

Dollars and Sense:

How Village of Stockbridge Spends Your Money

2013 Citizen's Guide to
Village of Stockbridge Financial Health

Presented by
Linda Kingston, Village Clerk

KEY TERMS

There are a few key terms that may be helpful when reading this report. They include:

- **Budget deficit/surplus.** If there is less money received than paid out in a given fiscal year, there is a budget **deficit** or shortfall. If there is more money received than paid during the fiscal year, a budget **surplus** exists.
- **Debt.** Just like a homeowner takes out a mortgage, governments can borrow money to pay for certain types of projects. The state has both short-term debt (paid back within the fiscal year) and long-term debt. Debt can be either **general obligation** debt, meaning that the state pays back the debt with regular tax collections and other revenues, or **special revenue** debt, which is paid off over time with revenue from specified sources beyond the usual taxes and service fees.
- **Fiscal year (FY).** The 12-month period of time during which budgets are allocated or finances are planned. Most households have a fiscal year that runs from January 1 to December 31 (that's the period for which we pay personal income taxes in April), while state government uses an October 1 - September 30 fiscal year. Some local units of government, including public schools, use a July 1 - June 30 fiscal year, while others operate on a typical calendar year.
- **Fund balance.** Once all the bills for the year have been paid out of a certain fund, whatever is left over is called the fund balance. When a fund balance is less than zero, you'll see the number shown with parentheses around it. Deficits cause fund balances to decrease, while surpluses cause them to increase.
- **Public budget gap.** A novel measure, similar to the deficit, used to measure the extent to which a government is falling short of covering its current and long-term obligations in a fiscal period. The budget gap takes into account the budget deficit, as well as any new obligations that the government has failed to cover such as **employee pensions or retiree health care.**
- **Reserved/Restricted funds.** Some funds are considered to be "reserved" or "restricted" for a specific purpose, and cannot be spent for anything else.

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Welcome

Greetings,

The Village of Stockbridge is located in the southeast corner of Ingham County. Stockbridge is serviced by state highways 52 and 106. It is a village of some 1,218 individuals per the 2010 federal census.

The first settlers arrived in the area in 1835. Elijah Smith, who had entered land in the area laid out a town site which he proposed to name Pekin. Before the plat was registered, Silas Beebe bought him out for \$25.00 an acre. Mr. Beebe, along with Ira Wood, added 20 acres to the original 80 acre plat, re-platted the site and registered it with the County Register of Deeds in 1843. The original village extended from Morton Street on the north to Rice Street on the south and from Wood Street on the west to Williams Street on the east. The village was not formally incorporated until 1889.

Mr. Beebe apparently bought the town site because he felt the railroad was about to come through. Mr. Smith apparently sold the town site because he knew the railroad wasn't about to come through. Mr. Smith turned out to be correct as the railroad didn't arrive until 1883. The arrival of the railroad ushered in what were called "boom times". The business district rapidly expanded as Stockbridge became a commercial center for the area. The railroad tracks were taken up in the 1970's and the line through Stockbridge is now part of the Lakeland Trails State Park.

Electricity came to Stockbridge in 1910. Electricity was originally available only in the business district and then only in the evening. Gradually, residential customers were added and 24-hour service became available by 1912. Natural gas came to the village in 1951.

In 1912, the village water department was formed with the drilling of three deep wells and the erection of a water tower behind the village offices on Elizabeth Street. A new water tower has since been built at the Memorial Park. A bond issue was passed in 1963 for a sanitary sewer system and sewage disposal facility. That project was completed in 1966.

The first fire department in the area was a volunteer fire department organized in 1889 shortly after the burning of the hotel. This fire department was equipped with a two-man pump and hose which could throw water at a fairly high pressure, should water be available. This problem was solved with the erection of the water tower in 1912 when a horse cart and hose were purchased. Prior to 1889, a fire was signaled by the ringing of church bells when all able bodied men would turn out to form a bucket brigade.

Telephone service came to Stockbridge in the 1890's with the installation of a pay phone in the W.E. Brown store on East Main Street. Expansion of telephone service came in fits and starts. The Rural Telephone Company came into being in 1931 but the system didn't really become satisfactory until the early 1950's.

