



City of Bronson 2019-2020 Budget



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The City Council

Alicia Cole
Mayor

Larry McConn
Vice-Mayor

Matt Watkins
Council Member

Jim Kenny
Council Member

Bill Earl

City Officials

Charles Lillis
City Attorney

Brandon M. Mersman
City Manager

Karen A. Smith
Clerk/Treasurer

About the City of Bronson

The City of Bronson was first settled in October 1866 and was chartered as a City in July of 1934 under the Home Rule City Act. Bronson operates under a charter approved by voters in 1985. In 2016, the City celebrated its Sesquicentennial (150th) anniversary during the weekend of September 10th and 11th.

The City operates under the Council-Manager form of government. A five-member City Council is elected at-large in even numbered years to staggered terms of either two or four years. Following each election, Council members choose from among themselves a Mayor and a Vice-Mayor.

The Council employs a City Manager to direct day-to-day affairs and provide the Council with recommended policy. The Manager supervises staff and implements Council's broad policy decisions.

The Council also hires a Clerk/Treasurer as the custodian of City records, to collect taxes, and to maintain the City's financial accounts. The Council retains a City Attorney for legal advice and the prosecution of ordinance violations.



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Fiscal Year 2020 Budget

Resolution #19-6-10

A resolution of the City of Bronson approving the budget of revenue and expenditures and setting the millage rates to raise such revenue for Fiscal Year 2020 which begins July 1, 2019 and ends June 30, 2020

Whereas, pursuant to the Bronson City Charter the City Manager has provided a recommended budget of revenues and expenditures to the City Council and the Council has reviewed said recommendations, and...

Whereas, the proposed budget and millage rates are prepared and made available to the public in accord with the City Charter and various statutes (including MCL 141.421 et seq, MCL 211, and MCL 41.801 et seq) and the City Clerk has, in accord with the Michigan Open Meetings Act, published notices of the time and place for a public hearing regarding this budget which was held on June 10, 2019.

Now therefore be it hereby resolved by the City Council of the City of Bronson that the following taxes shall be levied in accord with statute:

General Operating Levy	16.8414 mills
Fire Protection Equipment Special Assessment	1.000 mills
1993 General Obligation Bond Levy	1.0898 mills

And be it further resolved, that the following revenues and expenditures shall be budgeted for the period July 1, 2019 until June 30, 2020 and that tax and other revenue shall be distributed among City funds as follows:

<u>Fund</u>	<u>Revenue</u>	<u>Fund Balance</u>	<u>Expenditure</u>
General Fund	\$1,104,052		\$1,328,249
Administration			\$377,538
Police			\$513,299
Fire			\$30,400
Department of Public Works			\$269,205
Parks & Recreation			\$77,807
Transfer to Other Funds		\$164,197	\$ 60,000
Major Street Fund	\$213,136	\$200,162	\$413,298
Local Street Fund	\$175,088		\$170,545
Fire Sinking Fund	\$28,036		
Cemetery Operations Fund	\$14,600	\$9,420	\$24,020
Cemetery- Perpetual Care Fund	\$825		
Cemetery- Redevelopment Fund	\$1,710		
1993 General Obligation Debt Service Fund	\$34,267		\$34,000
Wastewater Fund	\$1,522,365		\$1,522,365
Water Fund	\$305,484		\$305,484
Motor Pool Fund	\$127,852		\$122,681
Community Development Fund	\$5,200	\$4,800	\$10,000

And finally be it resolved, that no transfer of funds is permitted between appropriation centers except for those transfers specifically permitted and that the City Manager is authorized to release bidding documents, specifications, and/or requests for proposals in accord with projects and purchases included in this budget.

YEAS: Councilperson(s) _____

NAYS: Councilperson(s) _____

ABSENT: Councilperson(s) _____

The Resolution was adopted on this 10th day of June, 2019.

Karen A. Smith
City Clerk

TO: The Honorable Mayor Cole and Members of the City Council
FROM: Brandon M. Mersman, City Manager
RE: Fiscal Year 2020 Budget
Date: June 7, 2019

Section 7.2 of the Bronson City Charter obligates me to present to you a recommended budget for the ensuing fiscal year. Enclosed please find my recommendation for the fiscal year beginning July 1, 2019.

As presented, this budget has a General Fund deficit of just over \$224,000. Over the course of this fiscal year the City will continue to find new ways to reduce costs while still providing a high level of service to the community.

Notable highlights and changes to this year's budget:

Trash & Recycling- In March of 2018, the City renegotiated the contract with Republic Services which included a two-year extension. In exchange for a longer contract, Republic Services will now only bill the City for the actual number of customers enrolled in the City's program at the beginning of each year rather than requiring a minimum number of customers. This will save the City roughly \$20,000 annually and will now operate with a small profit. The contract also included a price freeze for 2019 (same as 2018 rates) for all City customers.

Major and Local Street Funds:

Major and Local Street Maintenance- The FY2019 budget includes \$175,000 in street maintenance funds with \$100,000 designated to local streets and \$75,000 for major streets. These funds will be used to perform overlay (edges of roadways), chip sealing, and crack filling in an effort to prolong the useful life of City streets. This budget includes a \$50,000 transfer from the General Fund to Local Streets and a \$50,000 transfer from the Major Street Fund to Local Street Fund.

Storm Sewer Cleanings & Repairs- This budget includes \$10,000 for storm sewer cleaning and repairs and is distributed between local and major streets. The FY2018 budget was the first time the City has budgeted for this work and is something the City must continue doing to prolong the life of our storm sewers.

Water Fund- The Water Fund Capital Improvement Plan includes \$74,100 for interior painting and safety upgrades to the City's Water Tower. Over the course of the next few months the City will explore the possibility of constructing a new water tower. The City will need to decide whether or not to upgrade the existing tower or construct a new one. This budget also includes \$100,000 for the replacement of lead & copper service lines as the City will be required to begin this work in 2020. This budget also includes \$50,000 for services related to the siting and testing of new City well locations. This process began during the FY2019 budget. This budget also includes \$45,000 for the inspection and possible rehab of the pumps at the City's two wells.

SAW Grant- Sanitary & Storm Sewers- Work on the SAW Grant is continuing with \$1,000,000 in engineering and consulting services budgeted for FY20. The City's match for this grant is 10% or \$100,000 projected for FY20. This work will include funding to televise, inspect, and clean sanitary and storm sewers. The grant also includes the preparation of Asset Management Plans for both sewer systems.

Fire Department- The City's dues to the Bronson Area Fire Association will be \$30,400 for this budget year.

Rental Inspection Program- March 1, 2019 the City's rental housing ordinance took effect. The fees for the program were designed to be self-sufficient with rental inspection and registration fees covering the cost for these services. It will be another year or two before we will know if we need to make any adjustments to the fee structure.

Downtown Decorative Streetlighting- This budget includes an additional \$100,000 for the upgrading of our Downtown streetlights to decorative lighting. This is another important step in improving the look and feel of our Downtown and revitalizing our City center. The total cost of this project is estimated to be \$166,000 with \$50,000 being budgeted in 2018.

