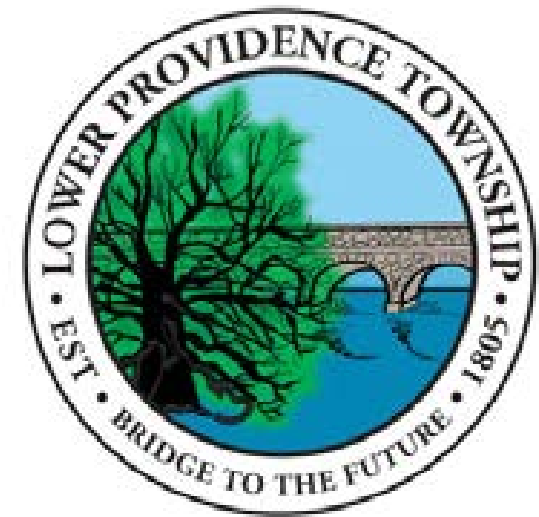


2021 Budget Review



2021 General Fund Proposed Budget Summary (starting point)

| | |
|---------------------------------|---------------------|
| ■ Beginning Fund Balance (est.) | \$4,313,416 |
| ■ 2021 Revenues | \$10,309,086 |
| ■ 2021 Expenditures | <u>\$11,096,463</u> |
| ■ End of Year Fund Balance | \$3,526,049 |
| ■ 2021 Deficit (budget gap) | (\$787,377) |

General Fund Revenue Highlights

| | 2021 | Change from 2020 Budget |
|------------------------------|-----------------------|----------------------------|
| ➤ Real Estate Taxes | to be discussed later | |
| ➤ Real Estate Transfer Taxes | \$625,000 | same |
| ➤ Earned Income Taxes | \$5,750,000 | same |
| ➤ Local Services Taxes | \$560,000 | same |
| ➤ Permits Category | \$583,000 | (-\$115,100) |
| ➤ Cable TV Franchise Fees | \$440,000 | same |
| ➤ Eliminate Per Capita Tax | -0- | (-65,000) |