How Governments Use Your Money

WHERE CITIZEN DOLLARS GO

Monies collected from the residents of the Village of Stockbridge include the following:

General Property Tax Millage: 10.7400 mills or \$10.74 per \$1,000 of taxable value

Local Street Property Tax Millage: 2.0000 mills or \$2.00 per \$1,000 of taxable value

Total Millage Rate: 12.7400 mills or \$12.74 per \$1,000 of taxable value

Utility Bills:

Water Ready to Serve: \$29.43 per quarter

Water per 1,000 Gallons: \$3.60

Sewer Ready to Serve: \$73.47

Sewer per 1,000 Gallons: \$5.78

Garbage/Rubbish Removal: \$33.15 per quarter

SERVICES THAT GOVERNMENTS PROVIDE

The Village of Stockbridge provides the following services:

Police

Water

Sewer

Garbage/Rubbish

Cemetery

Streets

Parks and Recreation

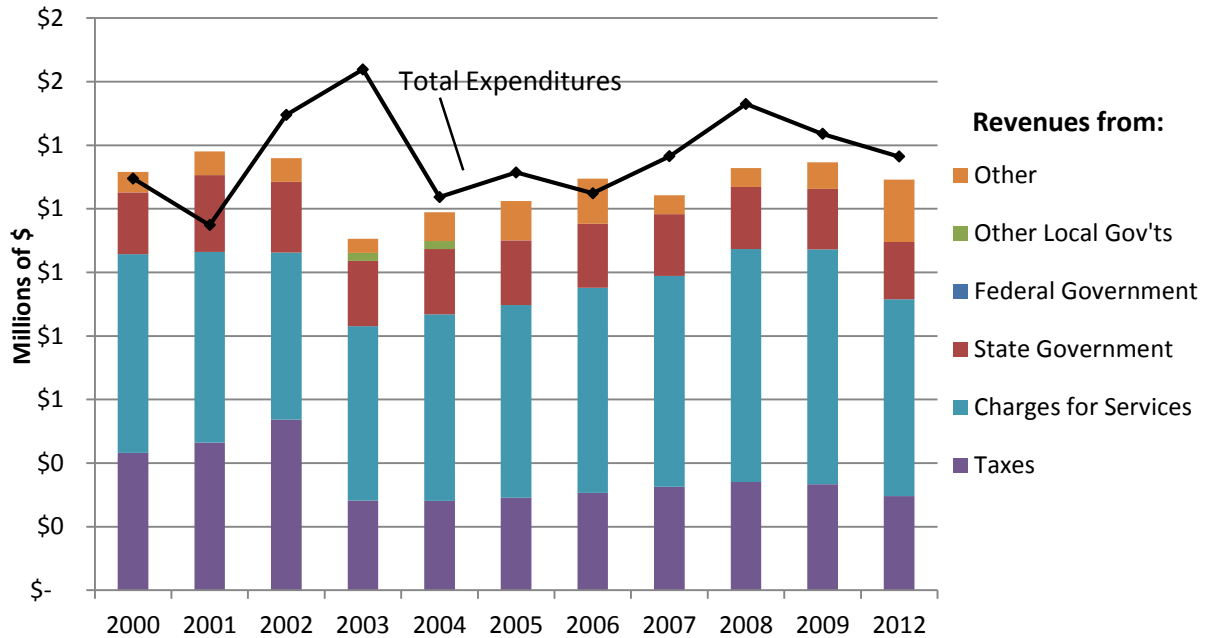
Street Lights

Zoning

How Taxpayer Money is Spent: Government Revenues and Expenditures

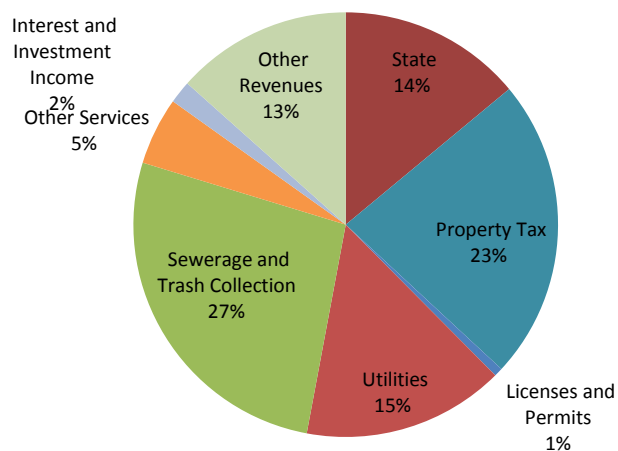
GOVERNMENT BUDGETS

Stockbridge Revenues and Expenditures, 2000 to 2009 and Current Year (2013)



