

CITY OF KALAMAZOO - 392020

GENERAL FUND OPERATING BUDGET SUMMARY AND FIVE YEAR FISCAL PLAN

	2018 Actual	2019 Adopted	2019 Amended	2019 Projected	2020 Budget	2021 Projected	2022 Projected	2023 Projected	2024 Projected	2025 Projected
REVENUE										
Operational Revenues										
Taxes	20,210,275	20,573,205	20,573,205	20,885,433	21,309,082	21,841,809	22,139,245	22,794,422	23,469,254	24,164,332
Licenses, Permits & Fees	2,709,592	2,391,659	2,391,659	2,631,513	2,694,380	2,748,268	2,803,233	2,859,298	2,916,484	2,974,813
State Shared Revenue	9,208,199	9,297,918	9,297,918	9,437,873	9,565,666	9,756,979	9,952,119	10,151,161	10,354,185	10,561,268
State Fire Reimbursement Revenue	2,562,110	1,600,000	1,600,000	3,057,000	2,957,000	3,016,140	3,076,463	3,137,992	3,200,752	3,264,767
Other Intergovernmental Revenues	1,458,495	1,563,202	1,563,202	1,600,081	1,587,000	1,633,460	1,779,761	1,877,442	1,976,546	2,077,115
Foundation for Excellence Operational	15,084,225	16,250,149	16,250,149	16,316,508	16,711,300	17,100,453	17,499,173	17,907,712	18,326,328	18,753,331
Charges for Services	8,956,826	9,561,308	9,561,308	9,342,857	10,934,812	11,298,362	11,528,816	11,774,006	12,018,093	12,267,061
Interest & Rents	281,093	187,800	187,800	477,750	287,750	293,505	299,375	305,363	311,470	317,699
Fines & Forfeitures	4,820	8,050	8,050	7,800	8,000	8,160	8,323	8,490	8,659	8,833
Other Revenue	329,657	299,050	299,050	346,392	476,450	321,351	327,778	334,334	341,020	347,841
	60,805,291	61,732,341	61,732,341	64,103,207	66,531,440	68,018,487	69,414,286	71,150,219	72,922,791	74,737,061
Other										
Foundation for Excellence Aspirational	697,638	430,698	-	-	-	-	-	-	-	-
Sale of Fixed Assets	1,618,729	160,000	160,000	60,000	80,000	170,000	170,000	170,000	170,000	170,000
Transfer from Other Funds	1,163,034	1,700,000	1,700,000	1,700,000	1,000,000	700,000	-	-	-	-
Total Revenue	64,284,692	64,023,039	63,592,341	65,863,207	67,611,440	68,888,487	69,584,286	71,320,219	73,092,791	74,907,061
EXPENDITURES										
City Commission	76,266	84,892	84,892	86,513	189,157	192,370	195,658	199,023	202,466	205,990
City Administration	1,850,188	1,786,336	1,564,046	1,587,410	1,761,713	1,802,454	1,843,568	1,885,826	1,929,263	1,973,914
City Attorney	699,237	838,197	854,482	747,803	758,325	778,068	797,623	817,746	838,456	859,770
City Clerk	776,729	817,871	825,999	724,106	991,775	869,343	986,499	904,122	1,062,225	940,823
Internal Auditor	93,293	93,834	96,574	96,084	95,217	97,992	100,724	103,539	106,440	109,429
311 Customer Service	281,947	602,248	607,788	609,801	676,985	691,367	709,662	728,499	747,895	767,868
Human Resources	912,804	953,341	967,916	860,070	728,421	746,944	765,234	784,049	803,406	823,320
Information Technology	2,329,803	2,795,154	2,825,104	3,320,497	3,911,498	3,983,720	4,023,558	4,089,909	4,157,814	4,227,318
Management Services	3,580,609	3,820,251	3,845,443	3,703,670	3,778,657	3,865,573	3,950,795	4,038,345	4,128,295	4,220,718
Public Safety	32,453,279	31,200,971	31,301,647	31,993,462	32,481,624	32,819,802	33,291,489	34,063,412	34,855,553	35,668,488
Public Services	4,961,515	5,149,076	5,332,830	5,127,680	5,185,514	5,260,322	5,338,597	5,418,521	5,500,138	5,583,495
Community Planning & Economic Development	2,596,758	2,993,575	2,831,440	2,947,767	3,122,985	3,094,219	3,166,417	3,240,643	3,316,961	3,174,431
Parks & Recreation	2,364,744	2,495,284	2,479,628	2,483,125	2,508,905	2,568,101	2,627,059	2,687,684	2,750,026	2,814,138
Other	1,296,865	1,706,789	1,591,915	1,606,851	1,767,339	1,533,606	1,549,804	1,566,182	1,582,742	1,599,488
OPEB Expense	6,327,976	6,280,818	6,280,818	6,280,818	6,292,850	6,294,874	6,295,086	6,291,934	6,292,220	6,292,082
Total Operating Expenditure	60,602,015	61,618,637	61,490,523	62,175,658	64,250,965	64,598,756	65,641,771	66,819,432	68,273,899	69,261,273
Transfer to CIP Fund	2,450,004	3,193,431	3,433,431	3,330,300	3,352,500	3,874,700	4,430,800	4,861,000	4,973,500	5,461,700
Transfer to(from) Other Funds	1,795,922	-	-	-	-	-	-	-	-	-
Total Transfers	4,245,926	3,193,431	3,433,431	3,330,300	3,352,500	3,874,700	4,430,800	4,861,000	4,973,500	5,461,700
Total Expenditures	64,847,941	64,812,068	64,923,954	65,505,958	67,603,465	68,473,456	70,072,571	71,680,432	73,247,399	74,722,973
BEGINNING FUND BALANCE										
	11,978,696	11,264,013	11,264,013	11,264,013	11,620,086	11,626,862	12,040,670	11,551,137	11,189,652	11,033,746
Surplus / (Deficit)	(563,249)	(789,029)	(1,331,613)	357,249	7,975	415,031	(488,286)	(360,212)	(154,608)	184,087
Transfer (to) from Reserves	(151,434)	-	(1,176)	(1,176)	(1,199)	(1,223)	(1,247)	(1,272)	(1,298)	(1,324)
ENDING FUND BALANCE	11,264,013	10,474,984	9,931,224	11,620,086	11,626,862	12,040,670	11,551,137	11,189,652	11,033,746	11,216,510

