

CITY OF LINCOLN PARK

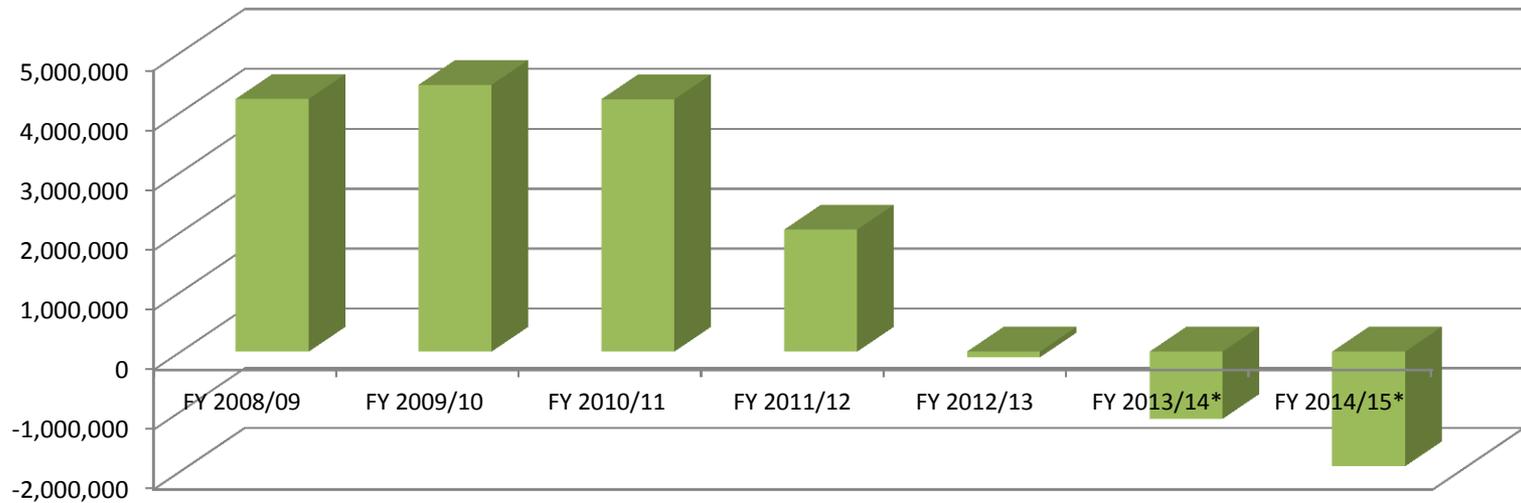
FISCAL YEAR 2014/2015

PROPOSED BUDGET

GENERAL FUND FUND BALANCE

FISCAL YEAR 2014/2015
ESTIMATED BUDGET DEFICIT

(\$793,460)

