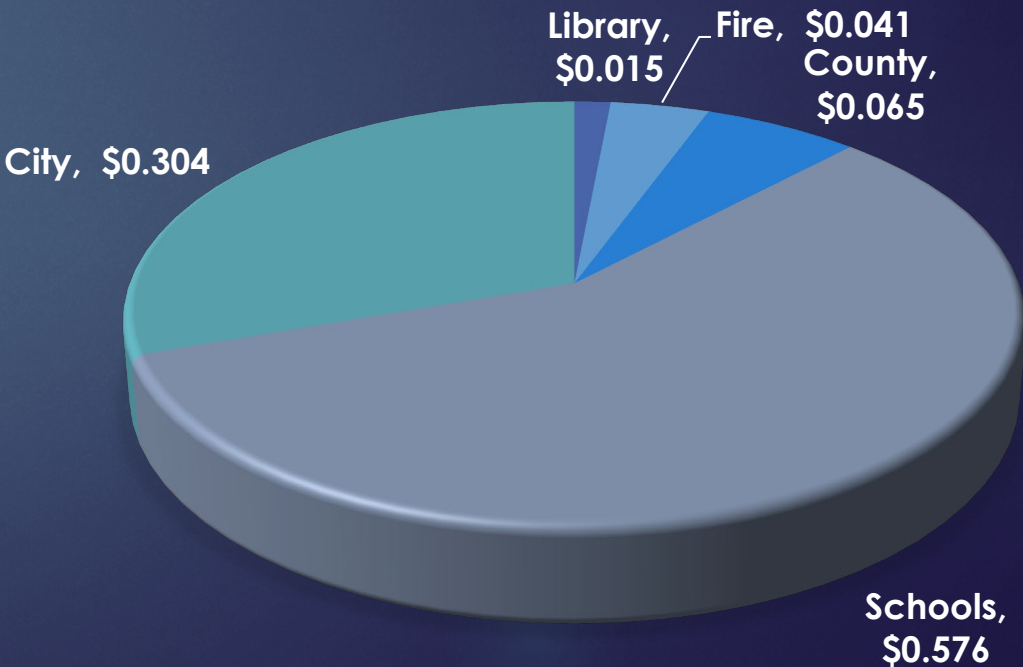
TAX DOLLAR DISTRIBUTION – BASED ON 2023 LEVY



**RESIDENTIAL TAX DOLLAR
DISTRIBUTION**



**COMMERCIAL TAX DOLLAR
DISTRIBUTION**



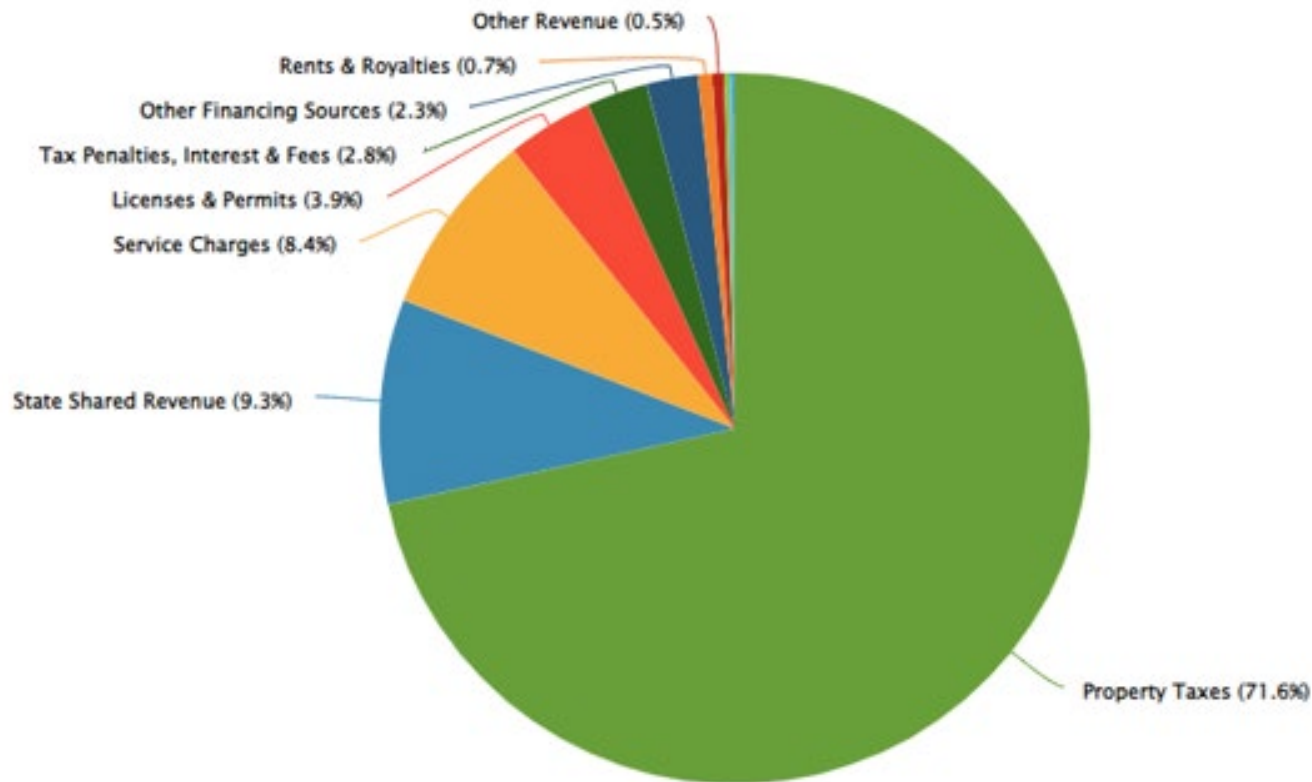
FISCAL YEAR 2024/2025: BUDGET CONTEXT

- ▶ PROPERTY VALUES
 - ▶ REAL PROPERTY INCREASED BY 7.83%
 - ▶ PERSONAL PROPERTY INCREASED BY 7.46%
 - ▶ INDUSTRIAL FACILITIES TAX INCREASED BY 5%
- ▶ REVENUE SHARING GROWTH - BUDGET INCREASED BY \$25,000
- ▶ INTEREST EARNINGS – \$25 THOUSAND (CURRENT YEAR CAME IN AT \$215K)
- ▶ STATE & FEDERAL GRANTS – CONTINUE SEEKING GRANT FUNDING – (NOT IN BUDGET)
- ▶ ECONOMIC DEVELOPMENT ACTIVITY - STALLED PROJECTS HAVE STARTED UP
 - ▶ INFLATION IN COSTS WILL LIKELY CONTINUE TO INCREASE FASTER THAN REVENUE
- ▶ 2024-2025 HEADLEE REDUCTION FRACTION - .9965 (PROJECTED)
 - ▶ 2023/2024 NO HEADLEE REDUCTION
 - ▶ 2022/2023 NO HEADLEE REDUCTION
 - ▶ 2021/2022 HEADLEE REDUCTION FRACTION - .9843
 - ▶ 2020/2021 HEADLEE REDUCTION FRACTION - .9834
 - ▶ 2019/2020 HEADLEE REDUCTION FRACTION - .9996

\$11,550,143 **\$1,058,936**
(10.09% vs. prior year)

