

City of Portage

Budget Briefing

Voter Approved Millage & Usage by Fund

May 24, 2011

AGENDA

- Introduction
- General Operating Fund - Millage
 - Budgeted Expenditures Trends & Revenue
- Capital Improvement Fund- Millage
- Curbside Recycling Fund-Millage
- Leaf Pickup / Spring Cleanup Fund-Millage
- Municipal Streets Fund-Millage

Introduction

Portage's Major Funds & Voter approved Millages

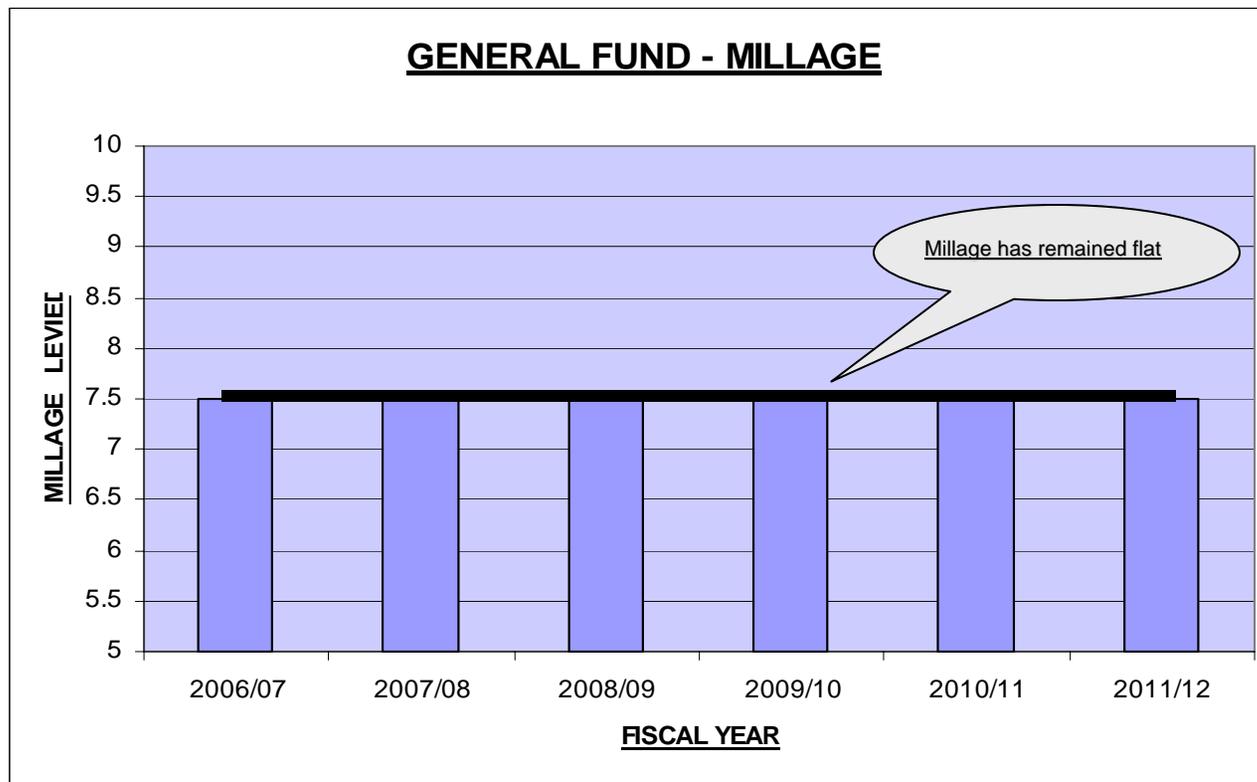
- Portage voter approved charter millages and the corresponding funds are as follows:

<u>Millage Fund</u>	<u>Maximum Millage</u>
– General Operating Fund:	7.5 mills
– Capital Improvement Fund:	2.0 mills
– Municipal Streets Fund:	1.0 mil
– Curbside Recycling Fund:	0.5 mil
– Leaf Pickup / Spring Cleanup Fund:	0.4 mil

- **Expenditures are legally required to be budgeted in the fund in which they occur, in accordance with the voter approved millage for that fund. State law requires that revenues and expenditures be appropriately segregated.**
- Not all available millages in a fund are levied from year-to-year, only what is necessary.