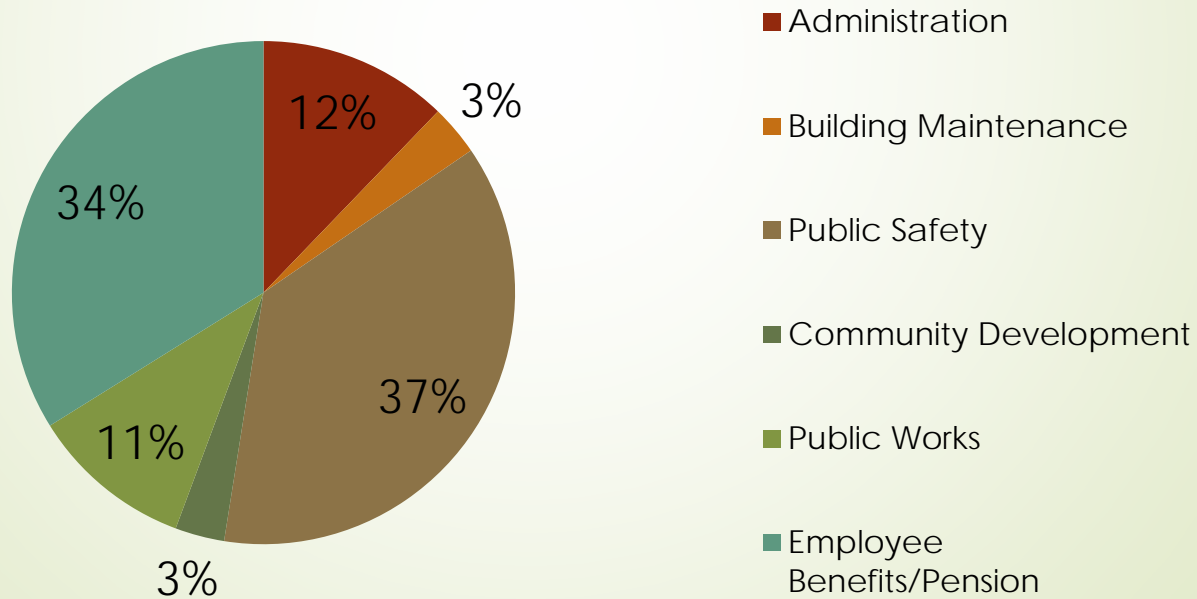
General Fund Expenditure Highlights

Increases

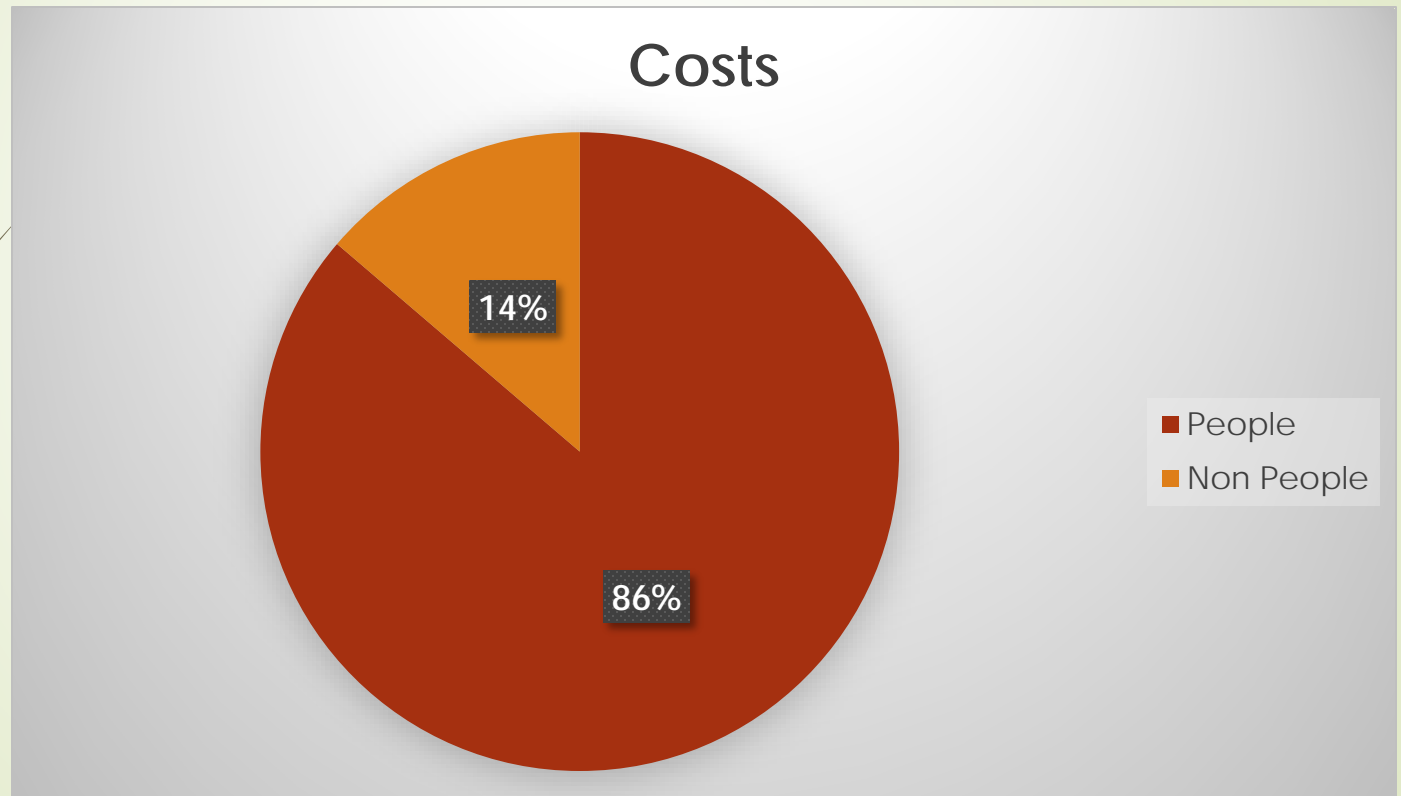
- | | |
|--------------------------------|-----------|
| ➤ Contracted salary increases | \$134,947 |
| ➤ Medical Insurance | \$43,168 |
| ➤ Addition of Traisr Cost | \$25,100 |
| ➤ Non-Union payroll increases | \$17,304 |
| ➤ Transfer to Capital Projects | \$80,101 |
-
- *Storm Water Management continues @ \$5,000 but expected to be significantly more in future years. (to be discussed later in presentation)*

