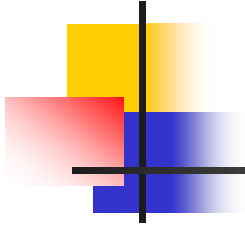


Budgeting Do's and Don'ts



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734-453-8770

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Do: Understand and follow Statutory Requirements

- Public Act 2 of 1968, The Uniform Accounting and Budgeting Act requires the township to develop a budget
 - MCL 141.434 – 141.439



Public Act 2 of 1968- Requirements

- Requires adoption of a budget
- Designates responsibilities among officials
 - Chief administrative officer
 - The township board
- Defines procedures to follow
- Indicates information to be provided
- Requires budgets to be balanced for each fund



Budget Responsibilities

- The chief administrative officer (supervisor)
 - Has final responsibility for budget preparation
 - Is responsible for presentation of the budget to the township board
- Department heads
 - Should provide department information to the supervisor for budget preparation
 - Charter townships 150 days



Budget Responsibilities

- The supervisor transmits the recommended budget to the board according to a schedule developed by the board
 - Charter townships 120 days
- The schedule should allow the township board adequate time to review and approve the recommended budget
- The township board may request additional information for consideration of the budget



Budget Responsibilities

- The supervisor shall provide a suggested general appropriations act to implement the budget along with the recommended budget
- The township board holds a public hearing prior to final approval



Budget Responsibilities

- The township board must pass a general appropriations act as formal approval of the budget for :
 - The General Fund and
 - Each Special Revenue Fund
- The township board determines the amount of money to be raised by taxation



Adopting the Budget-Following Act 2 of 1968

- The required public hearing
- Final changes to the budget
- The General Appropriations Act
- Budget monitoring/amendments



The Required Public Hearing

- Hearing requirements
 - Publish a notice in a newspaper
 - General law townships at least 6 days prior to the hearing
 - Charter townships at least 7 days prior to the hearing
 - The notice should include the statement “**The property tax millage rate proposed to be levied to support the proposed budget will be a subject of this hearing.**” The statement must be printed in 11-point boldfaced type.



Public Hearing (Continued)

A public hearing is never a stand alone meeting. It is always an agenda item for a regular or special meeting.

- The Supervisor opens the public hearing at the scheduled time
- Offer brief overview of the proposed budget
- Allow citizen comment (can have rules for public comment)
- Close public hearing
- A charter township with a fiscal year that is the calendar year must have conducted the budget public hearing by December 15

Sample Language For Publication:

The (*name*) Township Board will hold a public hearing on the proposed township budget for fiscal year (*year*) at (*location of meeting of public body*) on (*date*) at (*time*). *The property tax millage rate proposed to be levied to support the proposed budget will be a subject of this hearing. A copy of the budget is available for public inspection at (location *where copies are available*).

Note: *This sample budget public hearing notice meets the minimum statutory requirements. The township may consider including additional information in the notice, such as summary of major revenues and expenditures categories and their proposed appropriations.*

Note: *It is recommended that all notices published and/or posted contain the following language to comply with The Americans With Disabilities Act:*

The (*name*) Township board will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting upon (*number of days*) notice to the (*name*) Township board. Individuals with disabilities requiring auxiliary aids or services should contact the (*name*) Township board by writing or calling the following: (*List the name, address and telephone number of contact person*).

NOTICE OF PUBLIC HEARING
CHERRY LANE TOWNSHIP
2014 PROPOSED BUDGET

A PUBLIC HEARING WILL BE HELD ON XXX XXXXXXXX at approximately 7:00 p.m. in the Cherry Lane Township Hall, 123 Main Street, Cherry Lane Michigan on the following proposed 2014 budget:

General Fund	<u>\$ 458,179</u>
--------------	-------------------

THE FOLLOWING PROPERTY TAX MILLAGE RATE PROPOSED TO BE LEVIED TO SUPPORT THE ABOVE PROPOSED BUDGET WILL BE A SUBJECT OF THIS HEARING:

<u>Operating</u>	<u>Rate</u>
General	<u>0.9800</u>

The proposed 2014 budget documents are available at the Township Clerk's Office for public examination.

Cherry Myway, Clerk
Cherry Lane Township

Individuals with disabilities requiring auxiliary aids or services should contact Sherry Myway Clerk, Cherry Lane Township , 123 Main Street, Cherry Lane, MI XXXXX, phone number XXX-XXX-XXXX.

PUBLISHED: October 4, 2013



Final Changes Before Adoption

- Changes can be made to the budget based on public comment at the public hearing and/or based on board comments prior to adoption of the budget
- Additional public hearings are optional
- The budget can be adopted immediately following the public hearing, but that may not present the best public image. The public may believe their comments were ignored.



Adopting the Budget - The General Appropriations Act

- All townships are required to adopt a budget prior to the beginning of the townships new fiscal year
- If a budget has not been adopted by the beginning of the new fiscal year there is no authorization to spend money. The township stops functioning.



What Is The General Appropriations Act?

- “General Appropriations Act” means the budget as adopted by the legislative body...



