

## **Preliminary Operating Budget**

All departments have updated their revenue projections as well as their operating and capital maintenance requests. This has resulted in an updated funding gap for the General Fund of \$2.9 million. This does not include any new projects or additions and improvements only maintaining what we have. The main differences between the tax budget which reflected a General Fund \$2.6 million dollar gap and what is presented on the following page are:

### **Revenue Increased 3.2% or \$945K from the tax budget mainly due to:**

- Income tax projection was changed from 2% to 3% or \$603K.
- Investment income was increased by \$210K.
- Added an additional revenue source for the rental property code for \$239K.

### **Expenditures Increased 3.3% or \$1mill from the tax budget mainly due to:**

- Added 3 code enforcement officers and moved the part time zoning clerk to full time to manage the rental property code \$280K increase.
- Moved the paralegal from part time to full time \$50K increase.
- Moved a recreation coordinator from part time to full time \$22K increase.
- Added one dispatcher \$71K increase.
- Requested 2.2% or \$169K more for operations.
- Requested 6% or \$288K more for capital maintenance.
- Remainder is related to other salary and benefit adjustments in the amount of \$220K.

# Preliminary Operating Budget

Current Year estimates may not equal Appropriations

	2019	2020	2021	2022	2023
<b>Annual Operating Expenses</b>					
Salaries & Benefits	\$ 18,198,000	\$ 19,979,060	\$ 20,107,880	\$ 20,744,080	\$ 21,260,140
Operating	\$ 7,824,870	\$ 7,928,642	\$ 8,016,135	\$ 8,129,295	\$ 8,227,116
Transfers	\$ 1,257,860	\$ 1,360,780	\$ 1,349,990	\$ 1,375,330	\$ 1,292,380
<b>Subtotal Operating Expenses</b>	<b>\$ 27,280,730</b>	<b>\$ 29,268,482</b>	<b>\$ 29,474,005</b>	<b>\$ 30,248,705</b>	<b>\$ 30,779,636</b>
<b>Sustainable/Ongoing Capital</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Asphalt Overlay	\$ 1,293,330	\$ 1,293,330	\$ 1,293,330	\$ 1,293,330	\$ 1,293,330
Creekside Capital Maintenance	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
Bridge Replacement Program	\$ 229,000	\$ 229,000	\$ 229,000	\$ 229,000	\$ 229,000
Detroit Street Rebuild	\$ 1,964,160	\$ 1,964,160	\$ 1,964,160	\$ 1,964,160	\$ 1,964,160
City-wide Traffic Signal Upgrade & Maint	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000	\$ 110,000
GF(Except Police) Equipment Replacement	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
GNET Fiber Network Growth & Redundancy	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Golf Cart Replacement Program	\$ 30,000	\$ -	\$ -	\$ 30,000	\$ 30,000
Garage Equipment Replacement	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Municipal Compound Flooring Replacements	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Dual Network Core Switches	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000	\$ 55,000
Physical Server Lifecycle Replacement	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Park Asphalt Resurfacing	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Park Renovations	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
Play Elements & Surfacing Replacement	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000	\$ 150,000
Police Radio Replacement Program	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Pool Infrastructure Replacement & Maint	\$ 85,000	\$ 85,000	\$ 85,000	\$ 85,000	\$ 50,000
Police Equipment Replacement Program	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
Roof Replacement	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
SAN Equipment Replacement Program	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Street Lights at Intersections	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
<b>Sustainable/Ongoing Capital</b>	<b>\$ 5,176,490</b>	<b>\$ 5,146,490</b>	<b>\$ 5,146,490</b>	<b>\$ 5,176,490</b>	<b>\$ 5,141,490</b>
<b>Total Annual Operating Expenses</b>	<b>\$ 32,457,220</b>	<b>\$ 34,414,972</b>	<b>\$ 34,620,495</b>	<b>\$ 35,425,195</b>	<b>\$ 35,921,126</b>
<b>Annual Operating Resources</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
INCOME TAX	\$ 20,088,700	\$ 20,691,100	\$ 21,310,900	\$ 21,950,200	\$ 22,607,800
CHARGES FOR SERVICES	\$ 1,811,400	\$ 1,794,900	\$ 1,818,500	\$ 1,859,200	\$ 2,057,900
GRANTS	\$ 10,200	\$ 10,200	\$ 10,200	\$ 10,200	\$ 10,200
INTEREST & INVESTMENT INCOME	\$ 740,830	\$ 742,310	\$ 743,870	\$ 745,490	\$ 752,860
LOCAL GOVERNMENT FUND	\$ 675,900	\$ 675,900	\$ 675,900	\$ 675,900	\$ 675,900
MISCELLANEOUS INCOME	\$ 185,000	\$ 185,000	\$ 185,000	\$ 160,000	\$ 160,000
OTHER TAXES	\$ 573,900	\$ 531,300	\$ 536,500	\$ 541,700	\$ 547,200
REAL ESTATE TAXES	\$ 2,088,700	\$ 2,126,000	\$ 2,164,000	\$ 2,203,000	\$ 2,243,000
TRANSFERS	\$ 1,231,800	\$ 1,137,600	\$ 1,173,900	\$ 1,211,500	\$ 1,250,400
FINES & FEES	\$ 2,160,800	\$ 2,158,900	\$ 2,158,300	\$ 2,158,400	\$ 2,158,400
<b>TOTAL GENERAL FUND</b>	<b>\$ 29,567,230</b>	<b>\$ 30,053,210</b>	<b>\$ 30,777,070</b>	<b>\$ 31,515,590</b>	<b>\$ 32,463,660</b>
<b>Total Annual Operating resources</b>	<b>\$ 29,567,230</b>	<b>\$ 30,053,210</b>	<b>\$ 30,777,070</b>	<b>\$ 31,515,590</b>	<b>\$ 32,463,660</b>
<b>Gross Operating Surplus / &lt;Shortfall&gt;</b>	<b>\$ (2,889,990)</b>	<b>\$ (4,361,762)</b>	<b>\$ (3,843,425)</b>	<b>\$ (3,909,605)</b>	<b>\$ (3,457,466)</b>
<b>Additional Operating Adjustments</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Total- Operating Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Net Operating Surplus / &lt;Shortfall&gt;</b>	<b>\$ (2,889,990)</b>	<b>\$ (4,361,762)</b>	<b>\$ (3,843,425)</b>	<b>\$ (3,909,605)</b>	<b>\$ (3,457,466)</b>
	-8.90%	-12.67%	-11.10%	-11.04%	-9.63%

^Txf to Capital Improvement Fund is not included-so as not to double count the capital expenses & one-time uses

We will now meet with each department and review the revenue and expenditure requests line by line to identify feasible adjustments to bring operating expenditures within on-going revenue sources. Capital maintenance items are the last to be analyzed. Once the first set of adjustments are made, a meeting is set with the Mayor to discuss the adjustments made and determine if any further adjustments are needed.