

**WORK SESSION AGENDA
WYOMING CITY COUNCIL MEETING
CITY COUNCIL CHAMBERS**

Monday, April 8, 2024, 5:30 P.M.

- 1) Call to Order**
- 2) Student Recognition**
- 3) Public Comment on Agenda Items (3 minute limit per person)**
- 4) WKTV's Request for Increased Franchise Fee Payments**
- 5) FY 2025 Budget Presentation**
- 6) Any Other Matters**
- 7) Acknowledgement of Visitors/Public Comment (3 minute limit per person)**

The City of Wyoming, including the City Council, is committed to ensuring all persons have access to all its programs, services, and activities, including any public meetings. The City Council will coordinate with city staff to ensure the City Council fulfills that commitment for its programs, services, and activities, including public meetings. Accommodations to enable virtual meeting attendance and participation can usually be made if a request is received at least 5 hours before the meeting time. Other accommodations may require more time.

Special Accommodations – Persons with impairments or disabilities needing accommodations to participate in the meeting or persons who need language interpretation services may contact the city clerk at either Clerk_info@wyomingmi.gov or 616.530.7296 at least 36 hours before the meeting to make arrangements for appropriate accommodation.

Acomodaciones Especiales – Personas que deseen asistir a esta reunión y necesitan acomodación para participar, como servicios de interpretación, deben comunicarse con la Oficina del Administrador de la Ciudad al 616.530.7296 o Clerk_info@wyomingmi.gov al menos 36 horas antes de la reunion para hacer arreglos para el alojamiento apropiado.

CITY OF WYOMING

City Manager | 1155 28th St. SW, Wyoming, MI 49509
616.530.7272 | Fax 616.261.7103 | wyomingmi.gov

To: Wyoming City Council
From: John Shay, City Manager
Date: April 2, 2024
Re: WKTV’s Request for Increased Franchise Fee Payments

The City receives both public, educational and governmental (PEG) fees and franchise fees from the cable-television provider to provide a cable television PEG channel run by WKTV and to reimburse the City for the cable-television provider’s use of the City’s rights-of-way. In turn, the City transfers 100% of the PEG fees (FY 2023 = \$150,800) and 37% of the franchise fees (FY 2023 = \$259,662) to WKTV to help fund its operations. The City retains the rest of the franchise fees, which totaled about \$442,126 in FY 2023. As the table below illustrates, the amount of PEG fees and franchise fees has been decreasing over the years as more people “cut the cord” and replace their cable TV service with streaming services.

Year	PEG Fees	Franchise Fees	Total Fees	Paid to WKTV	Net to City	YOY Decrease					
2018	\$191,605	\$859,157	\$1,050,763	\$509,493.54	\$541,269.11						
2019	\$185,085	\$832,884	\$1,017,969	\$493,252.12	\$524,716.65	-3%					
2020	\$175,874	\$809,467	\$985,341	\$475,376.97	\$509,964.36	-3%					
2021	\$171,409	\$783,593	\$955,003	\$461,338.90	\$493,663.66	-3%					
2022	\$162,411	\$750,397	\$912,808	\$440,057.49	\$472,750.10	-4%					
2023	\$150,880	\$701,788	\$852,668	\$410,541.29	\$442,126.44	-7%					
2023	\$150,880	\$701,788	\$852,668	\$431,594.93	\$421,072.80	-\$21,053.64	reduction if had been paid out to WKTV at 40%				
2023	\$150,880	\$701,788	\$852,668	\$466,684.33	\$385,983.40	-\$56,143.04	reduction if had been paid out to WKTV at 45%				
2023	\$150,880	\$701,788	\$852,668	\$480,720.09	\$371,947.64	-\$70,178.80	reduction if had been paid out to WKTV at 47%				

Almost all of WKTV’s revenues come from these fees. Since these revenues are decreasing, WKTV is requesting the cities of Wyoming and Kentwood to increase their franchise-fee payments from 37% to about 47%. This would result in an increased payment by Wyoming to WKTV of about \$70,000 and a corresponding decrease in General Fund revenues for the City.

WKTV would use this increase in revenues to hire a development director who would perform fundraising duties and seek grants to provide additional revenue sources for WKTV. This new employee would also create a fee-based system to provide certain video services. WKTV has indicated that if its revenues increase because of increased donations and grant revenue, and if streaming services are required to pay franchise fees, then the City’s contribution to WKTV could return to its current 37% level. I plan to discuss this in more detail at the April work session, as the proposed FY 2025 budget does not include WKTV’s request. Tom Norton from WKTV is expected to attend the work session to discuss WKTV’s request and answer any questions.