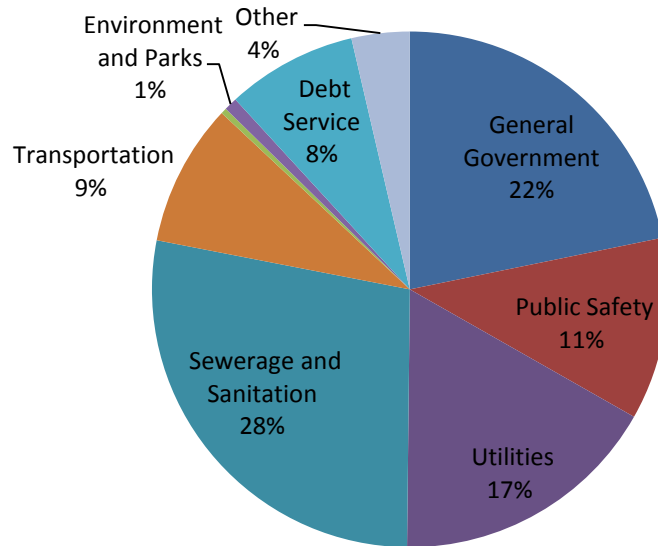
Revenues

Stockbridge Revenues, Current Year (Fiscal Year Ended on 2/28/2013)



Expenditures

Stockbridge Expenditures, Current Year (Fiscal Year Ended on 2/28/2013)

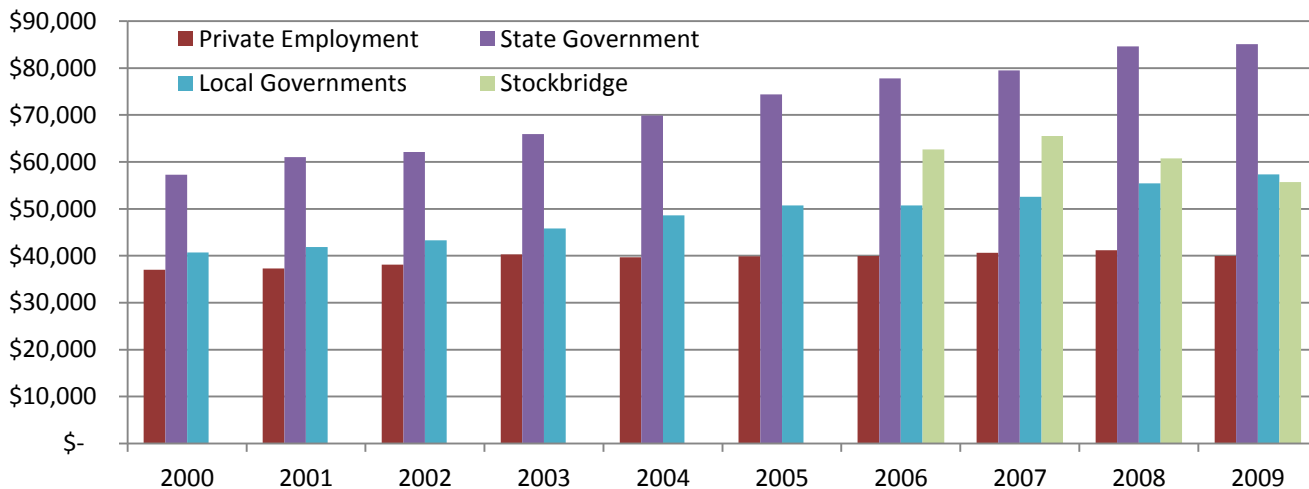


NUMBER OF GOVERNMENT EMPLOYEES

The number of full-time employees working for the Village of Stockbridge in 2012 is five (5) including a clerk, (2) department of public works laborers, and (2) police officers. This number has declined over the last ten (10) years with reductions in administration and public works.