The General Appropriations Act

- Is a financial, operating, and capital expenditure **plan**
- Is the townships written financial policy
- Is required for all funds (except trust and agency)
- Can include rate adjustments on user fees
- Identifies inter-fund transfers



The General Appropriations Act

- Must state the total mills to be levied and the purpose for each millage levied
- Must include amounts appropriated for expenditures
- Must include estimated revenues by source
- Must use (be consistent with) uniform chart of accounts



The General Appropriations Act

- Must indicate if the budget is adopted by line item or activity
- Establishes administrative responsibilities



Format of The General Appropriations Act

- Not well defined by state law
- Must use uniform chart of accounts
- Must indicate if the budget is adopted by line item or activity
- Should include property tax millage rates
- Establishes administrative responsibilities

**ACME TOWNSHIP GENERAL APPROPRIATIONS ACT
FISCAL YEAR 2012-13
RESOLUTION #R-2012-12**

A RESOLUTION TO ESTABLISH A GENERAL APPROPRIATIONS ACT FOR ACME TOWNSHIP: TO DEFINE THE POWERS AND DUTIES OF THE ACME TOWNSHIP OFFICERS IN RELATION TO THE ADMINISTRATION OF THE BUDGET.

The Board of Trustees of Acme Township resolves:

SECTION 1: TITLE This resolution shall be known as the Acme Township General Appropriations Act.

SECTION 2: PUBLIC HEARINGS ON THE BUDGET

Pursuant to MCLA 141.412; MCLA 141.413, notice of a public hearing on the proposed budget was published in the Traverse City Record Eagle on May 30, 2012 and a public hearing was held regarding the proposed budget on June 5, 2012.

SECTION 3: CHIEF ADMINISTRATIVE OFFICER

The Supervisor shall be the Chief Administrative Officer and shall perform the duties of the Chief Administrative Officer enumerated in this Act (Sections 10, 14), including annual preparation and presentation of the Acme Township Budget and periodically introducing budget adjustments and resolutions as deemed necessary.

SECTION 4: FISCAL OFFICER

The Clerk shall be the Fiscal Officer and shall perform the duties of the Fiscal Officer enumerated in this Act (Sections 11,12), including providing the Chief Administrative Officer with timely and accurate budget status reports no later than four (4) days prior to township meetings. The Fiscal Officer shall not expend any monies out of any cost center above cost center budgets.

SECTION 5: MILLAGE LEVY

The Acme Township Board shall cause to be levied and collected the general property tax on all real and personal property within the Township upon the current tax roll an allocated millage of 0.7333 mills for township operations; and a voter authorized millage of 0.9204 for purchase of farmland development rights.

SECTION 6: ESTIMATED REVENUES

Estimated Township General Fund Revenues for fiscal year 2012-13 are based on Acme Township's statutory 1 mill (subject to the Headlee Amendment), State Revenue Sharing and various miscellaneous revenues as listed in the proposed budget:

General Fund 101:

2012-13 Expected Revenues Only	\$715,321
Expected Revenue plus Fund Balance Forward	\$2,013,548

Fire Fund: (from portion of 2.6 mill Emergency Services Special Assessment)

2012-13 Expected Revenues Only	\$685,679
Expected Revenue plus Fund Balance Forward	\$732,453

Township Community Policing Officer Fund: (from portion of 2.6 mill Emergency Svcs Sp. Assmt.)

2012-13 Expected Revenues Only	\$36,847
Expected Revenue plus Fund Balance Forward	\$230,085

Cemetery Fund:

2012-13 Expected Revenues Only	\$6,500
Expected Revenue plus Fund Balance Forward	\$9,756

Liquor Control Fund

2012-13 Expected Revenues Only	\$9,420
Expected Revenue plus Fund Balance Forward	\$21,799

Shoreland Preservation Fund:

2012-13 Expected Revenues Only	\$985,322
Expected Revenue plus Fund Balance Forward	\$1,523,222

Farmland Preservation Fund:

2012-13 Expected Revenues Only	\$265,185
Expected Revenue plus Fund Balance Forward	\$771,627

Oil & Gas Lease Fund:

2012-13 Expected Revenues Only	\$0
Expected Revenue plus Fund Balance Forward	\$31,088

New Urbanist Town Center Fund:

2012-13 Expected Revenues Only	\$100
Expected Revenue plus Fund Balance Forward	\$27,893

Township Improvement Revolving Fund:

2012-13 Expected Revenues Only	\$6,500
Expected Revenue plus Fund Balance Forward	\$36,534

SECTION 7: ESTIMATED EXPENDITURES

Estimated General Fund expenditures for fiscal year 2012-13

Various Township activities (cost centers) are as follows:

Township Board Expenditures:	\$188,448	
Supervisor's Expenditures:	41,005	
Election Expenditures:	13,150	
Assessor's Expenditures:	39,383	
Clerk's Expenditures:	71,259	
Board of Review Expenditures:	1,161	
Treasurer's Expenditures:	68,336	
Buildings/Grounds Expenditures:	39,714	
Planning/Zoning Expenditures:	134,534	
Maintenance Expenditures:	94,811	
Retirement Plan Management Expenditures:	1,000	
Insurance Expenditures:	15,000	
Transfers Out:	0	
Capital Outlay:	800	22
Other Expenditures:	<u>1,150</u>	
Total:	<u>\$709,750</u>	

Other Fund Expenditures:

Fire Fund:	\$685,679
Township Community Policing Officer Fund:	\$79,230
Cemetery Fund	\$5,750
Liquor Control Fund	\$9,420
Shoreline Preservation Fund:	\$1,219,800
Farmland Preservation Fund:	\$251,200
Oil & Gas Lease Fund:	\$16,000
New Urbanist Town Center Fund:	\$25,000
Township Improvement Revolving Fund:	\$0

SECTION 8: ADOPTION OF BUDGET BY REFERENCE

The General Fund Budget of Acme Township is hereby adopted by reference, with revenues and activity expenditures as indicated in Sections 6 and 7 of this act.

