

## *SPECIAL REVENUE FUNDS*

### *203 - LOCAL STREET FUND / REVENUE*

**The mission of the Local Street Fund is to facilitate the development, maintenance, and operation of the local street system through accepted engineering standards in order to meet the community's need for a safe, efficient, and cost-effective local street system.**

In FY 1999, a Five-Year Street Improvement Plan was developed to fund major road and local street projects identified by the Capital Improvement Plan (CIP) and City Council Road Policy through FY 2003. Revenue sources included Michigan Transportation Bonds, Special Assessment Bonds, the Capital Improvement Fund, additional support from the General Fund, and fund balances from within the Major Road and Local Street Funds.

In FY 2004, the City put forth a 2.9213 mill ballot proposal in an effort to establish a 10-year dedicated funding source for the operation, maintenance, reconstruction, and rehabilitation of local streets. This proposal was defeated in November of 2004.

In FY 2005, a Residential Ad-hoc Local Street Committee endorsed a ballot proposal that phased in a 10-year 2.7500 mill request for the operation, maintenance, reconstruction, and rehabilitation of local streets. This proposal was defeated in November of 2005.

City Council and Administration are working to develop a long-term road funding policy that will appropriately address future local street needs. This initiative is one of the top two priorities set by City Council to address in FY 2009-10.

#### **Goals:**

- Identify long-term funding sources to implement into the Local Street Improvement Plan that will provide for consistent operations, maintenance, reconstruction, and rehabilitation for all neighborhood streets.
- Implement the Local Street Improvement Plan as detailed in the Capital Improvement Plan (CIP) as funding is available.

#### **Objective:**

- Increase community involvement and public information to demonstrate the need for an adequate funding source in order to manage the needs, priorities, and long-term strategies for the overall operation, maintenance, reconstruction, and rehabilitation of neighborhood streets.

#### **Significant Revenue & Program Notes:**

- No use of Fund Balance is projected for the Local Street Fund in FY 2010 or FY 2011.
- 544000 / State Transportation Funds decreased [(3.0%) or (\$32,200)] due to anticipated reduction in the State of Michigan gasoline tax collection and vehicle registration revenue.
- 610003 / Charge for Services: City Inspections decreased [(70%) or (\$7,000)] due to an anticipated decrease in public/private development projects.
- 610006 / Charge for Service: Site Plan Review increased [100% or \$1,000] due to recent trends.

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- 664001 / Interest Earnings decreased [(30%) / (\$12,000)] due to lower interest rates anticipated.
- 678001 / Reimbursement: Sidewalk Program decreased [(100%) or (\$14,800)] due to the timing schedule of the Sidewalk Program which entails inspections in the 1st year then replacement and reimbursement in the 2nd year.
- 699101 / Transfer-In: General Fund decreased [(3.2%) or (\$170,510)] due to fewer General Fund monies for Local Street maintenance and construction activities.
- 699202 / Transfer In - Major Roads was created [\$400,360] to transfer funding from the Major Road Fund to support Local Street Construction activities.

2010 Budget Summary Report						
203 Local Street Fund Revenues	2008 Amended Budget	2008 Audited Actual	2009 Amended Budget	2009 June YTD Actual	2010 Adopted Budget	2011 Projected Budget
Fund Balance to Balance	\$ 224,510	\$ -	\$ 207,200	\$ -	\$ -	\$ -
Licenses & Permits	11,030	13,712	10,000	6,745	10,000	10,000
State Shared Revenue	1,169,600	1,143,744	1,113,100	386,855	1,079,710	1,047,320
Other Intergovernmental	40,000	40,000	40,000	-	40,000	40,000
Service Charges	21,400	24,287	29,400	8,431	22,550	22,550
Investment Earnings	73,350	71,401	47,100	9,604	33,340	32,010
Special Assessments	22,490	23,150	17,550	21,185	13,170	9,890
Other Revenue	10,000	9,788	14,800	1,489	-	10,000
Bond Proceeds	-	-	-	-	-	-
Transfer-In	5,060,370	5,060,370	5,424,680	2,645,060	5,519,970	4,498,840
<b>TOTAL</b>	<b>\$ 6,632,750</b>	<b>\$ 6,386,452</b>	<b>\$ 6,903,830</b>	<b>\$ 3,079,369</b>	<b>\$ 6,718,740</b>	<b>\$ 5,670,610</b>
<i>Per Capita</i>	\$ 96.37	\$ 92.79	\$ 100.31	<i>n/a</i>	\$ 97.62	\$ 82.39