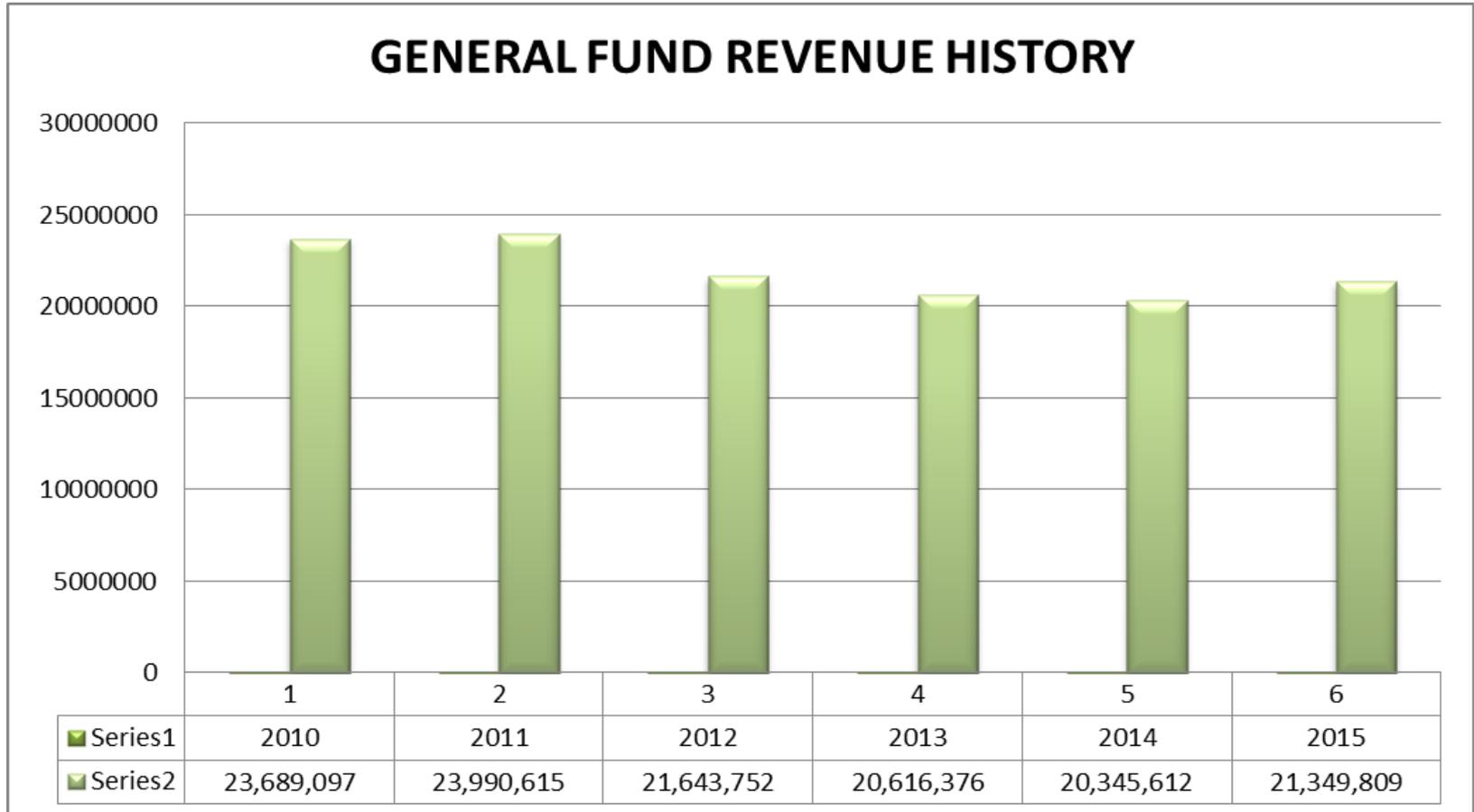


*Estimated

TOTAL ESTIMATED OPERATING DEFICIT AT YEAR END 2014/2015

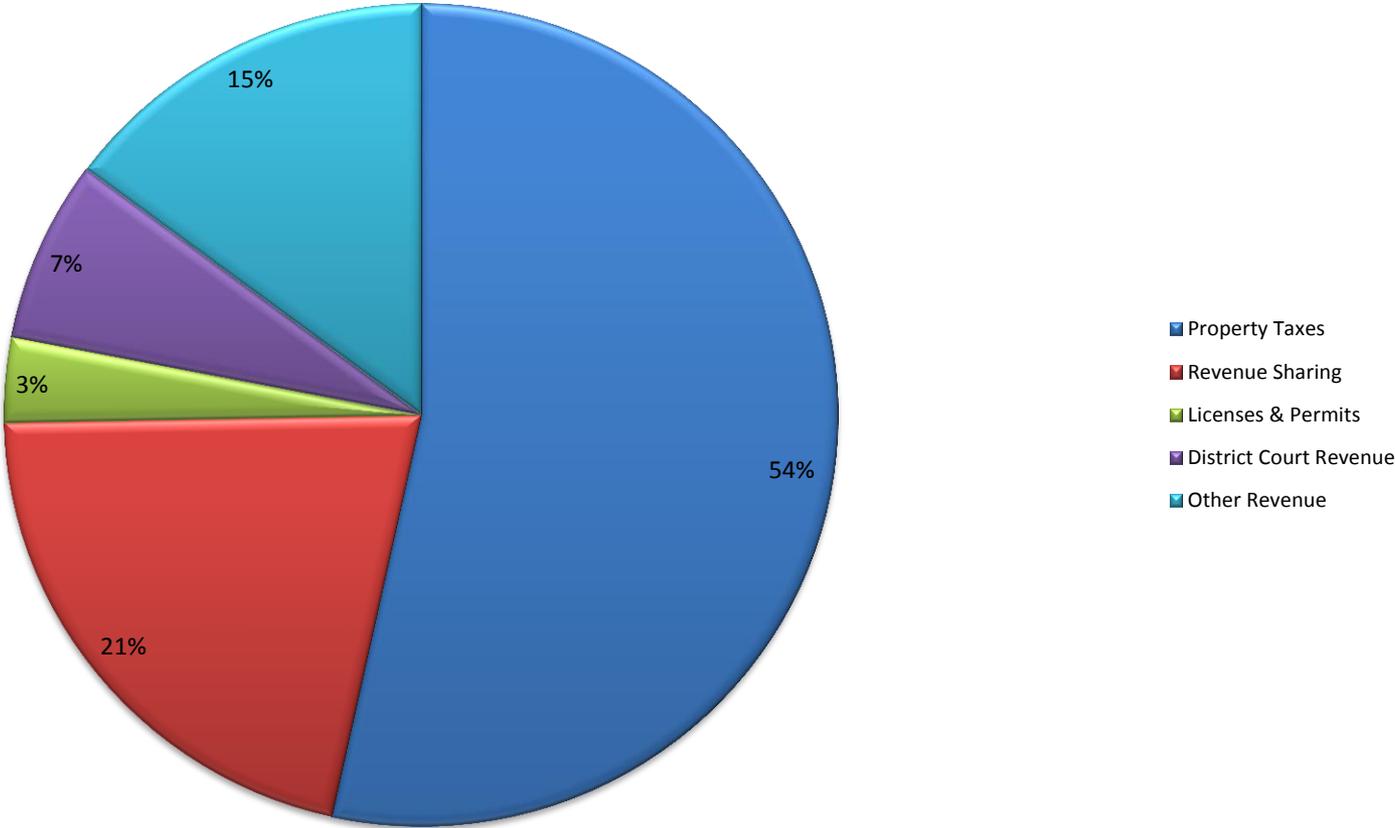
(\$1,918,771)

GENERAL FUND REVENUE HISTORY



