



# City of Walker

## 2024/2025 Fiscal Year Budget

Walker City Commission  
Public Hearing  
June 10, 2024

# 2024/2025 Budget Overview

- General Principles of the Budget:
  - Reflect the goals and priorities identified by the Walker City Commission.
  - Provide quality services and programs in the most efficient, valuable, and cost-effective manner possible.
- Revenues are overall conservative in nature, yet reflect reasonable amounts based on our understanding of current trends on our different revenue sources.
- Expenditures are based on prioritizing the two principals listed above.
  - Expenditures have increased from the prior fiscal year as the City addresses multiple identified needs and constructs several large projects.

# 2024/2025 Budget Overview

## ➤ Revenues (General Fund & Street Funds):

➤ Property Tax: The City's property tax millage rate remains at 1.336 mills (no change since 2000). The overall Taxable Value of properties in the City of Walker continues to increase as new construction remains strong and overall property values in West Michigan rise.

❖ FY 2024/2025 budget = \$2,000,000 (actual in FY 2023/2024 = \$1,873,000).

➤ Walker Income Tax: Walker income tax collections remain strong and steady.

❖ FY 2024/2025 budget = \$15,000,000 (same as amended FY 2023/2024 budget).

➤ State Revenue Sharing and Act 51 Revenues from the State of Michigan: State revenue sources reflect the State's Revenue Projections from April 2024.

❖ FY 2024/2025 budget - State Revenue Sharing = \$2,867,000 (General Fund).

❖ FY 2024/2025 budget - Act 51 = \$4,585,000 (combined Major & Local Street Funds).

# 2024/2025 Budget Overview

## ➤ Expenditures (Personnel Related):

- 2.5% Cost of Living Adjustment (COLA).
- Addition of full-time Administrative Support Position for Elected Officials.
- Budgeted for 41 FTE Police Officers and Detective Staff (excludes Command and Admin).
- Budgeted for 11 FTE Fire Suppression and Fire Inspection Staff (excludes Chief and Admin).
- Adjust existing position from part-time to full-time in Human Resource Department.
- Addition of part-time Zoning Code Enforcement Staff in Community Development Department.
- Addition of full-time Mechanic in DPW fleet maintenance garage.
- Additional payment towards OPEB liability = \$550,000.

# 2024/2025 Budget Overview

## ➤ Expenditures (General Fund):

- Information Technology
  - Wi-Fi upgrades in City buildings = \$100,000.
  - Network redundancy improvements = \$100,000.
  - Cityworks software & implementation for DPW = \$95,000.
- Police Department
  - Update Axon camera/video/taser system (Year 1 of 5) = \$231,000.
  - Improvements to Police firing range = \$16,000.
- Fire Department
  - New turnout gear = \$35,000.
  - Vehicle exhaust ventilation system replacement at Station #2 = \$58,000.
  - Kitchen area improvements at Station #2 = \$16,000.
  - New building generator for Station #3 = \$100,000.

# 2024/2025 Budget Overview

## ➤ Expenditures (General Fund):

- Citywide Building Maintenance, Repairs & Improvements
  - Landscaping improvements at City's Remembrance complex = \$75,000.
  - Breakroom/courtyard improvements at City Hall building = \$50,000.
  - Vehicle exhaust ventilation system improvements to DPW mechanic's garage = \$30,000.
  - HVAC upgrades - Citywide = \$200,000.
  - Parking lot repairs for various City properties (includes WIFC) = \$170,000.
  - Salt barn roof (re-shingle) = \$150,000.
  - Various other Citywide building maintenance repairs and improvements = \$143,000.

# 2024/2025 Budget Overview

## ➤ Expenditures (General Fund):

### ➤ Parks

- Park improvements as determined by Mobility/Infrastructure Committee = \$500,000.
- Park maintenance & repairs = \$75,000.
- Trail maintenance = \$20,000.

### ➤ Streetlights

- Upgrades to Center/Weatherford area = \$50,000.

### ➤ Drains

- Walker Drain #4 - Maintenance Project by Kent County Drain Commission
  - Walker's share is \$500,000.
    - Drain repair/maintenance = \$385,000.
    - O'Brien Road improvement = \$115,000 (budgeted in Walker's Local Street Fund).

