



City of East Grand Rapids Projected 2016/2017 Budget

The following assumptions were made in preparing the FY 2016/2017 projected budget:

Revenues:

- CPI has been set at 0.3% in the calculation of property tax revenue for FY 2016/2017, which is projecting an increase of taxes of \$90,000. This is compared to a CPI of 1.6% and increase in property tax revenue of \$235,000 in FY 2015/2016.
- Funding to be received from the State remained at the same levels as FY 2015/2016.

Expenditures:

- Salaries, payroll taxes and defined contribution payments include a 2.5% inflationary increase.
- Health insurance and workers compensation insurance expenditures were increased by 3%.
- Defined benefit payments were increased from \$893,000 to \$1,042,000. This is an increase of \$149,000.
- Capital improvements outlined in the 3-year capital improvement plan have not been included.

The City is committed to maintaining unrestricted fund balance between 20-25% as a percentage of yearly expenditures. Based on the assumptions outlined above, below is an estimate of unrestricted fund balance as a percentage of yearly expenditures. Some of the planned capital improvements outlined in the 3-year improvement plan will be requested based on the expected ending unrestricted fund balance percentage and/or savings realized on operational expenditures in FY 2015/2016.

	Year Ended June 30,		
	Actual 2014/2015	Amended 2015/2016	Projected 2016/2017
Unrestricted Fund Balance Percentage	25.82%	22.64%	22.95%

City of East Grand Rapids General Fund Projected Budget

	Amended 2015/2016	Projected 2016/2017	Increase (Decrease)
Revenues:			
Taxes	8,050,000	8,140,000	90,000
Intergovernmental	971,400	951,400	(20,000)
Charges for services	1,622,800	1,622,800	-
Fines and forfeits	40,000	40,000	-
Licenses and permits	65,000	65,000	-
Interest	17,000	15,000	(2,000)
Other	171,700	125,000	(46,700)
Total Revenues	10,937,900	10,959,200	21,300
Expenditures:			
General government	1,749,700	1,590,300	(159,400)
City Services	1,658,600	1,577,200	(81,400)
Public safety	4,790,700	4,869,100	78,400
Parks and recreation	1,911,700	1,922,600	10,900
Operating transfers out	1,000,000	1,000,000	-
Total Expenditures	11,110,700	10,959,200	(151,500)
Net change in fund balance	(172,800)	(0)	172,800