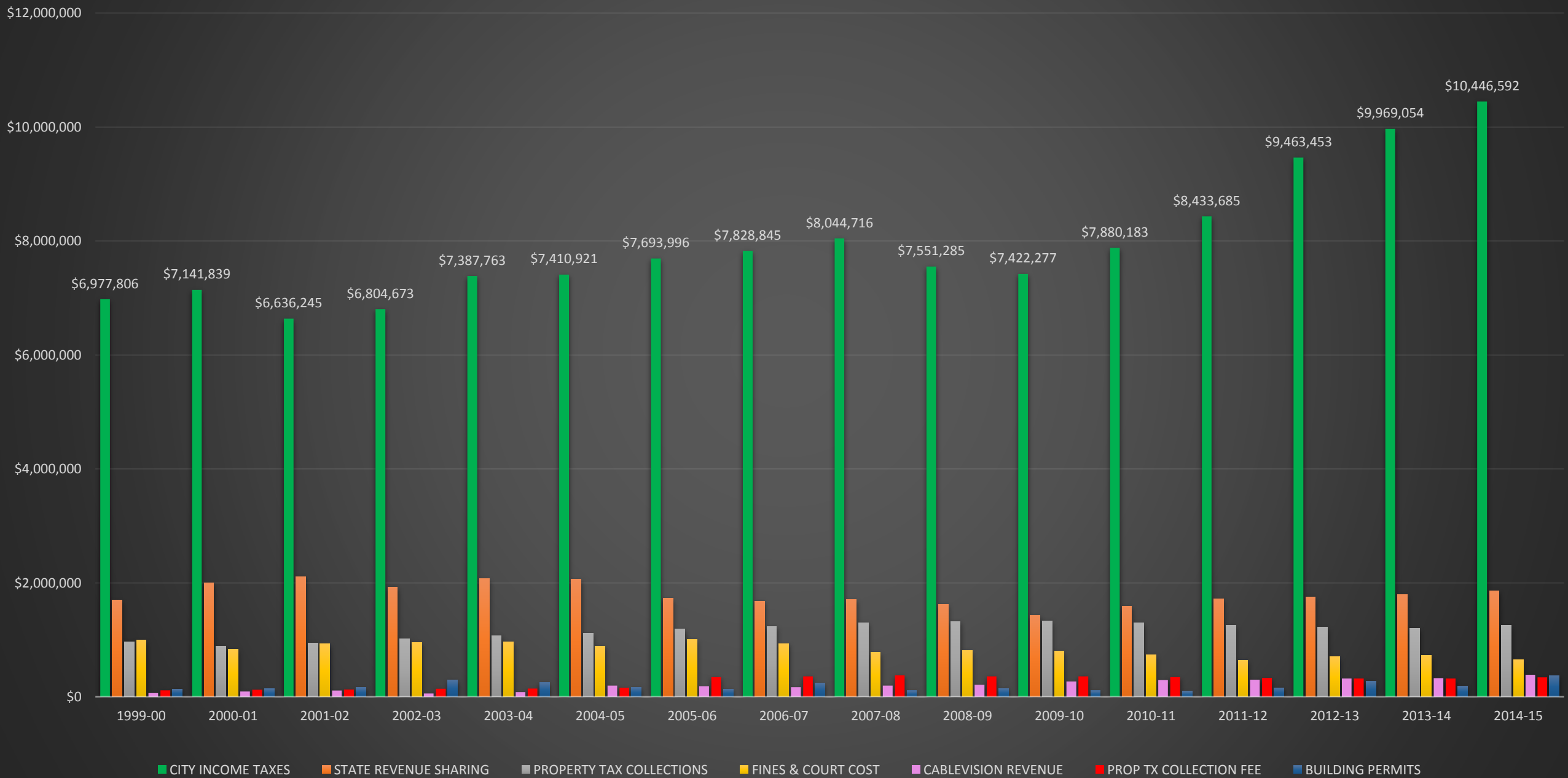


# Fiscal Year 16-17 Budget

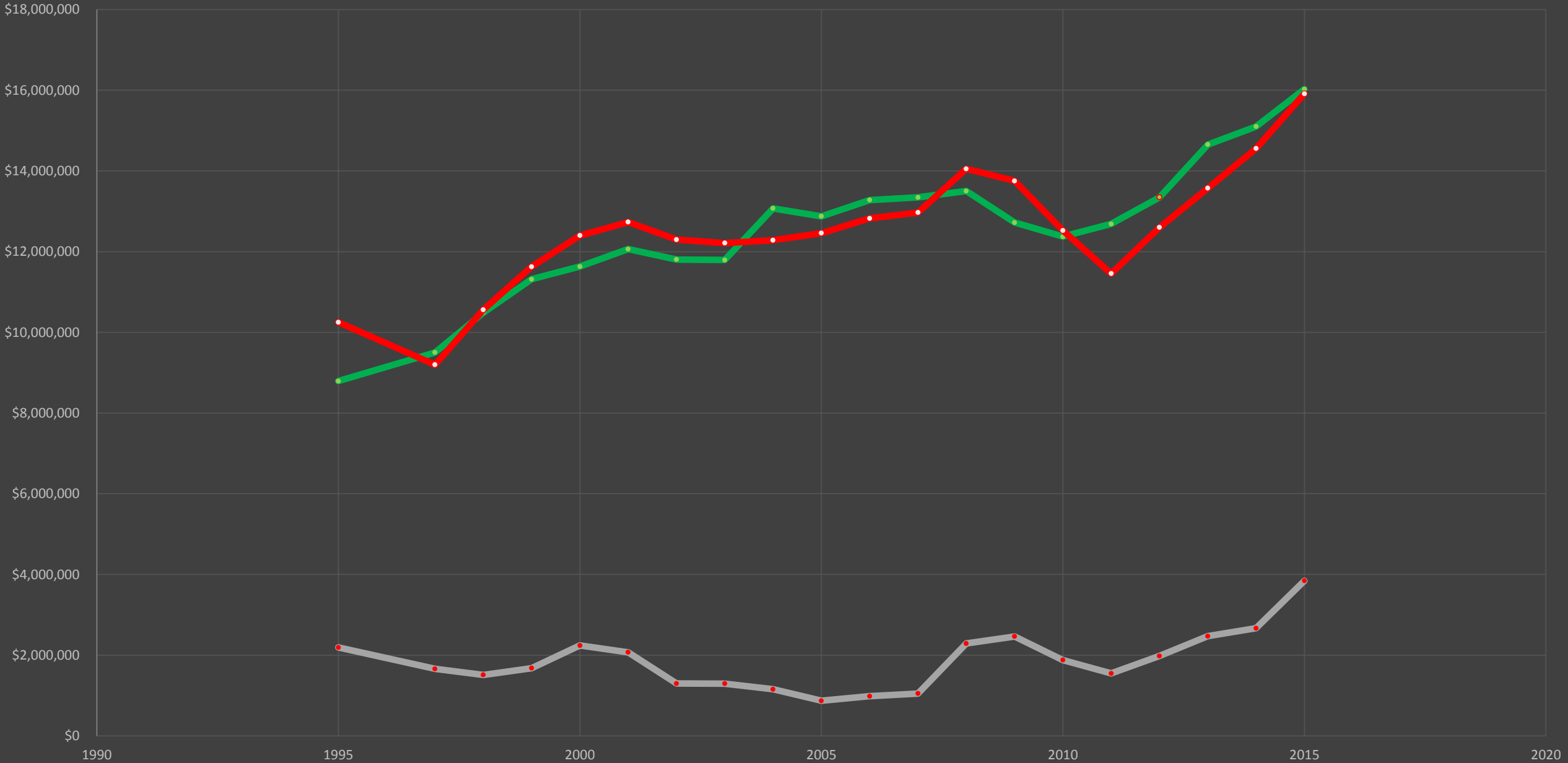
WALKER CITY COMMISSION – JUNE 13, 2016  
PUBLIC HEARING

# General Fund Revenue History - Major Line Items



# General Fund Trending

REVENUES EXPENDITURES (Incl transfers out) TRANSFERS OUT

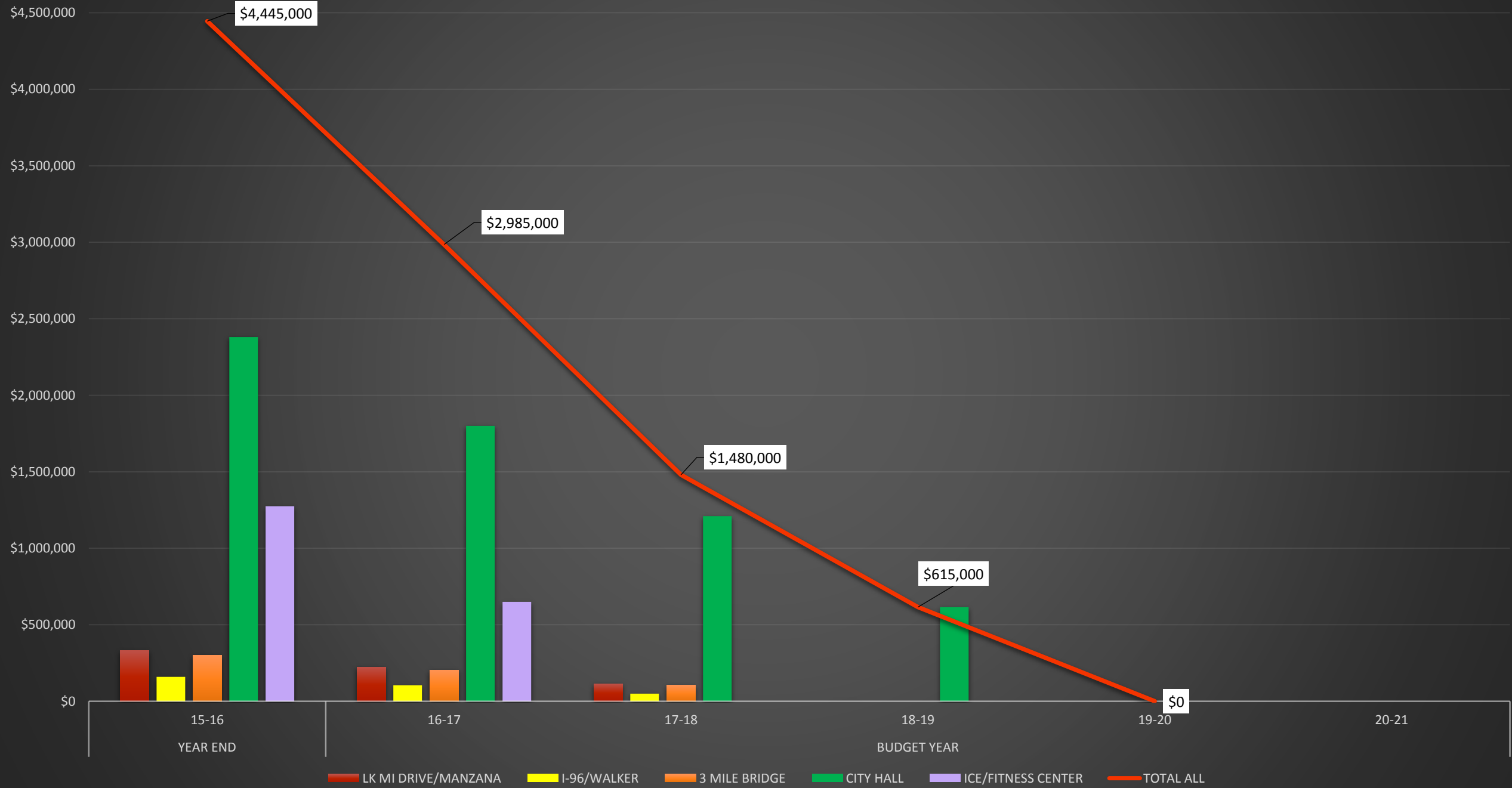


|     |                       | DEBT FUND PROJECTIONS |                    |                  |                  |            |            |            |            |            |
|-----|-----------------------|-----------------------|--------------------|------------------|------------------|------------|------------|------------|------------|------------|
|     |                       |                       | YEAR END           | BUDGET YEAR      |                  |            |            |            |            |            |
|     |                       |                       | 15-16              | 16-17            | 17-18            | 18-19      | 19-20      | 20-21      | 21-22      | 22-23      |
| MTF | 2004 - 2015 REFUNDING | LK MI DRIVE/MANZANA   | \$110,597          | \$109,382        | \$113,333        | \$117,013  |            |            |            |            |
| MTF | 2006                  | I-96/WALKER           | \$59,398           | \$62,198         | \$59,750         | \$52,275   |            |            |            |            |
| MTF | 2010                  | 3 MILE BRIDGE         | \$106,348          | \$103,973        | \$106,360        | \$108,360  |            |            |            |            |
| GF  | 2005-2015 REFUNDING   | CITY HALL             | \$607,844          | \$614,978        | \$619,178        | \$617,098  | \$626,685  |            |            |            |
| GF  | WIFC 2006 REFUNDING   | ICE/FITNESS CENTER    | <u>\$681,000</u>   | <u>\$676,000</u> | <u>\$676,000</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