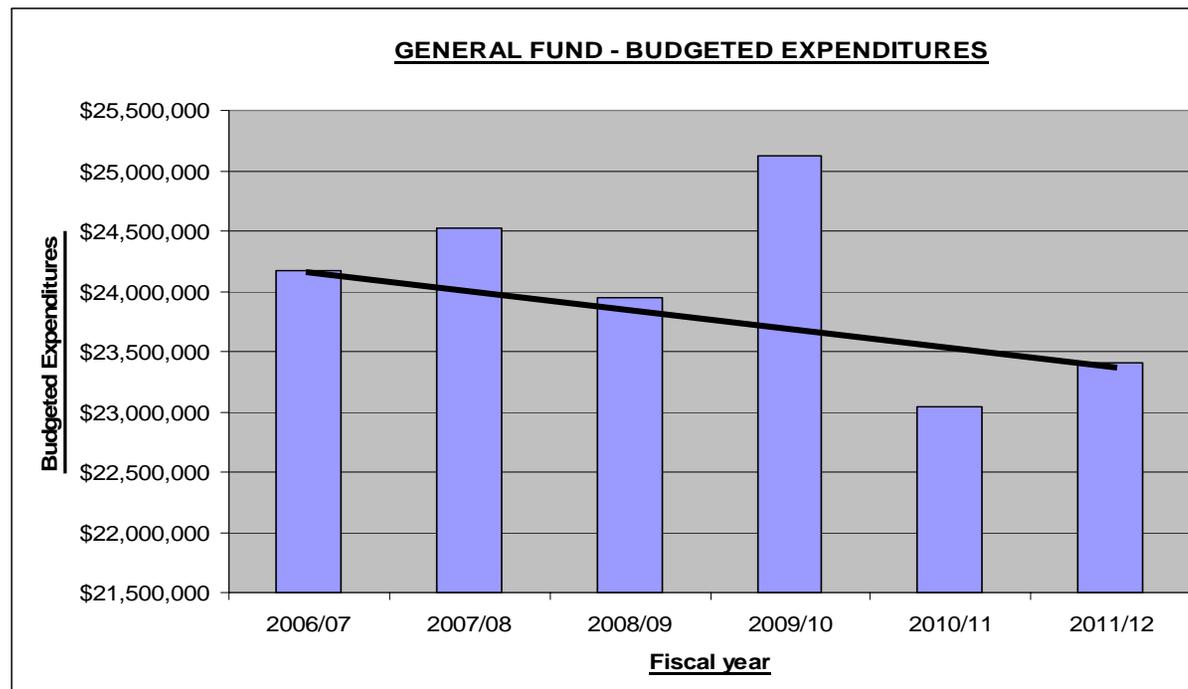
1. General Operating Fund - Millage

- The General Fund is the largest millage and operating fund for the city at 7.5 mills.
- The millage has remained “flat” for the past five fiscal years even though General Fund property tax revenues have decreased by approximately \$1.0 million since Fiscal Year 2008-2009, to fiscal year 2006-2007 levels.
- **No** increase in this millage is recommended for the fiscal year 2011-2012 budget, even with the significant reduction in property tax and other revenues.