Continued challenges to consider in the future:

Between 2002 and 2012, Michigan was one of only four states that reduced investments in local governments. During this same period of time, Michigan was the only state in the country where local revenues declined. While property values and other revenues have declined significantly, local governments still have very few tools to regain lost revenue without cutting essential services. The State of Michigan continues to believe that they can balance their budget on the backs of local governments. This continues to be of grave concern to the City.

In closing, I wish to thank all of the Department Heads and staff that helped to put this budget together as it is truly a team effort.

Respectfully submitted,

Brandon M. Mersman, MPA
City Manager

City Council Goals & Objectives

2019-2020

Goal: Business Retention and Attraction

- Continue strategy of focusing on current employers and businesses and working with them to see expansion
- Continue to Implement benchmarks of the Redevelopment Ready Communities Program and engage related MEDC resources

Goal: Enhance and Undertake Bronson “Place-Making” Activities

- Look for ways to implement the Walkability Study performed by MDOT in September 2013
- Develop the recently purchased former Northeastern Rail Line for non-motorized trail usage.
- Work towards the implementation of the goals set forth in the 2016-2020 Parks and Recreation Master Plan
- Continue working with and supporting the Downtown Development Authority
- Work with community partners (DDA, Chamber of Commerce, Polish Festival, etc.) and businesses to expand and better market downtown activities:

- August Memorial Park Concert Series
- City Wide Garage Sales/US 12 Sales
- Polish Festival
- Farmer’s Market
- Bronson Theater
- Other new events

Goal: Infrastructure Improvements

- Work with DEQ programs surrounding the SAW Grant
- Apply for infrastructure grants as they become available (MEDC Infrastructure Capacity Enhancement Grants & MDOT)
- Work towards implementation of improvements outlined in the City’s recently adopted Capital Improvement Plan
- Continue collaboration with Kalamazoo Area Transportation Study and Branch County Road Commission for street improvement targets and work
- Increase annual road preventative maintenance work using additional General Fund contributions
- Continue coordinated approach for infrastructure improvements

Goal: Optimize Organizational Efficiency

- Consider energy-efficiency projects in coordination with Michigan Gas Utilities and Consumers Energy to improve facility efficiency
- Work with Consumers Energy on potential street-lighting improvements as programs become available
- Better plan for equipment purchases and uses across departments

All Funds by Revenue vs. Expenditures

Fund	Gross Revenue	Operating Expenditures	Capital Depreciation	Gain (Loss)
General Fund	1,104,052	1,328,249	0	(224,197)
Fire Sinking Fund	28,036	0	0	28,036
Major Street Fund	213,136	413,298	0	(200,162)
Local Street Fund	175,088	170,545	0	4,543
Cemetery Fund- Operations	14,600	24,020	0	(9,420)
Cemetery Fund- Perpetual Care	825	-	0	825
Cemetery Fund- Redevelopment	1,710	-	0	1,710
1993 General Obligation Debt Service Fund	34,267	34,000	0	267
Water Fund	305,484	245,484	60,000	0
Wastewater Fund	1,522,365	1,422,365	100,000	-
Motor Pool Fund	127,852	92,681	30,000	4,320
Community Development Fund	5,200	10,000	0	(4,800)

As a City, the City of Bronson is obligated to collect taxes for all entities which levy a property tax. Even though all taxes are paid at City Hall, only a portion of that money ends up supporting City services. Some City services do not receive any tax revenue (like water and wastewater services). Other services (like streets and cemeteries) only rely on a small amount of tax revenue.

Figure A

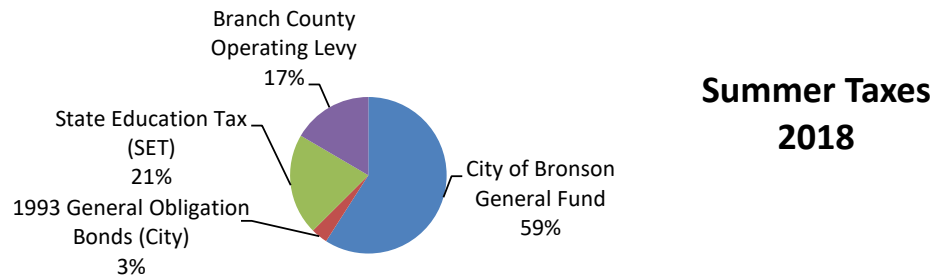
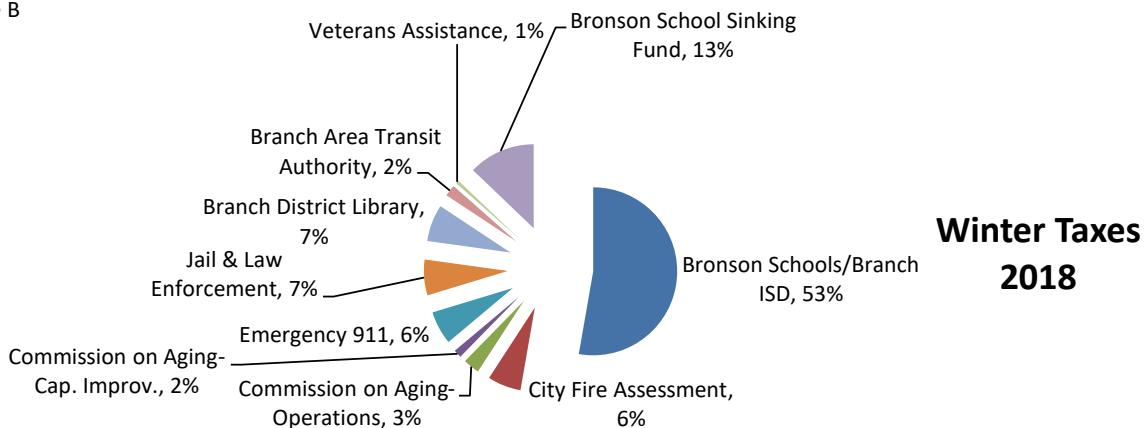


Figure B



General Fund Summary	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
Revenue					
Total Operating Revenue	1,021,324	1,061,322	1,086,525	1,308,402	1,104,052
Expenses					
Administration	318,892	335,645	367,045	441,917	377,538
Police Department	458,465	471,925	500,846	534,820	513,299
Fire Department	44,000	36,726	16,300	12,538	30,400
Department of Public Works	179,408	162,407	227,751	155,001	269,205
Parks & Recreation	60,109	56,050	82,657	65,856	77,807
Transfers to other Funds	6,750	7,000	10,000	10,000	60,000
Total Operating Expenses	1,067,624	1,069,752	1,204,599	1,220,132	1,328,249
Net of Revenue and Expenses	(46,300)	(8,433)	(118,074)	88,270	(224,197)
Net Fund Balance (Cash on Hand)	423,814	619,774	692,777	869,047	644,850
Fund Balance as Percent of Expenditures	40%	58%	64%	66%	49%

Figure C

Historic Trends for Revenues, Expenditures, and Fund Balance (1990-2020)

