

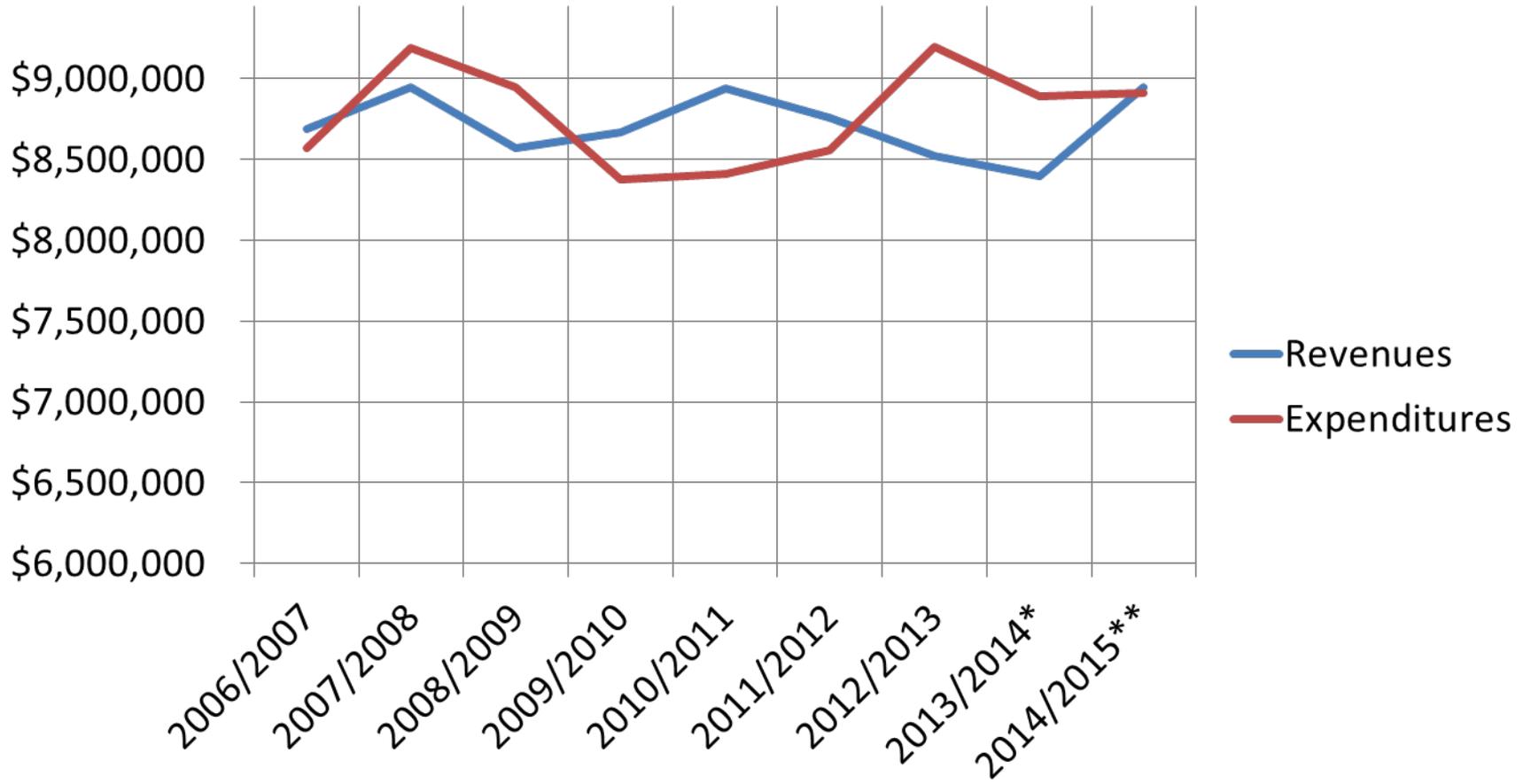


2014/2015

FINANCIAL PLAN OVERVIEW

PRIOR YEAR BUDGETING

Revenue vs Expenditures



*Budgeted **Projected

Statutory Revenue Loss

| | Constitutional | Statutory | Total State Cuts |
|-------|----------------|------------|------------------|
| 00/01 | \$ 1,055,341 | \$ 546,401 | |
| 01/02 | \$ 1,066,092 | \$ 491,573 | \$ 54,828 |
| 02/03 | \$ 1,084,140 | \$ 415,422 | \$ 185,807 |
| 03/04 | \$ 1,072,364 | \$ 275,372 | \$ 456,836 |
| 04/05 | \$ 1,097,955 | \$ 235,091 | \$ 768,146 |
| 05/06 | \$ 1,116,648 | \$ 201,566 | \$ 1,112,981 |
| 06/07 | \$ 1,093,445 | \$ 185,513 | \$ 1,473,869 |
| 07/08 | \$ 1,129,953 | \$ 149,005 | \$ 1,871,265 |
| 08/09 | \$ 1,065,682 | \$ 149,005 | \$ 2,268,661 |
| 09/10 | \$ 1,033,036 | \$ 47,307 | \$ 2,767,755 |
| 10/11 | \$ 1,037,477 | \$ 42,866 | \$ 3,271,290 |
| 11/12 | \$ 1,104,286 | \$ 32,091 | \$ 3,785,600 |
| 12/13 | \$ 1,127,147 | \$ 34,383 | \$ 4,297,618 |
| 13/14 | \$ 1,150,715 | \$ 36,039 | \$ 4,807,980 |

Employee Breakdown by Department

| | Peak of Employment | | 2014 | |
|-----------------|--------------------|-----------|-----------|-----------|
| Department | Full Time | Part Time | Full Time | Part Time |
| Police | 34 | 0 | 26 | 0 |
| Fire | 9 | 0 | 7 | 1 |
| Public Works | 21 | 1 | 17 | 1 |
| CWP | 14 | 0 | 14 | 0 |
| Court/Probation | 10 | 1 | 8 | 1 |
| Administrative | 12 | 4 | 8 | 4 |
| | | | | |
| Total | 100 | 6 | 80 | 7 |