a. General Fund - Budgeted Expenditures

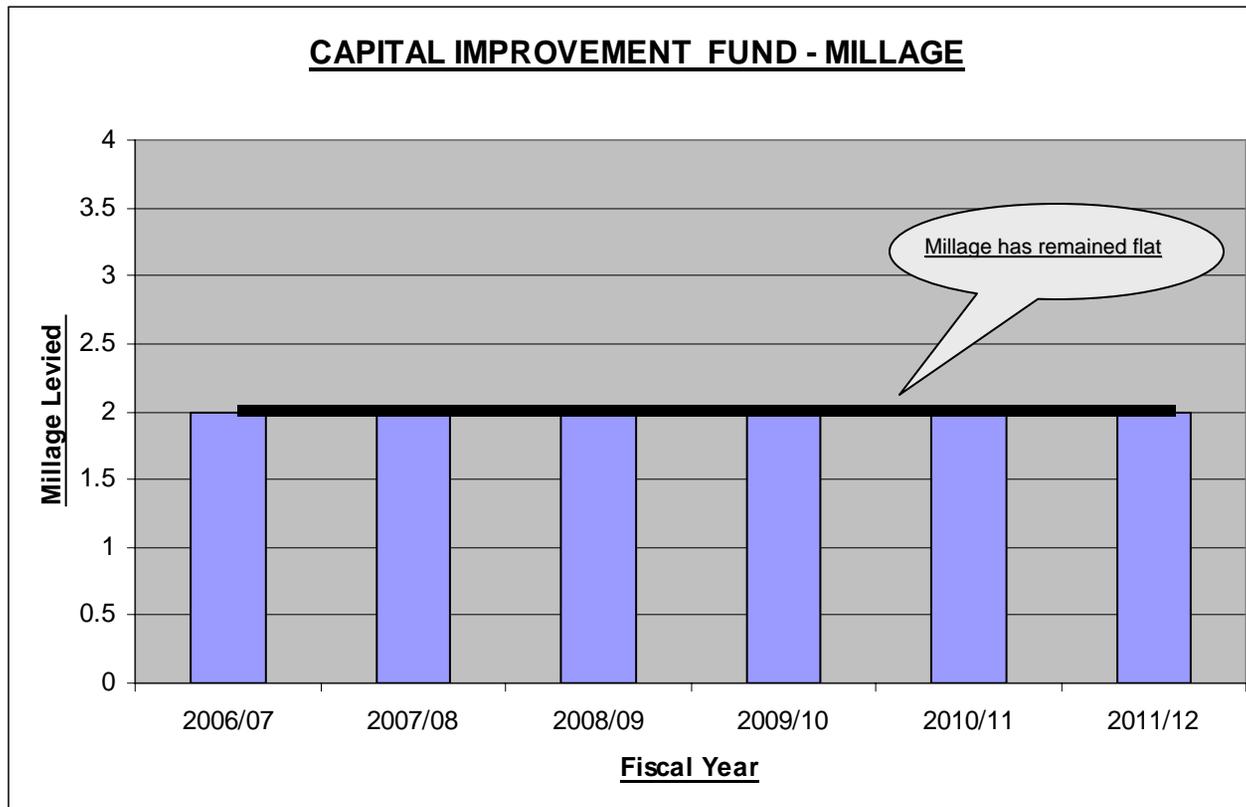
- The city has continued to reduce expenditures via a 15% reduction of staff, a shift in health care premiums to employees, years of no raises and a reduction in operational costs.
- Budgeted expenditures continue to trend downward over the fiscal budget period, 2006-2007 through 2011-2012.



Note: The budgeted increase in 2009/10 related to an additional \$1.4 million that was necessary to increase the balances the major and local streets accounts as a result of the continuing decrease of Act 51 and other related revenue.