SECTION 9: ADOPTION OF BUDGET BY COST CENTER

The Board of Trustees of Acme Township adopts the 2012-13 year General Fund and all other Fund budgets by cost center. Township officials responsible for the expenditures authorized in the budget may expend Township funds up to, but not to exceed, the total appropriation authorized for each cost center, and may take transfers among the various line items contained in the cost center appropriations. However, no transfers of appropriations for line items related to personnel may be made without prior Board approval by budget amendment.

SECTION 10: TRANSFER AUTHORITY

The Chief Administrative Officer shall have the authority to make transfers among the various cost centers (or line items) without prior Board approval, if the amount to be transferred does not exceed 50% of the appropriated item from which the transfer is to be made. The Board shall be notified at its next meeting of any such transfers made and reserves the right to modify, amend or nullify any such transfers made. Under no circumstances may the total General Fund Budget be changed without prior Board approval.

SECTION 11: LIMIT ON OBLIGATIONS AND PAYMENTS

No obligation shall be incurred against and no payment shall be made from any appropriation account unless there is a sufficient unencumbered balance in the appropriation and sufficient funds are or will be available to meet the obligation.

SECTION 12: PAYMENT OF BILLS

Pursuant to MCL 41.75, all claims (bills) against the Township shall be approved by the Acme Township Board prior to being paid. The Township Clerk and Treasurer may pay certain bills prior to approval by the Township Board to avoid late penalties, services charges and interest (primarily utilities) and payroll in accordance with the approved salaries and hourly rates adopted in this appropriations act. The Township Board shall receive a list of claims (bills) paid prior to approval for approval at the next Board meeting.

SECTION 13: AUTHORIZED SALARY HOURLY AND PER DIEM RATES

Included in the various cost centers and special funds are amounts of the salary, hourly and per diem rates for the officials and employees of the Township as follows:

Trustee Salaries	\$500/month
Trustee Per Diems (meetings above 1/month)	\$50/meeting
Supervisor	\$30,000/year
Clerk	\$37,008/year
Deputy Clerk	\$15.75/hour for 848 hours
Treasurer	\$34,510/year
Deputy Treasurer	\$15.75/hour for 750 hours
Township Manager	\$50,000/year
Parks & Maintenance Supervisor	\$22.58/hour for 2080 hours
Zoning Administrator	\$15.00/hour for 1040 hours
Administrative Assistant	\$12.82/hour for 2080 hours
Planning Commission & ZBA Chair Per Diems	\$100/meeting
Planning Commissioner and ZBA Member Per Diems	\$75/meeting
Bayside Park Caretaker	\$9.00/hour for 295 hours
Sayler Park Caretaker	\$9.00/hour for 295 hours
Board of Review Members	\$15.00/hour
Election Precinct Chairpersons	\$10/hour plus \$35.00
Election Precinct Workers	\$10/hour

SECTION 14: BUDGET MONITORING

Whenever it appears to the Chief Administrative Officer or the Township Board that the actual and probable revenue in any fund will be less than the estimated revenues upon which appropriations from such fund were based, and when it appears that the expenditures shall exceed an appropriation, the Chief Administrative Officer shall present to the Township Board recommendations to prevent expenditures from exceeding available revenues or appropriations

for the current fiscal year. Such recommendations shall include proposals for reducing appropriations, increasing revenues, or both.

SECTION 14: BOARD ADOPTION

Motion made by F. Zarafonitis, seconded by L. Wikle to adopt the foregoing resolution.

Upon roll call vote, the following voted aye: Dunville, Hardin, Kledder, Scott, Takayama, Wikle, Zarafonitis

The following voted nay: None

The Supervisor declared the motion carried and the resolution adopted on the 5th day of June, 2012


Dorothy Dunville, Township Clerk

(attach pages from General Fund worksheet and all other funds worksheet)



Budget Monitoring and Amendments

- The chief administrative officer and township board have responsibility for management of the budget
- Cannot legally spend money without the expenditure being appropriated in a budget
- Charter Townships must provide Quarterly financials - all townships should consider monthly
- Amendments are approved by a majority of the township board, and are recorded in the minutes



Budget Amendments

- Has the township adopted a line item or an activity based budget?
- Most or all amendments are done by the township board
- Some amendments may be done by the chief administrative officer as authorized in the General Appropriations Act



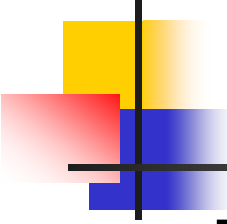
Budget Amendments

- Line item budget:
 - Any time a proposed expenditure will exceed the budgeted line item amount
 - Amendment should be completed before the expenditure is made/approved
 - Some accounting software will inform the clerk when a line item is exceeded



Financial Policies

- Departmental vs. line item - flexibility vs. control (micro-managing)
- Transfers between accounts within activities:
 - Could limit amount
 - Could limit type
- Who is authorized to spend and how much



Don't Forget to Include Statutorily Required Elements in Budget Presentation

- Estimated Beginning Fund Balance for the New Fiscal Year
- Revenues and Expenditures For the Prior Fiscal Year; Estimated Amounts for the Current Year, and Estimate by Source and Use for the Ensuing Year
- Estimate of ending Fund Balance for the Current Year, Amounts Needed for Contingencies, and Other Information



Current Year Budget Actual and Projected Results

- Typically Produced Directly from Financial Software such as BS&A, Fund Balance, etc.
- QuickBooks Users? Generally have to use 'memorized' reports, and will only be able to track only one budget, while true governmental software tracks, original and amended budgets.