CITY OF WYOMING

WY | MI

MICHIGAN

Proposed Budget Fiscal Year 2025

Today's Topics

Process and Timeline

Budget Framework

Millage Rates

Fund Summaries

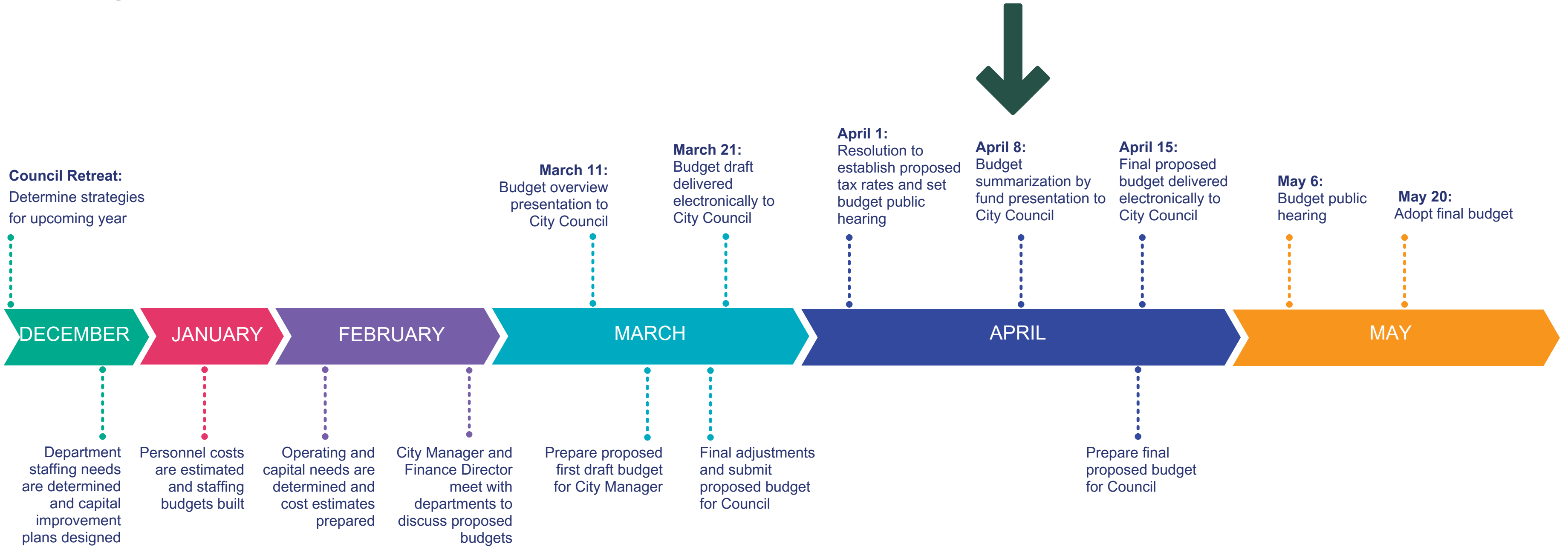




Process and Timeline



Budget **TIMELINE**

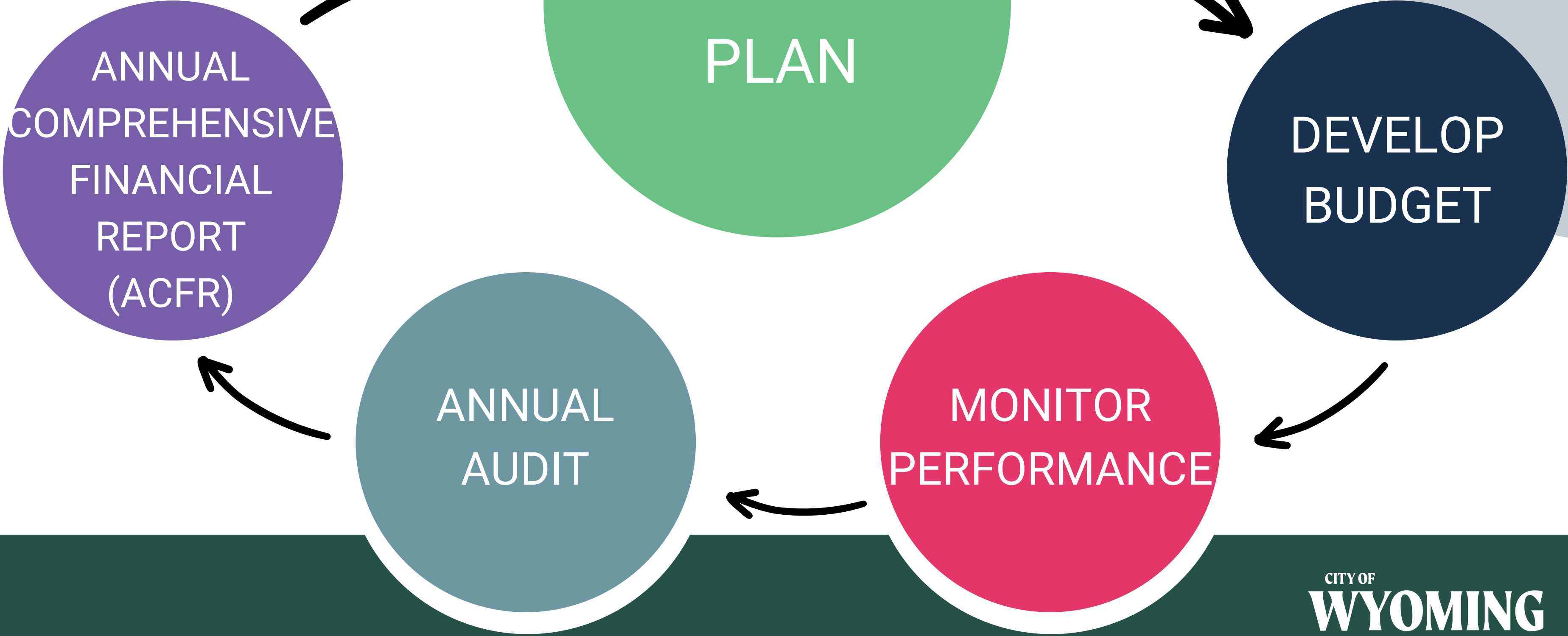




Budget Framework



BUDGET Framework



Strategic Plan

GOALS

OBJECTIVES

TASKS

Goals/Objectives Highlighted in FY25 Budget

- Implement the new branding initiative
- Complete the 36th Street Marketplace project
- Enhance community engagement and recreational opportunities for our residents
- Complete city-wide wage study
- Implement a capital improvement plan process
- Develop a long-term sustainable funding plan

BUDGET
Framework

Considerations in Annual Budget Development

BUDGET Framework

- Economic vitality of the City
- Departmental needs and priorities
- Inflationary effect on expenses
- Legislative outlook
- Infrastructure maintenance and replacement

BUDGET Framework

Budget Process

- 1 Assess City/departmental needs
- 2 Determine costs
- 3 Identify revenue sources
- 4 Allocate resources
- 5 Develop budget

Considerations in FY25 Budget Development

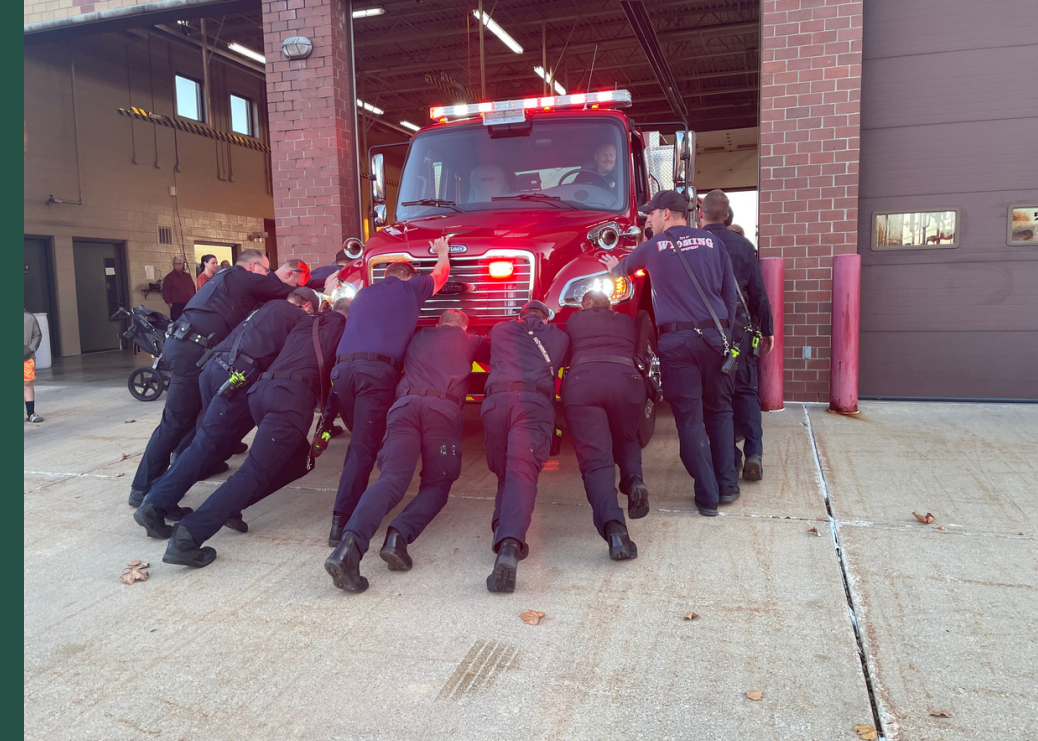
- Review fee schedules
- Develop a city-wide five-year capital improvement plan
- Assess staffing levels and department structure
- Evaluate current Motor Pool Fund reserves for vehicles and equipment
- Separate public safety-related revenues and expenditures from General Fund

Considerations in FY25 Budget Development

- Ensure forecasted fund balances support all recurring items and capital projects in accordance with the capital improvement plan
- Ensure General Fund balance is within policy target range
- Provide additional clarity on public safety funding
- First Responders millage sunsets after fiscal year 2028