- 2014/15 Shows revenue increase due to Honeywell Debt Levy on taxes– Actual general tax revenue will be decreased

FY 2014/2015 ESTIMATED REVENUES



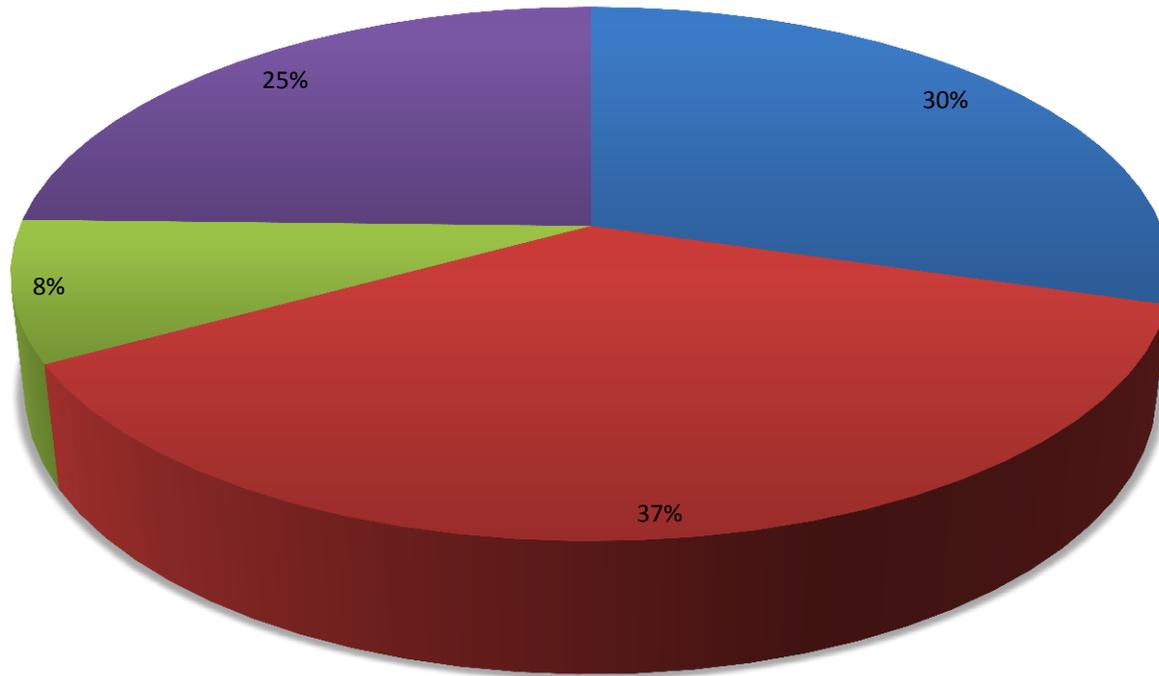
FISCAL YEAR 2014/2015 KEY REVENUE CHANGES