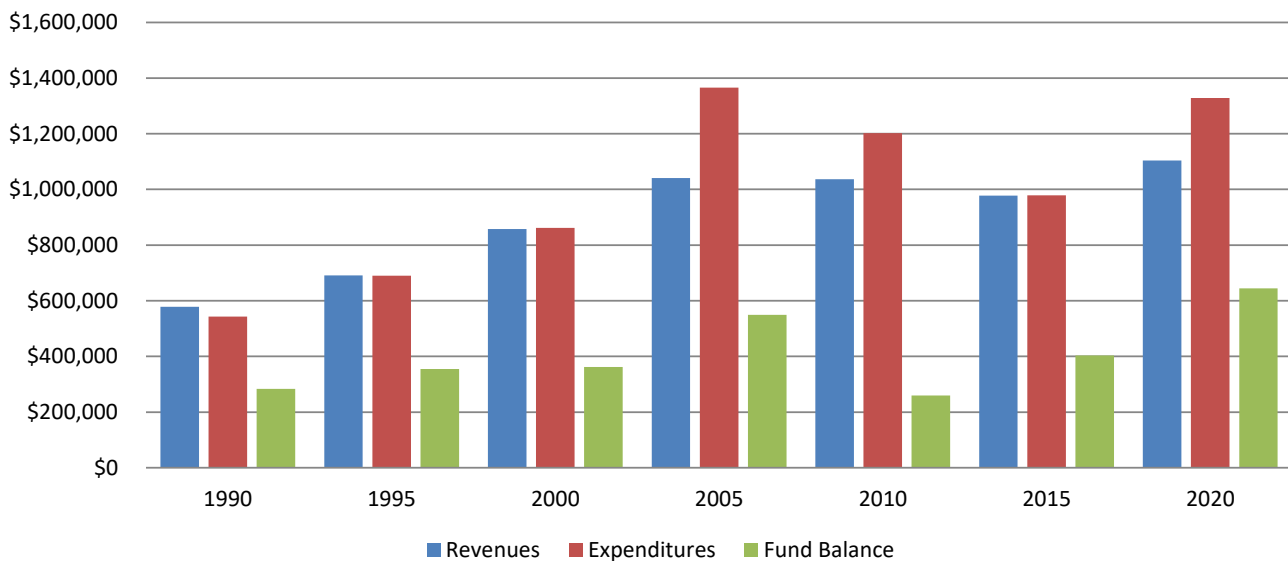


Figure D

FY 2019 General Fund Revenue by Source

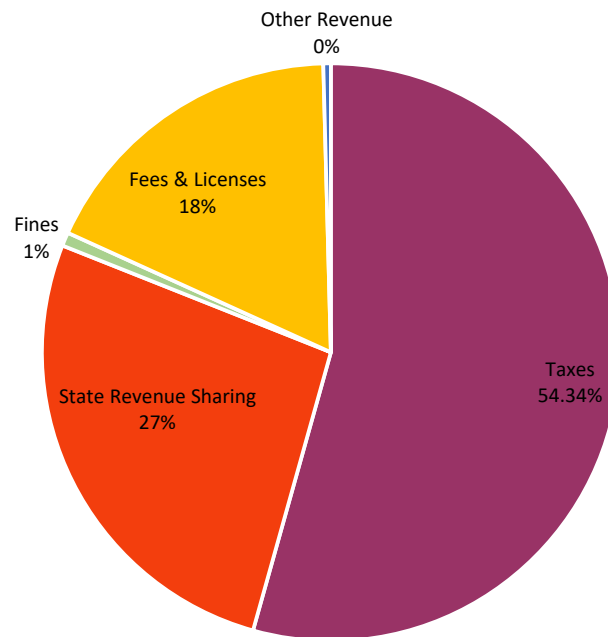
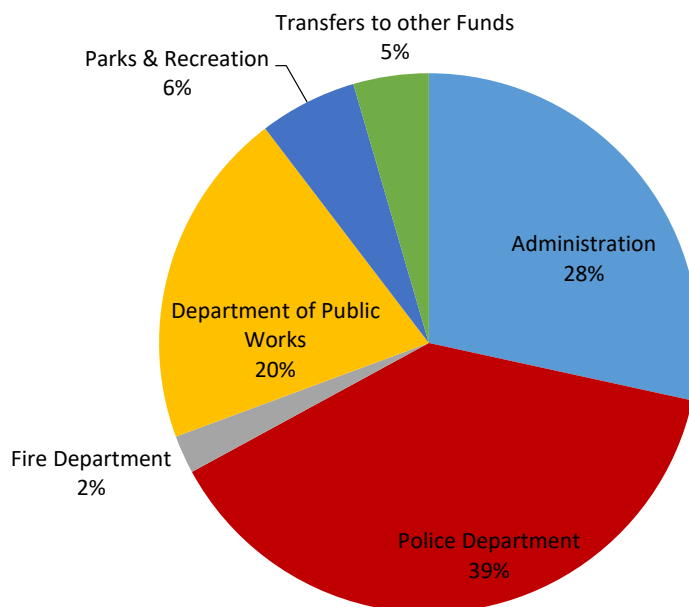


Figure E

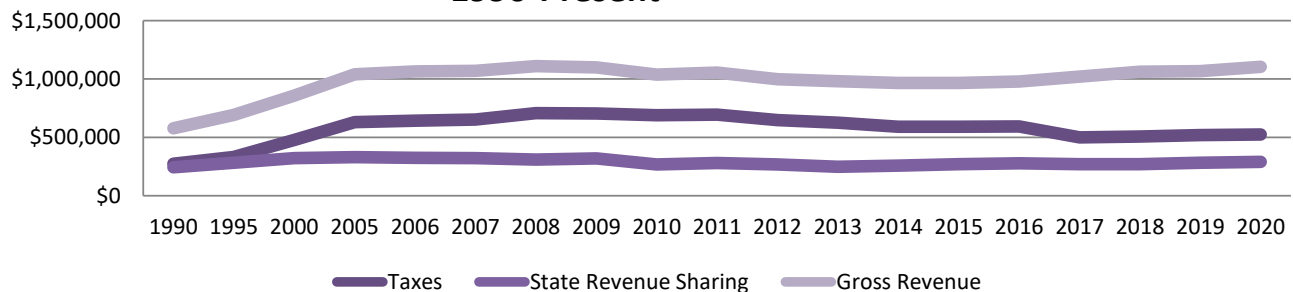
FY 2019 General Fund Expenditures by Department



General Fund Revenue	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
Taxes:					
General Operating Levy	499,823	505,316	518,298	515,945	525,620
Tax Penalties	5,000	5,000	5,000	4,667	5,000
Delinquent Personal Property Tax	0	0	0	1,410	-
Personal Property Tax Reimbursement	16,000	44,000	44,000	243,050	45,000
City IFT Real & Personal	1,500	0	-	-	-
Payment in Lieu of Tax (PILOT)	2,900	2,900	2,900	2,527	2,900
Tax Administration Fee	9,000	9,000	9,000	10,833	9,000
Downtown Development Authority- TIF Capture			426	-	700
Trailer Park Tax	150	150	150	150	150
Revenue Sharing:					
Constitutional Revenue Sharing	184,568	183,395	196,968	201,814	202,137
Statutory Revenue Sharing	86,720	86,720	86,720	87,358	86,720
Fines:					
District Court Fines	7,500	7,500	10,000	7,226	7,500
Ordinance Fines	500	500	750	720	750
Fees & Leases:					
Trash & Recycling	101,163	106,441	117,564	119,222	123,475
Franchise Fees	20,950	20,950	20,950	24,922	20,950
Licenses & Fees	3,050	2,950	3,050	3,668	3,250
Park Rental Fees	1,500	1,500	2,100	2,721	1,500
Agriculture Leases	15,000	16,850	16,850	18,700	15,500
Watertower Leases	28,500	28,500	28,500	28,200	28,000
Other Revenue:					
Interest	500	650	2,075	6,559	4,050
Sale of Fund Assets	0	0	0	25	-
Contributions from Other Funds	35,000	35,000	0	-	0
Contributions - Private Source	0	0	0	-	0
Grant Proceeds	0	0	0	2,300	-
Miscellaneous Revenue	2,000	2,000		2,441	500
Total Operating Revenue	1,021,324	1,059,322	1,065,301	1,284,458	1,099,552