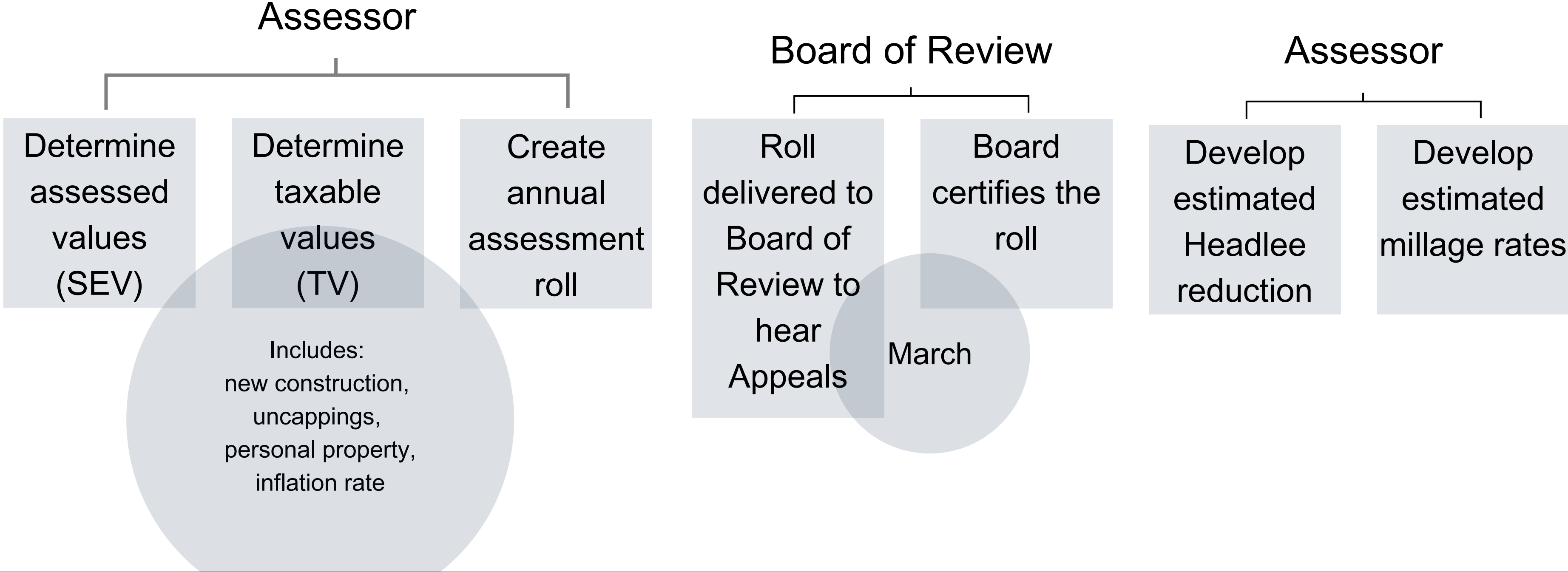
Questions?