Revenues by Source

Projected 2025 Revenues by Source



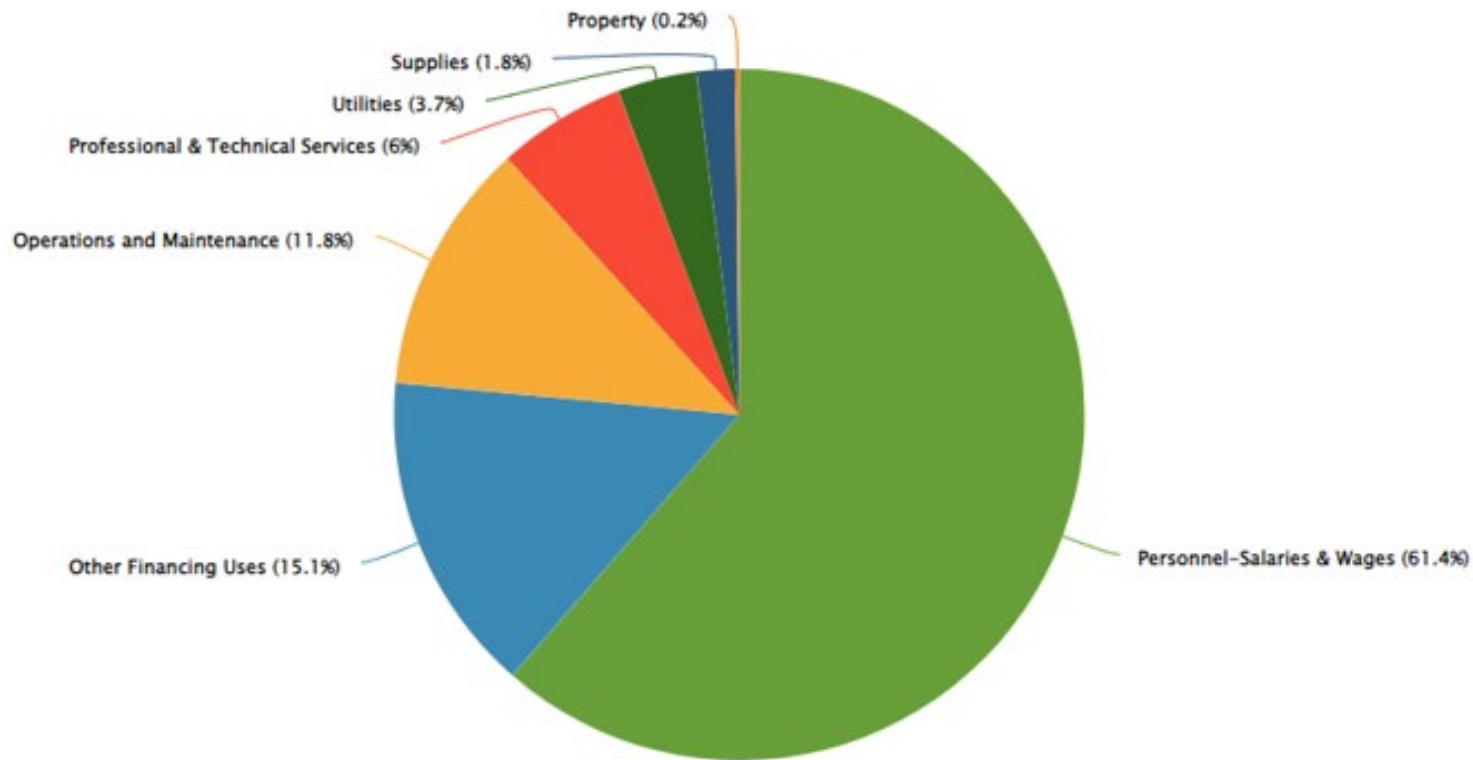
FISCAL YEAR
2024/2025
RECOMMENDED
BUDGET

GENERAL FUND
SUMMARY (REVENUES)

\$11,941,643 **\$303,232**
(2.61% vs. prior year)

Expenditures by Expense Type

Budgeted Expenditures by Expense Type



FISCAL YEAR
2024/2025
RECOMMENDED
BUDGET

GENERAL FUND
SUMMARY
(EXPENDITURES)

ADDRESSING FISCAL PRESSURES: FISCAL YEAR 2024/2025

- FISCAL PRESSURE I: STREETS AND RELATED INFRASTRUCTURE
- FISCAL PRESSURE II: UNDERFUNDED CAPITAL
- FISCAL PRESSURE III: PENSION AND OPEB LIABILITIES

FISCAL PRESSURE I: STREETS AND RELATED INFRASTRUCTURE



- ▶ GRAND RIVER SIDE STREETS – ENGINEERING IS STARTING NOW
- ▶ SIDEWALK GAP PROGRAM
 - ▶ \$329,560 IN SEMCOG TAP GRANTS
 - ▶ \$359,340 IN BOND FUNDING
- ▶ YEAR 2 OF THREE YEAR SIDEWALK MAINTENANCE CONTRACT

FISCAL PRESSURE II: UNDERFUNDED CAPITAL

List of 2024-25 Capital Expenditures

List of 2024-25 Capital Expenditures

Capital Improvement Fund - Funded through Capital Reserve

Administration (IT & Misc.)