- **Property tax values are down by 2.1%-this equates to approximately \$287,000 less in tax revenue.**
- **Personal Property tax is assumed at 70% due to the uncertainty of when our money will be received due to the new laws. It appears there will be a timing delay.**
- **District Court revenue is increased because of the reimbursement process from Ecorse and River Rouge due to the consolidation of the court (Lincoln Park pays 56% of expenses)**
- **The Library now has it's own fund. Approximately \$35,000 of General Fund expenses have been saved and moved into that fund.**
- **State Shared Revenue and EVIP payments have been increased 3%**

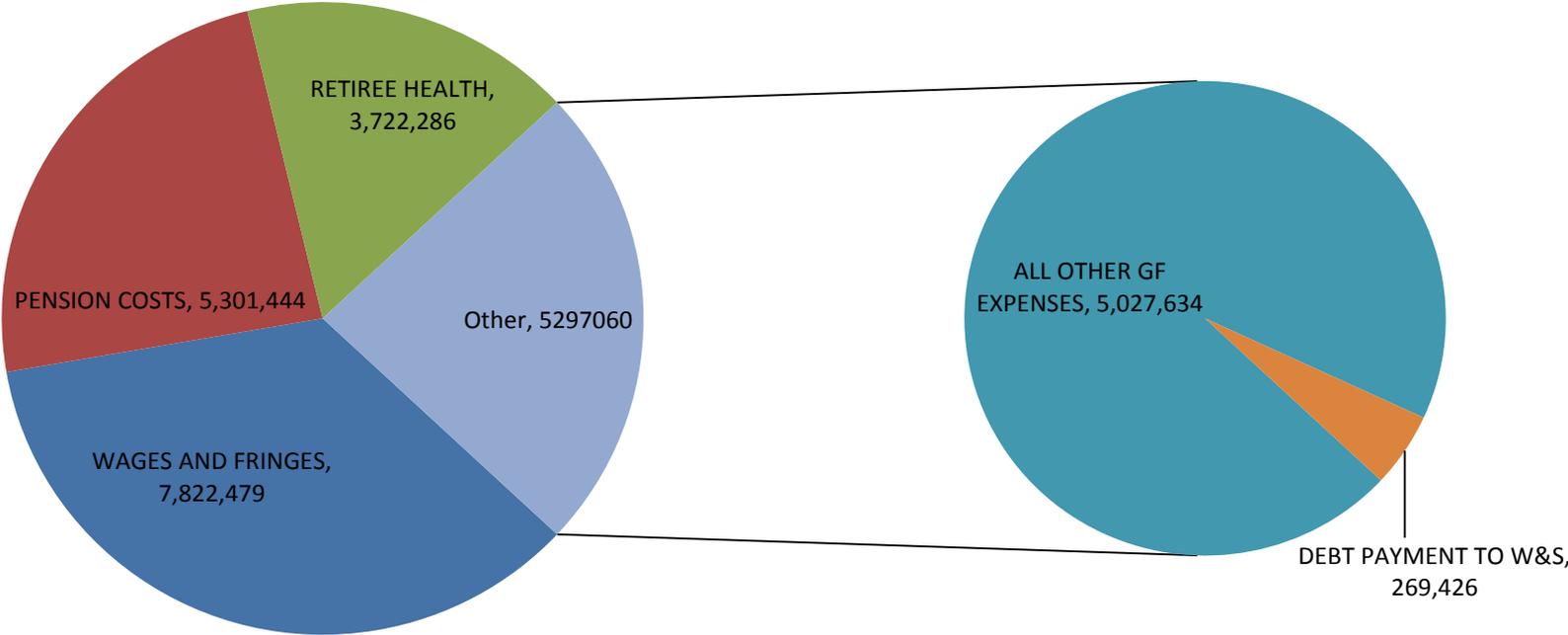
- **Overall General Fund revenue is up \$900,000 but this is due to the Honeywell Debt Tax Levy being placed on the 2014 summer tax bill.**