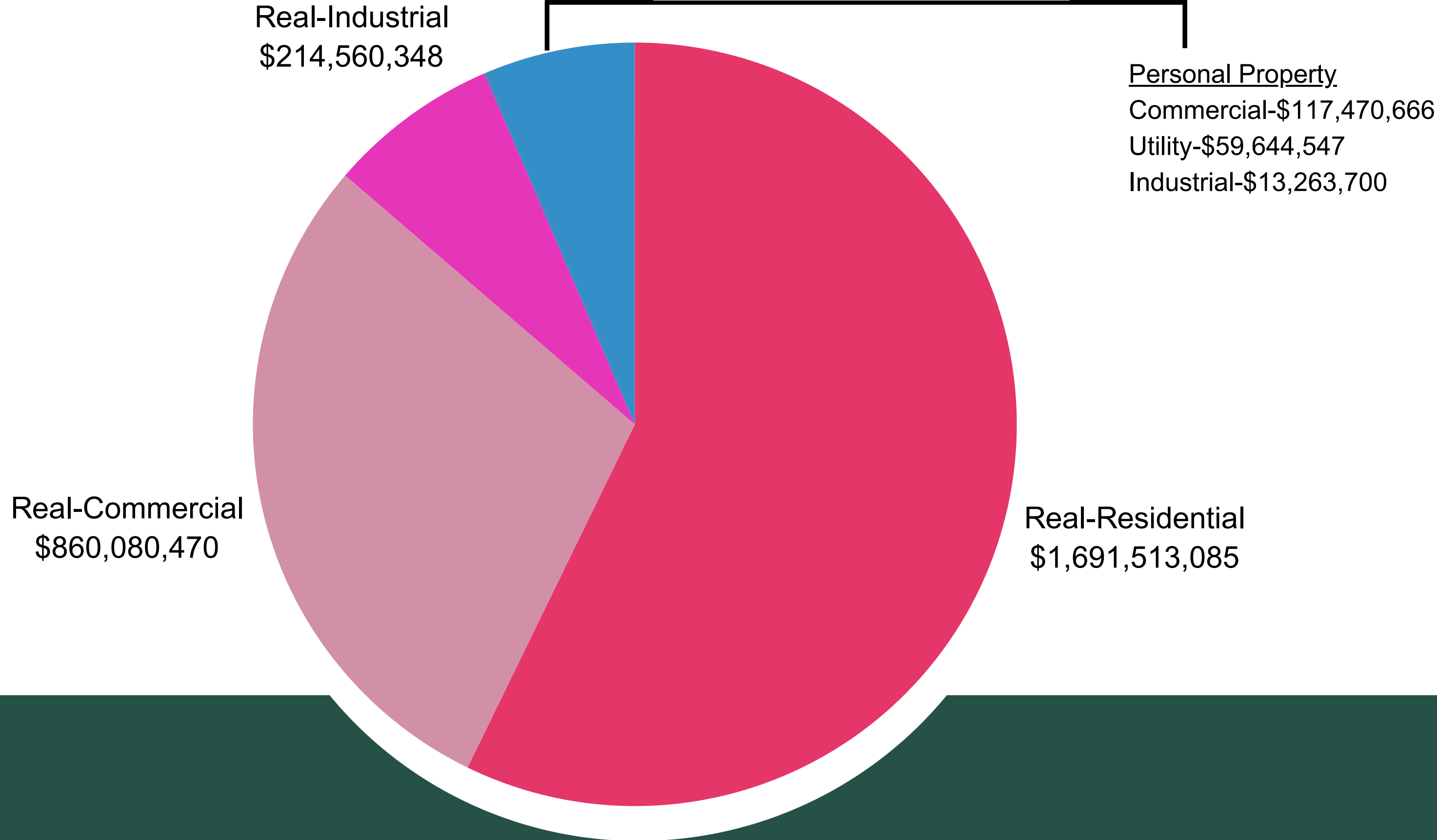
Millage Rates



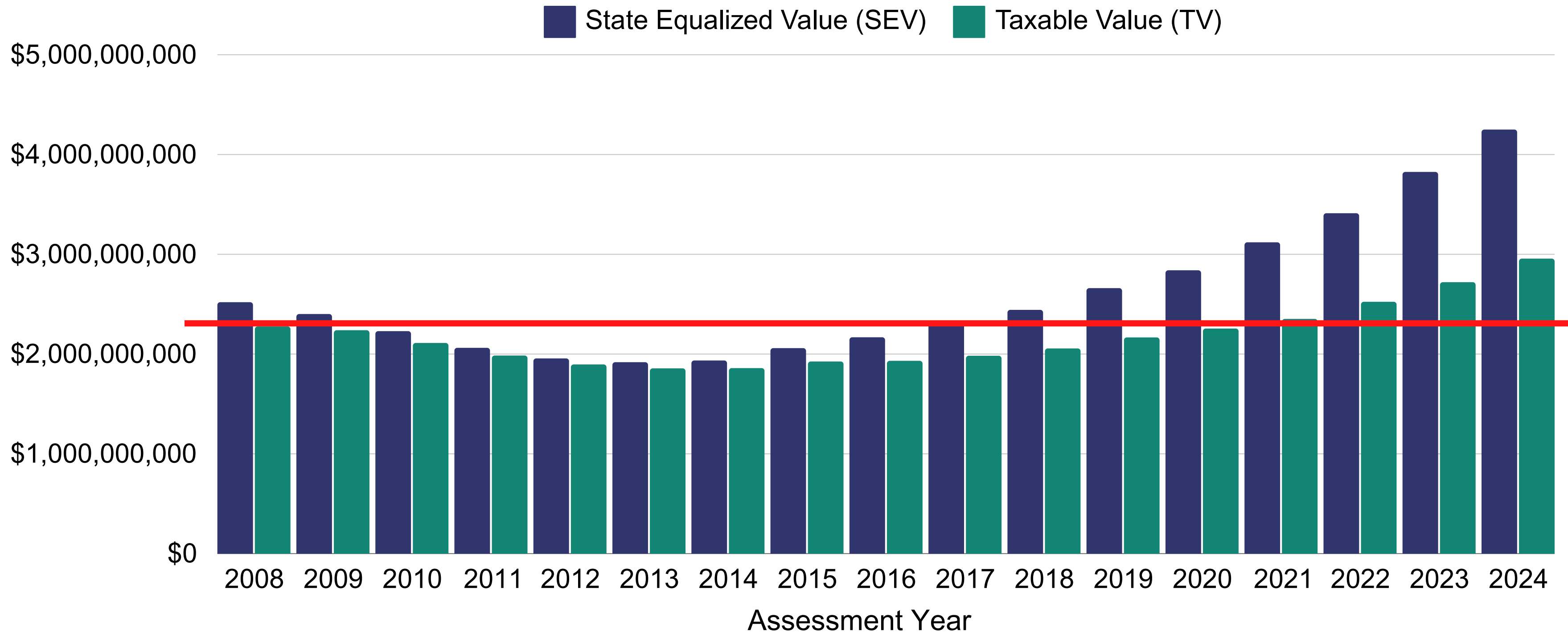
PROPERTY Assessment Process



TAXABLE VALUE Estimates



Ad Valorem **PROPERTY VALUE** History

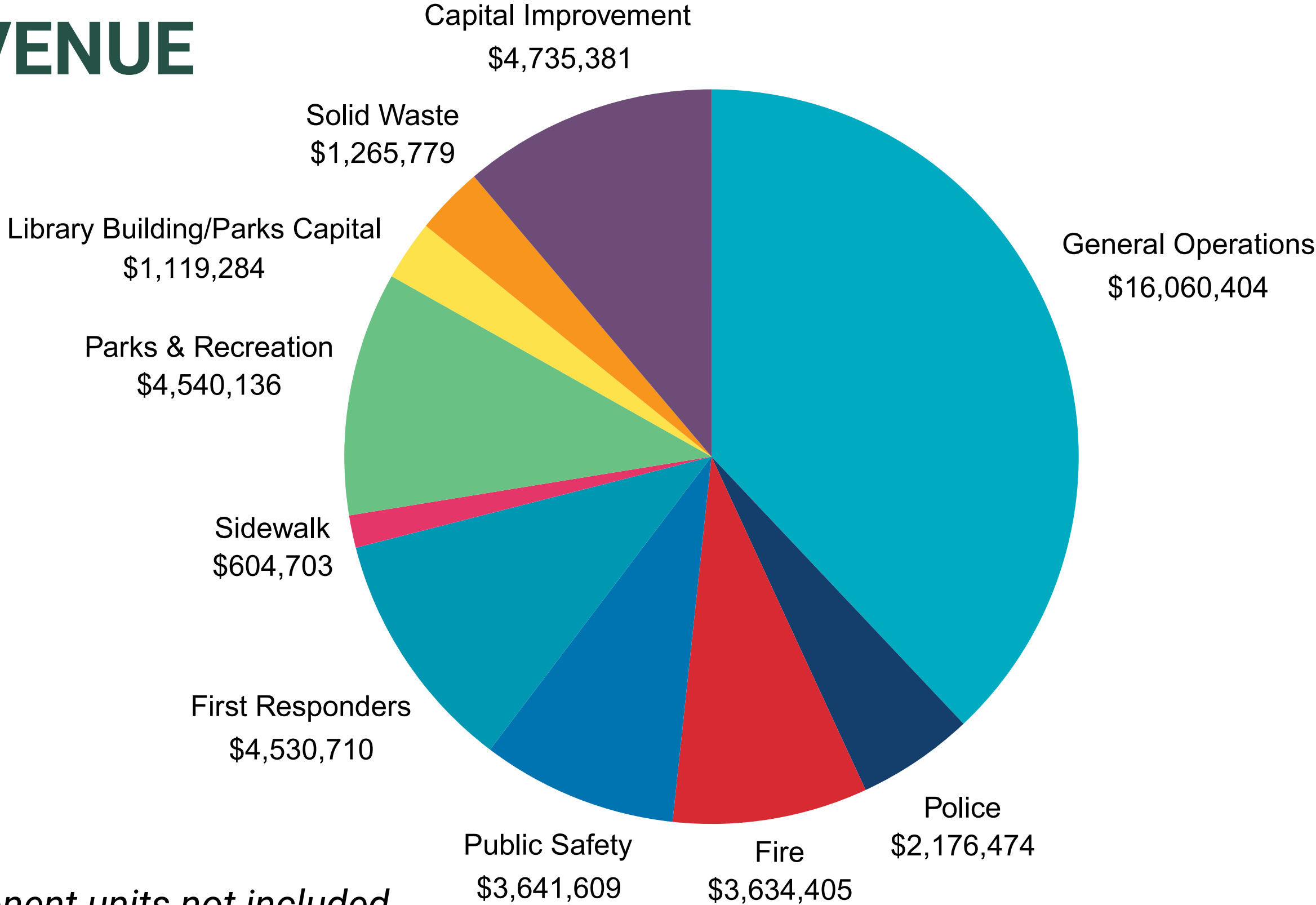


MILLAGE Rates

	2021	2022	2023	2024	Proposed Budget 2025
General Operations	4.8347	4.7945	4.7206	4.7206	4.6823
Fire Services	0.7394	0.7332	0.7219	0.7219	0.7160
Police Services	1.2326	1.2223	1.2034	1.2034	1.1936
Parks & Recreation	1.4791	1.4668	1.4442	1.4442	1.4325
Sidewalks	0.1974	0.1957	0.1926	0.1926	0.1910
Yard Waste	0.4000	0.4000	0.4000	0.4000	0.4000
Library Maint./Parks Capital	0.3648	0.3617	0.3561	0.3561	0.3532
Capital Projects	1.4960	1.4960	1.4960	1.4960	1.4960
Public Safety	1.2348	1.2245	1.2056	1.2056	1.1958
Fire, Law Enforcement, and First Responders				1.5000	1.4878
Total Mills	11.9788	11.8947	11.7404	13.2404	13.1482