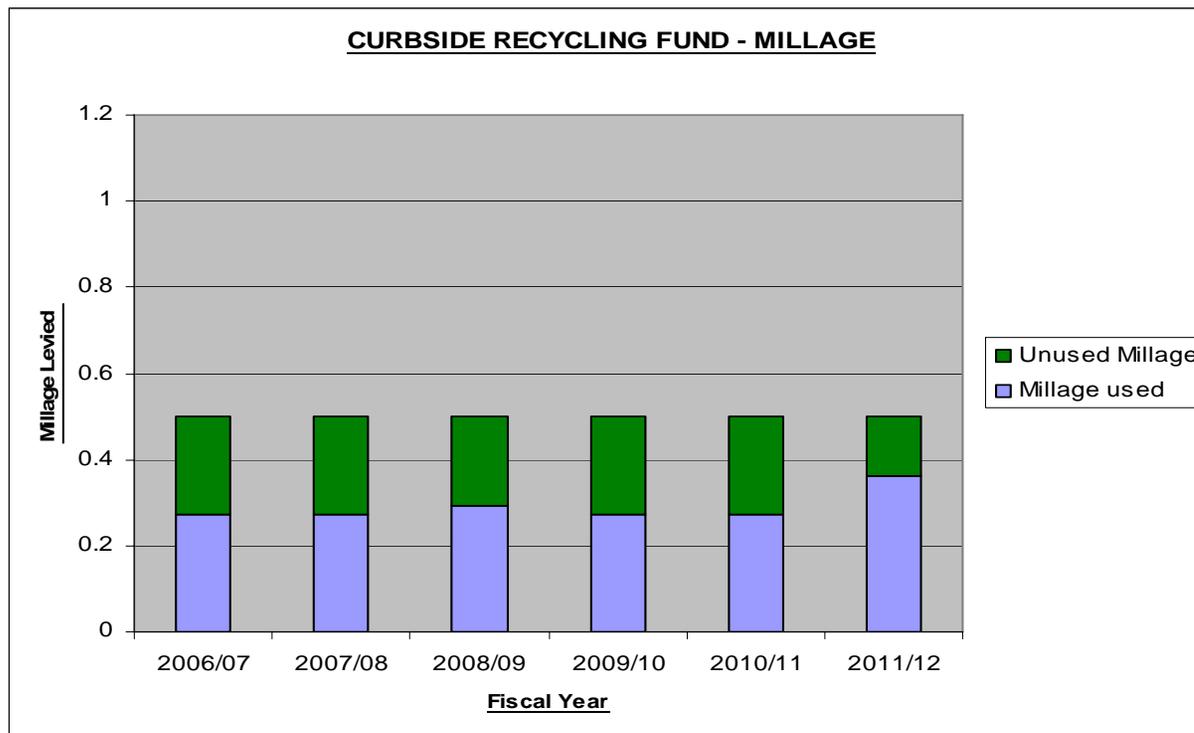
2. Capital Improvement Fund (CIP)-Millage

- The CIP Fund has a voter approved millage of 2.0 mills for capital improvements as contained in the 10-year plan document.
- This millage has also remained flat for the last five years, even though Capital Improvement Fund property tax revenues have decreased by approximately \$215,000 since fiscal year 2008-2009, to about fiscal year 2006-2007 levels.
- **No** increase in millage is contained or recommend in the fiscal year 2011-2012 budget.