# 2024/2025 Budget Overview

## ➤ Expenditures (Street Funds):

- Major and Local road maintenance budget of \$1,115,000 for overlays.
  - \$500,000 for Major and \$615,000 for Local (includes O'Brien-KCDC project)
- Multiple Citywide road construction projects = \$3,890,000.
  - *Bristol/Pannell Railroad Bridge* = \$125,000
    - \$2,600,000 total budgeted construction cost over 2 fiscal years (FY 2023/24 & 2024/25)
  - *Center/Weatherford Round-A-Bout* = \$525,000
    - \$1,125,000 total budgeted construction cost over 2 fiscal years (FY 2023/24 & 2024/25)
  - *Kinney Avenue Reconstruction from Leonard to M45* = \$750,000
    - \$3,900,000 total budgeted construction cost over 2 fiscal years (FY 2023/24 & 2024/25)
  - *Walker Ave/4 Mile intersection improvements (KCRC Project-Walker's Share)* = \$100,000
  - *Walker Ave improvements (Northridge to 4 Mile)* = \$2,000,000
  - *Traffic signal replacement - West River/North Park (construction)* = \$390,000
- *Maplerow Avenue Sidewalk Design* = \$75,000.

# 2024/2025 Budget Overview

## ➤ Expenditures (Fleet Vehicles/Equipment):

- Replacement of multiple vehicles and equipment for DPW, Police, Fire = \$1,431,000.
  - Single axle dump truck with swap loader = \$355,000
  - Tandem axle dump truck with swap loader = \$355,000
  - Pickup truck replacement (shop truck) = \$75,000
  - Crack fill machine for road repairs = \$70,000
  - Mastic machine for road repairs = \$85,000
  - Hi-Lo vehicle (electric powered) = \$35,000 (50% paid by WIFC)
  - Blower attachment for trackless machine = \$21,000 (50% paid by DDA Streetscape Fund)
  - Trailer replacement (DPW) = \$8,000
  - Message boards (portable) - 2 units = \$45,000
  - Police cruiser replacements including equipment - 3 Chevy Tahoes - \$237,000
  - Police Detective vehicle replacements - 2 vehicles = \$80,000
  - Fire Chief vehicle replacement = \$65,000
- NOTE: The rental rates charged by the Capital Equipment Fund (Fund 661) to DPW, Police and Fire have been adjusted for the FY 2024/2025 budget.

# 2024/2025 Budget Overview

## ➤ Expenditures (Walker Ice & Fitness Center - WIFC):

- Munters Unit rebuild and upgrade for WIFC ice arena = \$193,000.
  - Moved from Fiscal Year 2023/2024 - timing issue with new equipment = \$180,000.
  - Added quarterly maintenance service agreement - annual cost = \$13,000.
- Scoreboard replacement for WIFC ice arena = \$10,000.
- Flooring replacement for hockey locker rooms = \$60,000.
- New fitness equipment for WIFC = \$50,000.
- Television replacements/additions for fitness floor area = \$15,000.
- Steam room repairs/improvements = \$22,000.
- Concession walk-in freezer/cooler repairs = \$16,800.
- New floor scrubbers - 2 units = \$17,000.
- VAV & hot water control upgrades = \$46,800.
- Roof replacement on fitness side of building = \$200,000.
  - Paid using WIFC Capital Set Aside account.

# 2024/2025 Budget Overview

- Set Asides (saving for future “big ticket” items):
  - Add \$ 50,000 to Facilities Sinking Fund for a total of \$642,000 at 06/30/2025.
  - Add \$275,000 to OPEB Set Aside Fund for a total of \$855,000 at 06/30/2025.
  - Add \$200,000 to Capital Equipment Fund Fire Truck Set Aside for a total of \$400,000 at 06/30/2025.
  - Add \$ 50,000 to WIFC Capital Improvement Set Aside for a total of \$183,000 at 06/30/2025.
    - Budgeted to use \$200,000 in FY 2024/2025 for roof replacement on fitness side of building.
- Transfers From General Fund to Other Funds:
  - \$4,000,000 to Major Street Fund for operations and projects.
  - \$ 500,000 to Local Street Fund for operations and projects.
  - \$ 700,000 to Capital Equipment Fund for capital purchases and set aside.
  - \$ 350,000 to WIFC for operations and capital reserve set side.