Property Tax **REVENUE**

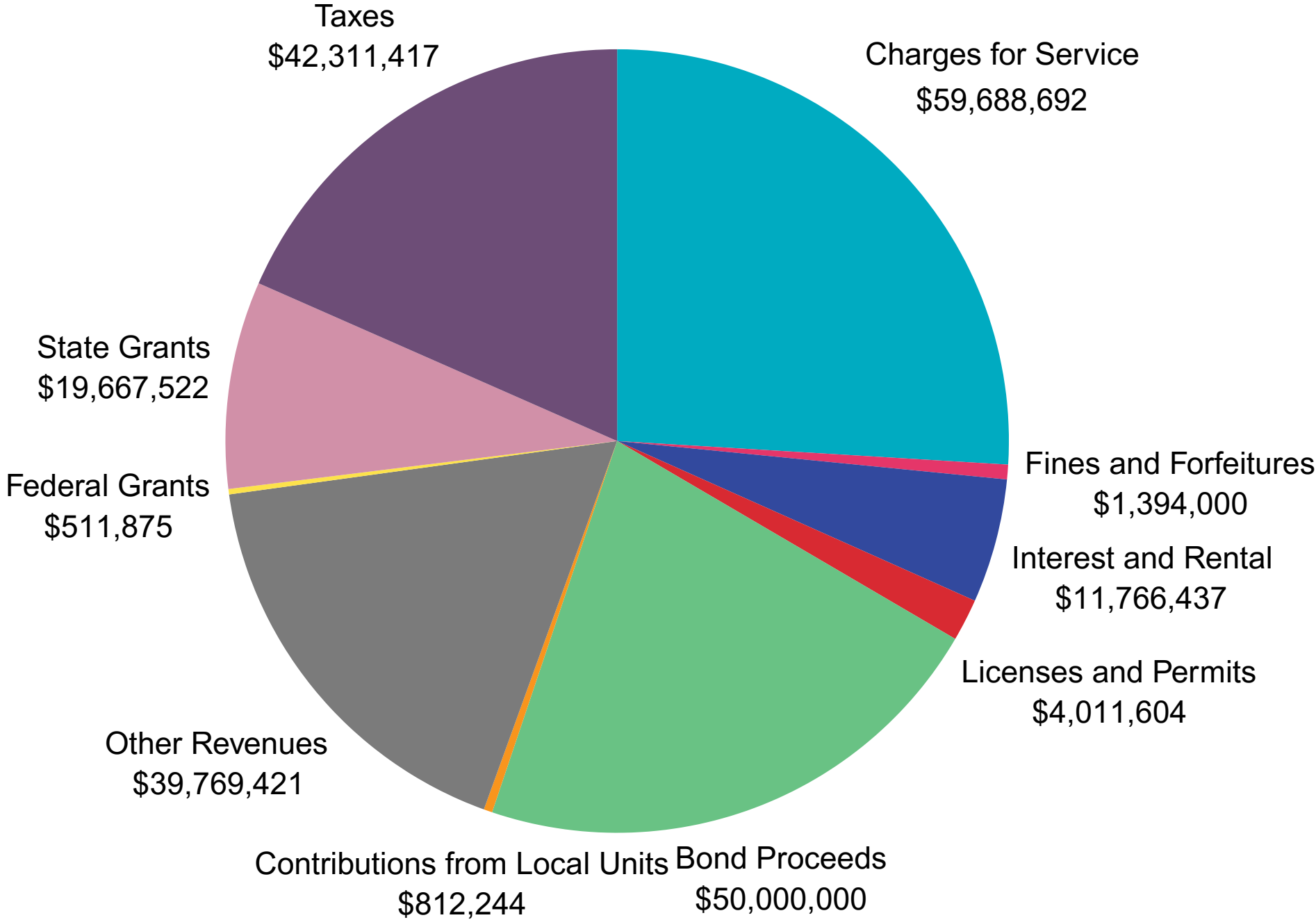
**Total Estimated
Tax Revenue:
\$42,308,885**



Special assessments and component units not included

REVENUE Sources - All Funds

**Total Revenue:
\$229,933,212**



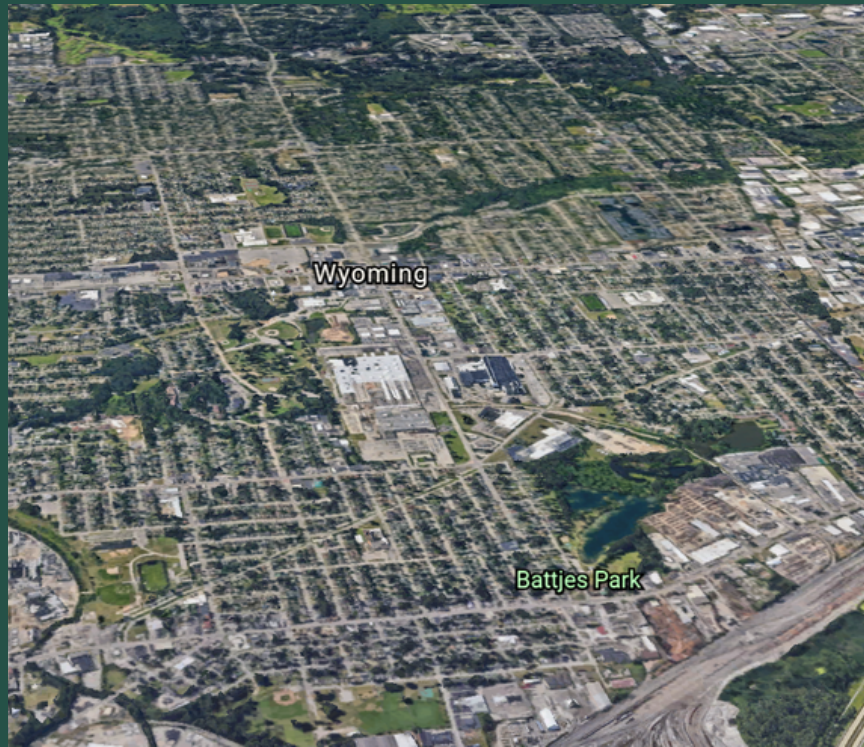
Transfers between funds and component units are excluded

A group of approximately 15 children and two police officers are posing on a blue and purple playground structure. The children are of various ages and are sitting on the structure, standing on the ground, or sitting on the ground. The police officers are standing in the center and on the right side of the structure. The background shows a brick building and bare trees under a grey sky. The word "Questions?" is written in large white letters across the center of the image.

Questions?