|     |                       | TOTAL YEARLY PAYMENTS | \$1,565,187        | \$1,566,531      | \$1,574,621      | \$894,746  | \$626,685  | \$0        | \$0        | \$0        |
|     |                       |                       |                    |                  |                  |            |            |            |            |            |
|     |                       |                       |                    |                  |                  |            |            |            |            |            |
|     |                       |                       | YEAR END           | BUDGET YEAR      |                  |            |            |            |            |            |
|     |                       |                       | 15-16              | 16-17            | 17-18            | 18-19      | 19-20      | 20-21      | 21-22      | 22-23      |
| MTF | 2004 - 2015 REFUNDING | LK MI DRIVE/MANZANA   | \$330,000          | \$225,000        | \$115,000        | \$0        |            |            |            |            |
| MTF | 2006                  | I-96/WALKER           | \$160,000          | \$105,000        | \$50,000         | \$0        |            |            |            |            |
| MTF | 2010                  | 3 MILE BRIDGE         | \$300,000          | \$205,000        | \$105,000        | \$0        |            |            |            |            |
| GF  | 2005-2015 REFUNDING   | CITY HALL             | \$2,380,000        | \$1,800,000      | \$1,210,000      | \$615,000  | \$0        |            |            |            |
| GF  | WIFC 2006 REFUNDING   | ICE/FITNESS CENTER    | <u>\$1,275,000</u> | <u>\$650,000</u> | <u>\$0</u>       | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |
|     |                       | TOTAL ALL             | \$4,445,000        | \$2,985,000      | \$1,480,000      | \$615,000  |            |            |            |            |

