

2023 PROJECTED GENERAL FUND SUMMARY

	2023 Amended Budget	2023 Actual Projection
Revenues		
Taxes	\$24,972,141	\$24,404,000
Donations and Contributions	\$18,796,954	\$19,000,000
Intergovernmental	\$15,698,085	\$16,686,000
Charges for Services	\$10,281,745	\$10,122,000
Licenses, Permits & Fees	\$2,799,893	\$2,421,000
Transfer In	\$2,018,908	\$2,019,000
Other	\$113,000	\$135,000
Interest & Rents	\$100,000	\$732,000
Fines & Forfeits	\$323,100	\$185,000
TOTAL REVENUES	\$75,103,826	\$75,705,000
Expenses		
Personnel	\$49,130,419	\$49,535,000
Operating	\$18,214,413	\$17,177,000
Other	\$8,875,611	\$8,876,000
Capital	\$1,006,627	\$1,291,000
TOTAL EXPENSES	\$77,227,070	\$76,879,000
Surplus (Deficit)	-\$2,123,244	-\$1,174,000

CITY OF KALAMAZOO

GENERAL FUND FIVE YEAR PLAN

2024 BUDGET

	2024 Proposed	2025 Projected	2026 Projected	2027 Projected	2028 Projected
REVENUES					
Operational Revenues					
Taxes	\$ 26,441,751	\$ 27,472,586	\$ 28,276,638	\$ 29,104,812	\$ 29,957,830
Foundation for Excellence	20,471,989	20,930,467	21,558,381	22,205,132	22,871,286
Other Donations and Contributions	293,950	302,769	311,852	321,207	330,843
State	16,666,936	17,241,812	17,666,993	17,957,225	18,267,980
Internal Services	9,481,065	9,931,771	10,395,998	10,866,219	11,358,914
Charges for Services and Fees	703,550	722,857	742,743	763,225	784,321
Recreation and Park Fees	421,412	434,054	447,077	460,489	474,305
Permits & Licenses	2,974,818	3,057,313	3,142,283	3,229,803	3,319,947
Other Revenue	346,248	146,948	150,096	153,339	406,679
Fines & Forfeits	328,600	330,568	332,594	334,681	336,831
Interest	500,000	525,000	535,500	546,210	557,134
Total Operational Revenues	78,630,319	81,096,145	83,560,155	85,942,342	88,666,070
Other Revenues					
Transfer From Internal Service	1,500,000	1,250,000	1,000,000	1,000,000	1,000,000
Transfer From ARPA Fund	922,300	223,206	-	-	-
Sale of Assets	50,000	50,000	50,000	50,000	50,000
Total Other Revenues	2,472,300	1,523,207	1,050,002	1,050,003	1,050,004
TOTAL REVENUES	81,102,619	82,619,352	84,610,157	86,992,345	89,716,074
EXPENDITURES					
Operating Expenditures					
Personnel	49,052,970	50,688,862	52,450,916	54,079,707	56,127,911
Services	14,692,941	14,866,425	15,118,491	15,445,701	15,782,573
Supplies	3,271,988	3,368,979	3,468,856	3,571,705	3,677,614
Internal Services and Fees	872,391	898,563	925,519	953,284	981,882
Contribution to Trusts	3,016,900	2,750,000	2,750,000	2,750,000	2,750,000
Capital	1,664,200	1,083,636	1,086,145	1,088,730	1,091,391
Total Operating Expenditures	72,571,390	73,656,465	75,799,927	77,889,127	80,411,371
Transfers					
Debt Service Transfers	3,834,220	3,834,082	3,836,751	3,833,973	3,836,011
Operating Transfers	5,012,658	5,247,079	5,580,246	4,840,670	5,040,929
Transfer for One Time Capital Projects	426,000	-	-	-	-
Total Transfers	9,272,878	9,081,161	9,416,997	8,674,643	8,876,940
TOTAL EXPENDITURES	81,844,268	82,737,626	85,216,924	86,563,770	89,288,311
SURPLUS (DEFICIT)	(741,649)	(118,274)	(606,768)	428,575	427,763
UNRESERVED FUND BALANCE					
Projected Beginning Fund Balance	14,778,873	13,931,942	13,802,468	13,186,700	13,606,041
Change in Social Equity Reserve	(104,082)	(10,000)	(7,800)	(8,034)	(8,275)
Contribution to Parks Land Reserve	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)
ENDING UNRESERVED FUND BALANCE	13,931,942	13,802,468	13,186,700	13,606,041	14,024,328
TARGET UNRESERVED FUND BALANCE	11,794,548	12,164,422	12,534,023	12,891,351	13,299,911
OVER (UNDER) FUND BALANCE TARGETS	2,137,394	1,638,046	652,677	714,690	724,417
TOTAL FUND BALANCE					
Unreserved Fund Balance	13,931,942	13,802,468	13,186,700	13,606,041	14,024,328
Contingency Fund Balance	500,000	500,000	500,000	500,000	500,000
Social Equity Reserve Fund Balance	306,250	316,250	324,050	332,084	340,359
Parks Land Reserve Fund Balance	66,077	67,277	68,477	69,677	70,877
TOTAL ENDING FUND BALANCE	\$ 14,804,269	\$ 14,685,995	\$ 14,079,227	\$ 14,507,802	\$ 14,935,564