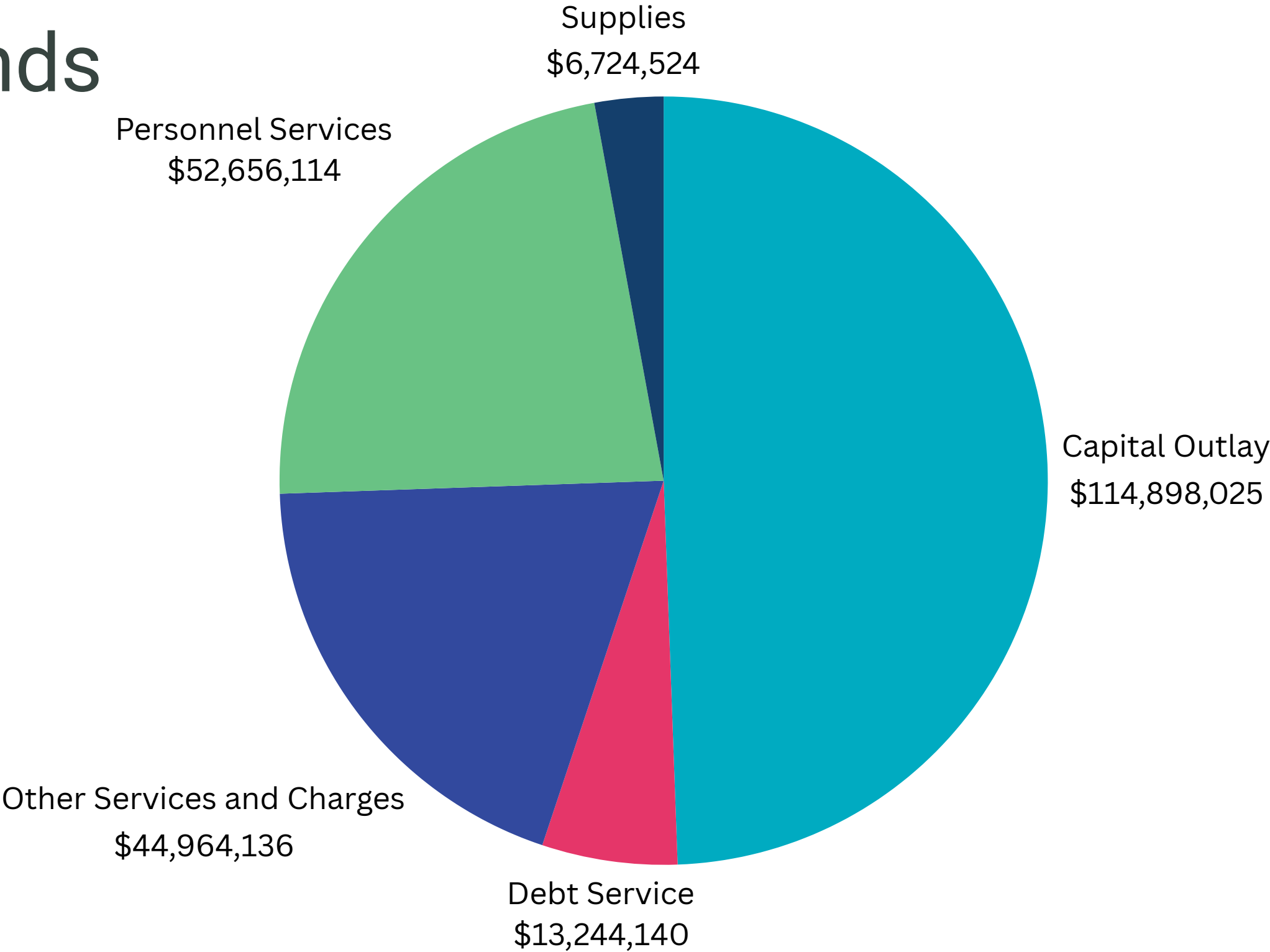


Fund Summaries



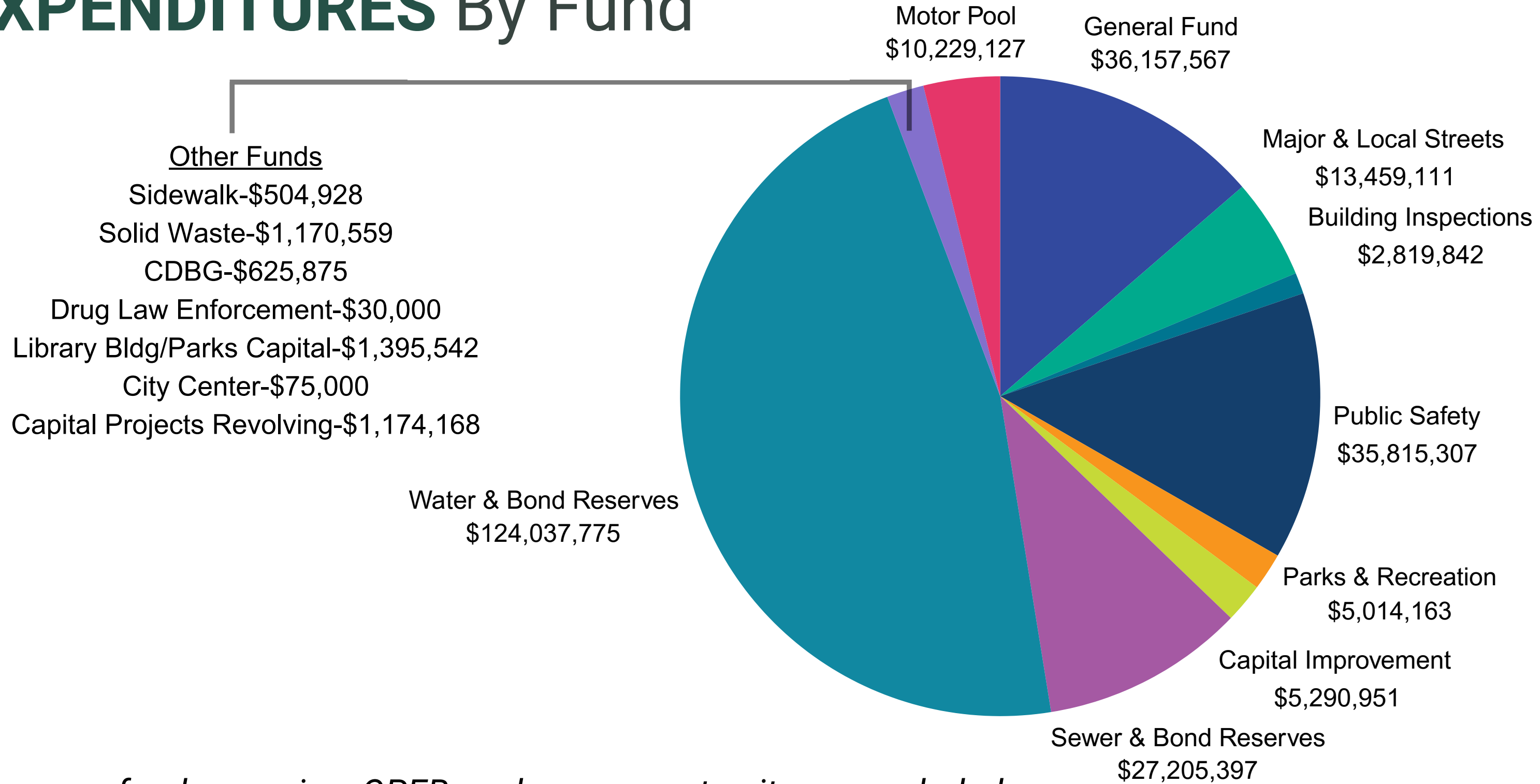
EXPENDITURES - All Funds

**Total Expenditures:
\$232,486,939**



*Transfers between funds are excluded
Insurance funds, pension, OPEB, and component units are excluded*

EXPENDITURES By Fund



Insurance funds, pension, OPEB, and component units are excluded

FUND Summary

MAJOR FUNDING SOURCE

- Tax revenue from General Operations Millage
- State shared revenue

MAJOR EXPENDITURES

- Contribution to support Public Safety operations
- Additional contribution to Public Safety for motor pool reserves
- Contribution to capital improvement plan

STRATEGIC PLAN GOAL/OBJECTIVE

- Complete citywide wage study
- Improve City infrastructure and service reliability

General
Fund

Revenue

Taxes	\$ 16,060,404
Licenses and Permits	815,000
State Grants	9,402,752
Contributions from Local Units	8,338
Charges for Service	4,428,576
Fines and Forfeitures	1,200,000
Interest and Rentals	557,844
Other Revenues	63,600
Other Financing Sources	25,000
Revenue Totals	32,561,514

Expenditures

Personnel Services	9,023,462
Supplies	415,210
Other Services and Charges	4,394,360
Capital Outlay	124,535
Transfers Out	
Public Safety Fund	20,500,000
Capital Projects Revolving Fund	1,700,000
Expenditure Totals	36,157,567

Fund Total

(3,596,053)

Fund Balance, Ending

\$ 17,962,367

FUND Summary

MAJOR FUNDING SOURCE

- State gas tax (Act 51)

MAJOR EXPENDITURES

- Road infrastructure projects
 - Burlingame Ave - resurfacing
 - Gezon Pkwy - turn lane addition

