



FROM THE OFFICE
OF THE
CLARE CITY TREASURER,
FINANCE AND INFORMATION
TECHNOLOGY DIRECTOR

Within the June City Newsletter we began an article series to discuss the why's and how's of municipal accounting, budgeting and financial management within local government. With the recent completion and approval of the new fiscal year budget we also briefly discussed the water and sewer service fees that went into effect as of July 1, 2010. This month we will briefly begin to outline the overall accounting and financial management structure of the City of Clare and then in following articles we will provide more detailed information and analysis.

Municipal fund accounting can initially appear to be very complex and difficult to understand, however, it has consistently proven to be very effective when properly maintained and it is actually very simple when broken down into its various components or funds and activities. Within our last article we mentioned that the City of Clare currently uses multiple funds to manage and report the financial activities of our city in full compliance with the State of Michigan's approved accounting rules and procedures. These funds include:

General Governmental Operations

Cemetery Perpetual Care

Major Streets

Local Streets

Fire Department

Parks and Recreation

Downtown Development Authority

Sidewalk Replacement

Local Development Finance Authority

Brownfield Redevelopment Authority

Drug Law Enforcement

Public Safety Building Debt Service

Sewer System

Water System

Data Processing (Internal Service)

Mobile Equipment (Internal Service)

General Agency

Property Tax

Payroll

Hatton Township Landfill Trust

General Fixed Assets

General Long-Term Debt

Some of these funds such as the General Fund are very active and have many activities and hundreds or even thousands of transactions. The General Fund includes the activities of the city commission, city management, police department, cemetery management, street lighting, refuse collection, airport operations, public works and general governmental buildings/grounds maintenance. Other funds such as the Cemetery Perpetual Care and Public Safety Building Debt Service Funds are relatively inactive with very few transactions.

The use of separate funds to account for the financial activities of the city provides very detailed but completely manageable information from which sound, informed decisions can be made. This type of financial management provides the ability to divide the costs of government into the various functional activities and therefore meaningful and accurate analysis can be performed.

If you have any questions concerning this month's Treasurer's article or any other City of Clare finance or property tax matter we encourage you to call (386-7541, extension 107), to stop by City Hall or if it is more convenient send me an e-mail message at skingsbury@cityofclare.org.

UTILITY RATE SCHEDULE

RATES EFFECTIVE July 1, 2010 (July Usage/August Bill/Sept. Due)

RATE AND FEE SCHEDULE ADOPTED BY RESOLUTION 2010-052

WATER RATES

	<u>2009-10 RATES</u>	<u>EFFECTIVE 07/01/10</u> 10%
3/4" Residential	\$14.73	\$10.00
3/4" Commercial	\$14.73	\$16.20
1" Commercial	\$26.55	\$29.21
1-1/2" Commercial	\$58.85	\$64.74
2" Commercial	\$106.20	\$116.82
3" Commercial	\$235.94	\$259.53
4" Commercial	\$424.70	\$467.17
Commodity Charge (per 1000 gallons)	\$2.13	\$2.34

Residential dwellings with multiple users on a single meter and commercial users are charged at the stated commodity charge for all usage (no minimum) plus the basic meter charge.

METER REPLACEMENT PROGRAM

	<u>2009-10 RATES</u>	<u>EFFECTIVE 07/01/09</u>
3/4" Residential OR Commercial	\$1.00	\$1.00

SEWER RATES

	<u>2009-10 RATES</u>	<u>EFFECTIVE 07/01/10</u> 15%
3/4" Residential	\$17.49	\$20.11
3/4" Commercial	\$17.49	\$20.11
1" Commercial	\$31.45	\$36.17
1-1/2" Commercial	\$69.89	\$80.37
2" Commercial	\$125.79	\$144.66
3" Commercial	\$279.52	\$321.45
4" Commercial	\$503.16	\$578.63
Commodity Charge (per 1000 gallons)	\$3.72	\$4.28

All customers are charged the **commodity charge** plus the appropriate basic meter charge.

Summer sewer credits for single-family residential customers are given for May, June, July, and August usage for customers having **one meter per billing unit**.

CURBSIDE GARBAGE RATES

	<u>EFFECTIVE 8/1/2009</u>	<u>EFFECTIVE 8/1/09</u>
WASTE MANAGEMENT CONTRACT for Residential Units	\$17.72	\$17.72

**MINIMUM RESIDENTIAL MONTHLY BILL
(NO WATER/SEWER USAGE - SERVICE AVAILABLE)**

\$50.94 **\$48.83**

UTILITY DEPOSIT

	<u>2008-09 RATES</u>	<u>EFFECTIVE 07/01/09</u>
RENTAL UTILITY DEPOSIT	\$150.00	\$150.00

The utility deposit is charged in accordance with Clare City Code, Section 46.278. Rental customers establishing a new account for water, sewer, and/or solid waste-recycling service, shall pay to the City of Clare a Utility Security Deposit as established by resolution prior to receiving such service.

TURN-ON FEES

	<u>2008-09 RATES</u>	<u>EFFECTIVE 07/01/09</u>
Prescheduled during regular working hours	\$25.00	\$25.00
Nonscheduled after hours, weekends, and/or holidays	\$50.00	\$50.00