# Annual Non-SAD Bond Payments

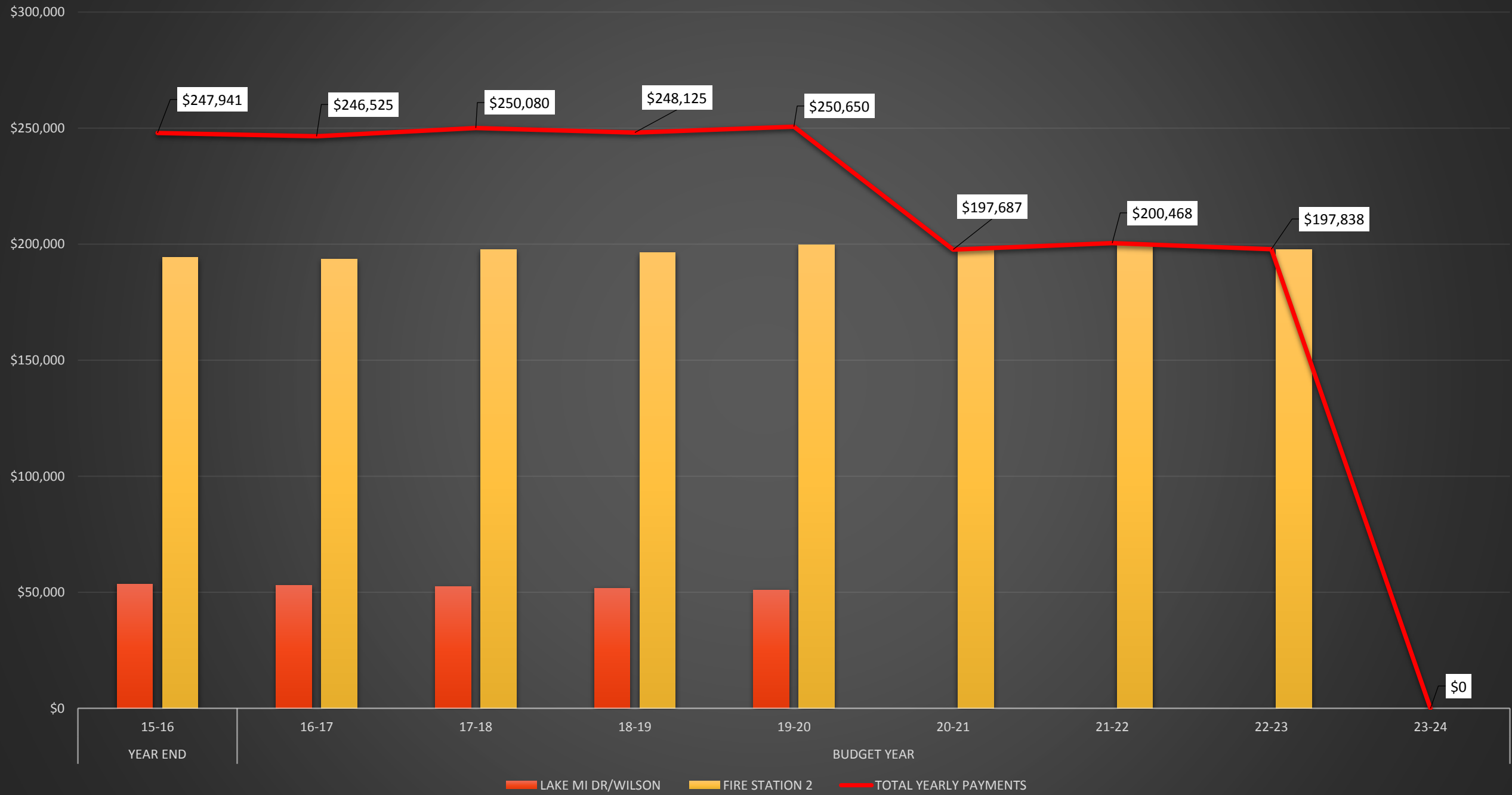


# Non-SAD Bond Debt Outstanding



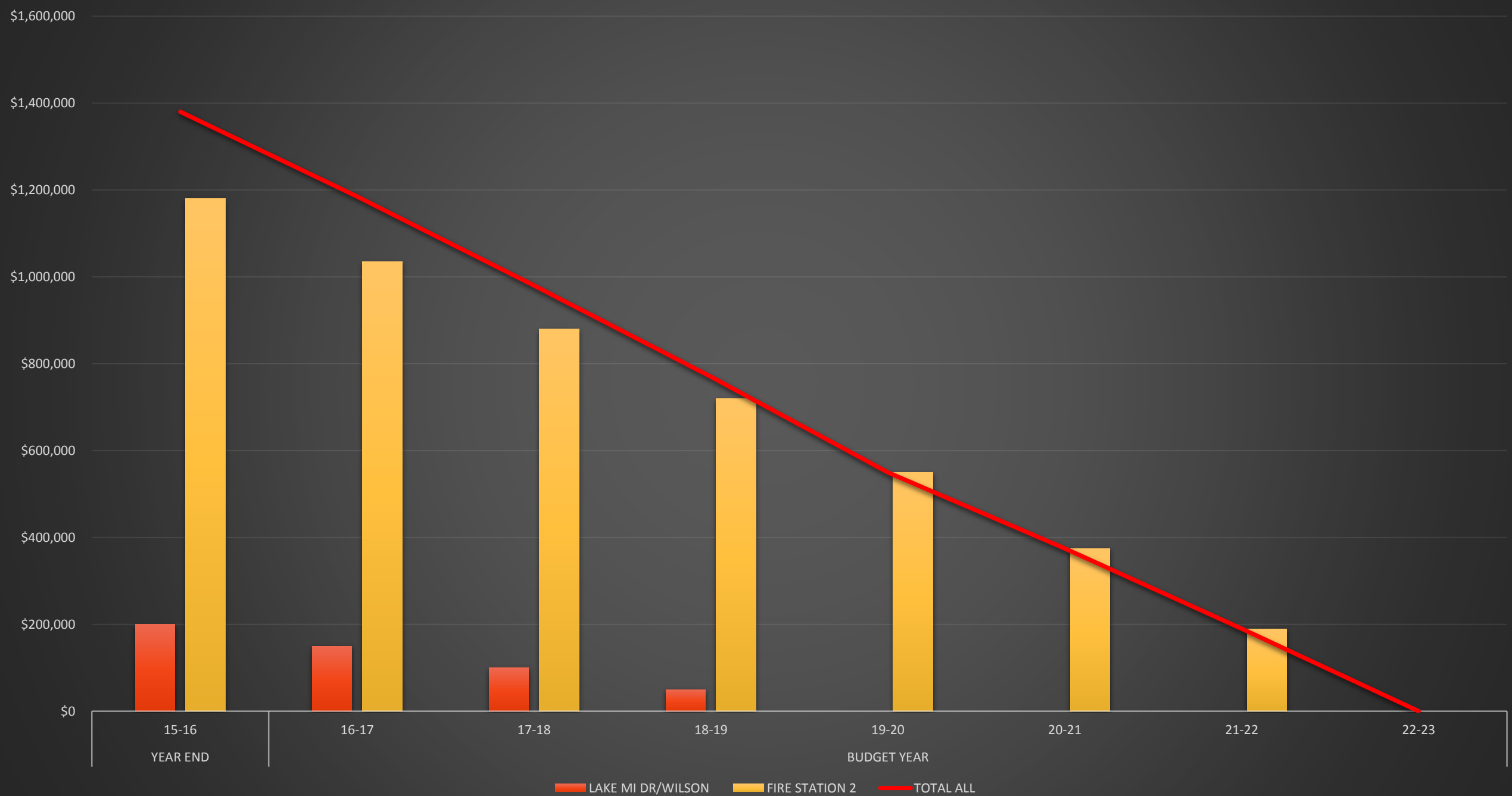
|     |                     | <b>DDA FUND PROJECTIONS</b> |  |                          |                         |                  |                  |                  |                  |                  |                  |
|-----|---------------------|-----------------------------|--|--------------------------|-------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|     |                     |                             |  | <b>DDA BOND PAYMENTS</b> |                         |                  |                  |                  |                  |                  |                  |
|     |                     |                             |  | YEAR END                 | BUDGET YEAR             |                  |                  |                  |                  |                  |                  |
|     |                     |                             |  | 15-16                    | 16-17                   | 17-18            | 18-19            | 19-20            | 20-21            | 21-22            | 22-23            |
| DDA | 2004-2015 REFUNDING | LAKE MI DR/WILSON           |  | \$53,601                 | \$52,925                | \$52,425         | \$51,825         | \$50,950         | \$0              | \$0              | \$0              |
| DDA | 2006                | FIRE STATION 2              |  | <u>\$194,340</u>         | <u>\$193,600</u>        | <u>\$197,655</u> | <u>\$196,300</u> | <u>\$199,700</u> | <u>\$197,687</u> | <u>\$200,468</u> | <u>\$197,838</u> |