STRATEGIC PLAN GOAL/OBJECTIVE

- Improve City infrastructure and service reliability

	Major Streets	Local Streets
Revenue		
State Grants	\$ 7,533,000	\$ 2,511,000
Licenses and Permits	330,000	25,000
Interest and Rentals	139,000	39,000
Other Revenues	77,500	10,000
Charges for Service	30,000	25,000
Other Financing Sources	-	1,000,000
Revenue Totals	8,109,500	3,610,000
Expenditures		
Personnel Services	1,411,289	822,331
Supplies	537,900	206,850
Other Services and Charges	2,041,397	1,273,644
Capital Outlay	2,825,700	3,340,000
Transfers Out	1,000,000	-
Expenditure Totals	7,816,286	5,642,825
Fund Total	293,214	(2,032,825)
Fund Balance, Ending	\$ 4,673,980	\$ 242,962

FUND Summary

Building Inspections

MAJOR FUNDING SOURCE

- Fees for licenses and permits

MAJOR EXPENDITURES

- Capital: Vehicle purchases
- Staff: Addition of two housing inspectors

STRATEGIC PLAN GOAL/OBJECTIVE

- Enhance Wyoming's vibrancy and quality of life

Revenue

Licenses and Permits	\$ 2,841,604
Charges for Service	50,100
Fines and Forfeitures	14,000
Interest and Rentals	56,000
Other Financing Sources	64,000
Other Revenues	8,000
Revenue Totals	<u>3,033,704</u>

Expenditures

Personnel Services	1,968,709
Supplies	32,502
Other Services and Charges	546,429
Capital Outlay	272,202
Expenditure Totals	<u>2,819,842</u>

Fund Total

213,862

Fund Balance, Ending

\$ 3,365,324

FUND Summary

MAJOR FUNDING SOURCE

- General Fund contributions
- Tax revenue from Public Safety, Police, Fire, and First Responders Millage

MAJOR EXPENDITURES

- Building improvements
- Armored response vehicle
- Contribution to motor pool reserves

STRATEGIC PLAN GOAL/OBJECTIVE

- Evaluate resources to address crime and drug issues in the community

Revenue

	Public Safety Fund	Drug Law Enforcement
Taxes	\$ 3,641,609	\$ -
State Grants	220,770	-
Contributions from Local Units	312,092	-
Charges for Service	31,000	-
Interest and Rentals	45,000	-
Other Revenues	12,000	-
Other Financing Sources	-	-
Police Fund (Taxes)	5,077,489	-
Fire Fund (Taxes)	2,276,209	-
First Responders Fund (Taxes)	4,846,126	-
General Fund	20,500,000	-
Revenue Totals	<u>36,962,295</u>	<u>-</u>

Expenditures

Personnel Services	23,992,237	-
Supplies	692,235	-
Other Services and Charges	9,261,833	-
Capital Outlay	1,869,002	30,000
Expenditure Totals	<u>35,815,307</u>	<u>30,000</u>

Fund Total

Fund Balance, Ending

1,146,988	(30,000)
<u>\$ 1,280,869</u>	<u>\$ 8,741</u>

FUND Summary

MAJOR FUNDING SOURCE

- Property tax revenue from Parks Millage and Library Building/Parks Capital Millage

MAJOR EXPENDITURES

- Capital: Pickleball court construction
 - Jackson Park
 - Lemery Park

STRATEGIC PLAN GOAL/OBJECTIVE

- Enhance community engagement and recreational opportunities

	Parks Fund	Library Bldg/ Parks Capital
Revenue		
Taxes	\$ 4,540,136	\$ 1,119,284
Contributions from Local Units	-	82,054
Charges for Service	351,273	-
Interest and Rentals	81,500	33,000
Other Revenues	80,868	-
Revenue Totals	5,053,777	1,234,338
Expenditures		
Personnel Services	2,618,093	114,750
Supplies	173,165	39,300
Other Services and Charges	1,825,868	420,143
Capital Outlay	397,038	821,349
Expenditure Totals	5,014,163	1,395,542
Fund Total	39,614	(161,204)
Fund Balance, Ending	\$ 2,692,093	\$ 1,021,754

FUND Summary

MAJOR FUNDING SOURCE

- Property tax revenue from Capital Projects Millage

MAJOR EXPENDITURES

- Storm Sewer at Site 36
- Watermain replacements
 - Division Ave, Goodman Ave, Bluebird Ave, Wilcox Ave

STRATEGIC PLAN GOAL/OBJECTIVE

- Site 36 redevelopment
- Enhance Wyoming's vibrancy and quality of life

Revenue

Taxes	\$ 4,735,381
Interest and Rentals	128,000
Other Revenues	600,000
Revenue Totals	<u>5,463,381</u>

Expenditures

Personnel Services	937,226
Supplies	11,300
Other Services and Charges	387,325
Capital Outlay	3,955,100
Expenditure Totals	<u>5,290,951</u>

Fund Total

172,430

Fund Balance, Ending

\$ 4,023,913

Capital
Improvement

FUND Summary

MAJOR FUNDING SOURCE

- User charges for water/sewer service

MAJOR EXPENSES

- Third transmission main construction
- Sewage intake building improvements (Headworks)
- Sewer pipe lining and replacements

STRATEGIC PLAN GOAL/OBJECTIVE

- Improve City infrastructure and service reliability

	Sewer Fund	Water Fund
Revenue		
Taxes	\$ 1,325	\$ 102
Contributions from Local Units	409,760	-
Charges for Service	27,277,243	27,465,500
Fines and Forfeitures	40,000	140,000
Interest and Rentals	374,000	486,000
Other Revenues	8,696	38,644,282
Other Financing Sources	-	50,000,000
Revenue Totals	28,111,024	116,735,884
Expenses		
Personnel Services	4,536,977	6,105,106
Supplies	1,330,722	2,511,640
Other Services and Charges	14,339,700	7,737,528
Capital Outlay	3,166,000	95,527,000
Debt Service	3,831,998	9,412,142
Transfers Out	-	2,744,359
Expense Totals	27,205,397	124,037,775
Fund Total	905,627	(7,301,891)
Working Capital, Ending	\$ 14,067,036	\$ 12,078,780
Debt Reserve Fund, Ending	\$ 2,099,802	\$ 4,444,620

FUND Summary

MAJOR FUNDING SOURCE

- Rental fees charged to other funds for use of equipment and vehicles

MAJOR EXPENDITURES

- Vehicle and equipment replacements

STRATEGIC PLAN GOAL/OBJECTIVE

- Maintain fleet vehicles and equipment needed by departments to achieve their goals and service reliability

	Motor Pool Fund	Motor Pool Reserves
Revenue		
Charges for Service	\$ 30,000	\$ -
Interest and Rentals	9,364,893	104,000
Other Revenues	2,500	150,000
Other Financing Sources	-	6,574,013
Revenue Totals	<u>9,397,393</u>	<u>6,828,013</u>
Expenditures		
Personnel Services	739,509	-
Supplies	767,700	-
Other Services and Charges	1,038,029	-
Capital Outlay	-	1,109,875
Transfers Out	6,574,013	-
Expenditure Totals	<u>9,119,252</u>	<u>1,109,875</u>
Fund Total	<u>278,141</u>	<u>5,718,138</u>
Net Position, Ending	<u>\$ 2,331,694</u>	<u>\$ 8,800,033</u>

FUND Summary

MAJOR FUNDING SOURCE

- Property tax revenue from Sidewalk Millage and Solid Waste Millage

MAJOR EXPENDITURES

- Capital: Partial funding for jet flusher/hydro excavator
- Yard waste drop-off site operations, tree trimming, community clean up