Format of Budget Presentation

- Narrative Budget- See appendix of the MTA's Publication, *Building a Better Budget, or David's web site:*
www.pslz.com
- Columnar Budget-also available at the above, or is produced by accounting software

Columnar Budget Presentation

			actual		Budget		Anticipated		Prop. 2015
			2013		FYE 2014		FYE 2014		Budget
Revenue									
	101-000-401 Property Taxes		146,213.00		145,000.00		150,000.00		151,000.00
	101-000-450 License and Permits		5,809.00		2,500.00		2,500.00		2,500.00
	101-000-539 State Shared Revenue		172,869.00		170,000.00		168,000.00		168,000.00
	101-000-600 Charges for Services		410.00		100.00		250.00		0.00
	101-000-655 Fines and Forfeits		274.00		100.00		300.00		0.00
	101-000-664 Interest Income		3,239.00		2,500.00		3,000.00		2,500.00
	101-000-671 Miscell. Revenue								
		101-000-674 Recycling Revenue	11,235.00		10,000.00		11,000.00		10,000.00
		101-000-671 Miscell. Revenue - Other	12,944.00		10,000.00		10,000.00		15,000.00
Total Revenue			352,993.00		340,200.00		345,050.00		349,000.00

Narrative Budget

Expenditures Budget By Activity/Cost Center

Township Board—Activity 101

The township board is the legislative body of township government. The board of _____ Township consists of seven members, all of whom are elected for four-year terms. The board consists of the supervisor, clerk, treasurer and four trustees. It has the power to adopt ordinances and set township policy. It is the duty and responsibility of the township board to formally adopt the township budget after the required public hearing. Expenses include salaries of the trustees, association dues, education and training costs, and miscellaneous expenses.

Policy Recommendations for Board Action

Most policy recommendations are received from the various department heads.

Past Policy Actions Affecting Service Levels or Current Costs

1. Board voted to collect summer property taxes if requested by any or all of the several school districts and/or the intermediate school district.
2. The board adopted a resolution to levy a 1 percent property tax administration fee on all property taxes collected prior to February 15, and a 3 percent late charge on taxes collected after February 14, with board option to waive any or all such fees in any given year.

Explanation of Changes in Costs

1. Salaries and Wages--The increase is necessary to provide each trustee with a \$500 salary increase.
2. No other significant changes are anticipated.

Account #	Account	Actual Prior Year	Estimated Current Year	Budget Request
702	Salaries-Trustees	\$ 11,050	\$ 10,000	\$ 10,500
711	Social Security	-0-	765	803
740	Operating Supplies	534	1,000	1,560
950	Seminars & Workshops	3,893	5,000	5,000
951	Memberships & Dues	7,381	7,680	7,910
	Total	\$22,858	\$24,445	\$25,773

Do-Create a “Plan for Fund Balance”



First-Understand what is meant by a 'Balanced Budget'

- From *Building A Better Budget* by Larry Merrill
 - The correct definition of a balanced budget is "estimated revenues plus estimated current year-end surplus must equal or exceed estimated expenditures plus estimated current year-end deficit."
- In other words estimated revenue + estimated fund balance – estimated expenditures = 0 or more

How to Calculate a Year-End Fund Balance

Fiscal year July to June

Year end Balance Estimates Made on February 28

Element one-Fund Balance Estimate	Example A	Example B
	Surplus	Deficit
Fund Balance as of prior Fiscal year (6-30)	\$ 75,000	\$ 75,000
Revenue as of Current Date 2-28	600,000	600,000
Expenditures as of current date 2-28	(550,000)	(550,000)
Change in fund balance through 2-28	50,000	50,000
Fund balance 2-28	125,000	125,000
Estimated revenues balance of fiscal year	150,000	80,000
Estimated expenditures balance of fiscal year	(220,000)	(220,000)
Estimated year end fund balance 6-30	\$ 55,000	\$ (15,000)



Next-Why do we have fund balance?

- Operational needs 20-25% of budget generally is sufficient, although may be higher depending on other factors like economic dependency and fiscal year
- Savings for specific purpose
- Use of other “rainy day funds”



Finally-Allocate Fund Balance

- GASB 54- Dictates That Fund Equity Fall into One of These Categories:
 - Non Spendable
 - Restricted
 - Committed
 - Assigned
 - Unassigned



Fund Balance Allocations

- Restricted and Non Spendable Categories all done by 'default' e.g. trust corpus (non spendable), Special Revenue Fund Balance.
- Committed - must be done by formal action of Board, (resolution/ordinance), Assigned-by *Intent of the Board*.