# 2024/2025 Budget Overview

- Bond and Debt Payments:
  - All City Funds and DDA related Funds are currently bond debt free.
  - The General Fund has installment payments totaling \$58,600 owed to City of Grand Rapids for Grand River floodwall and embankment improvements completed in 2014.
    - We have budgeted to pay this obligation in full during FY 2024/2025.
  - The Capital Equipment Fund has no active loans related to equipment purchases.
- Library Building Project:
  - Will bond for this construction project.
  - The cost of this project is estimated to be between \$15 - \$20 million.
  - The General Fund has \$1.8 million budgeted in FY 2024/2025 towards the project.

# 2024/2025 Budget Overview

## ➤ American Rescue Plan Act of 2021 (ARPA)

- ARPA funds are accounted for in a separate fund (Fund 285) - not the General Fund.
- The City has obligated the ARPA funds and must spend the cash by December 2026.

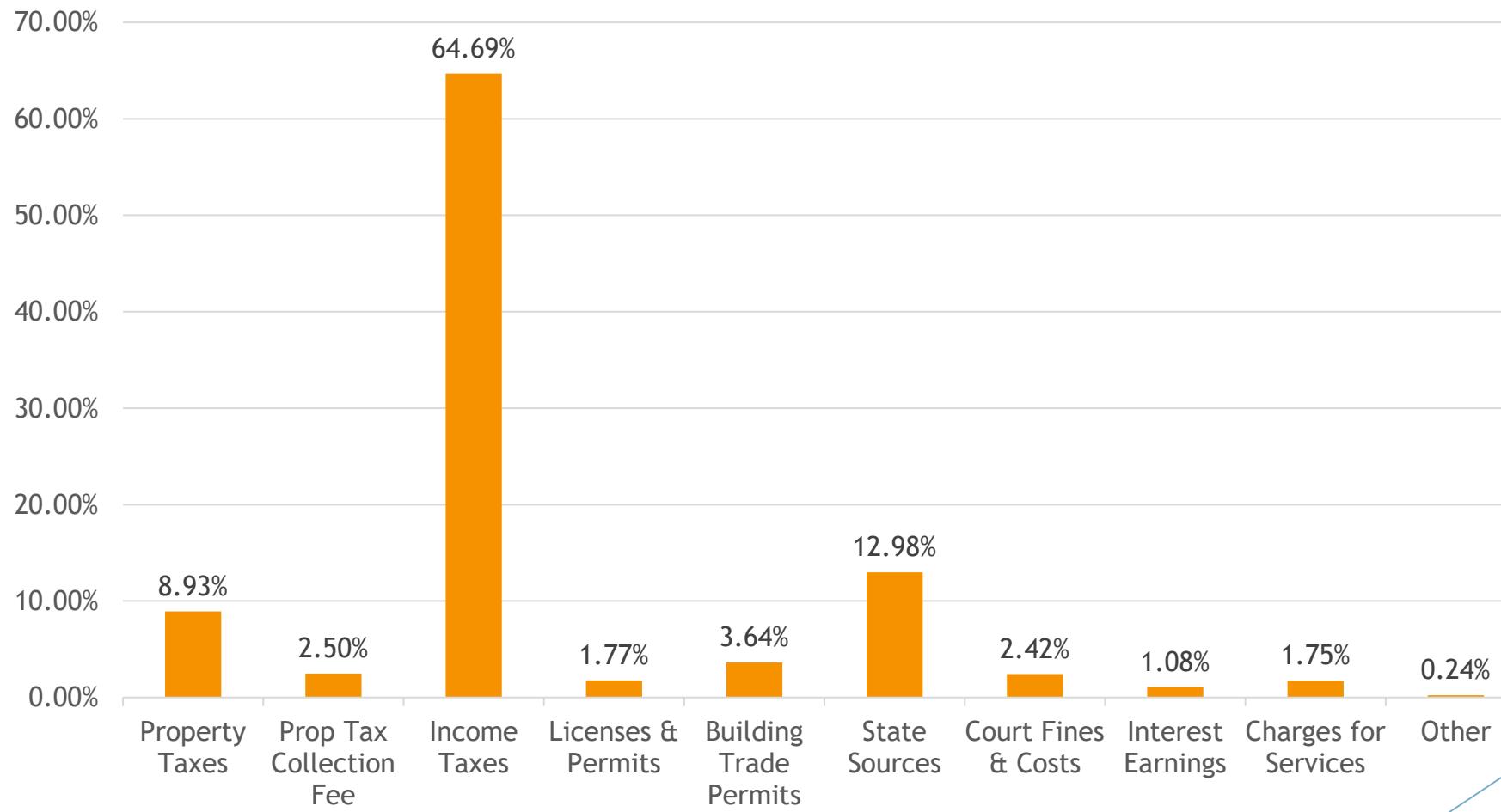
SUMMARY OF ARPA ACTIVITY TO DATE		
<u>Revenues:</u>		
ARPA Funds Received (Total)		\$2,613,451
Accumulated Interest Earned to Date		<u>\$86,450</u>
TOTAL Revenues		\$2,699,901
<u>Expenditures:</u>		
City Property Physical Security System	Completed	\$814,796
Ladder Truck for Fire Department	Ordered	\$1,489,892
Command Vehicle for Police Department	Ordered	<u>\$455,670</u>
TOTAL Expenditures		\$2,760,358
Difference between Revenues & Expenditures		(\$60,457)
(Difference will be covered by Capital Equipment Fund)		

