

City of Holland 2018 City, Village and Township Revenue Sharing Projected Budget Report

The City of Holland has created a General Fund Projected Budget Report which shows expected revenues and expenditures for Fiscal Years 2016 through 2024. This spreadsheet was created to provide an easy to understand overview of the City's General Fund revenue sources and expenditure items and how they are expected to change in the coming years. Changes in revenues and expenditures are expressed as a plus or minus percentage from preceding year to indicate the anticipated change. Several assumptions had to be made when creating this document; those assumptions can be found at the bottom of the spreadsheet.

CITY OF HOLLAND - GENERAL FUND SUMMARY FIVE-YEAR PROJECTIONS WITH HISTORY FROM FY2016

Description	FY-2016		FY-2017		FY-2018		FY-2019		FY-2019		FY-2020		FY-2021		FY-2022		FY-2023		FY-2024	
	Final Actual		Final Actual		Estimated		Projected (from FY18 5 Year Projecions)		Manager Recommended		Projected									
FUNDING SOURCES																				
Taxes	\$ 10,690,765	5.5%	\$ 9,036,247	-15.5%	\$ 8,359,575	-7.5%	\$ 8,583,310	-5.0%	\$ 8,905,632	6.5%	\$ 9,083,745	2.0%	\$ 9,465,420	4.2%	\$ 9,754,728	3.1%	\$ 9,949,823	2.0%	\$ 10,148,819	2.0%
Intergovernmental	3,188,638	6.9%	4,568,926	43.3%	3,433,126	-24.9%	4,053,723	-11.3%	4,037,300	17.6%	4,118,046	2.0%	4,200,407	2.0%	4,284,415	2.0%	4,370,103	2.0%	4,457,505	2.0%
Licenses & Permits	535,823	-22.9%	783,080	46.2%	905,830	15.7%	651,872	-16.8%	706,200	-22.0%	734,448	4.0%	763,826	4.0%	794,379	4.0%	826,154	4.0%	859,200	4.0%
Charges for Services	1,606,699	3.1%	1,657,962	3.2%	1,741,145	5.0%	1,854,148	11.8%	1,825,985	4.9%	1,899,024	4.0%	1,974,985	4.0%	2,053,985	4.0%	2,136,144	4.0%	2,221,590	4.0%
Fines & Forfeits	136,809	-12.5%	142,050	3.8%	136,600	-3.8%	132,500	-6.7%	136,600	0.0%	136,600	0.0%	136,600	0.0%	136,600	0.0%	136,600	0.0%	136,600	0.0%
Interest & Rents	396,200	16.0%	351,758	-11.2%	388,160	10.4%	425,000	20.8%	426,100	9.8%	450,000	5.6%	475,000	5.6%	500,000	5.3%	525,000	5.0%	550,000	4.8%
Other Revenue	24,043	-14.4%	59,392	#####	8,600	-85.5%	25,000	-57.9%	15,500	80.2%	25,000	61.3%	25,000	0.0%	25,000	0.0%	25,000	0.0%	25,000	0.0%
Transfers from Other Funds	5,083,792	0.8%	5,329,172	4.8%	6,656,839	24.9%	6,097,994	14.4%	6,219,315	-6.6%	6,219,315	0.0%	6,219,315	0.0%	6,219,315	0.0%	6,219,315	0.0%	6,281,508	1.0%
TOTAL SOURCES	\$ 21,662,769	3.5%	\$ 21,928,587	1.2%	\$ 21,629,875	-1.4%	\$ 21,823,547	-0.5%	\$ 22,272,632	3.0%	\$ 22,666,178	1.8%	\$ 23,260,553	2.6%	\$ 23,768,422	2.2%	\$ 24,188,139	1.8%	\$ 24,680,222	2.0%
FUNDING USES																				
Personnel Services -																				
* Salaries & Wages - Working	\$ 8,901,726	3.8%	\$ 9,066,969	1.9%	\$ 9,521,076	5.0%	\$ 10,097,985	11.4%	\$ 10,271,353	7.9%	\$ 10,784,921	5.0%	\$ 11,004,544	2.0%	\$ 11,224,635	2.0%	\$ 11,449,128	2.0%	\$ 11,678,111	2.0%
* Benefits																				
- Health Insurance	1,741,105	11.2%	1,766,696	1.5%	1,886,276	6.8%	2,229,981	26.2%	2,078,559	10.2%	2,224,058	7.0%	2,379,742	7.0%	2,546,324	7.0%	2,724,567	7.0%	2,915,287	7.0%
- Pension	2,117,644	-16.0%	1,593,411	-24.8%	1,349,083	-15.3%	869,827	-45.4%	877,242	-35.0%	921,104	5.0%	939,526	2.0%	958,317	2.0%	977,483	2.0%	997,033	2.0%
- Other	1,235,644	4.1%	1,282,674	3.8%	1,334,856	4.1%	1,182,446	-7.8%	1,236,718	-7.4%	1,298,554	5.0%	1,324,525	2.0%	1,351,016	2.0%	1,378,036	2.0%	1,405,597	2.0%
* Mandatory Employer Costs	616,728	6.6%	657,548	6.6%	716,189	8.9%	752,014	14.4%	788,362	10.1%	827,780	5.0%	844,336	2.0%	861,223	2.0%	878,447	2.0%	896,016	2.0%
Other Current Expenditures -																				
* Supplies / Maintenance	1,025,562	-1.2%	1,170,886	14.2%	1,146,758	-2.1%	1,151,743	-1.6%	1,123,210	-2.1%	1,145,674	2.0%	1,168,588	2.0%	1,191,959	2.0%	1,215,799	2.0%	1,240,115	2.0%
* Contractual Expenditures	967,797	4.9%	1,133,787	17.2%	1,274,664	12.4%	1,200,000	5.8%	1,174,600	-7.9%	1,200,000	2.2%	1,200,000	0.0%	1,200,000	0.0%	1,200,000	0.0%	1,200,000	0.0%
* Other	3,345,450	1.2%	3,380,479	1.1%	3,542,753	4.8%	3,599,028	6.5%	3,550,714	0.2%	3,616,221	1.8%	3,682,383	1.8%	3,749,207	1.8%	3,816,699	1.8%	3,884,866	1.8%
Capital Outlay	16,808	-79.0%	68,699	#####	105,753	53.9%	65,000	-5.4%	57,640	-45.5%	65,000	12.8%	75,000	15.4%	75,000	0.0%	75,000	0.0%	75,000	0.0%
Transfers Out	1,865,303	112.7%	1,807,438	-3.1%	696,281	-61.5%	350,000	-80.6%	550,000	-21.0%	350,000	-36.4%	350,000	0.0%	350,000	0.0%	350,000	0.0%	350,000	0.0%
Contingencies	-		-		40,000		260,000		564,234		260,000	-53.9%	265,000	1.9%	270,000	1.9%	270,000	0.0%	270,000	0.0%
TOTAL USES	\$ 21,833,767	5.7%	\$ 21,928,587	0.4%	\$ 21,613,689	-1.4%	\$ 21,758,024	-0.8%	\$ 22,272,632	3.0%	\$ 22,693,312	1.9%	\$ 23,233,644	2.4%	\$ 23,777,681	2.3%	\$ 24,335,159	2.3%	\$ 24,912,025	2.4%
Net Increase (Decrease) from Operations	(170,998)		-		16,186		65,523		-		(27,133)		26,910		(9,260)		(147,019)		(231,802)	
FUND EQUITY - June 30	\$ 3,830,232		\$ 3,830,232		\$ 3,846,418		\$ 3,895,755		\$ 3,846,418		\$ 3,868,622		\$ 3,895,531		\$ 3,886,271		\$ 3,739,252		\$ 3,507,450	