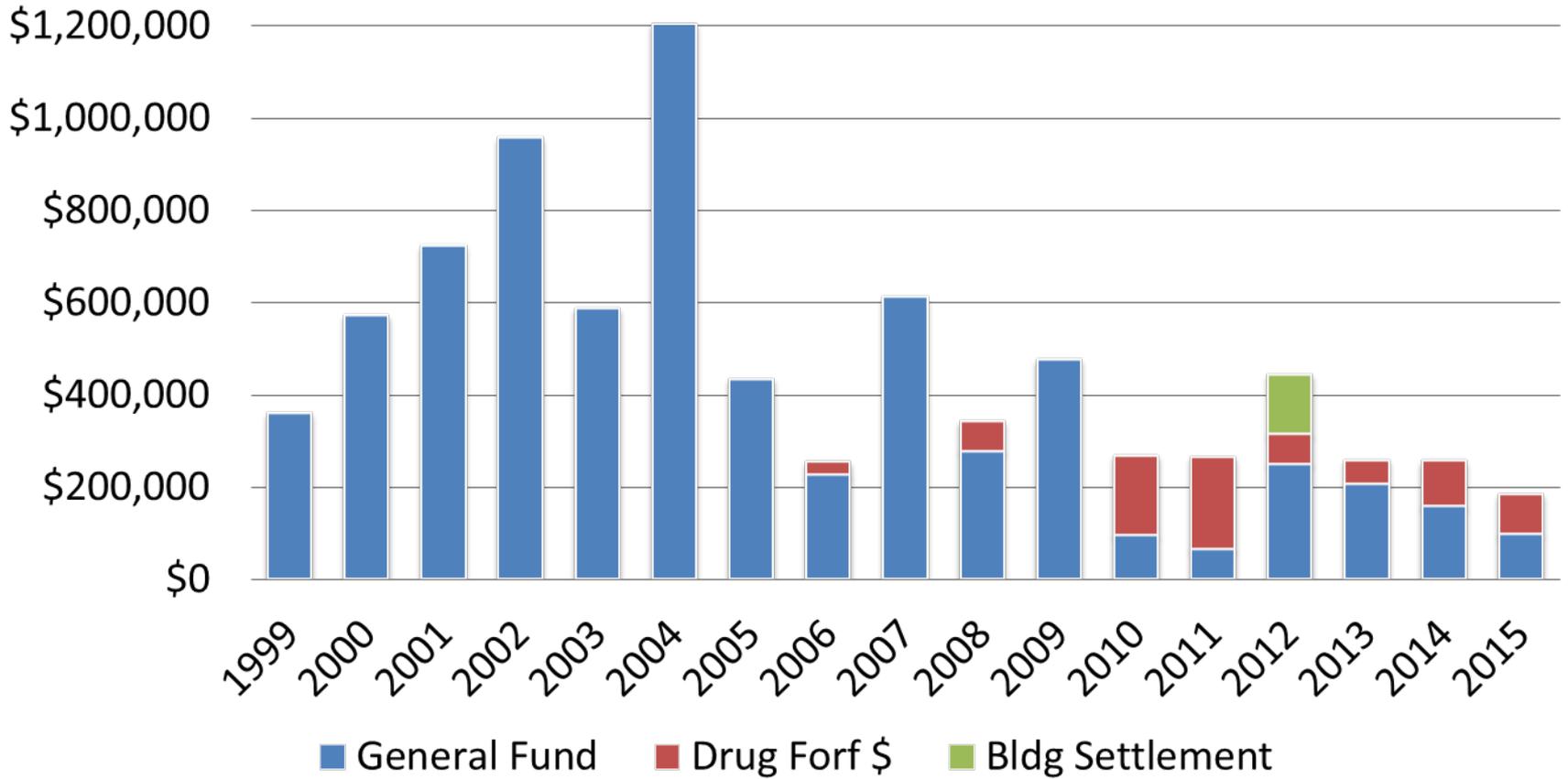
Staff Expenditure Reductions

- Reduction of staff
 - 100 FTE in 2004 & 6 PTE
 - 80 FTE in 2014 & 7 PTE
- Switched from a defined benefit plan (pension) to a defined contribution plan (401) for all new hires.
- Dispatch service collaboration in 2007
- Fire Training Sessions reduced from 24 to 16 annually
- Adjustments to Health Insurance
 - Higher Co-pays & increased deductibles
 - Offered H.S.A. and value plan
 - Hard Cap of employer cost (P.A. 152)
- Retiree Health Care increases paid by the retiree
- Refinanced MERS contribution