Restricted Revenue					
Police Training Fund (PA 302)	0	500	500	479	500
Police Forfeiture Fund	0	0	0	24	0
Police Salvage Fund	2,000	1,500	1,500	1,200	4,000
Total Restricted Revenue	2,000	2,000	2,000	1,703	4,500

Figure F **Historic Trend of Revenue Sharing and Tax Revenue
1990-Present**



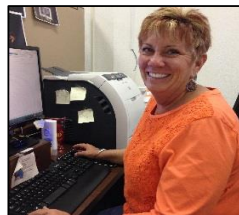
Fiscal Year 2020 Budget

Administration	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
City Council Salaries	3,900	3,900	3,900	2,900	3,900
Wages & Benefits	99,472	101,829	104,327	195,301	107,090
Office Administration	14,450	14,450	17,050	16,838	17,550
Building Expense	2,000	2,750	4,250	3,004	3,300
Professional Services	11,900	16,980	32,300	10,027	31,040
Statutory Expenses	2,000	2,400	4,400	4,886	4,700
Professional Development & Travel	6,900	6,900	7,500	4,585	8,400
Utilities	3,900	3,900	3,900	3,397	3,900
Maintenance & Service Contracts	14,000	14,500	14,500	13,022	14,500
Memberships & Dues	6,000	6,000	6,000	4,667	6,000
Public Relations	4,500	6,000	20,000	13,224	20,000
Property & Liability Insurance	7,500	7,500	7,651	6,996	7,881
Trash Contract	131,620	137,136	114,565	114,565	120,475
Rental Inspection Services Contract			15,302	13,770	15,302
Library Maintenance Subsidy	4,750	5,400	5,400	9,701	7,500
Miscellaneous Expenses	6,000	6,000	6,000	25,034	6,000
Administration Operating Expense Total	318,892	335,645	367,045	441,917	377,538

The Administration Budget covers costs for the City Council and City Hall operations as well as trash and recycling services and rental inspections. Staff costs are shared with other funds.



Brandon M. Mersman
City Manager



Karen A. Smith
Clerk/Treasurer/Assessor



Lori Lambright
Administrative Assistant

Fiscal Year 2020 Budget

Police	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
Wages & Benefits	371,785	379,710	387,104	405,145	413,558
Office Administration	2,700	2,875	4,025	20,369	4,025
Building Expense	5,924	5,100	4,300	4,752	5,400
Equipment & Supplies	2,800	4,600	4,650	4,442	4,550
Uniforms	3,675	3,800	4,000	6,869	4,250
Professional Development	5,924	6,550	6,850	5,510	6,950
Utilities	4,650	4,400	4,400	3,139	4,400
Maintenance & Service Contracts	600	3,450	3,450	2,782	6,600
Public Relations	250	0	0	-	0
Forfeiture Fund Expense	0	0	0	-	0
Professional Services	24,000	24,000	24,000	24,000	24,000
Property & Liability Insurance	5,841	6,000	6,627	6,060	6,826
Miscellaneous Expenses	500	500	500	49	500
Vehicles	30,940	30,940	30,940	30,940	30,940
Police Operating Expense	459,589	471,925	480,846	514,057	512,299

Police Salvage Fund					
Salvage Revenue	2,000	2,000	3,500	7,400	4,000
Salvage Expenses	500	500	20,000	20,763	1,000
Net Fund Revenue	1,500	1,500	(16,500)	(13,363)	3,000

Net Salvage Fund Balance (Cash on Hand)	10,873	18,531	2,738	(763)	2,237
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The Police Salvage Fund is the largest of three restricted revenue sources tied to the Police Department. Revenue for this fund comes from salvage vehicle inspections we perform. Revenue for those inspections must be reverted back to equipment used to perform that service.

Other special funds include the Act 302 Police Training Fund from the state and the Seizure/Forfeiture Fund which we receive from money or property seized during certain drug arrests.

2018 Police Department Statistical Summary

Complaints	2552
Service Calls	1806
Assists to other Agencies	200
Accidents	38
Traffic Stops	823
Arrests	156



Chief
Steve Johnson

Deputy Chief
Brad McConn

Officer
Jody Fuller

Officer
Ricky Pestun

The Police Department also oversees our crossing guard program for our local schools. Julie LaPratt assists students at the E Corey Street crossing to and from Anderson School. Duane Washburn tends the crossing at Ruggles Street and W Chicago St. for the Ryan School students while Betty Washburn assists the students at the crossing at Lincoln Street and E Chicago St which serves students from various school buildings.

The Police Department is always looking to improve its incident preparedness and upgrade outdated equipment to provide the best service we can to the citizens of the city. The use of Drug Forfeiture Funds and Vehicle Inspection Funds allows the department to obtain needed equipment without the use of budget dollars when available. We are continually evaluating equipment and infrastructure needs to make sure we are prepared and can operate efficiently.

Fiscal Year 2020 Budget

Fire Funds	2016/2017	2017/2018	2018/2019	2018/2019	2019/2020
Fire Operations Fund (101-335)	Actual	Actual	Budget	Projected	Proposed
Fire Association Dues & Capital Replacement	44,000	36,726	16,300	12,538	30,400
Fire Fund Operation Total	44,000	36,726	16,300	12,538	30,400
Fire Sinking Fund (206)					
Revenue					
Fire Protection Equipment Special Assessment	25,602	26,248	26,173	26,708	27,536
Interest			153	809	500
General Fund Transfer	0	0	0	-	-
Total Revenue	25,602	26,248	26,326	27,517	28,036
Expense					
Transfer to General Fund	35,000	35,000		-	-
Loan Payment	0	0	0	-	-
Bond Interest	0	0	0	-	-
Total Expense	35,000	35,000	0	-	-
Net Fund Revenue	(9,398)	(8,752)	26,326	27,517	28,036
Net Fire Sinking Fund Balance (Cash on Hand)	27,363	33,789	69,078	96,595	124,631

Training Facility Donations

Expansion of the Fatato Payne training facility has been made possible by funds donated in the memory of Bronson community residents Mary Ann Smoker, Bill Ward, Diane Losinski, JoAnne O'Rourke, and Anna Sosinski. The facility allows firefighters to practice the tasks performed at a house fire in a controlled environment. The initial construction of a structure built out of four shipping containers was funded by a donation from Phil Fatato and Rebecca Payne of Tucson Arizona made in the memory of Phil's grandmother Theresa Fatato and Rebeca's parents Richard and Betty Payne.