STRATEGIC PLAN GOAL/OBJECTIVE

- Enhance Wyoming's vibrancy and quality of life

	Sidewalk Fund	Solid Waste Fund
Revenue		
Taxes	\$ 604,703	\$ 1,265,779
Interest and Rentals	12,000	37,000
Revenue Totals	<u>616,703</u>	<u>1,302,779</u>
Expenditures		
Personnel Services	-	275,633
Supplies	-	6,000
Other Services and Charges	504,928	788,927
Capital Outlay	-	100,000
Expenditure Totals	<u>504,928</u>	<u>1,170,559</u>
Fund Total	<u>111,775</u>	<u>132,220</u>
Fund Balance, Ending	<u>\$ 513,471</u>	<u>\$ 1,484,584</u>

FUND Summary

MAJOR FUNDING SOURCE

- City Center: Grants and General Fund
- CDBG: HUD Grant

MAJOR EXPENDITURES

- City Center: Install fence around Hook water tower

STRATEGIC PLAN GOAL/OBJECTIVE

- City Center public improvements
- Encourage more affordable housing

	City Center Fund	CDBG Fund
Revenue		
Taxes	\$ -	\$ -
Contributions from Local Units	-	-
Interest and Rentals	112,000	6,000
Federal Grants	-	511,875
State Grants	-	-
Other Revenues	-	108,000
Other Financing Sources	-	-
Revenue Totals	<u>112,000</u>	<u>625,875</u>
Expenditures		
Personnel Services	-	110,792
Supplies	-	-
Other Services and Charges	-	387,359
Capital Outlay	75,000	127,724
Expenditure Totals	<u>75,000</u>	<u>625,875</u>
Fund Total	<u>37,000</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 6,619,634</u>	<u>\$ -</u>

FUND Summary - Internal Service Funds

MAJOR FUNDING SOURCE: Charges to departments to support all insurance activities

MAJOR EXPENSES: Insurance claims and premiums

Self Insurance Funds	Estimated Beginning Fund Balance	Revenues and Other Sources	Expenditures and Other Uses	Excess (Deficiency)	Fund Balance End of Year
General Liability	\$ 2,311,757	\$ 487,000	\$ 677,038	\$ (190,038)	\$ 2,121,719
Fleet Insurance	468,698	169,000	207,502	(38,502)	430,196
Property Insurance	1,629,062	206,080	331,760	(125,680)	1,503,382
Life Insurance	10,863	32,300	32,500	(200)	10,663
Worker's Compensation	3,645,239	878,000	412,112	465,888	4,111,127
Health Insurance	9,273,576	10,838,000	10,544,490	293,510	9,567,086
Dental Insurance	323,414	390,400	377,212	13,188	336,602
Self Insurance Total	17,662,609	13,000,780	12,582,614	418,166	18,080,775

FUND Summary - Fiduciary Funds

Pension and OPEB Funds	Estimated Beginning Fund Balance	Revenues and Other Sources	Expenditures and Other Uses	Excess (Deficiency)	Fund Balance End of Year
Pension Fund	179,287,716	13,964,218	17,398,000	(3,433,782)	175,853,934
OPEB Fund	60,222,826	4,839,074	2,806,800	2,032,274	62,255,100
Total	<u>\$ 257,173,151</u>	<u>\$ 31,804,072</u>	<u>\$ 32,787,414</u>	<u>\$ (983,342)</u>	<u>\$ 256,189,809</u>

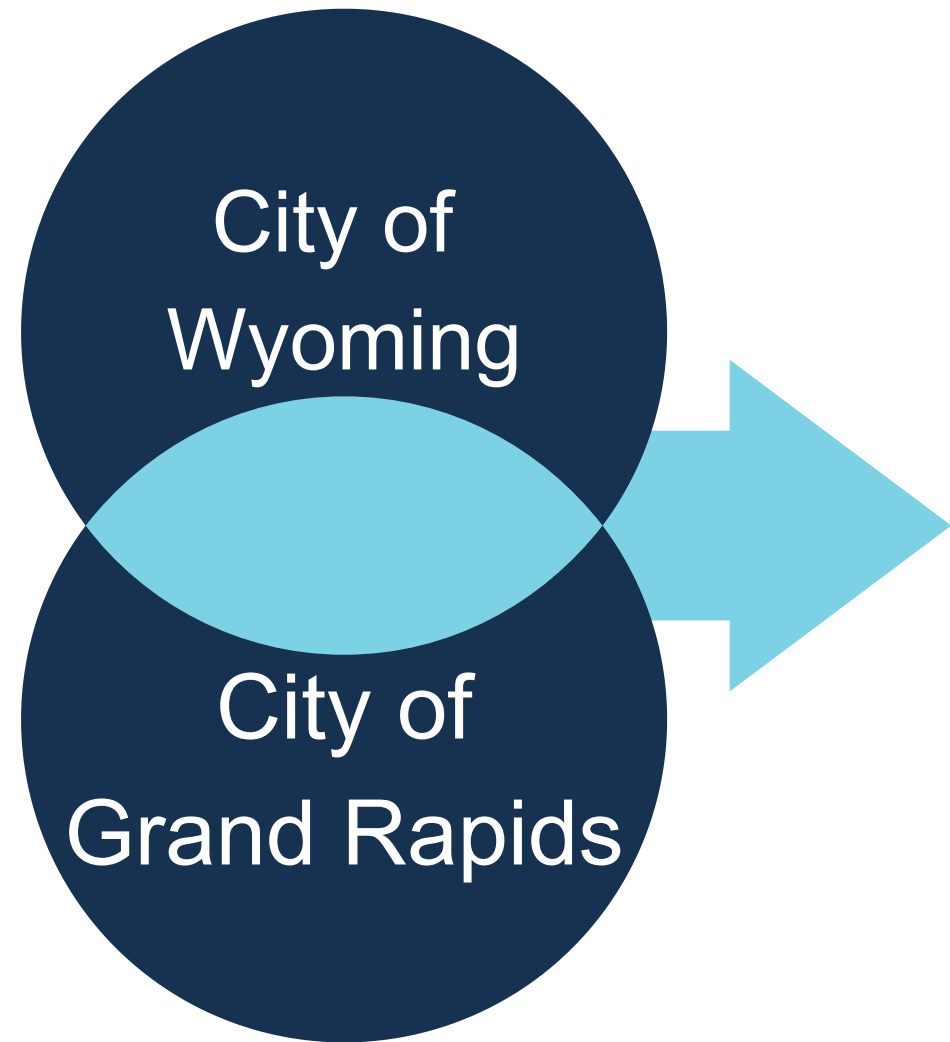
Provided for informational purposes only; budget approved by Retirement Board

FUND Summary - Component Units

Component Units	Estimated Beginning Fund Balance	Revenues and Other Sources	Expenditures and Other Uses	Excess (Deficiency)	Fund Balance End of Year
Downtown Development Authority	\$ 1,097,545	\$ 477,609	\$ 227,600	\$ 250,009	\$ 1,347,554
Brownfield Redevelopment Authority	652,686	68,131	15,000	53,131	705,817
Total	\$ 1,750,231	\$ 545,740	\$ 242,600	\$ 303,140	\$ 2,053,371

Brownfield: Provided for informational purposes only; budget approved by the Authority

GVRBA Summary - Joint Venture



GRAND VALLEY REGIONAL BIOSOLIDS AUTHORITY (GVRBA)

Purpose:

The Authority was created by the City of Wyoming and the City of Grand Rapids for the development, construction, and operation of a regional biosolids management project.

Total proposed budget: \$12,493,825

Wyoming share: \$5,512,833

Grand Rapids share: \$6,980,992

BUDGET HIGHLIGHTS:

- Reduction of fund balance resulted in refund
- Chemical inflation cost (sodium hypochlorite)
- Storage tank cleaning project
- PFAS study

Questions?

Budget **NEXT STEPS**