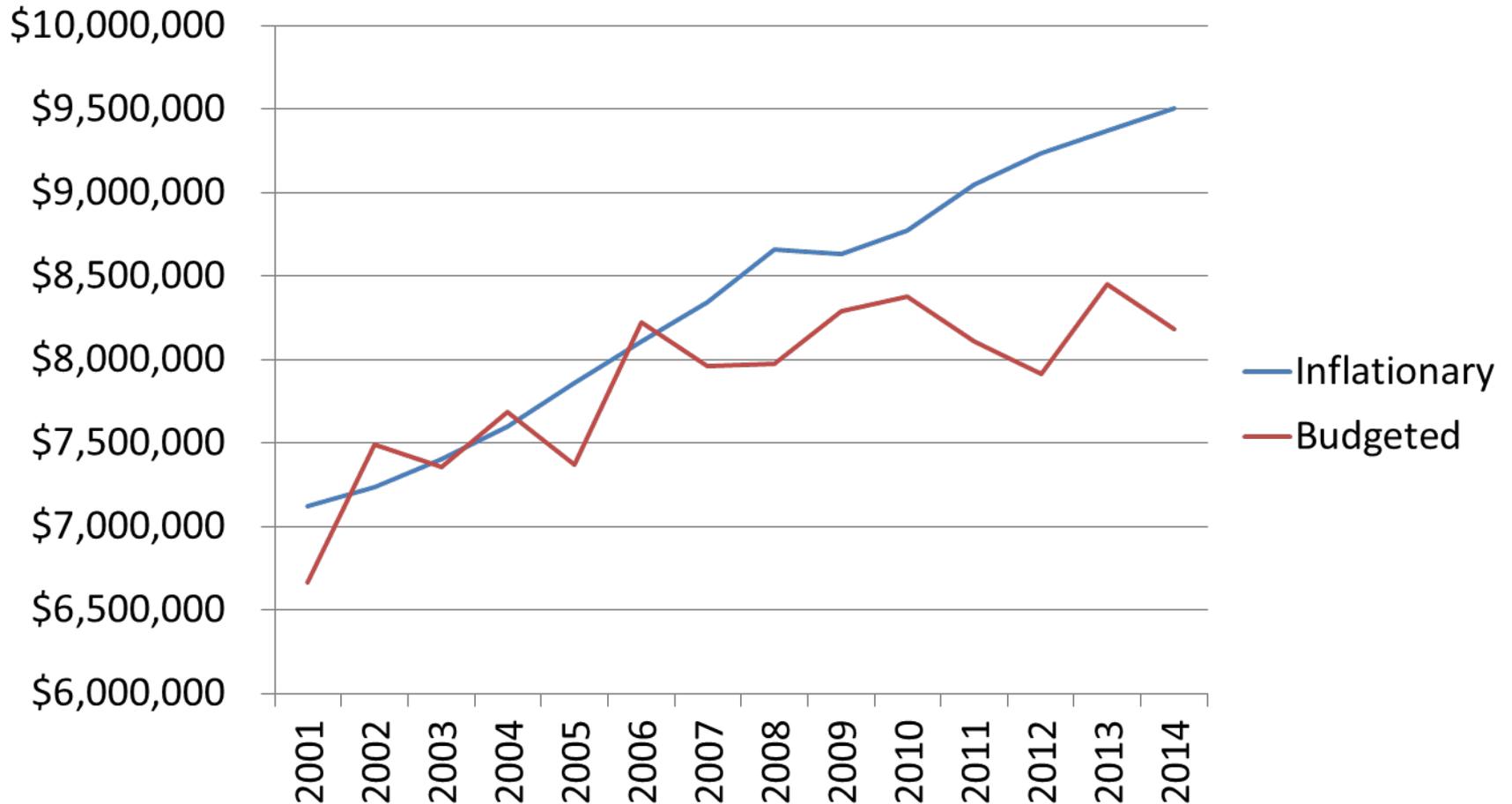
Service Expenditure Reductions

- Eliminated Curb-side Christmas Tree Pick-up
- Eliminated General Waste Collection during City Clean-up
- Eliminated City Calendar
- Eliminated Newsletter Printing & Mailing

Budgeted General Fund Capital Expenditures



Budgeted General Fund Operating Expenditures vs Inflationary Cost Increase



Budgeted Expenditures do not include capital expenditures or debt service

2014/2015 Budget Overview

Property Values, Millage & Surplus

| Fiscal Year | Millage Rate | Property Values | Property Tax Revenue | Total General Fund Revenues | Total General Fund | | |
|----------------------------|--------------|-----------------|----------------------|-----------------------------|--------------------|-------------------|--|
| | | | | | Expenditures | Surplus/(Deficit) | |
| 2009/2010 | 8.454 | \$696,288,472 | \$5,177,464 | \$8,670,982 | \$8,373,822 | \$297,160 | |
| 2010/2011 | 9.154 | \$668,585,632 | \$5,311,583 | \$8,937,580 | \$8,409,217 | \$528,363 | |
| 2011/2012 | 9.154 | \$646,787,637 | \$4,997,335 | \$8,759,631 | \$8,557,845 | \$201,786 | |
| 2012/2013 | 9.154 | \$629,767,802 | \$4,841,734 | \$8,523,827 | \$9,195,550 | (\$671,723) | |
| 2013/2014* | 9.154 | \$644,869,859 | \$4,916,161 | \$8,393,627 | \$8,893,790 | (\$500,163) | |
| 2014/2015** | 10.3 | \$646,168,933 | \$5,634,654 | \$8,949,943 | \$8,910,915 | \$39,028 | |
| *Original Budgeted Amounts | | | | | | | |
| **Requested Budget Amounts | | | | | | | |
| | | | | | | | |