GENERAL FUND EXPENDITURES FY 2014/2015

■ Police and Fire ■ Legacy ■ Court Expenditures ■ All Other Expenditures



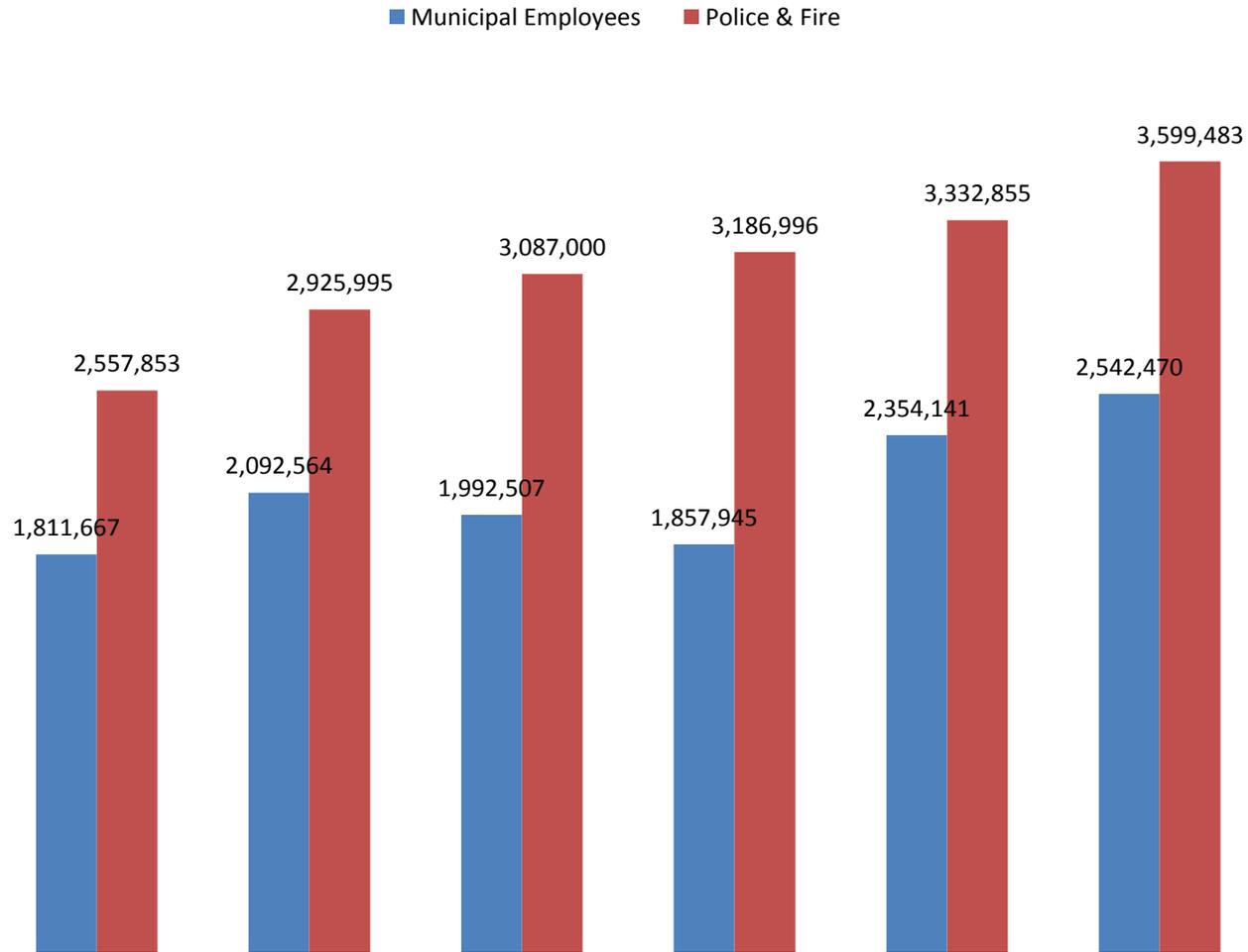
General Fund Expenditure By Type



FISCAL YEAR 2014/2015 KEY EXPENDITURE CHANGES

- **This budget is based on the assumption that all labor contracts will be settled.**
- **Total budgeted wages are down 2.4 Million Dollars .**
- **Retirement costs are assumed to increase 8% or \$377,153 to the general fund**
- **Retiree Health Care costs are \$3,423,189 which is up approximately 13% due to increased premiums from Blue Cross.**
- **Retiree costs account for 40% of the General Fund Budget alone**
- **Buildings and Grounds shows a large increase in expenditures due to the Honeywell Debt which is offset by the revenue account.**
- **Nearly every department will be operating with a smaller budget than last year.**
- **Full time employees are down to 89 and remains the same in the 2014/2015 budget (with the exception of the new Library Director) In the current budget year, there were 115 full time employees budgeted which was decreased to the current number.**

Pension Contribution 6 Year History



Cost of Retiree Health and Pension as a Percentage of General Fund

BUDGET YEAR	6/30/2011	6/30/2012	6/30/2013	6/30/2014	6/30/2015
TOTAL GENERAL FUND REVENUE	24,232,047	23,846,714	22,425,281	20,750,795	21,349,809