Computer Replacements and Other Misc Items	\$ 60,000
	<u>\$ 60,000</u>

Vehicles

Turf Mower Replacement at Cemetery	\$ 16,000
DPW Pick Up Truck Replacement Program	\$ 70,000
Side By Side Utility Equipment Replacement	\$ 35,000
Skid Steer Replacement	\$ 100,000
	<u>\$ 221,000</u>

Facilities

Thermoseal St Paul Pocket Park Wall	\$ 30,000
Chambers AV Upgrade	\$ 54,052
Police Building HVAC Replacement	\$ 32,000
Parking Lot Maintenance Program	\$ 75,000
Fairview Cemetery Building Roof Replacement	\$ 25,000
Replace DPW Furnance and AC	\$ 15,000
AMP Seating, Stairs and Railing Refurbishment	\$ 20,000
Community Center Upgrades	\$ 80,000
	<u>\$ 331,052</u>

FISCAL PRESSURE III: PENSION AND OPEB LIABILITIES



CONTINUED UNFUNDED LIABILITY REDUCTION

- Prepayment of Annual Billing – higher interest in MERS than in a savings account
- Additional Pension Contributions
 - General fund +\$572,603 (Recommended)
 - Utilities Fund +\$27,397 (Recommended)

STAFFING

FULL TIME EQUIVALENTS	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25
ADMINISTRATIVE SERVICES	5	5	5	5	5
FINANCE DEPARTMENT	7	7	6.7	6.7	6.7
COMMUNITY DEVELOPMENT	3.7	3.7	3.7	3.7	3.7
POLICE DEPARTMENT	18.6	19.6	19.6	19.6	20.6
PUBLIC WORKS	12.5	12.5	12.5	12.5	12.5
GEN. FUND TOTAL	46.8	47.8	47.50	47.5	48.5
UTILITIES	11.5	11.5	12.5	12.5	12.5
TOTAL	58.30	59.3	60	60	61



Includes:

Additional Principal
Payment on
Unfunded Pension
Liabilities = \$572,603
and ongoing

3.0%-3.5% COLA for
All Employees.

	FY 2023-24 <u>Adopted</u>	FY 2023-24 <u>Projected</u>	FY 2024-25 <u>Proposed</u>	FY 2025-26 <u>Forecast</u>	FY 2026-27 <u>Forecast</u>	FY 2027-28 <u>Forecast</u>	FY 2028-29 <u>Forecast</u>	FY 2029-30 <u>Forecast</u>
Revenue	10,491,207	11,009,557	11,550,143	11,717,714	11,945,303	12,177,102	12,424,615	12,713,262
Expenditures	<u>11,638,411</u>	<u>11,028,109</u>	<u>11,941,644</u>	<u>12,305,032</u>	<u>12,420,176</u>	<u>12,635,058</u>	<u>12,948,674</u>	<u>13,362,957</u>
Change in Fund Balance	(1,147,204)	(18,552)	(391,501)	(587,318)	(474,873)	(457,956)	(524,059)	(649,695)
Add: Beginning Assigned and Unassigned Fund Balance	4,299,117	4,299,117	4,280,565	3,889,064	3,301,747	2,826,873	2,368,917	1,844,859
Ending Assigned and Unassigned Fund Balance	<u>3,151,913</u>	<u>4,280,565</u>	<u>3,889,064</u>	<u>3,301,747</u>	<u>2,826,873</u>	<u>2,368,917</u>	<u>1,844,859</u>	<u>1,195,163</u>
Minimum Target Assigned/Unassigned Fund Balance (15%):	<u>1,521,270</u>	<u>1,521,270</u>	<u>1,566,786</u>	<u>1,623,746</u>	<u>1,669,327</u>	<u>1,718,701</u>	<u>1,770,870</u>	<u>1,800,937</u>
Assigned & Unassigned Fund Balance Over/(Under) Minimum Target Fund Balance	1,630,643	2,759,295	2,322,279	1,678,000	1,157,546	650,217	73,989	(605,773)
Unassigned FB as a % of Oper. Expend.	31%	42%	37%	31%	25%	21%	16%	10%