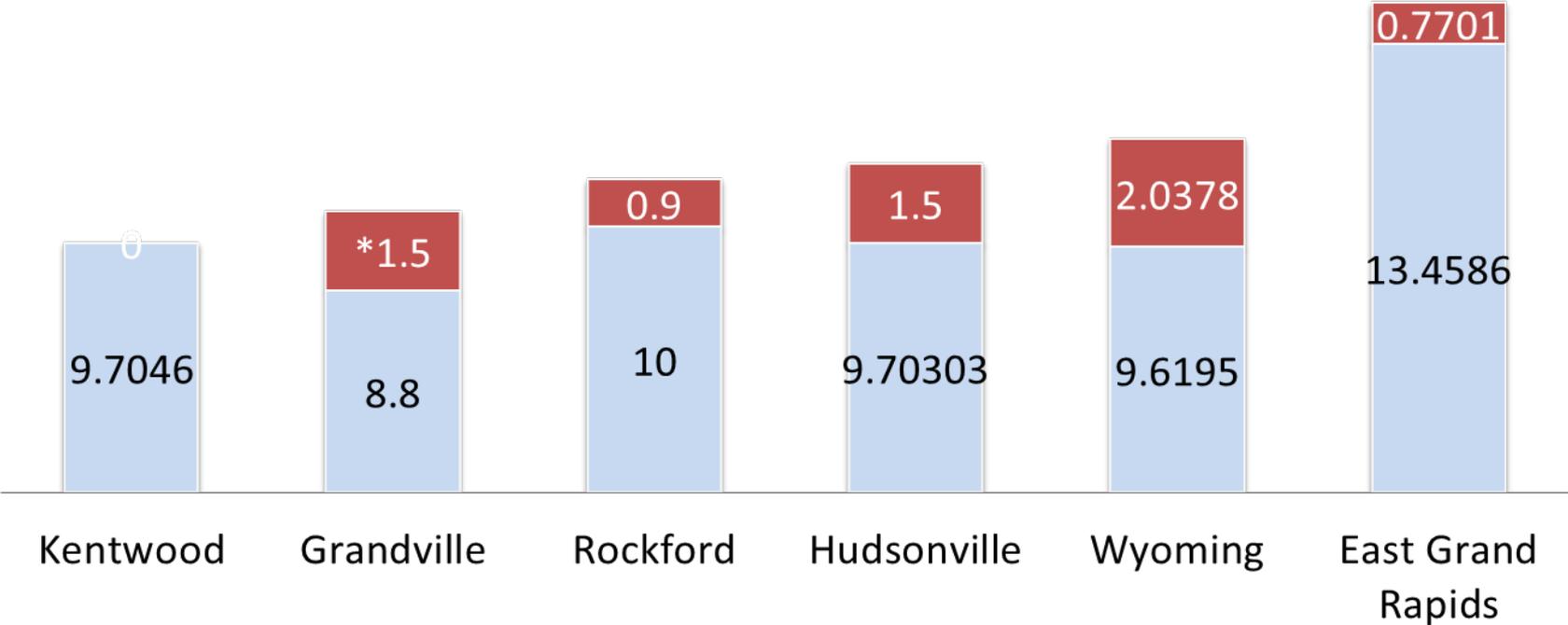
General Fund Revenues

- Proposed millage rate – 10.3
 - 8.80 General Fund (\$5,542,667)
 - 1.30 Street Funding (\$824,712)
 - 0.20 Project Reserve (\$126,879)
- Total Revenue increase approximate \$556,316 (6.6%)
 - Increases in Revenue
 - Tax revenue increase of approximately \$626,506
 - Millage increase allocated to General Fund of 0.801 mills (1.146 Total)
 - 1.6% increase in taxable value per Proposal A cap
 - CWD Brownfield paid in full
 - Additional building on CWD site
 - Projected increase of 2% for Constitutional State Shared Revenue
 - No increase budgeted for EVIP revenue
 - Decreases in Revenue
 - Projected decrease in Court revenue of approximately \$100,000
 - State changes in personal property tax, loss of approximately \$50,000