# 2024/2025 Budget - General Fund

- ▶ The General Fund is the main fund of the City.
- ▶ The Fund's purpose is to account for all activities that are not required to be recorded in a different fund.
- ▶ The Fund's main revenue sources are:
  - ▶ Walker Income Tax = 65%
  - ▶ State Shared Revenue (portion of Michigan sales tax) = 12%
  - ▶ Property Tax = 9%

→The following graphs are a look at the General Fund's proposed 2024/2025 budget

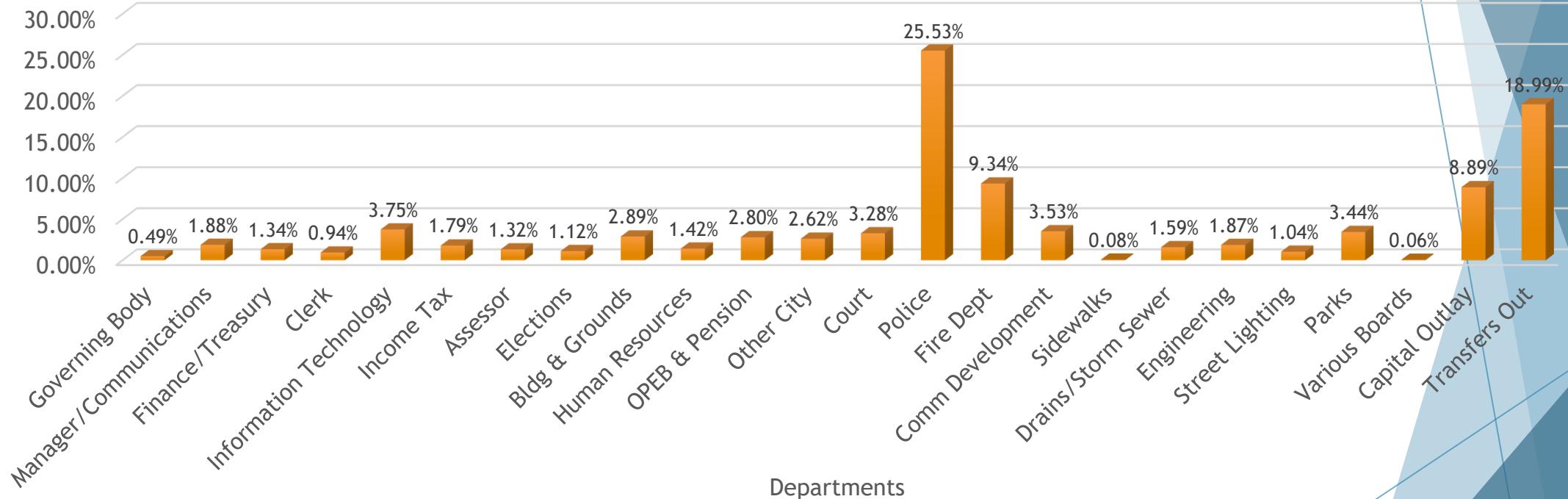
**General Fund (Fund 101)**  
**Fiscal Year 2024/2025 Budgeted Revenues**  
**Total Budgeted Revenues = \$23,187,300**