Lucas Donation

The Bronson Fire Department (BFD) received a donation made in honor of Ken Stutzman for his dedication to the Bronson community by Joanne Lee in early 2019 to purchase a LUCAS device which provides mechanical chest compression to a patient experiencing sudden cardiac arrest. The use of a LUCAS device provides the patient with chest compressions at the perfect depth and rate and frees responders to conduct other medical interventions. According to the American Heart Association there are over 356,000 cases of sudden cardiac arrest in the US each year, 90% of which are fatal.

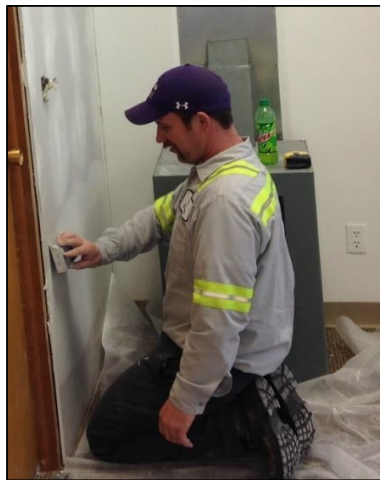


Fiscal Year 2020 Budget

Department of Public Works	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
Wages & Benefits	84,629	73,104	83,784	100,613	97,992
Office & Building Expense	5,950	7,230	7,280	1,502	23,230
Utilities	7,000	7,000	9,700	8,044	9,700
Professional Development	850	850	950	255	1,000
Uniforms & Laundry	2,600	3,100	3,100	3,681	3,500
Equipment & Supplies	4,500	4,500	4,700	3,094	5,000
Street Lighting	53,262	39,600	89,600	12,502	100,000
Maintenance & Service Contracts	8,500	5,000	5,000	1,501	5,000
Miscellaneous	0	8,000	8,000	11,038	8,000
Property & Liability Insurance	4,750	4,750	4,893	4,027	5,040
Sidewalk Maintenance	1,000	1,500	2,000	-	2,000
Vehicles & Equipment	6,367	7,773	8,744	8,744	8,744
Total Department of Public Works	179,408	162,407	227,751	155,001	269,205



Joseph Swain
Laborer



Jerry Rinehart
Laborer



Brian Hagen
Laborer

The Department of Public Works is responsible for day-to-day maintenance on all City infrastructure and buildings. They maintain four city parks, the cemetery, plow snow, and repair 14 miles of streets, perform routine maintenance at six City buildings and a variety of other tasks. The department also pays for specialty contractors for various tasks. Costs for the department staff and equipment are split between various City funds (see Figure G on page 19 on how the staff time is used).

Beginning in the summer of 2017, the City has employed seasonal (summer) DPW employees to assist the Department with maintenance and project based work.

Chuck Buckley manages the day-to-day operations of the Department of Public Works as the Department's Director. Chuck is also in charge of overseeing the Water & Wastewater Departments.

Fiscal Year 2020 Budget

Parks & Recreation	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
Wages & Benefits	9,831	8,356	12,479	11,991	15,307
Building Maintenance	1,650	1,650	11,950	10,707	11,750
Grounds & Landscape Maintenance	21,600	18,000	25,400	6,463	18,900
Recreation Programing	8,100	8,100	11,900	6,400	6,400
Utilities	5,400	5,400	5,400	4,793	5,400
Service Contracts	8,500	8,500	8,500	19,107	13,000
Property & Liability Insurance	650	700	713	652	734
Vehicles & Equipment	4,378	5,344	6,315	5,743	6,315
Total Parks & Recreation	60,109	56,050	82,657	65,856	77,807



Left: Memorial Park- Located at the corner of US-12 and Matteson Street in Downtown Bronson. The park is the home of the Music in the Park Concert Series held every Monday night in August.

Recreation Trail- During the 2019 Fiscal Year, the City hired a consultant (Williams & Works) to assist the City in the preparation of a Trail Master Plan. The plan will identify potential costs and grant funding sources for the development of the former Northeastern Rail line into a non-motorized trail. The plan will also identify areas of need for additional City sidewalk to connect the trail to the already existing sidewalk network.



Fiscal Year 2020 Budget

Parks & Recreation	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Capital Improvement Plan	Projected	Projected	Projected	Projected	Projected
Greenwald Park Mulch Update			3,000		
Bronson's Backyard Repairs	500	500	500	500	500
Kiwanis Park Playground Enhancements	5,000	5,000	5,000	5,000	
Picnic Table Purchases	1,000				
Railroad Recreation Trail	7,000	50,000			
Douglas Park Mulch Update			2,000		
Greenwald Park Pavilion Metal Roofs (2)					
Replace Greenwald Park Building Roof					
Kiwanis Park Bathroom Updates	5,000				
Total	18,500	55,500	10,500	5,500	500



Left: This August we will have our eight annual Music in the Park concert series at **Memorial Park**. The concerts continue to be a popular event and draw area residents to downtown Bronson. The improvements to Memorial Park are scheduled to be completed prior to this year's summer concert series.

Below:

The Community Garden at **Kiwanis Park** provides free garden space to area residents. Water and space is supplied by the City. Local volunteers organize the plots and help maintain the area. Over 20 people have plots in the garden and many of them also donate some of their produce to the Bronson Area Food Pantry.



This document is made for planning purposes only and is intended to outline the projects that ought to be considered for future years. Needs and opportunities may alter the direction and timing of projects.

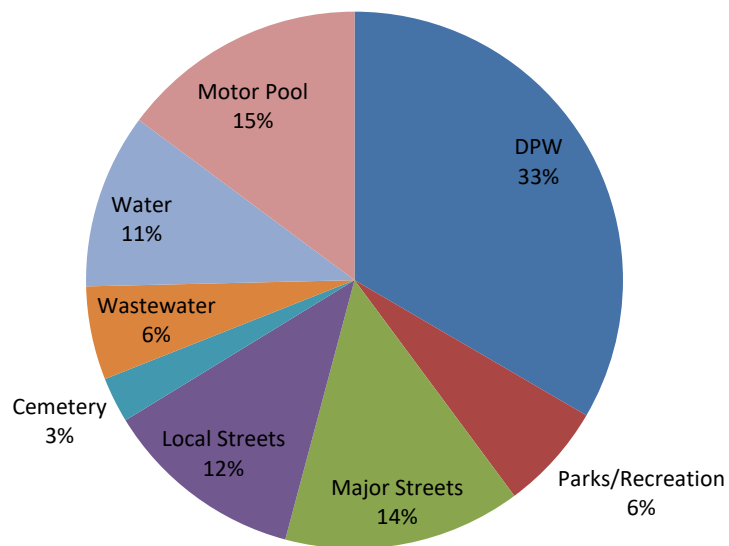
Fiscal Year 2020 Budget

General Fund Transfers	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
To the Cemetery Fund	0	7,000	10,000	10,000	10,000
To the Fire Sinking Fund	0		0	-	0
To the Local Street Fund	0	0	0	-	50,000
To the Major Street Fund	2,000		0	-	0
Total Transfers	2,000	7,000	10,000	10,000	60,000

General Fund money may be transferred out to any City fund but money held by other City funds is generally restricted in how it may be transferred.