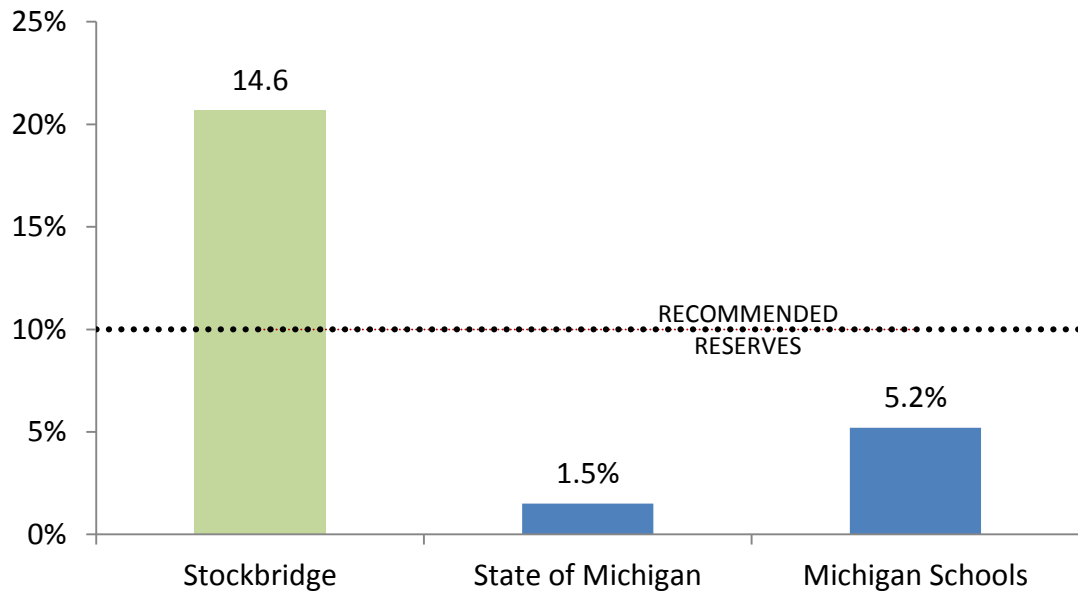
DIFFERENCE IN PUBLIC AND PRIVATE SECTOR COMPENSATION

The Village of Stockbridge has reported gross wages for employees divided by an average of seven employees between the years of 2006 through 2009.



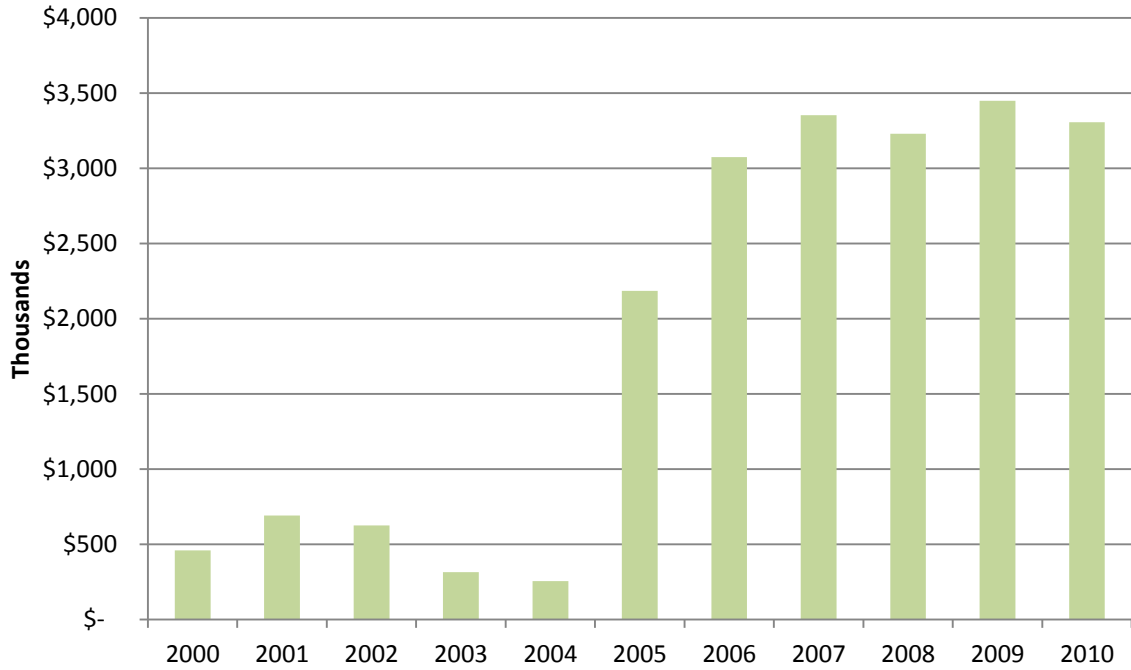
RESERVES AND MAJOR FUND BALANCES

Stockbridge Totals		% of Net Equity	% of Expenditures
Cash Balance	\$ 653,017.39	63.0%	16.4%
Cash On-hand	\$ -	0.0%	0.0%
Unassigned-General Fund (funds not restricted or designated)	\$ 168,287		
Total Assets	\$ 7,056,966		
Total Liabilities	\$ 2,611,157		
Net Equity	\$ 4,445,809		
Total Annual Expenditures	\$ 1,154,269		