Millage Comparison

Chart Title

General Designated

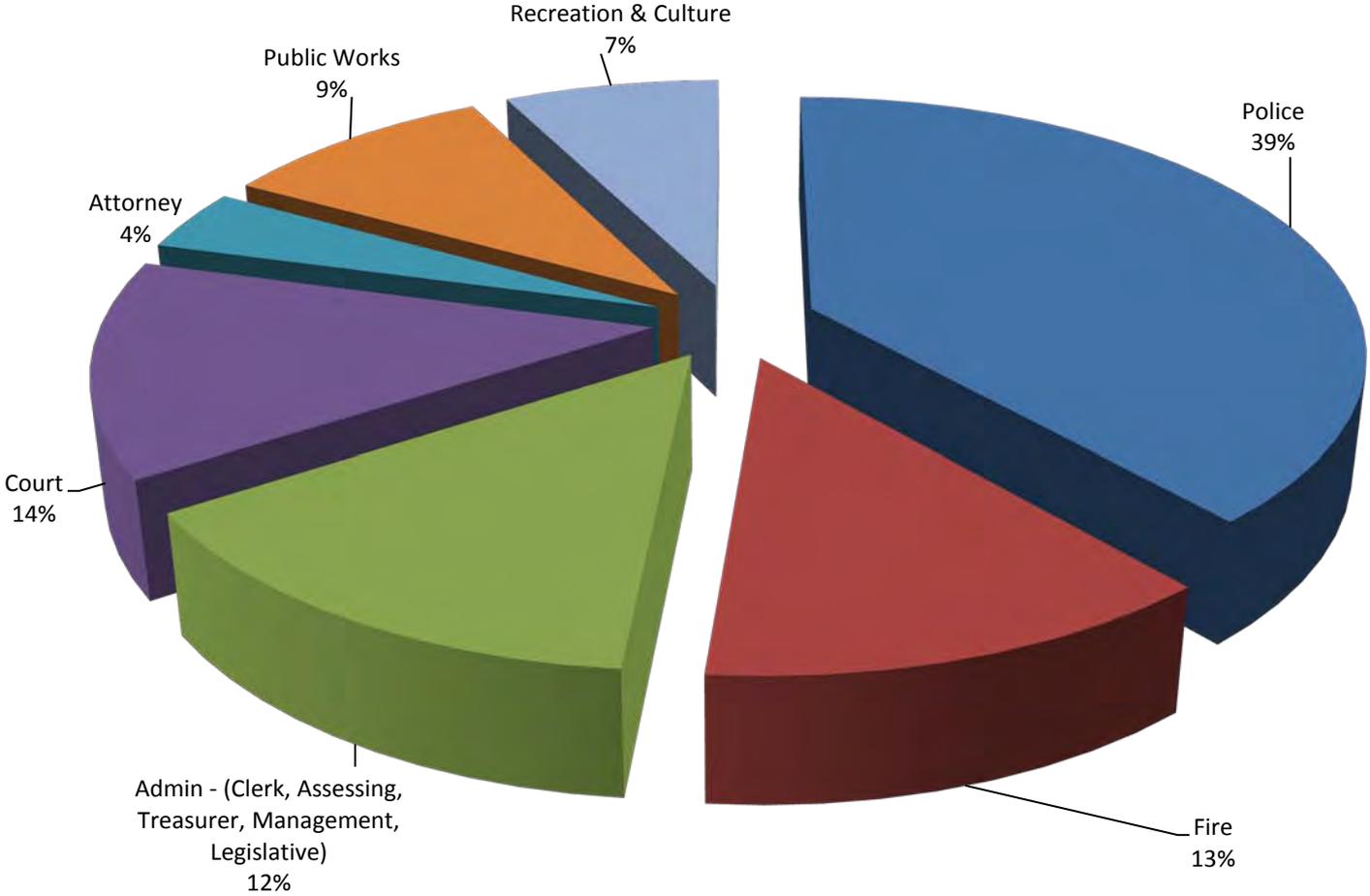


*Grandville's designated millage for streets and project reserve

General Fund Operating Expenditures

- Health care cost increase for P.A. 192 - 2.9% - Hard Cap implemented for all employees (Police on 10/1/14).
- 1.25% Non-Union, DPW, and CWP market wage increase. Police - contract open.
- Staff
 - Separation Payout for 1 retiree in Police Department
 - Reduction of 1 FT employee in Treasurer's Office to PT
- Added \$25,000 for appraisal services related to commercial tax appeals
- Digital Documentation in Clerk's Office \$7,500
- Police Department decreased budget by approximately \$80,000 due to new hires, hard cap on health insurance, and fewer retirements.
- Planning retainer of \$25,000 for Master Plan update
- MERS Required Contribution increase of approximately \$50,000 (\$29,000 in GF)
- Retiree H/C – Paying costs only, approximately half of the ARC

Budgeted Expenditure by Department



Capital Plan Purchases

- Police Department – *All PD capital purchases paid with drug forfeiture funds*