Allocations of Unrestricted Fund Balance

- *Intent of Board* for purposes of “Assigned” may be difficult to discern - give authority to Supervisor or Officers in Budget Resolution?
- “*Unassigned*” Category is default for Fund Equity not “Restricted”, “Committed”, “Non Spendable”, in the General Fund only



Other Requirements

- Township must use “modified accrual” method of accounting, and “fund system” for “governmental operations”
- State requires use of it’s “Uniform Chart of Accounts”



Do-Adopt Budgets for All Funds Requiring Budgets Under State or Local Law

- General Fund and Special Revenue Funds must have annual budgets.
- Debt Service, Capital Projects, and Proprietary Fund Budgets are optional
- Some Townships have ordinances or policies requiring annual budgets for all funds



Special Revenue Funds

External restrictions:

Voted millage special revenue funds

Statutory-liquor law enforcement, building code revenues

Internal restrictions:

Budget stabilization fund (MCL 141.441)

Public improvement fund (MCL 141.261)

Township improvement revolving (MCL 41.735b)

All require budgets outside of the general fund



Don't Use Account Numbering Systems other than State Uniform Chart of Accounts

The Michigan chart of accounts uses nine digits, with an option for an additional three numbers for "sub accounts":

- The first three digits indicate the fund number.
- The next three indicate the department (no departments for balance sheet accounts or revenues).
- The last three digits are line item.



Structure of Uniform COA

- XXX fund number, for example, the general fund is 101
- XXX department number, for revenues, balance sheet accounts (assets, liabilities and equities), the department number is 000. Expenditure accounts start with 101, which is the township board
- XXX account number - under the state's uniform system, asset accounts are 001-199, liability and equity accounts are from 200-399, revenues are from 400-699, expenditure accounts are from 700-999

State Chart of Accounts

101-000-001	General Fund Cash
206-000-001	Fire Fund Cash
101-253-706	Treasurer's Salary
206-336-706	Fire Fund Salaries



Michigan Uniform Chart of Accounts

Structure is left mostly up to individual governmental units; only a limited number of “required accounts”:

- Revenues - 401 Taxes, 450 Licenses and Permits, 501 Federal Grants, 539 State Grants, 580 Contribution from Local Units, 600 Charges for Services, 655 Fines and Forfeits, 664 Interest and Rents, 671 Other Revenue



Michigan Uniform Chart of Accounts

Only six mandatory expenditure line items:

- 701 Personal Services, 726 Supplies, 800 Other Services and Charges, 970 Capital Outlay, 990 Debt Service, 999 Transfer Out
- Must balance simplicity with needs of the township. More accounts may be necessary to assist in budgeting and analysis.



State Uniform Chart of Accounts

- The web address to obtain this publication:

http://www.michigan.gov/documents/uniformchart_24524_7.PDF

Do Create a formalized Budget Development Process



- The supervisor should:
 - Develop: forms to compile budget requests from departments,
 - Create: a budget calendar, working back from the date when the board should adopt the budget and,
 - Prepare: a budget narrative.



Use of Budget Forms

- Encourage departments:
 - to compile as much historical data on each line item as possible to develop trends,
 - to evaluate programs and operations within their department and,
 - to use a narrative to explain significant changes or new program requests.

Alpha Township
2014 Budget Worksheet
Operating Supplies

Department No. _____
Department Name _____
Line Item Number _____

2012 Budget Request _____
2013 Budget Request _____

Planned Significant Expenditures:[illegible]



Budget Calendar

Activity	Completed
■ Forms developed	Date
■ Informational meeting with department heads	Date
■ Departments submit budget recommendations	Date
■ Recommendations compiled by chief administrative officer	Date
■ Budget meetings with department heads	Date
■ Recommended budgets delivered to township board	Date
■ Township board reviews and adopts tentative budgets	Date
■ Public hearing(s)	Date
■ Township board adopts general appropriations act	Date



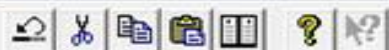
Budget Narrative

- Short range policies with budgetary impacts
- Components in the township's capital improvement plan that will be implemented
- Mandated costs i.e. salaries and wages, debt service
- How to handle wage increases
- Fringe benefit formulas
- New revenue sources
- Directions to hold the line or propose new programs
- Three to five year projections for capital outlays

Do-Using Your Software to Automate Data Collection And “Drill Down” into Revenues and Expenditures



Fund Balance Software



- Revenue/Expenditure...
- Revenue/Expenditure (Custom)
- Income Statement...
- Control Account Report...
- Cash Transactions Report ...
- Daily Cash Summary Report...
- Trial Balances...
- Balance Sheets...
- Chart of Accounts...
- Project-To-Date Report...
- Journal Entries Reports ▶
- General Ledger Report...
- Posted Transactions...
- Budget Amendments...
- Interfund Reconciliation...
- Budget Reports ▶
- Maintenance Reports ▶
- History Reports ▶
- Custom Reports...
- Michigan Form F-65

Print Revenue/Expenditure Reports

Optional Subheading

To-Date Option Y - YTD

Month To Print 10 - October

Quarter Number 1 - First

Active/Inactive/Both B - Both

Misc Options

Print Previous Year

Summary

Rev/Exp Detail Report

JE Desc. to Skip S - Source Desc.

Include Distribution Desc

New Page On

Fund

Department

Include

Revenues

Expenditures

From Fund 101

General Fund

To Fund 101

General Fund

From Dept 201.000

Accounting

To Dept 201.000

Accounting

From Acct 301.007

Long-Term GO Bonds 2007

To Acct 999.701

Oper Transfer Out-T & A

Totals

Fund Type

Fund

Function

Department

Account Class

Restrictions

Skip Zero Balance Accounts

Only Overdrawn Accounts

Restrict on % of Budget 0.0

Only Budgeted Funds

Suppress Orig. Bud. Column

Preview

Print

Cancel

Help

REVENUE/EXPENDITURE REPORT

Page: 1

7/29/2012

8:12 pm

City of Clawson

For the Period: 7/1/2012 to 10/31/2012

Original Bud.

Amended Bud.