General Fund Expenditures Departmental Breakdown

2021 Proposed Budget



General Fund Expenditures People vs. Non-People Costs



Emergency Services Fund 03

| | |
|---------------------------------|-----------|
| ➤ Millage: 0.32 | |
| ➤ Total Real Estate Tax Revenue | \$524,239 |
| ➤ Fire Relief Funding | \$175,000 |
| ➤ Expenditures | |
| ➤ Fire Department | \$400,000 |
| ➤ Fire Marshal Costs | \$81,231 |
| ➤ Hydrant Assessment | \$106,184 |
| ➤ LPT Ambulance | \$67,000 |
| ➤ WC Insurance (Fire Dept) | \$34,438 |

Library Fund 04

- Millage: 0.345
- Total Real Estate Tax Revenue \$565,197
- Total Library Contribution \$565,197

Capital Projects – Fund 30

2021 Requests

| | |
|----------------------------|-----------|
| ➤ Technology Upgrades | \$13,160 |
| ➤ Mobile Data Computers | \$85,000 |
| ➤ Tasers (Payment #1 of 5) | \$16,000 |
| ➤ Police Vehicles | \$131,360 |
| ➤ Gunitite Projects | \$19,000 |

* Funded by a \$26,104 transfer from Unrestricted Capital Fund and \$80,101 transfer from the General Fund.

Park & Recreation Operating Fund Revenue-Fund 31

| | |
|---------------------------------|-----------|
| ➤ Millage Funding (0.241 Mills) | \$392,826 |
| ➤ Recreation Fees | \$453,190 |
| ➤ Contributions | \$42,400 |
| ➤ Miscellaneous | \$600 |
| ➤ Interest | \$500 |

Park & Recreation Operating Fund Expenditures

| | |
|------------------------------|-----------|
| ➤ Salaries/Benefits/Supplies | \$473,102 |
| ➤ Mowing Service | \$54,681 |
| ➤ Programs/Tickets | \$309,505 |
| ➤ Events | \$41,600 |

Debt Service Fund 20 Budget Revenue Sources

| | |
|------------------------------------|-----------|
| ■ Real Estate Taxes (0.276 mills) | \$452,158 |
| ■ Lease Golf Course | \$100,000 |
| ■ Interest | \$200 |
| ■ Transfer from Library | \$113,047 |

Debt Service Expenditures-Fund 20

Principal and Interest

| | |
|---|-----------|
| ➤ 2006 Note (Library) 2022 | \$113,047 |
| ➤ 2006 Note (Refinanced GW Purchase) 2022 | \$77,372 |
| ➤ 2008 Note (Refinanced GW Purchase) 2024 | \$312,966 |
| ➤ 2013 PD/Truck/Server (Loan A) 2023 | \$17,592 |
| ➤ 2013 Roads (Loan B) 2023 | \$56,023 |
| ➤ 2015 Note (Truck/chipper) 2025 | \$15,240 |
| ➤ 2017 PD 3 Unmarked Vehicles Lease (last year) | \$8,100 |

Liquid Fuels Funded Loans Fund 21

| | |
|--------------------------------------|-----------------|
| ➤ Beginning Fund Balance | \$244 |
| ➤ Transfer from Highway Aid Fund | \$178,180 |
| ➤ Interest | <u>\$100</u> |
| ➤ Total Revenue | \$178,524 |
| ➤ 2014 Loan | \$113,103 |
| ➤ 2014 and 2015 Road Projects (2024) | |
| ➤ 2016 PIB Loan | <u>\$65,421</u> |
| ➤ 2016 Road Projects (2026) | |
| ➤ Total Expenses | \$178,524 |

Highway Aid Fund-Fund 35

| | |
|-----------------------------|------------------|
| ➤ Fund Balance Forward | \$361,825 |
| ➤ Interest | \$1,500 |
| ➤ Estimated State Funds | <u>\$710,849</u> |
| ➤ Total Revenue | \$1,074,174 |
| ➤ Equipment | \$7,000 |
| ➤ Snow and Ice | \$165,000 |
| ➤ Traffic and Street Lights | \$67,000 |
| ➤ Road Supplies | \$35,000 |
| ➤ Road Paving | \$602,972 |
| ➤ Debt Payment Transfers | <u>\$178,180</u> |
| ➤ Total Expenses | \$1,055,152 |