CITY OF KALAMAZOO
2024 GENERAL FUND BUDGET
FIVE YEAR REVENUE ASSUMPTIONS

**Projected Annual Assumptions for Proposed Fiscal
Plan (2024-2028)**

Revenue	2024	2025	2026	2027	2028	Assumptions & Explanations
Property taxes (based on assessor's estimate)	6%	4%	3%	3%	3%	Revenues & expenditures are forecasted based on recent actual performance and industry standard analytical approaches.
Licenses, permits & fees	6%	3%	3%	3%	3%	Estimated to continue historical growth trends.
Fines and Forfeits	2%	1%	1%	1%	1%	Adjusted 2023 to recent trends from Covid related reductions, expecting growth to historical norms over the 5 year period.
Other intergovernmental revenue	6%	3%	2%	2%	2%	Expectation of recent trends of increased State Revenue Sharing and other grant opportunities from American Rescue Plan Act through various Federal and State agencies.
Charges for services	-17%	3%	3%	3%	3%	Increased amounts in line with updated fee schedules and usage expectation. 2024 includes expected loss of maintenance agreement for leased property expected to be vacated.
Interest and rentals	400%	5%	2%	2%	2%	2024 increased due to changes in bank agreements to include higher interest and implementation of account fees. Long term expected to grow with increased federal funds rate.
Other revenue	230%	-58%	2%	2%	165%	Fluctuates based on election reimbursement revenues in presidential election years; other years revenue is stagnant.
Foundation for Excellence:						
Millage Reduction	11%	2%	3%	3%	3%	Commitment from Foundation - Millage reduction funding assumed at same rates as taxes above. 2024 budget includes a reconciliation payment, returns to expected norms in 2025.
Budget Stabilization	5%	3%	3%	3%	3%	Commitment from Foundation - The Budget Stabilization is based on original grant request projection plus projected increase in two year rolling average Consumers Price Index.

CITY OF KALAMAZOO
2024 GENERAL FUND BUDGET
FIVE YEAR EXPENDITURE ASSUMPTIONS

Expenditures	2024	2025	2026	2027	2028	Assumptions & Explanations
Salaries	6%	3%	3%	3%	4%	Salary growth projected based on union contracts and anticipated control in additional future positions.
Health Insurance	0%	0%	0%	0%	0%	Health care costs to City departments has been held at a steady rate. This will remain at a 0% increase as the annual transfer (rebate) from the insurance fund is phased out.
FICA, Medicare, Deferred Compensation	6%	3%	3%	3%	4%	Based on the percentage for change of salaries.
Supplies and services	3%	3%	3%	3%	3%	2023 increase due to recent inflation trends. Future inflation is expected to be less than recent trends. Overall costs will be controlled by reductions in one-time costs and increases controlled by priority reductions.
Capital Outlay	65%	-35%	0%	0%	0%	Assumes a long term steady level of capital expenditures.
Transfers to Capital Improvement	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%	Contributions to the OPEB Trust are limited to \$3.5 million system wide. Amount is based on each funds share of the liability as determined by the actuarial report.
OPEB Debt Service	Actual	Actual	Actual	Actual	Actual	Actual share as scheduled by the amortization schedule