CITY OF KALAMAZOO - 392020

GENERAL FUND BUDGET ASSUMPTIONS

Revenue	2020	Projected Annual Assumptions for Proposed Fiscal Plan (2021-2025)					Assumptions & Explanations
		2021	2022	2023	2024	2025	
Property taxes (based on assessor's estimate)	2.5% with adjustment based on projected property values	2.5%	3.0%	3.0%	3.0%	3.0%	Revenues & expenditures are forecasted based on recent actual performance, and industry standard analytical approaches.
Licenses, permits & fees	2%	2%	2%	2%	2%	2%	
Fines and Forfeits	2%	2%	2%	2%	2%	2%	
Other intergovernmental revenue	2%	2%	2%	2%	2%	2%	Largely based on the growth of State Revenue Sharing.
Charges for services	2%	2%	2%	2%	2%	2%	Revenues & expenditures increase at historical rates.
Interest and rentals	2%	2%	2%	2%	2%	2%	Revenues & expenditures increase at historical rates.
Other revenue	2%	2%	2%	2%	2%	2%	Estimated to decrease
Foundation for Excellence							
Millage Reduction	2%	2%	2%	2%	2%	2%	Commitment from Foundation - Millage reduction funding assumed at same rates as taxes above.
Budget Stabilization	3%	3%	3%	3%	3%	3%	Commitment from Foundation - The Budget Stabilization starts at \$4 million in 2019, with annual increase based on Municipal Cost Index, currently estimated at 3%
Expenditures							
Salaries	Based on Actual for approved positions	3.25%	3.25%	3.25%	3.25%	3.25%	Salary growth anticipated to be controlled in future contracts and hiring.
Health Insurance	Based on calculated departmental share for approved positions	2%	1%	1%	1%	1%	Health care costs to City departments have been decreased due to changes to health care costs to employees. A reduction will be made in 2020; Anticipating reduction in costs in future years for changes to health care offerings. Expected to grow by the rate of health care in the marketplace, controlled by health care plan changes.
FICA, Medicare, Deferred Compensation	Based on Actual for approved positions	2%	2%	2%	2%	2%	Based on the percentage for change of salaries which is based on property tax revenue.
Fringe Benefits	Based on Actual for approved positions	2%	2%	2%	2%	2%	Based on union contracts and employee tenure.
Supplies and services	1% - Dependent on department needs/requests	1%	1%	1%	1%	1%	one-time costs and increases controlled by Priority Reductions.
Capital Outlay							Assumes a steady level of capital expenditures, after one-time adjustments budgeted in 2020.
Transfers to Capital Improvement	Debt Service Projections	Debt Service Projections	Debt Service Projections	Debt Service Projections	Debt Service Projections	Debt Service Projections	Estimated based on capital bonding amortization and projected new debt requirements. Total transfer is net of anticipated revenues in the Capital Improvement Funds.
OPEB Contribution	0%	0%	0%	0%	0%	0%	Contributions to the OPEB Trust are limited to \$3.5 million system wide. Assume steady share in future years.
OPEB Debt Service	Actual	Actual	Actual	Actual	Actual	Actual	Actual share as scheduled by the amortization schedule