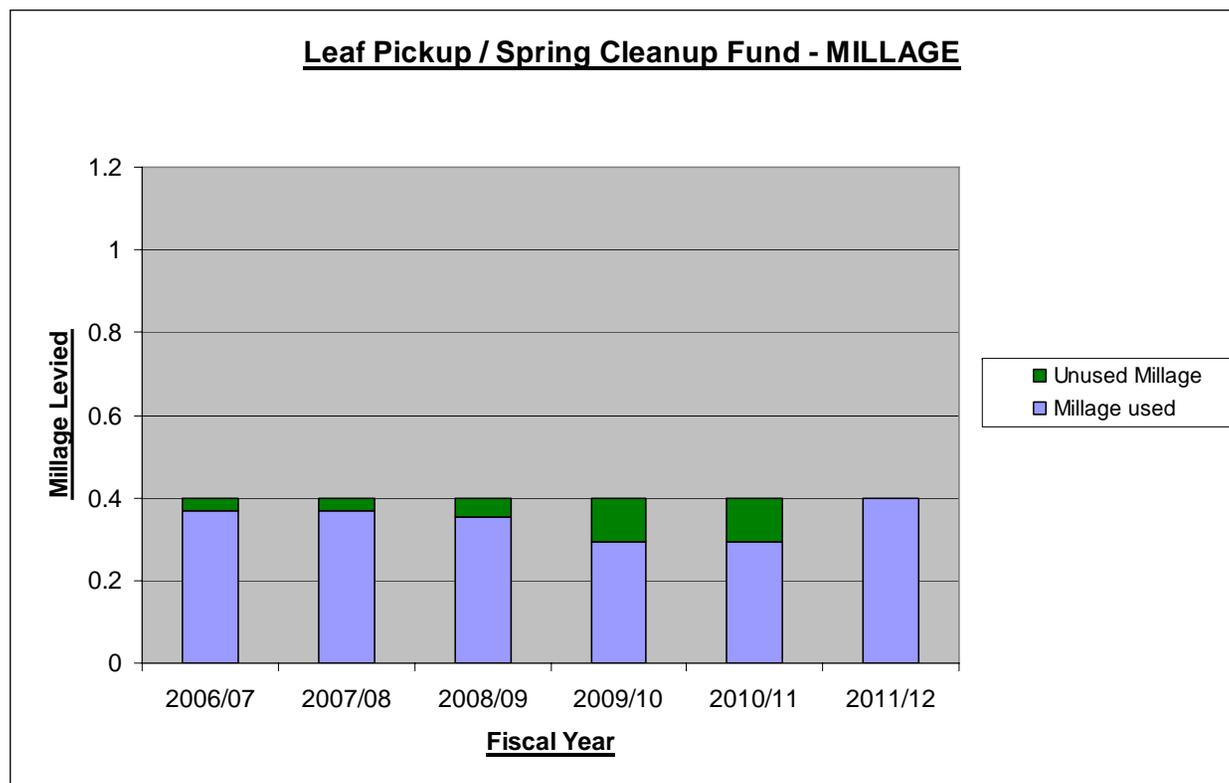
3. Curbside Recycling Fund-Millage

- The voter approved Curbside Recycling Fund millage is 0.5 mills
- The total millage has not been levied in the last five years and varies depending upon need.
- The green shaded area represents the portion of the curbside millage that has not been levied for each of the respective fiscal years.
- The levied millage went up slightly for fiscal year 2011-2012 to maintain service levels, as a result of a small increase in contracted cost and loss of tax base.
- The fiscal year 2011-2012 increase in this millage represents an increase of \$ 6.51 to the typical residential taxpayer, to keep services at the current level.



4. Leaf Pickup /Spring Cleanup Fund-Millage

- The voter approved Leaf Pickup / Spring Cleanup millage is 0.4 mills.
- The levied millage has varied over the past five years. The green shaded area represents the portion of the Leaf pickup / Spring Cleanup Fund millage that was not levied in a given year.
- The millage is increased slightly in Fiscal Year 2011-2012 to maintain service levels, as a result of the major ice storm this winter and from continued loss of tax base.
- The fiscal year 2011-2012 increase in millage represents an increase of \$7.67 to the typical taxpayer, to keep services at the current level.



5. Municipal Streets Fund - Millage

- The voter approved Municipal Streets Fund millage is 1.0 mil. The millage was initiated in fiscal year 2007-2008.
- The maximum voter approved millage has never been levied.
- For fiscal year 2011-2012 the millage is .6313 mills, which is a **DECREASE** from fiscal year 2010-2011 (.6652 mills), **SAVING** the typical residential tax payer \$2.55.
- The green shaded area represents the portion of the Municipal Streets Fund millage that remained (s) unutilized. The amount of millage that is not being levied for fiscal year 2011/12 is .3687 mills.