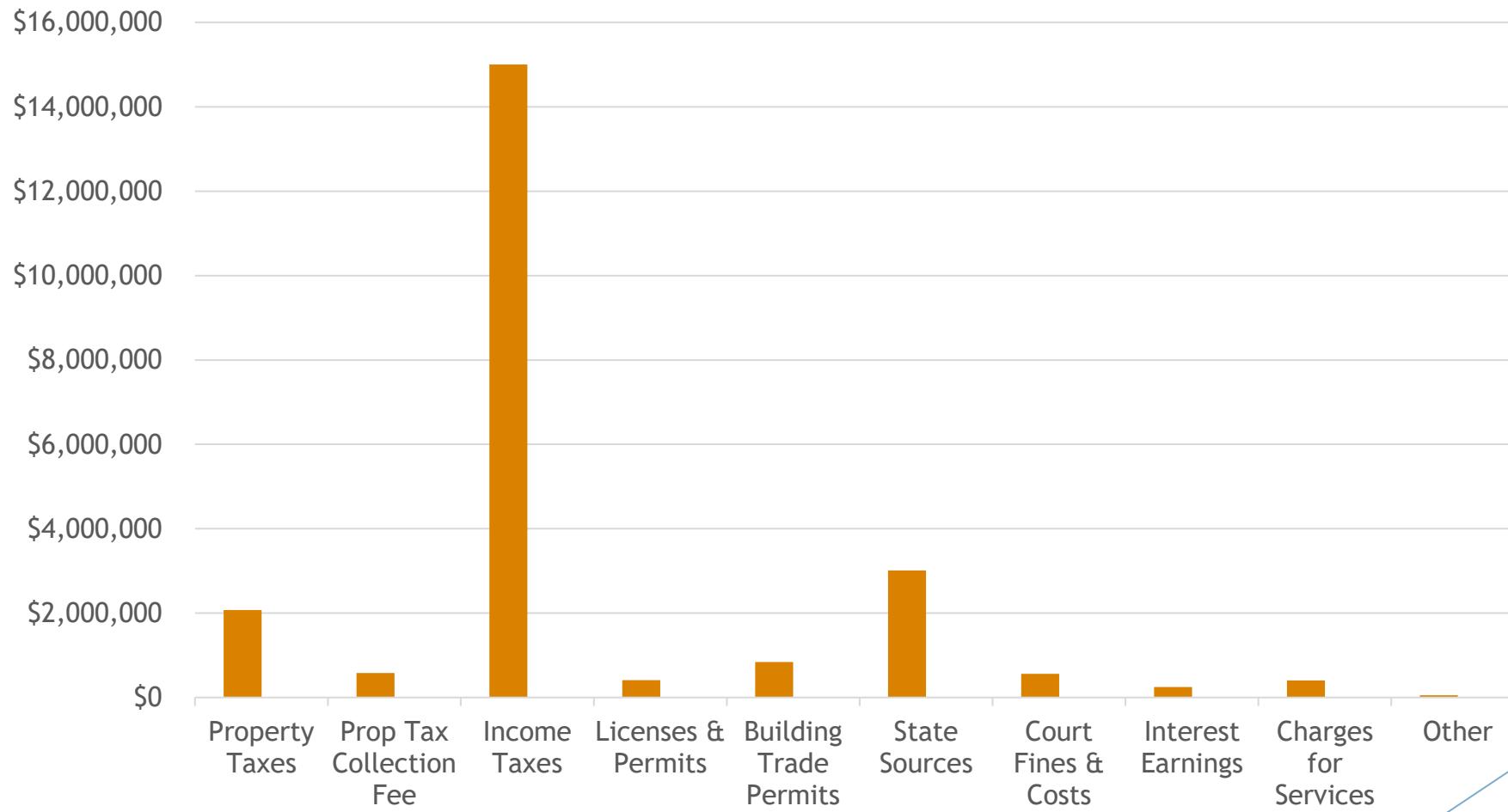
## General Fund (Fund 101)