FISCAL YEAR 2024/2025

RECOMMENDED UTILITY RATES

UTILITIES FUND

PROPOSED 2024/2025 UTILITY RATES

	FY 23/24	FY 24/25
Water per 1,000 Gallons	\$6.48	\$7.06
Sewer per 1,000 Gallons	\$7.55	\$8.31
Admin Bi-Monthly*	\$9.81	\$9.86
Debt Service 3/4 inch Bi-Monthly	\$23.42	\$23.42
Connection Fee Per REU		
Sewer	\$7,198	\$7,198
Water	\$2,802	\$2,802
Total	\$10,000	\$10,000

ESTIMATED UTILITY BILL IMPACTS

	FY 2023-24 UNIT CHRG.	FY 2024-25 UNIT CHRG.	\$ VARIANCE	% VARIANCE	FY 2023-24 Bi-monthly Charge	FY 2024-25 Bi-monthly Charge	\$ VARIANCE	% VARIANCE
User Fees Based on 6,000 gallons								
Sewer -								
Commodity/1,000 gal.	\$7.55	\$8.31	\$0.76	10.1%	\$45.30	\$49.86	\$4.56	10.1%
Administration/Meter/Mo.	\$4.91	\$4.93	\$0.02	0.5%	\$9.81	\$9.86	\$0.05	0.5%
Debt/3/4" Meter/Mo.	\$11.71	\$11.71	\$0.00	0.0%	\$23.42	\$23.42	\$0.00	0.0%
Total	\$24.17	\$24.95	\$0.79		\$78.53	\$83.14	\$4.61	5.9%
Water -								
Commodity/1,000 gal.	\$6.48	\$7.06	\$0.58	9.0%	\$38.88	\$42.36	\$3.48	9.0%
Debt/1,000 gal.	\$0.00	\$0.00	\$0.00	0.0%	0%	\$0.00	\$0.00	0.0%
Total	\$6.48	\$7.06	\$0.58	9.0%	\$38.88	\$42.36	\$3.48	9.0%
TOTAL SEWER AND WATER BASED ON 6,000 GALLONS					\$117.41	\$125.50	\$8.09	6.9%

	FY 2023-24 UNIT CHRG.	FY 2024-25 UNIT CHRG.	\$ VARIANCE	% VARIANCE	FY 2023-24 Bi-monthly Charge	FY 2024-25 Bi-monthly Charge	\$ VARIANCE	% VARIANCE
User Fees Based on 8,000 gallons								
Sewer -								
Commodity/1,000 gal.	\$7.55	\$8.31	\$0.76	10.1%	\$60.40	\$66.48	\$6.08	10.1%
Administration/Meter/Mo.	\$4.91	\$4.93	\$0.02	0.5%	\$9.81	\$9.86	\$0.05	0.5%
Debt/3/4" Meter/Mo.	\$11.71	\$11.71	\$0.00	0.0%	\$23.42	\$23.42	\$0.00	0.0%
Total	\$24.17	\$24.95	\$0.79	3.2%	\$93.63	\$99.76	\$6.13	6.5%
Water -								
Commodity/1,000 gal.	\$6.48	\$7.06	\$0.58	9.0%	\$51.84	\$56.48	\$4.64	9.0%
Debt/1,000 gal.	\$0.00	\$0.00	\$0.00	0.0%	0%	\$0.00	\$0.00	0.0%
Total	\$6.48	\$7.06	\$0.58	9.0%	\$51.84	\$56.48	\$4.64	9.0%
TOTAL SEWER AND WATER BASED ON 8,000 GALLONS					\$145.47	\$156.24	\$10.77	7.4%