 - Police Cruiser Equip - \$10,000
 - AED - \$2,500
 - Server - \$10,000
 - In Car Cameras - \$60,000
 - ALES Replacement - \$5,000
- Fire Department
 - Emergency Vehicle Equipment - \$4,500
 - Portable Radios - \$17,500
 - Turn Out Gear - \$27,500
 - Fire Hose Replacement - \$3,000
 - AED Replacement - \$4,000
 - Legacy Equipment Replacement - \$5,000
- Cemetery Perpetual Fund
 - Paving - \$12,000

Park & Rec Plan Identified Projects

- Splash Pad
- Disc Golf – Mill Race Park
- Picnic Shelters – Wedgwood Park
- Skating Rink – Mill Race Park
- Community Pavilion – Barn Mill Race
- Buck Creek Trail Extension – East
- Sanford Lake Mini Park
- Riverfront Improvements
- Wilson/Ivanrest – Mini Park N. of 44th
- Canal Ave Mini Park
- North – South Connections to Existing Trails
- Mill Race Park Addition

Fund Balance

| | |
|---|---------------------|
| Projected Beginning Fund Balance 7/1/14 | \$1,416,874 |
| 2014/2015 Budgeted Surplus/(Deficit) | <u>\$ 39,028</u> |
| Projected Ending Fund Balance 6/30/15 (16.3%) | <u>\$ 1,455,902</u> |
| 15% Fund Balance per policy | \$1,336,637 |