ASSUMPTIONS

Tax Revenues	FY16 operating millage rate of 9.5 mills was reduced due to pension bond sales and reallocation to debt service millage Assumes 2% growth in Property tax in FY2020 and thereafter	Health Insurance	Assumes 6% increase in premiums for FY19 and 7% increases in annual health insurance costs each year
Millage Rate	Assumes operating millage rate of 8.34 in FY17, 7.34 in FY18 7.7317 in FY19-20, 7.9 in FY21 and 8.0 in FY22, as LT Debt is paid off Additional Long Term debt will be paid off in FY23 and could be applied to operating millage to balance	Pension	Significant savings in 2016 and 2017 due to pension bonds FY19 and beyond assumes normal pension costs only
Transfers from Other Funds	HBPW return on investment to General Fund. From 2019-23 flat allocation of \$6 million as electric rate decreases are expected	Other	Most other revenues and expenditures are assumed to be flat
Salaries and Wages	Assumes a 2.5% increase in 2019 and 2020 with 2% thereafter consistent with tax growth FY19 includes \$100,000 additional funding for Deputy Finance Director (BSF transfer) with the cost of the position for the Deputy Finance Director funded by a transfer from the Budget Stabilization fund	Contingencies	FY2019 and beyond assumes annual contributions to WEMET and Compensated Absences
Bond Proceeds	2016 Pension Bond proceeds of \$25 million are excluded (shown in CAFR) 2018 Pension Bond proceeds of \$20 million are excluded (shown in CAFR) Act 99 Energy Improvement Financing of \$3 million is excluded	Transfers Out	FY16 included \$291,742 extra that was the first installment for pension bonds FY17 included large transfers to MICF for capital projects
Intergovernmental	Payment for State PPTL in 2016-2017 exceeded 100% FY18 distribution is lower due to incorrect data provided by others Replacement PPTL revenues are expected, but not included in these estimates		