

THE BUDGET PROCESS

The annual budget is developed over a several month period beginning in January and concluding with the adoption of the budget ordinance by the City Commission in June. The process is directed and coordinated by the Finance Department on behalf of the City Manager with extensive involvement from the directors and managers of the City's service areas and programs.

The fiscal year 2019-2020 adopted budget, authorizes total General Fund expenditures of approximately \$49.1 million. When combined with the authorized expenditures of the City's special revenue, enterprise, internal service and other funds, the City's total budget for fiscal year 2019-2020 is approximately \$128.3 million.

Effectively managing the financing of City operations requires consideration of many factors, and the City is heavily influenced by developments in the state and national economies. Battle Creek has managed to maintain essential operations in spite of changes in funding enacted at the state level.

THE GENERAL FUND

The General Fund is used to account for all resources and expenditures not specifically accounted for in other funds. Most of the current activities of the City are accounted for through this fund, which covers a wider range of activities than other funds.

The General Fund budget for fiscal year 2019-2020 is based upon total estimated revenues of \$49.1 million, which is a decrease of 2.9% from projected revenues for 2018-2019. Of this amount, approximately \$36.8 million, or 74.8% will be financed from the City's three primary revenue sources, income taxes, property taxes, and state shared revenues.

For presentation of General Fund expenditure information, departments/areas of the budget are combined into the following components: Administration, Community Development, Finance, Police Department, Fire Department, Dispatch, Public Works, and Recreation.

These major budget components account for a total of \$45.6 million, or 92.7% of the total gross General Fund expenditure budget for the fiscal year. The balance of the budget, approximately \$3.6 million, is made up of expenditures for a variety of special items, the largest of which is a contribution to the Transit Fund,

CITY MILLAGE RATE

As mentioned previously, the City's General Fund budget is based in part upon local property taxes. The city's total millage rate is 15.934 mills. The components of the millage rate are: Operating 8.346, Capital Projects/Capital Project Debt 0.500, P&F Retirement 5.588 and Streets 1.500.

CITY OF BATTLE CREEK,
MICHIGAN

ANNUAL BUDGET

FOR THE FISCAL YEAR
ENDING JUNE 30, 2020



ANNUAL BUDGET

FISCAL YEAR ENDING JUNE 30, 2020

GENERAL FUND REVENUES

Taxes:	
City Income	\$ 16,940,309
Real Estate	13,711,417
Personal Property	1,650,403
Administrative Fees	<u>693,553</u>
<i>Total Taxes</i>	<i>32,995,682</i>
<i>Licenses and Permits</i>	<i>855,450</i>
Intergovernmental:	
State-Shared Revenue	6,207,259
Other	<u>2,410,030</u>
<i>Total Intergovernmental</i>	<i>8,617,289</i>
Charges for Services:	
Parks and Recreation	2,361,352
Police Services	1,410,524
Other	<u>104,000</u>
<i>Total Charges for Services</i>	<i>3,875,876</i>
<i>Fines and Forfeitures</i>	<i>120,000</i>
<i>Interest</i>	<i>251,000</i>
Other:	
Rents and leases	51,751
Contributions/Donations	24,300
Miscellaneous	207,742
Administrative Reimbursement	<u>2,148,909</u>
<i>Total Other</i>	<i>2,432,702</i>
<i>Total Revenue and Other</i>	
<i>Financing Sources:</i>	<i>\$ 49,147,999</i>

GENERAL FUND EXPENDITURES

Administration	\$ 3,893,558
Community Development	730,011
Finance	3,811,047
Police Department	18,667,775
Fire Department	10,985,240
Dispatch	817,629
Public Works	2,502,094
Recreation	4,156,504
Transfers	2,691,885
Other	<u>892,256</u>
<i>Total</i>	<i>\$ 49,147,999</i>

SUMMARY BY FUND TYPE

<u>Fund</u>	<u>Revenues & Transfers In</u>	<u>Expenditures</u>
General	\$ 49,147,999	\$ 49,147,999
Special Revenue	11,380,600	12,070,423
Debt Service	4,016,254	4,016,254
Capital Project	2,071,327	2,046,695
Enterprise	40,192,147	34,029,397
Internal Service	25,046,968	26,944,674
Trust & Agency	<u>64,000</u>	<u>69,000</u>
<i>Total All Funds</i>	<i>\$ 131,919,295</i>	<i>\$ 128,324,442</i>