*Fiscal Year 2024/2025 Budgeted Expenditures*

*Total Budgeted Expenditures = \$30,944,812*



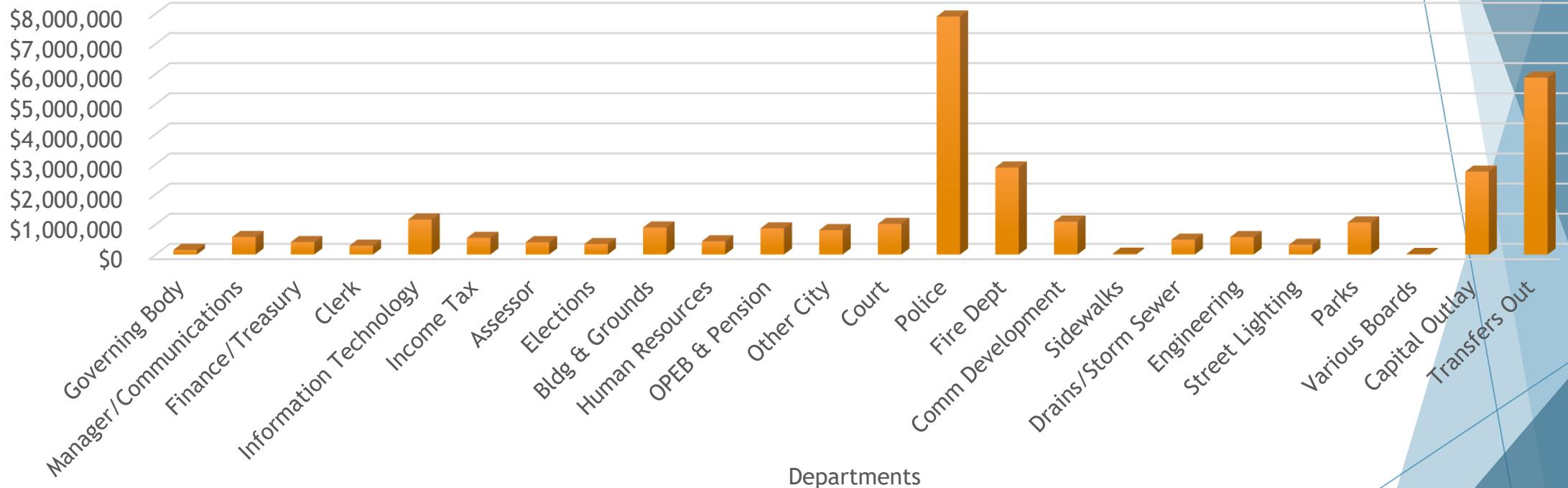
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**Total Budgeted Revenues = \$23,187,300**



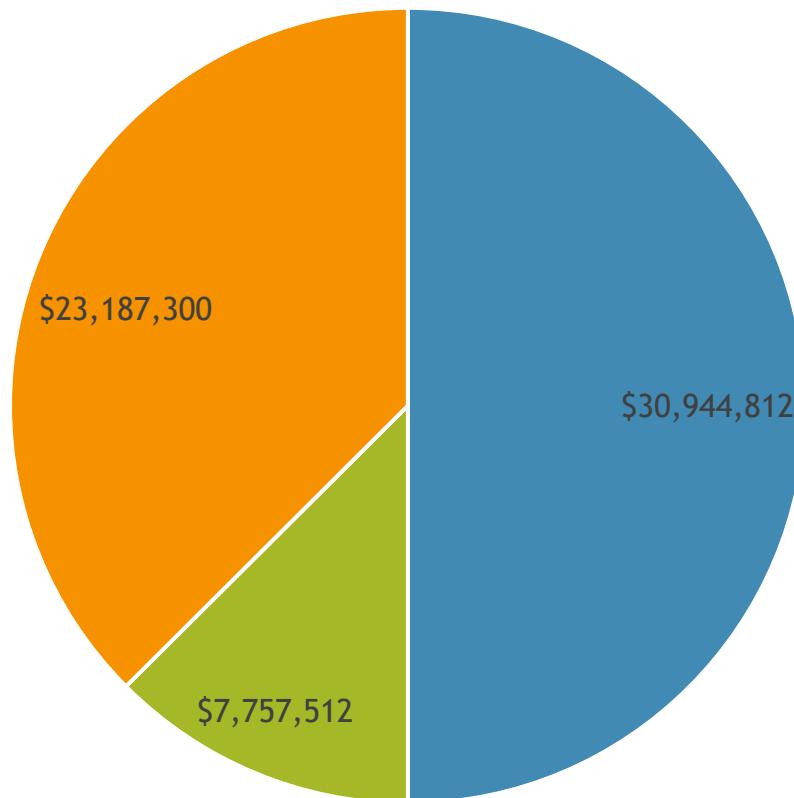
## General Fund (Fund 101)