|     |                     | TOTAL YEARLY PAYMENTS       |  | \$247,941                | \$246,525               | \$250,080        | \$248,125        | \$250,650        | \$197,687        | \$200,468        | \$197,838        |
|     |                     |                             |  |                          |                         |                  |                  |                  |                  |                  |                  |
|     |                     |                             |  |                          |                         |                  |                  |                  |                  |                  |                  |
|     |                     |                             |  | YEAR END                 | <b>DEBT OUTSTANDING</b> |                  |                  |                  |                  |                  |                  |
|     |                     |                             |  | 15-16                    | 16-17                   | 17-18            | 18-19            | 19-20            | 20-21            | 21-22            | 22-23            |
| DDA | 2004-2015 REFUNDING | LAKE MI DR/WILSON           |  | \$200,000                | \$150,000               | \$100,000        | \$50,000         | \$0              | \$0              | \$0              | \$0              |
| DDA | 2006                | FIRE STATION 2              |  | <u>\$1,180,000</u>       | <u>\$1,035,000</u>      | <u>\$880,000</u> | <u>\$720,000</u> | <u>\$550,000</u> | <u>\$375,000</u> | <u>\$190,000</u> | <u>\$0</u>       |
|     |                     | TOTAL ALL                   |  | \$1,380,000              | \$1,185,000             | \$980,000        | \$770,000        | \$550,000        | \$375,000        | \$190,000        | \$0              |

