

# Village of Concord 2023 Budget a Summary

## Estimated Fund Balance Carrying Over into 2023 as of November 1, 2022

We Estimated Fund Balance as of November 1, 2021 Last Year	Actual Fund Balance as of January 1, 2022	*Estimated Fund Balance as of November 21, 2022*
General Fund: \$437,159.26	^General Fund: \$522,604.45^	General Fund: \$585,005.26
Major Street:s \$275,728.15	Major Street:s \$291,464.94	Major Street:s \$130,632.11
Local Streets: \$237,892.13	Local Streets: \$237,157.77	Local Streets: \$116,024.02
Fire Fund: \$47,692.68	Fire Fund: \$36,732.81	Fire Fund: \$85,860.17
Sewer Fund: \$278,327.48	Sewer Fund: \$293,307.51	Sewer Fund: \$272,723.20
Water Fund: \$778,244.95	Water Fund: \$816,331.08	Water Fund: \$596,045.93

*^This amount increased by about \$100,000 due to the Village receiving American Rescue Plan Act Funds.^*

*\*These financial figures are likely to decrease slightly over the next two months as expenses are incurred by the Village and paid out of each corresponding fund.\**

### 2022 Projects of Note Which Effected Fund Balance Going Into 2023

2022 saw the Village complete quite a few projects of note which affected the fund balance going into 2023 some we budgeted for and others we didn't and choose to take advantage of the timing and cost savings to complete with our ample Fund Balance. The Village chose to repave many of our worst Local Streets including Pelham, East Center, South Concord, and Monroe Street. The Village also chose to repave the Major Streets of Michigan and Harmon Avenue. Given the opportunity to purchase a dilapidated home and the land in the downtown district on Homer Road the Village chose to purchase the home, demo it and put in the Village's first public parking lot next door to our U.S. Post Office to offer more public parking for visitors to our downtown businesses. The Village also chose to demo the existing Michigan Street Well House and build a new Well House and clean and rebuild the well infrastructure located there. The Village saw the end of our large USDA Cast Iron Water Infrastructure Replacement Project with the paving of the section of Main Street from River Street to M60. We knew going into the final stage of the USDA Cast Iron Water Infrastructure Replacement Project we would likely incur additional costs once we broke ground and found pre-existing problems. One such problem which arose was that a section of cast iron water pipe running eastward from the Three Oaks Estates Trailer Park on M60 to roughly the Wolverine Steel Building on M60. This particular replacement of cast iron water pipe will finally complete the Village's replacement of all cast iron water pipe to PVC water pipe and will likely be mostly billed after the new year in 2023. By being fiscally conservative and saving excess funds in years past the Village was able to tap into this revenue at a later date to complete these major projects and make improvements without having to raise taxes or requesting millages or bonds.

## **Fund Balance Going into 2023**

As the 2022 fiscal year nears its end the Village of Concord still remains financially sound as all accounts the Village has complete financial control over, will have over \$200,000+ in fund balance found in them other than Major and Local Streets with roughly \$100,000+ in them due to large amount we spent from fund balance for repaving projects.

Overall, the sum of all the Village's overall funds balance is over \$1,700,000 however almost two-thirds of these funds are found in the General Fund and Water Fund. The Village's overall fund balance starting in 2023 is expected to be about \$400,000 less than 2021 due to the amount of high priced Projects of Note the Village completed in 2022. The Village in 2023 has budgeted for about \$200,000 to return to fund balance at the end of the year in 2023. Our treasurer continues to wisely invest the Village's existing fund balance into Certificate of Deposits (CD's) although she will have less funds to invest going forward as large amounts of fund balance were spent for completion of the 2022 Projects of Note listed in the previous section. Our treasurer is also likely to bring in less investment funds than in the past due to the current market economy which has bank institutions offering low interest rates hovering at 1%. All CD's the Village has invested in can be freely withdrawn from at any time needed without penalty. By continuing to be fiscally conservative and saving excess funds in 2023 we will begin working towards building back up our fund balance so we can tap into this revenue at a later date to complete future major projects and make improvements without having to raise taxes or requesting millages or bonds.

## **2023 Potential Projects of Note**

It should be noted the Village has fewer projects planned going into 2023 than we had going into 2022, especially in the Major and Local Street Funds which saw significant hits due to the amount of repaving completed in 2022. In the General Fund it should be noted many of the projects are carryovers from which we planned to complete in 2022 and were unable to complete with other projects taking precedence.