*Fiscal Year 2024/2025 Budgeted Expenditures*

*Total Budgeted Expenditures = \$30,944,812*



**General Fund (Fund 101)**  
**Budgeted Revenue, Expenditures & Use of Fund Balance**  
**Fiscal Year 2024/2025**



- Budgeted Expenditures
- Use of Fund Balance
- Budgeted Revenues

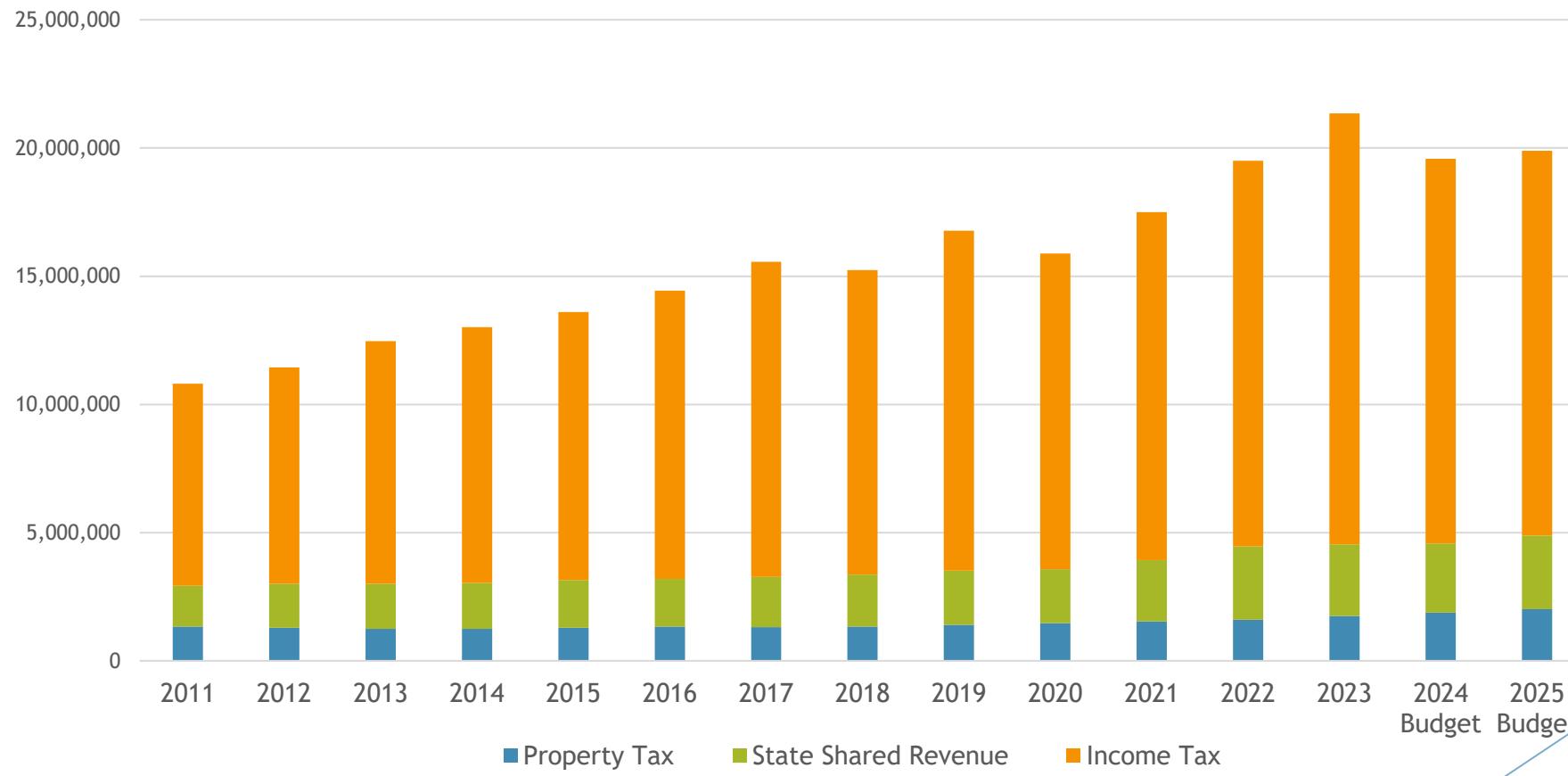
### General Fund (Fund 101)