YTD Actual

CURR MTH

Encumb. YTD

UnencBal % Bud

Fund: 101 - General Fund

Expenditures

Dept: 201.000 Accounting

702.000 Salaries & Wages	0.00	0.00	0.00	0.00	0.00	0.00	0.0
702.500 Vacation & Sick Time Buyouts	0.00	0.00	0.00	0.00	0.00	0.00	0.0
706.000 Part-time Salaries & Wages	32,000.00	32,000.00	6,967.50	2,467.50	0.00	25,332.50	20.8
708.000 Part-time TEMP-AP	0.00	0.00	0.00	0.00	0.00	0.00	0.0
711.000 Social Security-Medicare Taxes	2,450.00	2,450.00	510.07	188.77	0.00	1,939.93	20.8
712.000 Health Care-Premiums/Agent Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.0
712.025 Health Care-EHIM	0.00	0.00	0.00	0.00	0.00	0.00	0.0
712.500 Health Care-Buy Out	0.00	0.00	0.00	0.00	0.00	0.00	0.0
713.000 Life & LTD Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.0
714.000 MERS-DB Retirement Active	0.00	0.00	0.00	0.00	0.00	0.00	0.0
714.500 MERS-DC Retirement	0.00	0.00	0.00	0.00	0.00	0.00	0.0
715.000 Worker's Compensation	100.00	100.00	74.00	0.00	0.00	26.00	74.0
716.000 Dental Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.0
717.000 Optical Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.0
720.000 Tuition & Education	0.00	0.00	0.00	0.00	0.00	0.00	0.0
727.000 Office Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.0
736.000 Postage	0.00	0.00	0.00	0.00	0.00	0.00	0.0
739.000 Bank Fees	500.00	500.00	344.62	83.12	0.00	155.38	68.9
740.000 Operating Supplies	750.00	750.00	580.16	264.97	0.00	169.84	77.4
744.000 Computer Supplies	150.00	150.00	0.00	0.00	0.00	150.00	0.0
757.000 Books & Periodicals	0.00	0.00	0.00	0.00	0.00	0.00	0.0
806.500 Audit Fees	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	0.0
806.000 Other Professional Services	0.00	0.00	0.00	0.00	0.00	0.00	0.0
820.000 Pagers/Cellular	0.00	0.00	0.00	0.00	0.00	0.00	0.0
860.000 Vehicle/Mileage Allowance	50.00	50.00	0.00	0.00	0.00	50.00	0.0
901.000 Equipment Maintenance	50.00	50.00	0.00	0.00	0.00	50.00	0.0
933.000 Software Maintenance	1,200.00	1,200.00	0.00	0.00	0.00	1,200.00	0.0
950.000 Seminars & Workshops	100.00	100.00	0.00	0.00	0.00	100.00	0.0
951.000 Memberships and Dues	75.00	75.00	0.00	0.00	0.00	75.00	0.0
955.000 Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.0

Accounting

47,425.00

47,425.00

8,176.35

3,034.36

0.00

36,248.65

17.2



File View Navigation Data Entry **Tasks** Reports Utilities BS&A Applications Help

Post Manual Journal Entries...
 Create an Interest Allocation Journal Entry...
 Setup Recurring Journal Entries...
 Batch Add Budget Amendments...
 Create or Edit Budget...
 Create or Edit Sub-Project Budget...
 Spreadsheet Budget Analysis
 Long-Term Budget Forecasting...
 GASB34 Adjustments...
 Deposit Creation...
 View Deposits...
 Check and Deposit Reconciliation...

Application Views
 GL Details
 Manual Journal Entry
 Tables: Budget A...
 Program Setup

Quick Search
 GL Number F4

Notifications
 Recurring Journal Entries
 1 by amount...
 None by percent
 View All Recurring JEs
 Unposted Journal Entries:
 None

View GL
 Department
 Category

1. Gr
 Period
 07/31
 08/31
 09/30
 10/31
 11/30
 12/31

Project:

Create Budget Spreadsheet...
 Create Budget Spreadsheet For Departments...
 Import Budget From Spreadsheet...

	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
01/31/2011	\$0.00	\$0.00	\$0.00
02/28/2011	\$0.00	\$0.00	\$0.00
03/31/2011	\$0.00	\$0.00	\$0.00
04/30/2011	\$0.00	\$0.00	\$0.00
05/31/2011	\$0.00	\$0.00	\$0.00

- Manual Journal Entry
- Tables: Budget A...
- Program Setup

Quick Search

GL Number

F4

Notifications

Recurring Journal Entries

1 by amount...

None by percent

[View All Recurring JEs](#)

Unposted Journal Entries:

None

Destination Folder: C:\Documents and Settings\gl\Desktop\

Fund: 101

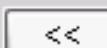


Account Type: Revenues And Expenditures



Available Departments

Dept	Description
276	
301	Police
336	Fire
371	Inspection Department
400	Planning Department
536	Engineers/Engineering
751	Building/Grounds
965	Other Uses



All

None

Spreadsheets To Be Created

Dept	Description
441	Deptment Of Public Works

Budget Options

Budget Level
<input checked="" type="checkbox"/> 10 PROJECTED
<input checked="" type="checkbox"/> 11 DEPT REQ
<input type="checkbox"/> 11 RECOMMEND
<input type="checkbox"/> 11 APPROVED

☐ Include Current Adopted Budget

For current/previous year budgets show:

Amended Budget



Calculate YTD values as of:

