

**City of Brown City
Fiscal Year 2011-2012
BUDGET MESSAGE**

To: Mayor Christine Lee and Members of the City Council of the City of Brown City:

As required by City Ordinance Section 2108.5(g), I submit to the City Council the proposed municipal budget for Fiscal Year 2011-2012. This budget details the City's investment in the quality of life for our community, and is the result of a thorough analysis by the staff to identify the anticipated needs of the City, and reflect the City Council's policy decisions and direction. As required by law, this proposed budget is balanced, and provides the resources for the people, supplies, maintenance, and capital improvements necessary to make our community thrive. This budget focuses on continuing our public safety activities, maintaining and improving the City's infrastructure, expanding the public's understanding of our city government, and providing excellent customer service to Brown City's residents.

The adopted budget was formulated using the goals established by the City Council. The goals for this fiscal year include:

Economic development to include local jobs for Brown City residents, and keeping Main Street stores filled.

Repairing, replacing, and routine cleaning of City streets and sidewalks.

Increasing governmental efficiency and decreasing costs.

Improving infrastructure, to include planning, to include fresh water, storm water drainage, sewer system & lagoon maintenance.

Complete needed repairs to City Hall; continue to seek grants, to include those for Public Safety.

No increase in taxes.

BUDGET ELEMENTS:

This budget document contains revenue estimates and a spending plan for the City of Brown City and consists of 11 separate funds, and as required by City Ordinance, the Brown City Festival Commission Budget.

The total proposed operating budget is \$1,378,240, a decrease of \$190,255 or about 12.13% from the 2010-2011 Final Amended Budget.

General Operating Fund: Pages 2-11. Overall decrease of \$83,870 or 12.16%. Primarily due declining revenues – specifically property taxes; revenue sharing; tax admin and collection fees; and fund equity transfer. Partial offset of these cuts were done by eliminating assignment of fees paid to the Water Fund from the cell tower; Thumb Cellular antennas; Great Lakes Internet; and the transfer of one mill of property taxes. These payments were originally set in place to help pay for the Water Tower Rehabilitation bond and interest payments. The bond will be paid off this year and the Water Fund has sufficient funds for the final payment. Also, service fees are meeting currently meeting Water Fund expenses. Other cuts included City Manager account; Admin Department; Buildings and Grounds; Public Safety; and Fire Operating.

Major Street Fund: Pages 12, 13 and 14. Decrease of \$1,000 or about 1.31%. Resulting from an anticipated decrease in revenues of about \$1,000. No improvements are currently anticipated in this category.

Local Street Fund: Pages 15 and 16. Major decrease of \$10,000 or about 30.50%. Decrease is specifically due to no funds transfer from General Fund or Street Reserve Account.

Sewer Fund: Pages 17-18. Decrease of \$25 or about .02%, to balance costs with anticipated revenues.

Storm Sewer Fund: Page 19. A decrease of \$18,000 or 101.98%. To reflect no anticipated capital improvement project other than finalizing the Lincoln Street Project.

Water Fund: Pages 20-21. Major decrease of \$54,050 or about 35.19%. Due to recommendation to retain tower fees and General Fund transfer in the General Fund; significant decrease in Repairs & Maintenance Account since the Media Exchange Program is complete.

Arsenic Abatement Fund: Page 22-23. Significant decrease of \$45,000 or about 65.51%. Decrease reflects no media replacement or other significant maintenance is anticipated during this budget cycle.

Equipment Fund: Page 24. Overall decrease of \$5,500 or about 11.69%. Overall decrease is due no anticipated transfer payments and no anticipated purchase of vehicles or heavy equipment. There is an anticipated decrease in equipment rental fees paid by the other funds based on analysis of frequency of equipment use.

Park Recreation Fund: Pages 25-26. Major increase of \$41,190 or about 96.19%. This increase reflects a planned project to dredge the pond; improve the trail on the east, south and west sides of the pond; and install a dry hydrant for the Fire Department. Budget reflects an anticipated DNR grant of \$35,000; and contributions from the Brown City Fire Authority, Brown City Rotary Club and Brown City Community Park for these improvements.

Cemetery Operating and Perpetual Care Funds: Pages 27-28. No net change.

Downtown Development Authority Fund: Page 29. Major decrease of \$14,000 or about 28.29%. No major capital improvements or repairs are currently anticipated.

Brown City Festival Committee: Page 30. This account is required by Ordinance 2.2350. Anticipated revenues and expenses are the responsibility of the Commission. Total is not included in the overall budget.

FUTURE OPPORTUNITIES: This budget approved for Fiscal Year 2011-2012 will enable the City to function on a solid financial basis. However, this operating budget is not designed and is not capable of providing funding for other much needed capital projects. The City should identify funding sources for needed infrastructure improvements.

Respectfully submitted,



Clinton K. Holmes
City Manager