Figure G

Department of Public Works Staff Time Use



The DPW staff works across most of the City's departments and we charge their labor costs accordingly. This chart shows the current three-year average for where they spend their time. The DPW portion covers broad tasks like leaf and brush collection, storm damage clean-up, preparing barricades for parades, and many other tasks.

Fiscal Year 2020 Budget

Major Street Fund	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
Gross Fund Revenue					
Michigan Gas & Weight Taxes (Act 51)	159,254	192,115	212,635	241,439	212,636
Interest	50	75	150	2,343	500
Transfer from General Fund	2,000	0	0	-	-
Miscellaneous Income	0	0	0	-	-
Total Fund Revenue	161,304	192,190	212,785	243,782	213,136
Major Construction/Rehabilitation					
Street Construction	50,000	0	0	-	213,000
Summer Operations					
Wages & Benefits	18,154	15,844	15,889	10,793	18,887
Street Maintenance Supplies	27,850	27,650	18,150	10,161	18,150
Property & Liability Insurance	1,400	1,500	1,545	1,304	1,591
Engineering & Consulting Services	15,000	15,000	5,000	-	10,000
Curb, Gutter & Storm Sewer	0	24,000	44,000	28,500	75,000
Non-Motorized Improvements	0	15,000	15,000	10,370	0
Vehicles & Equipment	7,959	9,716	7,773	3,885	4,100
Total Summer Operations	70,363	108,710	107,357	65,013	127,728
Winter Operations					
Wages & Benefits	16,090	15,973	11,774	7,924	13,171
Street Maintenance Supplies	1,000	1,000	1,000	2,660	1,200
Road Salt	2,800	5,000	2,400	1,197	1,000
Vehicles & Equipment	10,348	12,630	10,483	5,241	7,200
Total Winter Operations	30,237	34,604	25,657	17,022	22,571
Transfer to Local Street Fund	26,000	45,000	75,000	50,000	50,000
Total of Operations, Construction & Transfer	176,601	188,314	208,014	132,035	413,298
Net Fund Revenue	(15,297)	(3,877)	4,771	111,747	(200,162)
Net Fund Balance (Cash on Hand)	45,477	99,379	216,284	330,297	130,135

Street funding in Michigan is derived from the Gas & Weight Tax. The City of Bronson receives an annual portion of this based on a formula established in Act 51 of 1951. This money is further divided between major and local street funds.

For FY2020 the has budgeted \$213,000 for mill & fill projects on E. Corey and E. Grant between Matteson Street and Wayne Street. The City has also budgeted \$75,000 for chip sealing and HMA patching on Major Streets in the City.

Fiscal Year 2020 Budget

	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
Local Street Fund					
Gross Fund Revenue					
Michigan Gas & Weight Taxes (Act 51)	67,683	74,937	74,937	101,134	74,938
Interest	50	50	50	578	150
Transfer from General Fund	0	0	0	-	50,000
Transfer from Major Street Fund	45,000	75,000	75,000	50,000	50,000
Miscellaneous Income	0	0	0	-	-
Total Fund Revenue	112,733	149,987	149,987	151,712	175,088
Debt Service					
Debt Service Payments and Fees	0	0	0	0	0
Summer Operations					
Wages & Benefits	16,353	18,731	18,731	12,001	22,209
Street Maintenance Supplies	16,000	10,000	10,000	1,790	10,000
Property & Liability Insurance	12,630	1,236	1,236	998	1,273
Curb, Gutter & Storm Sewer	26,000	66,000	66,000	49,938	100,000
Maintenance & Service Contracts	10,800	10,800	10,800	9,295	10,800
Vehicles & Equipment	12,630	10,483	10,483	5,241	5,800
Total Summer Operations	82,983	117,250	117,250	79,263	150,082
Winter Operations					
Wages & Benefits	15,233	8,877	8,877	7,435	10,063
Street Maintenance Supplies	1,500	1,500	1,500	2,796	1,500
Road Salt	7,200	3,600	3,600	1,860	2,000
Vehicles & Equipment	15,545	12,902	12,902	6,450	6,900
Total Winter Operations	39,478	26,879	26,879	18,541	20,463
Total of Operations & Debt Service	122,461	144,129	144,129	97,804	170,545
Net Fund Revenue	(9,728)	5,858	5,858	53,908	4,543
Net Fund Balance (Cash on Hand)	33,808	70,443	86,124	140,032	144,575

The Major Street system includes all or portions of the following streets: Albers; Mill; Industrial; Matteson; Grant; Union; Mowry; Corey; Wayne; Jackson; Fremont; Walker; Lincoln; and, Matilda. The rest of our streets are classified as local.

Street Facts

Miles of Major Streets	5.61
Miles of Local Streets	8.84
Tons of salt used in 2018/19	50
Cost per ton of salt	\$53.20
Hours to plow entire city	7
Parking lots maintained	6

For FY2020, the City has budgeted \$100,000 for chip sealing and HMA patching on Local Streets in the City. The Major Street fund will need to transfer \$50,000 to the Local Street fund to cover expenses.

Fiscal Year 2020 Budget

Cemetery Funds	2016/2017	2017/2018	2018/2019	2018/2019	2019/2020
Cemetery Operations Fund (209)	Actual	Actual	Budget	Projected	Proposed
Gross Revenue					
Operational Revenue	6,400	6,500	4,500	5,866	4,500
Transfer from General Fund	0	7,000	20,000	10,000	10,000
Transfer from Other Funds	5,000	5,000	0	-	0
Interest	0	0	25	171	100
Total Fund Revenue	11,400	18,500	24,525	16,037	14,600
Operational Costs					
Wages & Benefits	3,619	3,691	7,242	5,114	9,169
Postage				30	
Grounds	500	18,159	500	130	500
Service Contracts	11,000	75	11,500	11,637	11,500
Publishing	75	100	75	75	75
Property & Liability Insurance	300	500	361	307	372
Buildings	0	1,943	100	847	0
Miscellaneous	0	0	150	150	150
Vehicles & Equipment	1,592	1,943	2,254	2,254	2,254
Total Operational Costs	17,086	18,160	22,182	20,544	24,020
Net Fund Revenue	(5,687)	340	2,343	(4,507)	(9,420)
Net Fund Balance (Cash on Hand)	987	17,723	28,383	20,674	11,254

The Cemetery Operations Fund receives revenue primarily from the sale of graves and expenses charged for burial services. Our staff works closely with area funeral homes to ensure arrangements are handled for those who have passed.

Rates

Below is a summary of the most common charges at our cemetery. Rates were reviewed in late 2017 and the fees for some services were increased to try and help reduce the amount the General Fund needs to support the Cemetery's operations. The new rates still do not generate enough revenue to make the Cemetery self-sufficient.

Cemetery Lots: \$300 each with \$150 going into perpetual care and the remainder going to lot sales

Interment: \$400 weekday, non-frost and \$550 after hours and Saturdays, non-frost, and \$600 on holidays and Sundays, non-frost

Cremation Placement: \$200 weekday (non-frost), \$350 after hours and Saturdays (non-frost), and \$400 on holidays & Sundays (non-frost).