# DDA ANNUAL BOND PAYMENTS



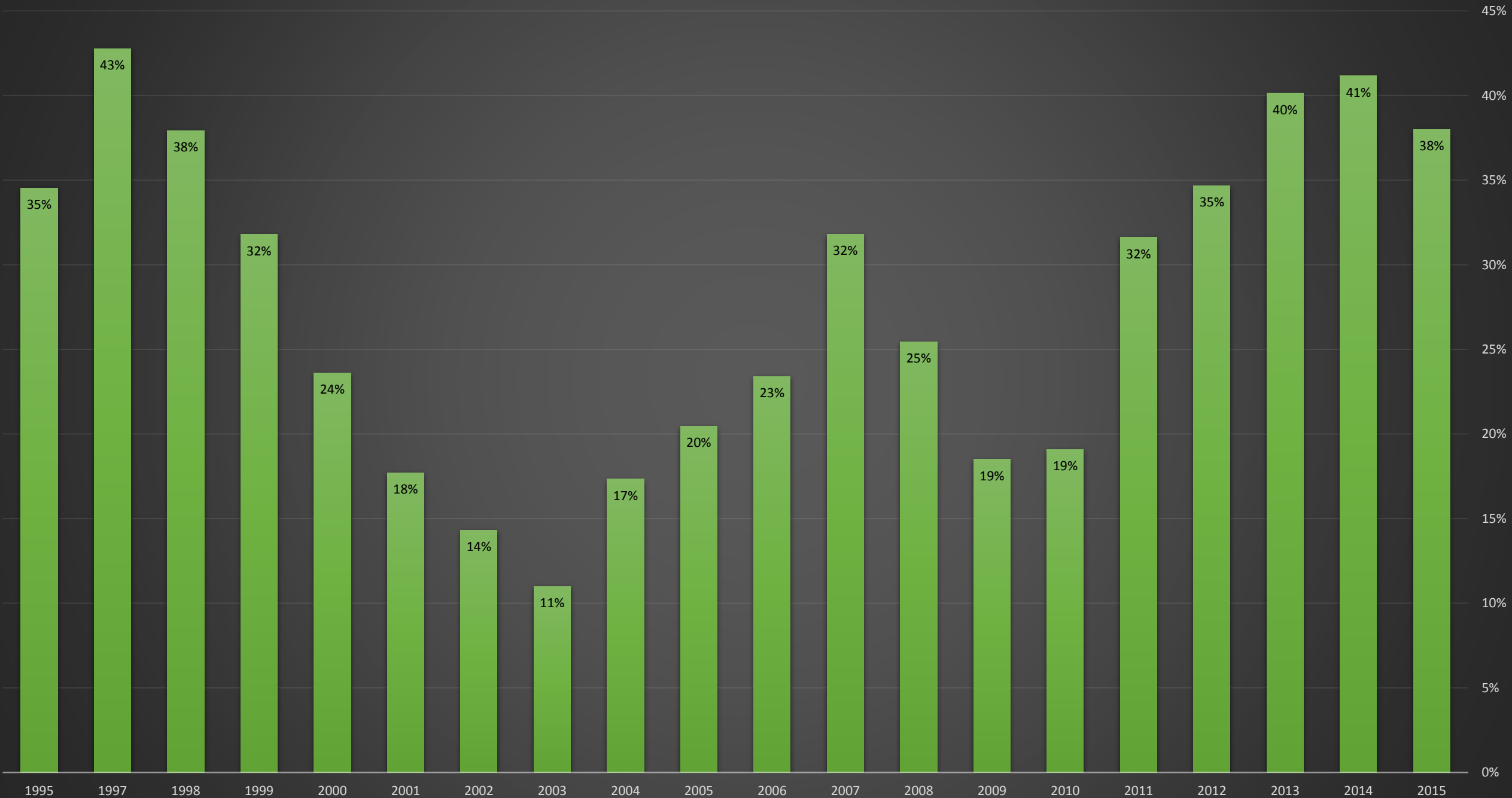


# DDA BOND DEBT OUTSTANDING



|                 |                 |                        |                 |                   |                 |               |
|-----------------|-----------------|------------------------|-----------------|-------------------|-----------------|---------------|
| UPDATED 1/11/16 |                 |                        |                 |                   |                 |               |
| GENERAL FUND    |                 | ACTUAL AT YEAR END     |                 |                   |                 | FUND EQUITY   |
|                 |                 |                        |                 |                   |                 | ACTUAL        |
| FUND EQUITY     | REVENUES        | EXPENDITURES           | TRANSFERS OUT   | FUND EQ USED      | BALANCE 6/30    | % OF EXPENSES |
|                 |                 | (Incl transfers out)   |                 | ( )               |                 |               |
| Y/E JUNE 30     |                 | (INCL IN EXPENDITURES) |                 |                   |                 |               |
| 2015            | \$16,027,849.00 | \$ 15,913,385.00       | \$ 3,843,884.00 | \$ 114,464.00     | \$ 6,107,082.00 | 38%           |
| 2014            | \$15,100,864.00 | \$ 14,557,345.00       | \$ 2,666,134.00 | \$ 543,519.00     | \$ 5,992,618.00 | 41%           |
| 2013            | \$14,654,379.00 | \$ 13,574,874.00       | \$ 2,470,449.00 | \$ 1,079,505.00   | \$ 5,449,099.00 | 40%           |
| 2012            | \$13,348,217.00 | \$ 12,601,130.00       | \$ 1,979,622.00 | \$ 747,087.00     | \$ 4,369,594.00 | 35%           |
| 2011            | \$12,687,287.00 | \$ 11,456,966.00       | \$ 1,548,092.00 | \$ 1,230,321.00   | \$ 3,622,507.00 | 32%           |
| 2010            | \$12,371,578.00 | \$ 12,524,667.00       | \$ 1,877,450.00 | \$ (153,089.00)   | \$ 2,392,186.00 | 19%           |