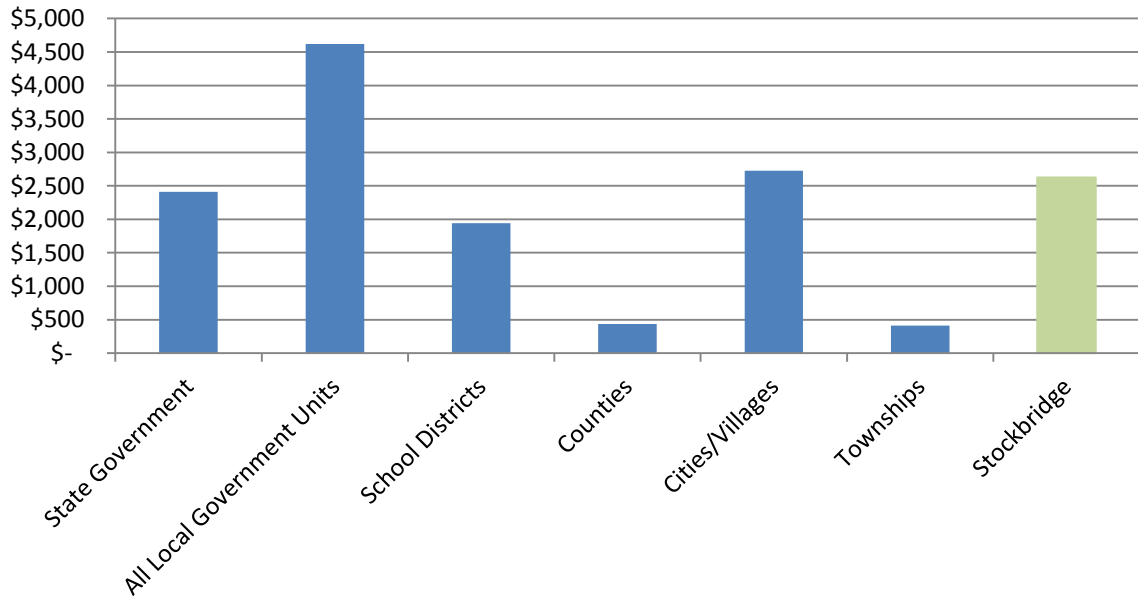


DEBT LEVELS

Stockbridge Long-term Debt, 2000-2010



Stockbridge Debt per Capita comparison to other communities



PENSION AND OTHER RETIREE BENEFITS

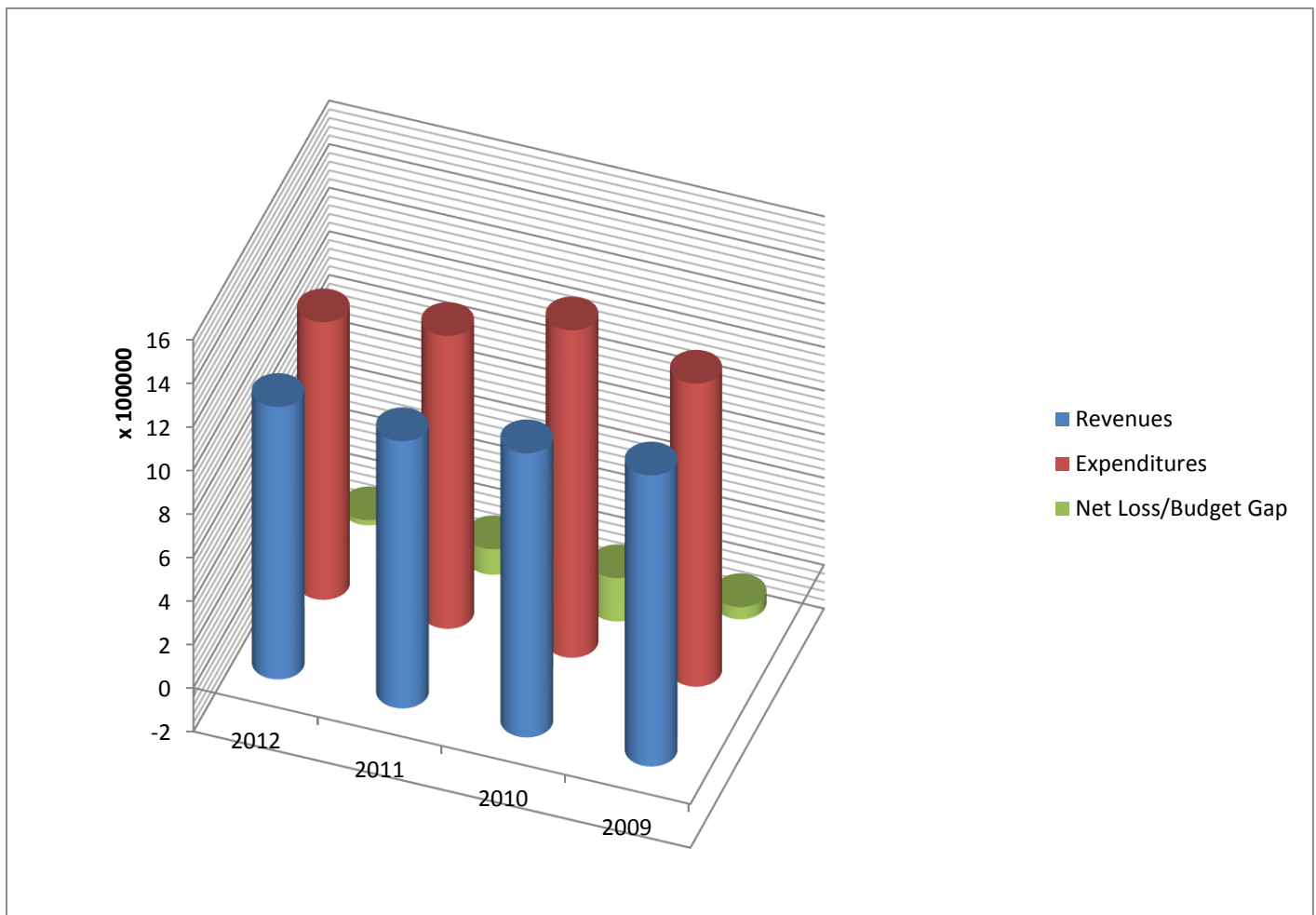
The Village of Stockbridge has MERS retiree benefit obligations. The village participates in a MERS defined benefit plan in which the employees must contribute 4.7% of their gross wages. Retiree Health benefits are not offered.

Percent of Full Pension Funding...

Last Year	100.0%
Last 5 Years	100.0%

Total Unfunded Pension Liabilities	\$ 207,939
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PUBLIC BUDGET GAP



How This Report Was Developed

The goal of this report was to provide the public with as much information as possible on the revenues, expenditures, and other financial activities of state and local governments.

DATA SOURCES AND NOTES

- February 29, 2000 Audited Financial Statements: Lyle D. Hepfer & Company, P.C.
- February 28, 2001 Audited Financial Statements: Lyle D. Hepfer & Company, P.C.
- February 28, 2002 Audited Financial Statements: Lyle D. Hepfer & Company, P.C.
- February 28, 2003 Audited Financial Statements: Willis & Jurasek, P.C.
- February 29, 2004 Audited Financial Statements: Willis & Jurasek, P.C.
- February 28, 2005 Audited Financial Statements: Willis & Jurasek, P.C.
- February 28, 2006 Audited Financial Statements: Willis & Jurasek, P.C.
- February 28, 2007 Audited Financial Statements: Willis & Jurasek, P.C.
- February 28, 2008 Audited Financial Statements: Willis & Jurasek, P.C.
- February 28, 2009 Audited Financial Statements: Willis & Jurasek, P.C.
- February 28, 2010 Audited Financial Statements: Willis & Jurasek, P.C.
- February 28, 2011 Audited Financial Statements: Willis & Jurasek, P.C.
- February 29, 2012 Audited Financial Statements: Berthiaume & Company
- February 28, 2013 Audited Financial Statements: Berthiaume & Company