12/31/2010



☐ Lock Spreadsheet Columns

OK

Cancel

GL Number	Description	YTD As Of 06/30/2010	2009-10 Projected	2010-11 Requested	2010-11 RECOMMENDED	2010-11 APPROVED
--- Appropriations ---						
101-441-740.000	OPERATING SUPPLIES	14,804.56	6,650.00			
101-441-740.103	SUPPLIES - SPRING CLEAN UP	1,960.28	10,000.00			
101-441-778.000	EQUIPMENT MAINT SUPPLIES	0.00	0.00			
101-441-780.000	SEWER MAINTENANCE SUPPLY	0.00	0.00			
101-441-801.000	PROFESSIONAL/CONSULTANT	0.00	0.00			
101-441-805.000	TREE TRIM/LAWN MAINT	0.00	0.00			
101-441-810.000	CONTRACT RUBBISH	935,074.71	948,350.00			
101-441-811.000	INCINERATOR	190,584.77	230,000.00			
101-441-813.000	WEED CUTTING	271,394.06	275,000.00			
101-441-815.000	BOARD UPS / CLEAN UPS	8,017.36	35,000.00			
101-441-850.000	TELEPHONE	9,515.43	8,000.00			
101-441-920.000	UTILITIES	4,738.22	3,500.00			
101-441-926.000	STREET LIGHTING	489,664.83	435,000.00			
101-441-931.000	BUILDING MAINTENANCE	1,415.99	1,500.00			
101-441-933.000	EQUIPMENT MAINTENANCE	1,470.38	1,500.00			
101-441-942.000	BUILDING RENTAL	20,000.02	20,000.00			
101-441-943.000	EQUIPMENT RENTAL	0.00	0.00			
101-441-947.000	MOTOR EQUIPMENT RENTAL	75,600.00	75,600.00			
101-441-958.000	SUBSCRIPTIONS/MEMBERSHIPS	0.00	0.00			
101-441-960.000	EDUCATION/TRAINING	0.00	0.00			
101-441-974.000	CAPITAL IMPROVEMENTS	0.00	0.00			
101-441-974.100	VEHICLES	0.00	0.00			
101-441-977.000	EQUIPMENT	0.00	0.00			
Total Appropriations:		2,024,240.61	2,050,100.00	0.00	0.00	0.00



Pontem

Budgets

Budget Year to work with: 2014-2015

[Get Budget](#)

Budget Status

PRELIMINARY

Detail View (Left-Click this header or press Alt-L to display the Budgets list)

Select account to change.

Ledger Account Number: 101-000-574.000 State Revenue Sharing

Initial Budget Entry

Amount:

20.00

Adjust the budgeted total
for the year.

Save the change

Save Budget Entry

Cancel Budget Entry

Amendments

Date	Amount of Change	Comment

Township

Preliminary Budget Worksheet

Revenues

Account Title	2012-13 Actual	2013-14 Actual	2013-14 Budget	Preliminary 2014-15 Budget	Wor
Fund: General Fund					
General Revenues					
Taxes					
Township General					
Property Taxes - Current	33,035.32	0.00	135,000.00	135,000.00	
Property Taxes - Delinquent	1,615.92	0.00	8,000.00	8,000.00	
Tax Collection - Summer Set Fees	0.00	0.00	12,500.00	12,500.00	
Tax Collection - Administration Fees	22,029.09	0.00	40,000.00	40,000.00	
Tax Collection Penalties	0.00	0.00	1,500.00	1,500.00	
Payment in Lieu of Taxes	125.17	0.00	500.00	500.00	
Total Township General	<u>56,805.50</u>	<u>0.00</u>	<u>197,500.00</u>	<u>197,500.00</u>	
Total Taxes	<u>56,805.50</u>	<u>0.00</u>	<u>197,500.00</u>	<u>197,500.00</u>	
Total General Revenues	<u>56,805.50</u>	<u>0.00</u>	<u>197,500.00</u>	<u>197,500.00</u>	
Program Revenues					
State Grants					
Township General					
State Revenue Sharing	40,813.00	0.00	98,000.00	98,000.00	
Total Township General	<u>40,813.00</u>	<u>0.00</u>	<u>98,000.00</u>	<u>98,000.00</u>	
Liquor Law Enforcement					



Budget to Actual General and Emergency Services Funds

Modify Report... Memorize... Print... E-mail... Export... Hide Header Collapse Refresh