| 2009            | \$12,722,081.00 | \$ 13,752,070.00       | \$ 2,462,564.00 | \$ (1,029,989.00) | \$ 2,545,275.00 | 19%           |
| 2008            | \$13,502,796.00 | \$ 14,052,811.00       | \$ 2,287,584.00 | \$ (550,015.00)   | \$ 3,575,264.00 | 25%           |
| 2007            | \$13,344,214.00 | \$ 12,969,998.00       | \$ 1,048,431.00 | \$ 374,216.00     | \$ 4,125,279.00 | 32%           |
| 2006            | \$13,277,896.00 | \$ 12,825,256.00       | \$ 982,820.00   | \$ 452,640.00     | \$ 3,001,767.00 | 23%           |
| 2005            | \$12,877,268.00 | \$ 12,458,018.00       | \$ 869,075.00   | \$ 419,250.00     | \$ 2,549,127.00 | 20%           |
| 2004            | \$13,073,123.00 | \$ 12,285,340.00       | \$ 1,154,811.00 | \$ 787,783.00     | \$ 2,129,877.00 | 17%           |
| 2003            | \$11,793,224.00 | \$ 12,212,293.00       | \$ 1,292,935.00 | \$ (419,069.00)   | \$ 1,342,094.00 | 11%           |
| 2002            | \$11,805,366.00 | \$ 12,299,406.00       | \$ 1,296,700.00 | \$ (494,040.00)   | \$ 1,761,163.00 | 14%           |
| 2001            | \$12,062,495.00 | \$ 12,734,594.00       | \$ 2,070,937.00 | \$ (672,099.00)   | \$ 2,255,203.00 | 18%           |
| 2000            | \$11,631,232.00 | \$ 12,400,470.00       | \$ 2,239,153.00 | \$ (769,238.00)   | \$ 2,927,302.00 | 24%           |
| 1999            | \$11,316,169.00 | \$ 11,625,473.00       | \$ 1,678,274.00 | \$ (309,304.00)   | \$ 3,696,540.00 | 32%           |
| 1998            | \$10,488,214.00 | \$ 10,560,125.00       | \$ 1,508,904.00 | \$ (71,911.00)    | \$ 4,005,844.00 | 38%           |
| 1997            | \$ 9,501,344.00 | \$ 9,197,338.00        | \$ 1,660,040.00 | \$ 304,006.00     | \$ 3,933,933.00 | 43%           |
| 1995            | \$ 8,791,901.00 | \$ 10,249,717.00       | \$ 2,189,224.00 | \$ (1,457,816.00) | \$ 3,539,927.00 | 35%           |

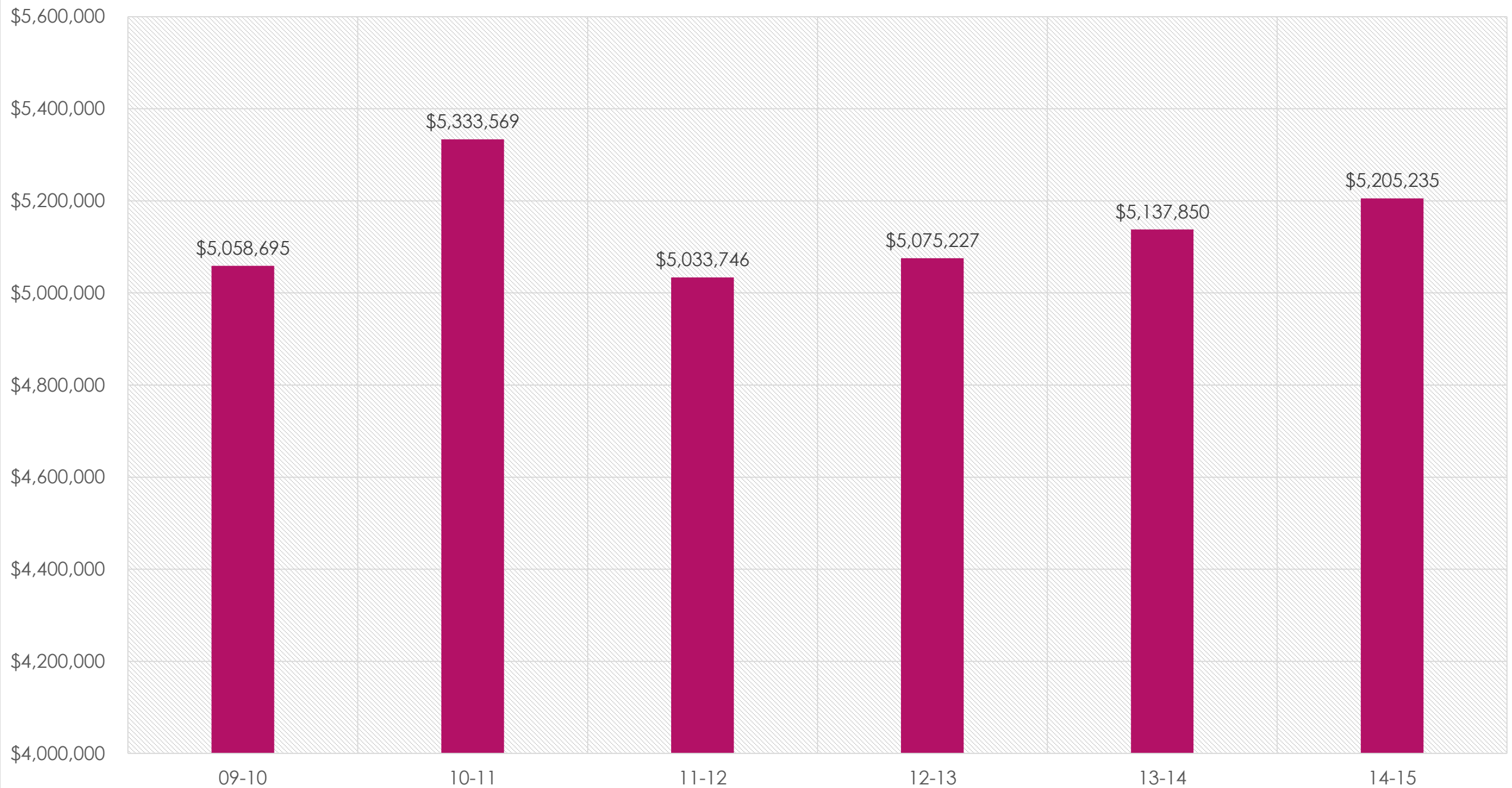
# General Fund Equity Actual % of Expenses