MUNICIPAL PENSION CONTRIBUTION	1,329,021	1,289,392	853,726	1,381,560	1,492,085
PUBLIC SAFETY CONTRIBUTION	2,925,995	3,087,000	3,186,996	3,332,855	3,599,483
RETIREE HEALTH CARE	4,290,582	3,047,799	2,858,444	2,974,193	3,423,189
TOTAL RETIREE COSTS	8,545,598	7,424,191	6,899,166	7,688,608	8,514,757
PERCENT OF GENERAL FUND BUDGET	35%	31%	31%	37%	40%

WATER RATES

Water Rates	\$	24.50	per 1,000 cu ft.
Capital Improvements	\$	2.90	per 1,000 cu ft.
Sewer Rates	\$	28.50	per 1,000 cu ft.
Sewer Improvements	\$	5.68	per 1,000 cu ft.
Ecorse Creek User Fee	\$	4.04	per 1,000 cu ft.
Sewer Surcharge	\$	1.43	per 1,000 cu ft.
Meter Charges:			
Less than 1"	\$	2.55	per quarter
1"	\$	4.10	per quarter
1.5"	\$	5.75	per quarter
2"	\$	7.60	per quarter
2.5"	\$	8.85	per quarter
3"	\$	10.45	per quarter
3.5"	\$	12.05	per quarter
Rubbish Charge	\$	32.02	per quarter

- WATER RATES ARE RECOMMENDED TO REMAIN STATUS QUO UNTIL THE OFFICAL WATER & SEWER RATE STUDY CAN BE CONDUCTED
- IT IS ANTICIPATED THAT THE CURRENT RATES ARE COVERING THE COSTS (WITHOUT DEPRECIATION)
- THE SANITATION FEE IS RECOMMENDED TO STAY THE SAME IN FISCAL YEAR 2014/2015. IT IS ANTICIPATED THAT THE DEFICIT IN THIS FUND WILL BE COMPLETELY ELIMINATED IN THE 2014/2015 FISCAL YEAR

MILLAGE RATE RECOMMENDATIONS

GENERAL OPERATING	18.9800
PROMOTIONAL TAX	0.0956
HONEYWELL DEBT LEVY	1.7210
LIBRARY MILLAGE	0.6800