**General Fund:** Public Parking Lot; Paddock Lake Concrete Boat Launch Engineering and Planning; Gottschalk Park Dugouts on Softball and Baseball Diamond (Dugouts Paid for Through Donations by Concord Baseball Club/Lions Club); Improvements to Community Center Kitchen; Village Office Building Improvements Including of Replacement of Furnaces in all Village Buildings; (Some of these projects including the furnaces will be completed with the \$100,000+ ARPA Funds the Village has received)

**Sewer Fund:** Rebuild of Lift Station

**Water Fund:** M60 Cast Iron Replacement

**Major/Local Street Fund:**

## **2023 Budget Notes**

It should be noted in the 2023 Proposed Budget we have been conservative in our projected revenue estimates and are expecting about \$87,000 less revenue than we projected in 2022 due to less transfers in of Fund Equity from varying funds. We expect roughly \$71,000 less in expenses compared to our 2022 due to our intention to complete less projects of note. When looking at the expenses we have spent thus far from our 2022 budget and comparing them to proposed 2023 expenses we are expecting a \$20,000+ rise in expenses hitting our General Fund due to Paddock Boat Launch

Work, Gottschalk Park Dugouts and being billed for the Public Parking Lot Surfacing. Our Water Fund expenses look very similar to our 2021 expenses due to us not budgeting a transfer of \$100,000 we budgeted for in 2022. The major expense expected to hit our Water Fund is the replacement of cast iron water pipe on M60 although we purchased all the materials for the project in 2022. We are expecting a roughly \$55,00 decrease in expenses hitting our Sewer Fund as we are only transferring \$45,000 in fund equity for the rebuilding of a sewer lift station as opposed to the \$100,000 we budgeted to transfer in 2022 for various projects. We don't expect many expenses hitting our Local and Major Street Funds with most our worst Major Streets and Local Streets within the Village addressed over the last two years, We are expecting spending substantially less than 2022 and putting excess saved revenue into our Major and Local Streets Fund Balance to work towards building back up savings in this fund for future street projects.

### **2021 vs 2022 vs 2023 Proposed Budget A Comparison Overview**

*\*2022 Represents where transfer of \$100,000 from Fund Equity occurred\**

*^2023 Represents where transfer of \$45,000 from Frund Equity occurred^*

	<b><u>Revenues:</u></b>	<b><u>Expenses:</u></b>	<b><u>Estimated to Fund Balance:</u></b>
General Fund 2023:	<u>\$597,520.00</u>	<u>\$584,497.50</u>	<u>\$13,027.50</u>
General Fund 2022:	<u>\$571,125.00</u>	<u>\$563,665.50</u>	<u>\$7,459.50</u>
General Fund 2021:	\$545,920.00	\$543,590.10	\$2,334.90
Major Streets 2023:	<u>\$149,305.00</u>	<u>\$103,900.00</u>	<u>\$45,405.00</u>
Major Streets 2022:	<u>\$141,205.00</u>	<u>\$106,450.00</u>	<u>\$34,755.00</u>
Major Streets 2021:	\$144,305.00	\$107,391.00	\$36,914.00
Local Streets 2023:	<u>\$152,825.00</u>	<u>\$112,505.00</u>	<u>\$40,320.00</u>
Local Streets 2022:	<u>*\$245,825.00*</u>	<u>\$236,155.00</u>	<u>\$9,670.00</u>
Local Streets 2021:	\$137,125.00	\$136,746.00	\$379.00
Sewer Fund 2023:	<u>^\$237,550.00^</u>	<u>\$233,850.00</u>	<u>\$3,700.00</u>
Sewer Fund 2022:	<u>*\$292,150.00*</u>	<u>\$282,350.00</u>	<u>\$9,800.00</u>
Sewer Fund 2021:	\$263,150.00	\$262,250.00	\$900.00
Water Fund 2022:	<u>\$430,950.00</u>	<u>\$366,500.00</u>	<u>\$64,500.00</u>

Water Fund 2022:	<u>*\$530,050.00*</u>	<u>\$407,565.00</u>	<u>\$122,485.00</u>
Water Fund 2021:	\$428,050.00	\$386,931.00	\$41,119.00
<b>2021 Budget Total:</b>	<u>\$1,393,440.00</u>	<u>\$1,312,793.10</u>	<u>\$80,646.90</u> to Fund Balance
<b>2022 Budget Total:</b>	<u>\$1,780,355.00</u>	<u>\$1,596,185.50</u>	<u>\$184,169.50</u> to Fund Balance
<b>2023 Budget Total:</b>	\$1,693,270.00	\$1,525,367.50	\$167,902.50 to Fund Balance

*(^2023 Note there will be a transfer of \$45,000 from Fund Equity into the Sewer Fund that may need to occur to cover the cost of rebuilding one of the Village's Lift Station^)*

*(\*2022 Note there will be a transfer of \$100,000 from Fund Equity into the Water Fund that may not need to occur when looking at the large amount of funds which will return to the Water Fund Balance above. This additional \$100,000 was budgeted as the transfer will occur out of potential concern for cost overruns on the substantial projects being completed from the Water Fund and the possibility of outstanding billing from the Water Infrastructure Project slated to be completed by the end 2021 but may not be billed in its entirety until the 2022 fiscal year. Any additional funds leftover after completion of the projects and outstanding bill payout will return to the Water Fund Equity Balance. The same principle of returning funds will occur with Local Streets Fund and the Sewer Fund if all transferred funds are not used. \*)*