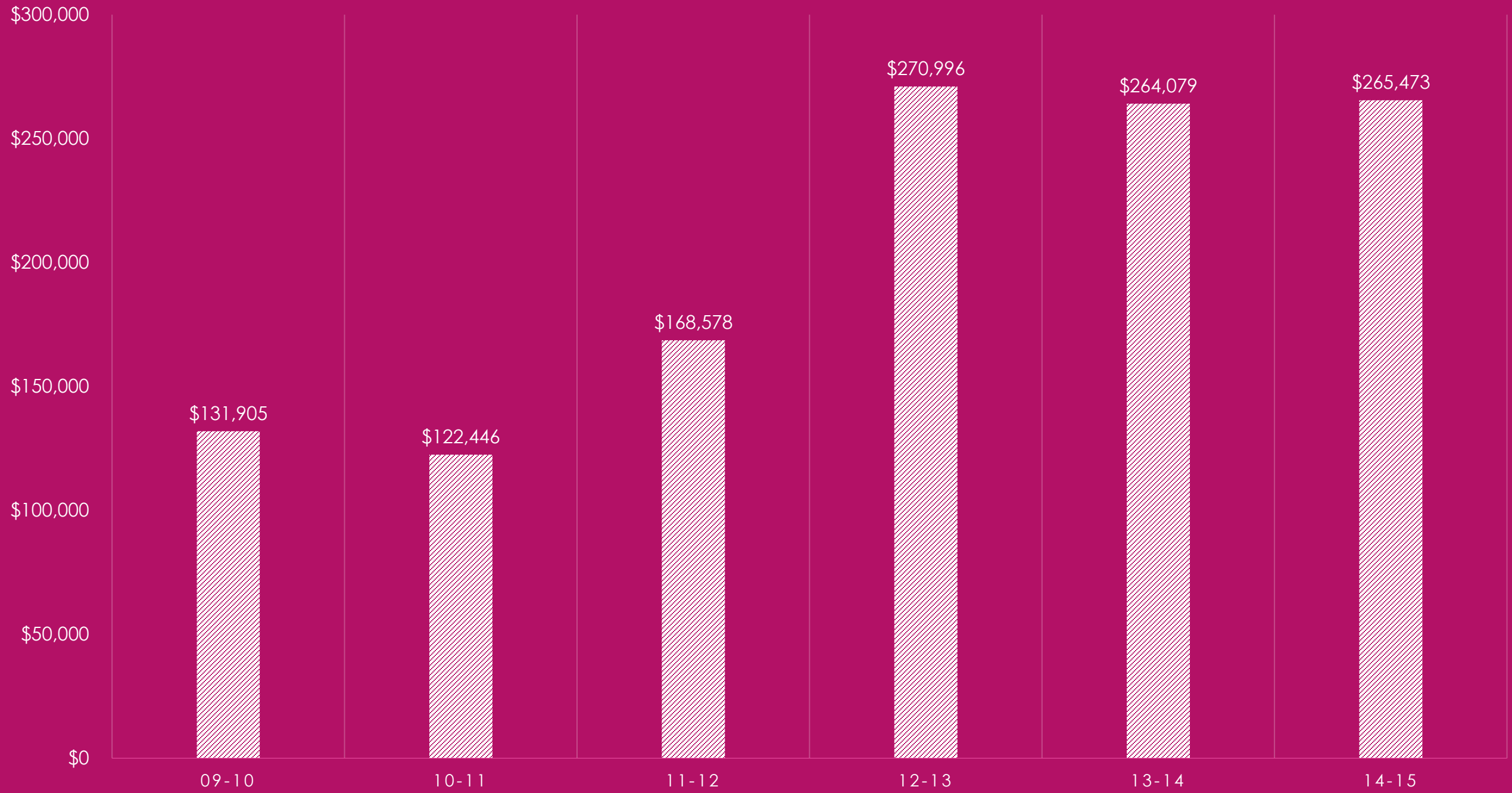
# OPEB and Pension

- ▶ What is **OPEB** (Other Post Employee Benefits)?
  - ▶ Retiree health and dental care.
  
- ▶ What is **Pension**?
  - ▶ Obligation the City owes to employees for their years of service.
  - ▶ City's defined benefit (DB) pension plan has been closed since 2002.
  - ▶ Defined Benefit pension plan is a long-term liability.
  - ▶ Defined Contribution (401) is expensed annually.