Dates Custom From 07/01/2002 To 06/30/2003 Columns Year Sort By Default

6:56 PM

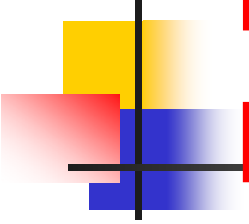
01/09/11

Cash Basis

Mult Fund Example
Budget to Actual General and Emergency Services Funds

July 2002 through June 2003

	Jul '02 - Jun 03	Budget	\$ Over Budget	%
Ordinary Income/Expense				
Income				
000-400 · REVENUE CONTROL				
000-402 · Winter Tax Collection	93,843.66	68,000.00	25,843.66	
000-412 · Delinquent Tax	633.76	0.00	633.76	
000-425 · Interest on Current Tax	2,410.29			
000-445 · Interest on Delinquent Tax	0.00	0.00	0.00	
000-448 · Admin Fee	23,100.13	16,000.00	7,100.13	
000-477 · Dog License Fees	7.80	20.00	-12.20	
000-478 · Zoning Permit Fees	4,550.00	2,500.00	2,050.00	
000-479 · Land Division Fees	750.00	1,500.00	-750.00	
000-575 · State Revenue Sharing	118,653.13	126,971.00	-8,317.87	
000-665 · Interest from Investments	4,154.73	6,000.00	-1,845.27	
000-671 · Miscellaneous Income	4,249.12	2,000.00	2,249.12	
000-687 · Insurance Refunds	0.00	0.00	0.00	
000-926 · Park Shore Lights Revenue	2,733.33	2,500.00	233.33	
Total 000-400 · REVENUE CONTROL	255,085.95	225,491.00	29,594.95	
Total Income	255,085.95	225,491.00	29,594.95	
Expense				
000-700 · EXPENDITURE CONTROL				
101-101 · TWP BOARD CONTROL				
101-701 · Salary	4,990.00	5,350.00	-360.00	93.3%
101-801 · Legal Services	16,767.60	16,000.00	767.60	104.8%
101-802 · Audit	3,700.00	4,500.00	-800.00	82.2%
101-850 · Telephone	438.69	600.00	-161.31	73.1%
101-900 · Publishing Minutes	474.59	1,000.00	-525.41	47.5%
101-910 · Insurance	5,759.18	6,000.00	-240.82	96%
101-911 · Membership Dues	1,381.96	600.00	781.96	230.3%



Don't-Use last year's budget numbers solely as a basis for the proposed budget

- Look at trends in revenues and expenditures
- Use the budget process to review rates charged for services, and capital needs
- Evaluate programs and services



Financial Trends Projections

- Revenue Indicators
 - Declining or increasing state shared revenues
 - Declining or increasing growth in property taxes
 - Decreasing or increasing revenues from user charges
- Expenditure Indicators
 - Increasing net operating costs
 - Increasing number of employees
 - Increasing fringe benefit costs



Financial Trends Projections

- Operating Position Indicators
 - Consistent enterprise fund loses
 - Declining general fund unassigned fund balance
- Capital Indicators
 - Declining level of expenditures for maintenance and repair
 - Decline of capital outlay



Evaluating Programs/Operations

- Spend time with the board/department heads evaluating programs and services. Suggestions:
 - Capital outlays
 - Contracting existing services
 - Technology improvements
 - Service enhancement/elimination
 - Central purchasing
 - Changes in staff
 - Changes in compensation
 - Fringe benefit costs



Evaluating Programs/Operations

- Review insurance
 - Increase deductibles
- Request proposals for professional services
 - Attorney
 - Engineer
 - Auditor
 - Planner
- Charge backs
 - Water/sewer
 - Fire/police
 - Building Department (PA 245 of 1999)



Evaluating Programs/Operations

- Millage rates
- Other fees
 - Property tax administration fee
 - 3% penalty
 - Permits
 - Cemetery
 - Hall rental
- Water/sewer rates
 - System integrity
 - Cost of service study

Do-Understand How Tax Millage Rollbacks Work



Property Tax Revenues

- Taxable value v. Assessed value
- Millage rate=\$1.00 of revenue for every \$1,000 of taxable value
- Example: 1.50 mills on taxable value of \$50,000=\$75.00 of revenue



"Headlee" Rollback

- Constitutional - permanent reduction in authorized tax rates
- "Compound millage reduction fraction":
Prior year CMRF x current year millage reduction fraction
- Current year reduction fraction determined by equalization, but formula is: $(\text{prior year TV} - \text{current yr losses})^* / \text{inflation rate} / \text{current year TV} - \text{current year additions}$



Truth In Taxation Rollback

- State law used as a mechanism to ensure that local units do not receive any additional revenues from assessment increases without holding a public hearing
- Formula: $\frac{\text{prior year TV} - \text{current yr losses}}{\text{current year TV} - \text{current year additions}}$ note: calculated by equalization
- Can set millage higher if hold public hearing

Rollback Calculations

2014 NET EFFECTIVE
TAXABLE VALUE

	55,000,000.00	2013		2013						
		Max Rate	2013 Max Rate	Max Rate	Revenue	Revenue	Increase			
Millage Type	2013	After	CMRF	With	2014	W/O	With	Without	With	
	Tax Rate	Rollback		Hearing	(T in T)	Hearing	Hearing	Hearing	Hearing	
Operating:										
General Fund	1.0943	1.0943	0.9937	1.0874	0.9752	1.0671	59,807.00	58,690.50	1,116.50	
Fire	2.9649	2.9649	0.9937	2.9462		2.8913	162,041.00	159,021.50	3,019.50	
Total	<u>4.0592</u>	<u>4.0592</u>		<u>4.0336</u>		<u>3.9584</u>	<u>221,848.00</u>	<u>217,712.00</u>	<u>4,136.00</u>	
Debt										
Drains	0.2704	0.2704		0.2900		0.2636	15,950.00	14,498.00	1,452.00	
Total	<u>0.2704</u>	<u>0.2704</u>		<u>0.2900</u>		<u>0.2636</u>	<u>15,950.00</u>	<u>14,498.00</u>	<u>1,452.00</u>	
Grand Total	<u>4.3296</u>	<u>4.3296</u>		<u>4.3236</u>		<u>4.2220</u>	<u>237,798.00</u>	<u>232,210.00</u>	<u>5,588.00</u>	

Acknowledgements

- Charter Township of Ypsilanti
- Acme Township
- Dr. Eric Scorsone
- Dr. Colby Harmon UCSB
- Intuit
- BS&A Software
- Fund Balance Software
- Pontem Software