When there is frost, we add an additional \$75 to each charge to account for the extra equipment needed to open the ground.

Cemetery Software

Staff is continuing to enter cemetery records into the cemetery management software system that dates back to the early 1800's. Once everything is entered into the program it will make it easier to manage the records of those who are buried and track the ownership of lots. In the future, we hope to put cemetery data on our website. This will aid those doing genealogical research and those planning arrangements.

Cemetery Funds (continued)	2016/2017	2017/2018	2018/2019	2018/2019	2019/2020
Cemetery Perpetual Care Fund (211)	Actual	Actual	Budget	Projected	Proposed
Gross Revenue					
Lot sales	900	1,000	500	1,050	750
Interest	0	25	40	145	75
Total Fund Revenue	900	1,025	540	1,195	825
Perpetual Care Costs					
Transfer to Cemetery Operations	0	0	0	-	0
Net Fund Revenue	900	1,025	540	1,195	825
Net Fund Balance (Cash on Hand)	11,747	13,262	14,078	14,733	15,558

The Cemetery Perpetual Care Fund holds funds intended for long-term maintenance at the Cemetery. Historically this fund is used for special capital improvements or repairs at the Cemetery while day-to-day expenses are charged to the Cemetery Operations Fund.

This fund receives revenue from Lot Sales fees and interest income. Transfers are made to the Cemetery Operations fund when needed.

Cemetery Lots Remaining:

Full blocks of 5 lots remaining
95

Single graves remaining
79

Baby graves remaining
51

Cemetery Burials Per Year:

2013	10
2014	9
2015	13
2016	10
2017	18
2018	16

Cemetery Redevelopment Fund (213)					
Gross Revenue					
Agriculture Leases	1,520	1,710	1,710	1,710	1,710
Interest	0	0	0	89	50
Total Fund Revenue	1,520	1,710	1,710	1,799	1,760
Transfer to Cemetery Operations Fund	5,000	5,000	0	-	0
Net Fund Revenue	(3,480)	(3,290)	1,710	1,799	1,760
Net Fund Balance (Cash on Hand)	6,934	2,154	8,918	9,007	10,767

The Cemetery Redevelopment Fund was established to cover expenses for the expansion of the Cemetery. In the late 1970s, the City purchased land near Ryan School as a future cemetery. Since that time, the land has been leased for farming and the annual lease payments are held in this account. In 2014, Bronson voters authorized the City Council to use this property for other uses as they deemed appropriate- including the potential sale of the land for development.

Fiscal Year 2020 Budget

Water Fund	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
Gross Revenue					
Service Charges	252,061	270,330	279,145	274,491	295,984
Disconnection Fees	2,000	2,200	2,500	3,933	2,500
Penalties	5,000	5,000	4,000	4,734	4,000
New Service Fees	0	0	0	425	0
Interest	2,300	2,300	2,300	5,860	3,000
Total Fund Revenue	261,360	279,830	287,945	289,443	305,484
Operational Expenses					
Wages & Benefits	122,631	125,324	129,300	117,346	139,118
Office & Printing	1,700	3,060	3,560	2,305	3,700
Professional Development	1,750	3,000	3,200	75	3,200
Tools, Chemicals, Supplies & Equipment	22,550	23,550	23,550	24,750	30,550
Buildings	2,500	2,500	2,500	250	500
Engineering/Consulting	1,000	1,000	3,000	4,695	3,000
Maintenance & Service Contracts	8,000	11,816	9,200	8,740	9,200
State Licenses	2,000	2,000	2,000	1,793	2,000
Miscellaneous	100	100	100	-	100
Property & Liability Insurance	2,500	3,000	2,684	2,454	2,765
Utilities	8,500	8,500	9,000	11,729	11,500
Water System Repair & Maintenance	10,000	10,000	10,000	8,043	10,000
Vehicles & Equipment	17,920	25,771	29,851	29,851	29,851
Total Operational Expenses	201,151	219,621	227,945	212,031	245,484
Funded Depreciation					
Capital Depreciation	60,209	60,209	60,000	60,000	60,000
Total Expenses & Depreciation	261,360	279,830	287,945	272,031	0
Net Fund Revenue	0	0	0	17,412	0
Net Fund Balance (Cash on Hand)	442,079	583,897	725,688	773,678	773,678

The City's Water System (like the Wastewater System) is classified as an enterprise fund and functions similar to a business. Fund revenue is generated from fees charged to water customers. Capital depreciation is set aside annually in the fund's Capital Replacement Fund. This money is used to replace capital assets used to operate the system- wells, water towers, pipes and valves.

The fund also pays for routine maintenance to the water system which includes hydrant flushing, customer connections/disconnections, and required quality testing.

Water Fund	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Capital Improvement Plan	Projected	Projected	Projected	Projected	Projected
Install new meters at wells	5,000	5,000	5,000	5,000	5,000
Repaint Water Tower Interior & Safety Upgrades	74,100				
Asphalt well house driveways		22,000			
Inspect & Possibly Rehab Pumps for Both Wells	45,000				
Water System Asset Management Plan Update		5,000	5,000		
Explore New Well Site (Test Wells, Studies)	50,000				
Install new well		200,000			
Distribution System Improvements (as needed)	30,000	30,000	30,000	30,000	30,000
Lead & Copper Service Line Replacement	100,000	100,000	100,000	100,000	100,000
New Water Tower (if needed)					2,000,000
Total	304,100	362,000	140,000	135,000	2,135,000



Layne Clark
Utilities Laborer

What's covered by a "water" bill?

A "water bill" actually covers costs for water and sewer service.

Ready-to-Serve Charge

There is a readiness to serve fee of \$16.75 per month for water service and \$31.00 per month for sewer service. These fees are charged regardless of whether any water is used and covers the fixed costs of having a home or building connected to our system.

Commodity Charge

Water use is metered and we charge \$1.38 per 1,000 gallons of water used. Sewer use is charged \$1.51 per 1,000 gallons of water used. These charges cover costs for the chemicals used to treat water and the expense of treating sewage.

Rates are reviewed annually to ensure adequate revenue is raised to support the systems.

City water comes from two groundwater wells east of town. Each well is over 60 feet deep. System water pressure is maintained by a 200,000 gallon water tower on Union Street.

The Michigan Department of Environmental Quality and the United States Environmental Protection Agency require us to test our drinking water for a variety of potential contaminants and substances.

Nearly 14 miles of pipes are used to distribute water throughout the City. In 2017 the City adopted a Water Asset Management Plan which inventoried and examined the system's assets for age, remaining useful life, criticality, and estimated replacement costs. Based on the needed improvements to maintain the system a rate study was conducted to ensure the water fund is collecting enough revenue to fund our infrastructure. A small increase was made during 2017 as a result of this study.

This document is made for planning purposes only and is intended to outline the projects that ought to be considered for future years. Needs and opportunities may alter the direction and timing of projects.