First budgeted surplus since 1998/1999 FY

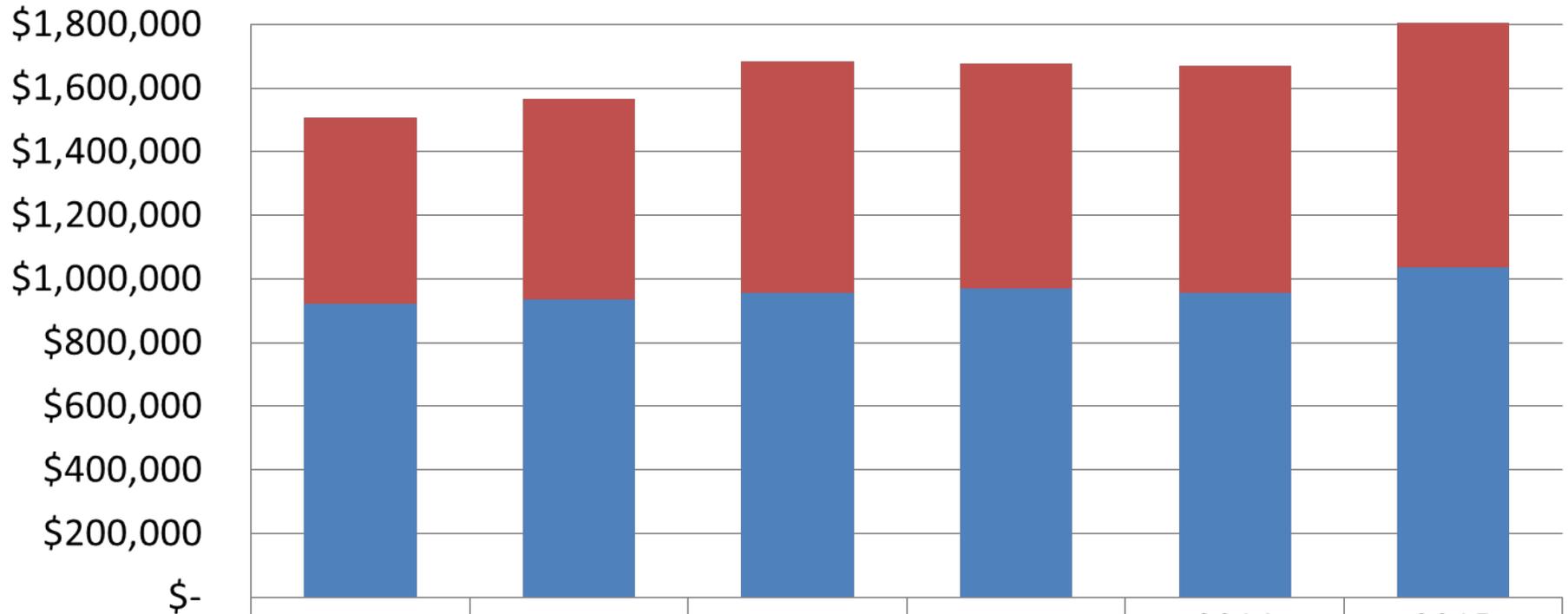
Major Streets

- 40% allocation of 1.30 Street Mills
- Capital Projects:
 - Prairie/Division – Wilson to Chicago Dr
 - TIP project in conjunction with water main replacement

Local Streets

- 60% allocation of 1.30 Street Mills
- Capital Projects
 - Crystal – Barrett to Earle
 - Restmor – Canal to West End
 - Littlestar Ct – Peshtigo to South End
 - Peshtigo Ct – Peshtigo to South End
 - Wallace Ct – Locke to Wallace
 - Bruce Dr – Wilson to East End
- State Project (Road, Risk, & Reserve Fund)
 - Billmar – Canal to West End
- Additional Preventative Maintenance \$50,000

Street Funding



| | 2010 | 2011 | 2012 | 2013 | 2014 Budgeted | 2015 Proposed |
|--------------|-----------|-----------|-----------|-----------|---------------|---------------|
| Property Tax | \$583,063 | \$628,514 | \$725,868 | \$704,421 | \$714,192 | \$824,712 |
| Act 51 | \$923,463 | \$937,278 | \$957,496 | \$971,495 | \$956,140 | \$1,035,488 |

Clean Water Plant

- Commodity Charge and Ready-to-Serve remain unchanged
- Asset Management Plan Engineering Fees budgeted in conjunction with the SAW Grant from DEQ
- Capital Purchases:
 - Aeration Process Concrete and Domes
 - Primary Hopper Actuators
 - Utility Maintenance Vehicle

Water Fund

- Commodity Charge remain unchanged
- Requested Increase
 - Ready-to-Serve Charge increase
 - \$1.00 per quarter for 5/8" meters, adjust larger meters accordingly
 - Replace 10" water main Prairie/Division

Comparable Water/Sewer Rates

| | Sewer Commodity (Per Thousand) | Water Commodity (Per Thousand) | Sewer RTS (Per Quarter) | Water RTS (Per Quarter) |
|--------------|--------------------------------|--------------------------------|-------------------------|-------------------------|
| Grandville | \$2.64 | \$2.19 | \$ 7.80 | \$11.76 |
| Wyoming | \$2.80 | \$1.60 | \$12.31 | \$22.75 |
| Georgetown | \$3.00 | \$2.00 | \$10.00 | \$10.00 |
| Byron Center | \$3.35 | \$2.80 | \$11.60 | \$13.25 |
| Hudsonville | \$3.92 | \$2.13 | \$38.30 | \$32.34 |

Questions or Comments?