#### Unassigned Fund Balance as Percentage of Fiscal Year's Expenditures & Transfers Out Based on Proposed 2024/2025 Budget

June 30, 2023 Audited Fund Balance - Unassigned	\$ 14,648,788
Fiscal Year 2023/2024 Budgeted Revenues Over (Under) Expenditures	(1,463,402)
June 30, 2024 Projected Fund Balance - Unassigned	\$ 13,185,386
Fiscal Year 2024/2025 Budgeted Revenues Over (Under) Expenditures	(7,757,512)
June 30, 2025 Projected Fund Balance - Unassigned	\$ 5,427,874
Fiscal Year 2024/2025 Budgeted Expenditures	\$ 30,944,812
% of Unassigned Fund Balance to Expenditures at 06/30/2025 (*** ) - <b>PROJECTED</b>	17.54%

\*\*\* Walker's Fund Balance Policy requires this amount to be a minimum of 15%

# Summary of Walker's Three Main General Fund Revenue Sources for FYE 2011 - 2025



# 2024/2025 Budget - Other City Funds

- ▶ Fund 120 (Building Facilities Set Aside Fund) - For future building related projects.
- ▶ Fund 130 (Metro Honor Guard) - For Kent County Metro Honor Guard Unit activities.
- ▶ Fund 131 & 132 (Employee Sponsored Benevolent Funds) - General & Police respectively.
- ▶ Fund 140 (OPEB Set Aside Fund) - For future Other Post Employee Benefits.
- ▶ Fund 202 (Major Street Fund) - Accounts for Act 51 revenues (gas tax) from State of Michigan for major road activities.
- ▶ Fund 203 (Local Street Fund) - Accounts for Act 51 revenues (gas tax) from State of Michigan for local road activities.
- ▶ Fund 248 (DDA Fund) - Walker Downtown Development Authority.
- ▶ Fund 251 (DDA Streetscape) - Streetscape Special Assessments for Standale area.
- ▶ Fund 262 (Special Vice Investigation Fund) - Narcotics seizure monies.
- ▶ Funds 274-276 & 454 (Brownfield Redevelopment Funds) - Brownfield Projects.
- ▶ Fund 284 (Opioid Settlement Fund) - Opioid settlement monies from class action suit.
- ▶ Fund 285 (American Rescue Plan Act Fund) - Accounts for use of APRA funds received.
- ▶ Fund 298 (WIFC Fund) - Walker Ice and Fitness Center.
- ▶ Fund 661 (Capital Equipment Fund) - This fund owns the city's vehicles/equipment and receives rental fees (revenue) from other city funds.
- ▶ Fund 810 (Revolving Fund) - Originally used to finance water/sewer improvement costs.
- ▶ Fund 854 (2009 SAD Debt) - Watermain Special Assessments for Riverbend area.

# 2024/2025 Budget Resolution

- ▶ Overall, the City has 27 different funds.
- ▶ The “Resolution to Adopt City of Walker Fiscal Year 2024-2025 Budget” that you will be considering tonight contains the budgets for all the Funds that require formal approval per State regulations.
- ▶ Total 2024/2025 Budgeted Expenditures per the Resolution = \$44,132,115

General Fund	\$30,944,812
Set Aside Funds (Bldg Facilities & OPEB)	\$339,000
Metro Honor Guard Fund	\$3,600
Employee Sponsored Benevolent Funds	\$1,350
Major Street Fund	\$6,648,017
Local Street Fund	\$1,460,379
Special Vice Investigation Fund	\$25,000
Opioid Settlement Fund	\$4,000
American Rescue Plan Act Fund (ARPA)	\$1,800,000
Walker Ice & Fitness Center Fund	\$2,267,398
Revolving Fund	\$135,000
2009 SAD Debt Fund	\$700
DDA Related Funds	\$353,259
Brownfield Related Funds	\$149,600
<b>TOTAL</b>	<b>\$44,132,115</b>

*Thank you*  
to the City Commission,  
the City Finance Committee,  
the City Manager's office,  
and City staff members  
for all their work and commitment  
to the annual budget process.

# 2024/2025 Budget

- ▶ Questions?
- ▶ Clarifications?
- ▶ Comments?
- ▶ Discussion?

*Thank you*