Unrestricted Capital-Fund 39

| | |
|-----------------------|-----------------|
| ➤ Balance Forward | \$24,904 |
| ➤ Interest | \$1,200 |
| ➤ Capital Projects | <u>\$26,104</u> |
| ➤ Ending Fund Balance | -0- |

Tree Fund – Fund 40

| | |
|-------------------|-----------------|
| ➤ Balance Forward | \$80,815 |
| ➤ Interest | \$300 |
| ➤ Expenses | <u>\$20,000</u> |
| ➤ Ending Balance | \$61,115 |

Recommendations

- Multi Year Outlook Approach
- Transfer \$40,000 from Debt Service Fund.
- Real Estate Tax Increase in 2021 of \$350,000 (.22 mills)
 - equates to about \$37/year increase to the average residential homeowner
 - Reminder that the Per Capita Tax was eliminated this year which saves residents \$15/person/year.
- Use \$397,377 from General Fund Reserves to balance 2021 budget.
- Continue to analyze the revenue trends and any impact from pandemic for future years
- In 2022 and 2023, consider additional Real Estate Tax increases in addition to utilizing General Fund Reserves to continue to address the structural deficiencies of the General Fund.

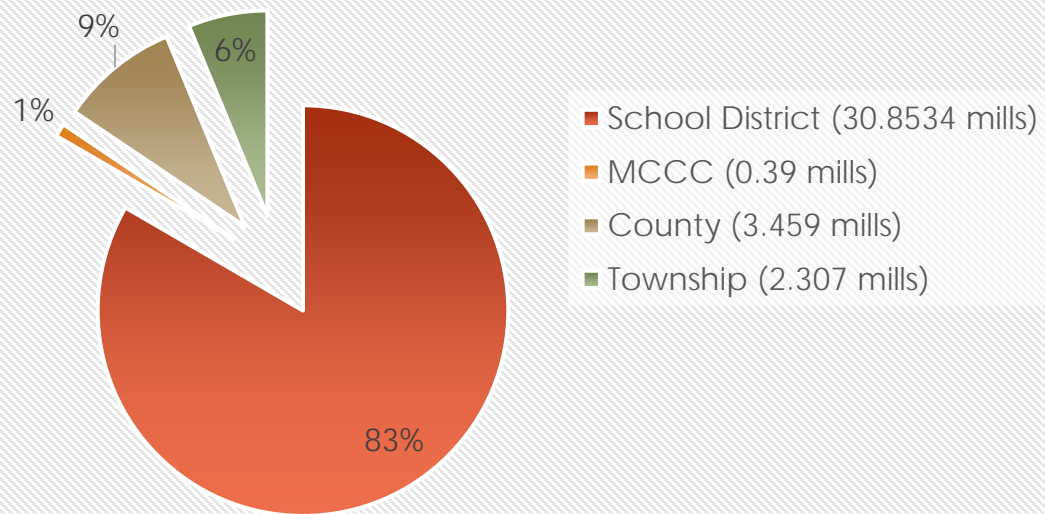
Recommendations (continued)

- Analyze the Debt Service Fund in future years and consider transferring additional funds to General Fund due to debt retirement schedule.
- Utilize General Fund Reserves to fund Capital purchases in 2022 and 2023. Review at that time options to fund the capital purchases moving forward.
- An understanding that some of the remaining General Fund Reserves should be held for future MS4 obligations.

Proposed 2021 Budget Real Estate Tax Rates

| | | |
|--|--------------|-----------------------|
| ➤ Average Residential Assessment as of 1/1/2020: | | \$168,518 |
| ➤ Millage Rates Current: | | Avg. Tax |
| ➤ General Fund | 1.125 | \$189.59 |
| ➤ Emergency Services Fund | 0.320 | \$53.93 |
| ➤ Library Fund | 0.345 | \$58.14 |
| ➤ Debt Service Fund | 0.276 | \$46.51 |
| ➤ <u>Park & Rec Fund</u> | <u>0.241</u> | <u>\$40.62</u> |
| ➤ Total | 2.307 | \$388.79 |

Real Estate Tax Percentages



2021 Budget Schedule

- Tentative budget approval and authorization to advertise November 5, 2020.
- Advertise proposed budget for inspection (20 days) November 9, 2020.
- Limits on changes once advertised.
- Consider for adoption December 3, 2020.

Questions