	FY 2023-24 UNIT CHRG.	FY 2024-25 UNIT CHRG.	\$ VARIANCE	% VARIANCE	FY 2023-24 Bi-monthly Charge	FY 2024-25 Bi-monthly Charge	VARIANCE	VARIANCE
User Fees Based on 10,000 gallons								
Sewer -								
Commodity/1,000 gal.	\$7.55	\$8.31	\$0.76	10.1%	\$75.50	\$83.10	\$7.60	10.1%
Administration/Meter/Mo.	\$4.91	\$4.93	\$0.02	0.5%	\$9.81	\$9.86	\$0.05	0.5%
Debt/3/4" Meter/Mo.	\$11.71	\$11.71	\$0.00	0.0%	\$23.42	\$23.42	\$0.00	0.0%
Total	\$24.17	\$24.95	\$0.79	3.2%	\$108.73	\$116.38	\$7.65	7.0%
Water -								
Commodity/1,000 gal.	\$6.48	\$7.06	\$0.58	9.0%	\$64.80	\$70.60	\$5.80	9.0%
Debt/1,000 gal.	\$0.00	\$0.00	\$0.00	0.0%	0%	\$0.00	\$0.00	0.0%
Total	\$6.48	\$7.06	\$0.58	9.0%	\$64.80	\$70.60	\$5.80	9.0%
TOTAL SEWER AND WATER BASED ON 10,000 GALLONS					\$173.53	\$186.98	\$13.45	7.8%

FISCAL PRESSURE I & II: INFRASTRUCTURE AND UNDERFUNDED CAPITAL



FISCAL YEAR 2024/2025

Water Total	\$529,000
Reconfigure Pine Creek Booster Station to BLR	\$ 200,000
Challis Plant Building & Garage Roof Replacement	\$ 50,000
Well & Pump Repairs at Challis Plant	\$ 53,000
Upgrade Chlorine System at Challis Plant	\$ 50,000
American Water Infrastructure Act	\$ 40,000
Lean-to at Challis Plant	\$ 25,000
Update Laboratory Equipment	\$ 10,000
Pine Creek/Challis Road VFD Implementation	\$ 10,000
Tablets for crew members	\$ 6,000
Pickup Truck	\$ 85,000

FISCAL PRESSURE I & II: INFRASTRUCTURE AND UNDERFUNDED CAPITAL



FISCAL YEAR 2024/2025

Wastewater Total		\$990,000
Grit Removal System	\$	300,000
Grit Room Force Mains & Flow Meters	\$	200,000
Refurbish Oak Ridge Meadows Lift Station	\$	150,000
Replace VFD's on Equalization Tank	\$	120,000
Refurb Sludge Mixers	\$	60,000
Rehab of the 3rd Street Lift Station Floor	\$	40,000
Replace Under Drain Pipes in Two Drying Beds	\$	50,000
Rebuild pumps at 3rd St. Lift Station	\$	30,000
Grit Room Garage Door	\$	20,000
Steel Floor and Stair Grating	\$	20,000



**1,000 Gallons City Water
= \$7.06 (9% increase over Prior Year)**

**EQUIVALENT COSTS FOR OTHER LIQUIDS
AND % INCREASE OVER PRIOR YEAR**

- ▶ Meijer Distilled Water = \$1,390
 - ▶ \$1.39 per gallon – 17% increase
- ▶ Dasani bottled Water = \$1,654
 - ▶ \$6.99 per 32 bottle pack – 11% increase
- ▶ Mountain Dew = \$6,218
 - ▶ \$13.99 per 24 can pack – 11% increase
- ▶ Starbucks Grande Café Latte = \$39,600
 - ▶ \$4.95 per 16 oz – 2.1% increase



FISCAL YEAR 2024/2025: RECOMMENDED BUDGET

NEXT STEPS

- ▶ MOTION TO SET BUDGET PUBLIC HEARING
 - ▶ TUESDAY, MAY 7, 2024
- ▶ BUDGET WORKSESSIONS
 - ▶ APRIL 9, 2024
 - ▶ APRIL 10, 2024
 - ▶ APRIL 11, 2024 (If Needed)