Fiscal Year 2020 Budget

Wastewater Fund	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
Gross Revenue					
Services Charges	461,892	473,354	487,325	465,382	605,865
Penalties	7,000	7,000	6,000	6,458	6,000
Industrial Pretreatment Program Fees	500	500	500	-	500
Interest	0	1,500	4,000	1,092	8,000
New Service Hookups					
Grants				109,896	900,000
Miscellaneous	2,000	2,000	2,000	950	2,000
Total Fund Revenue	471,392	484,354	499,825	583,778	1,522,365
Operational Expenses					
Wages & Benefits	202,412	209,818	215,909	255,602	229,457
Office & Printing Costs	3,100	4,660	5,450	4,153	5,550
Tools, Chemicals, Supplies & Equipment	24,200	24,200	27,200	37,301	29,700
Professional Development	850	1,100	1,300	658	1,400
Building Maintenance	2,000	2,000	2,000	1,305	2,200
Utilities	38,000	38,000	38,500	44,873	38,500
Uniforms	600	700	700	463	700
Engineering/Consulting	1,000	1,000	3,000	220,413	1,000,000
Land Application of Waste	14,000	14,000	14,000	6,048	30,000
Maintenance & Service Contracts	8,500	12,416	12,416	32,215	15,000
Industrial Pretreatment Program Expenses	1,000	1,000	1,000	-	1,000
State License Fees	3,500	3,500	3,500	2,838	3,500
Miscellaneous	750	1,500	1,500	10	1,500
Property & Liability Insurance	7,500	8,500	8,864	8,209	9,130
Sanitary Sewer System Maintenance	15,000	15,000	15,000	60,000	15,000
Legal Fees & Legal Notices				5,005	15,500
Vehicles & Equipment	23,721	21,701	24,227	24,227	24,227
Total Operational Expenses	346,133	359,095	374,566	703,320	1,422,365
Funded Depreciation					
Capital Depreciation	125,259	125,259	125,259	125,259	100,000
Total Expenses & Depreciation	471,392	484,354	499,825	828,579	1,522,365
Net Fund Revenue	0	0	0	(244,801)	0
Net Fund Balance (Cash on Hand)	661,979	768,256	821,500	925,717	925,717

The Wastewater Treatment Plant has a maximum capacity of 1.8 million gallons per day. During rainy spring weather, the plant routinely sees flows of around 1 million gallons per day while average operation is around 250,000 gallons per day.

Effluent from the plant is monitored for a variety of substances and testing is conducted pursuant to regulations set by the Michigan Department of Environmental Quality (MDEQ).

Fiscal Year 2020 Budget

1993 General Obligation Debt Service Fund	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
Gross Revenue					
Tax Revenue	34,650	33,800	33,900	33,901	34,000
Interest	0	0	162	510	267
Total Fund Revenue	34,650	33,800	34,062	34,411	34,267
Debt Service	34,650	33,800	33,900	33,900	34,000
Net Fund Revenue	0	0	162	511	267
Net Fund Balance (Cash on Hand)	25,424	30,692	30,224	30,578	30,845

Wastewater Fund Capital Improvement Plan	2019/2020 Projected	2020/2021 Projected	2021/2022 Projected	2022/2023 Projected	2023/2024 Projected
Collection System Repairs	30,000	30,000	30,000	30,000	30,000
SAW Grant Matching Funds	47,406	47,406			
Fecal Coliform Incubator Replacement		2,500			
Treatment Plant Upgrades (as needed)	25,000	25,000	25,000	25,000	25,000
Spectrometer (Phosphorus Analysis)			2,800		
Replace Pumps at Walker Street Lift Station	35,000				
Incubator		2,500			
Clarifier Drive (Rehab)				35,000	35,000
Total	137,406	107,406	57,800	90,000	90,000

2024/2025 Projected Capital Improvements:

- 1). Collection System Repairs: \$35,000
 - 2). Purchase New UV System: \$100,000
 - 3). Rehab Clarifier Drive (if needed): \$35,000
- Total: \$170,000**



Chuck Buckley
Utilities Director/DPW Director

Chuck Buckley supervises the Water & Wastewater Departments and has more than 38 years of experience with the City. He holds MDEQ licenses in water distribution, water treatment, and wastewater treatment.

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Fiscal Year 2020 Budget

Motor Pool	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
Gross Revenue					
From Other Funds (Equipment Rental Fees)	126,308	143,993	143,973	106,082	125,352
Interest	800	800	1,200	4,060	2,500
Sale of Fund Assets		0	0	-	0
Total Fund Revenue	127,108	144,793	145,173	110,142	127,852
Operational Expenses					
Wages & Benefits	27,985	32,973	52,704	6,441	13,781
Fuel	25,000	25,000	25,000	24,654	25,000
Machine & Equipment Supplies	8,500	8,500	8,500	-	8,500
Maintenance & Service Contracts	900	1,500	1,500	4,610	5,400
Fleet Insurance	10,000	13,500	8,309	8,309	11,000
Motor Vehicle Repairs	17,000	17,000	17,000	16,732	17,000
Equipment Repairs	12,000	12,000	12,000	958	12,000
Total Operational Expenses	101,385	110,473	125,013	61,704	92,681
Funded Depreciation					
Capital Depreciation	30,000	30,000	30,000	30,000	30,000
Total of Expenses & Depreciation	131,385	140,473	155,013	91,704	122,681
Net Fund Revenue	(4,277)	4,320	(9,840)	18,438	5,171
Net Fund Balance (Cash on Hand)	496,352	594,277	560,638	574,972	580,143

The Motor Pool Fund is an internal service fund that collects vehicle and equipment expenses from other funds and aggregates costs for operating, maintaining, and insuring our vehicle fleet. Depreciation is set aside annually and is reserved in a Capital Replacement Fund (held as part of the fund balance). As vehicles are needed according to our replacement plan, purchases are made using the Capital Replacement Fund.

Motor Pool	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
Capital Improvement Plan	Projected	Projected	Projected	Projected	Projected
2002 Chevrolet Pickup (WW)- replace					
2015 Chevrolet Tahoe (Police)- replace			50,000		
2016 Chevrolet Tahoe (Police)-replace				50,000	
Air Compressor (Motor Pool)					3,000
Backhoe (DPW)- replace					75,000
Brush Hog (DPW)		2,200			
Kubota Tractor (DPW)- replace	28,000				
Purchase Small Backhoe		25,000			
Replace Bucket Truck/Water Truck (DPW & Water)					55,000
Wood Chipper- (DPW)	7,000				
Replace Dump Box on 2005 GMC Dumptruck	20,000				
Total	55,000	27,200	50,000	50,000	133,000

Vehicles will be replaced as needed but this roughly projects when those replacements will need to occur.

Fiscal Year 2020 Budget

	2016/2017 Actual	2017/2018 Actual	2018/2019 Budget	2018/2019 Projected	2019/2020 Proposed
<u>Community Development Fund</u>					
<i>Gross Revenue</i>					
MSCP Project Loan Payments	2,850	5,000	7,000	6,849	5,000
Interest	80	80	100	340	200
<i>Total Revenue</i>	2,930	5,080	7,100	7,189	5,200
<i>Total Expenses</i>					
<i>Rehabilitation Projects</i>	5,000	5,000	15,000	10,020	10,000
Net Fund Revenue	(2,070)	80	(7,900)	(2,831)	(4,800)
Net Fund Balance (Cash on Hand)	36,063	41,597	48,374	61,696	56,896