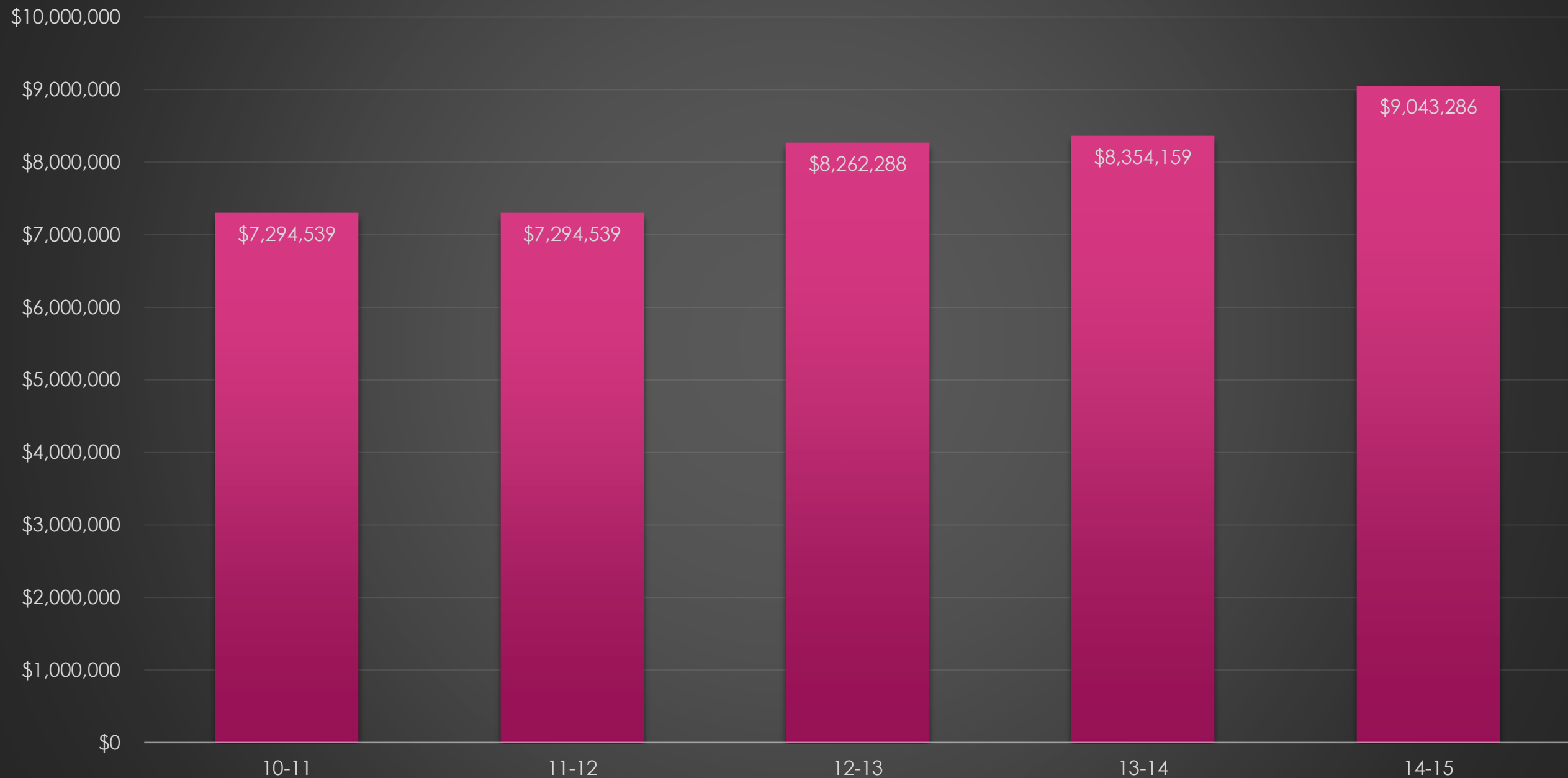
# OPEB UNFUNDED ACTUARIAL LIABILITY



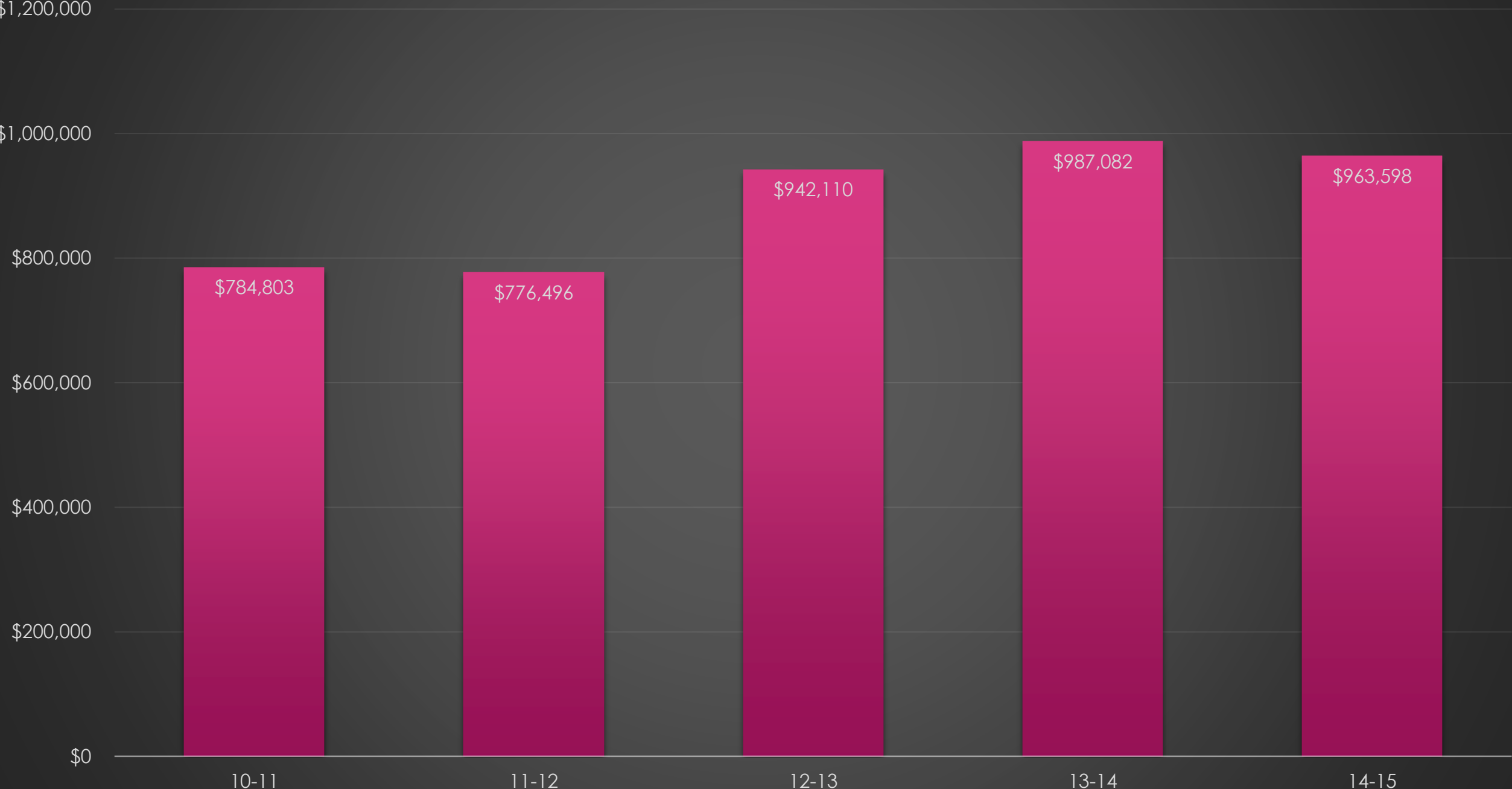
# OPEB - ANNUAL CONTRIBUTION



# DEFINED BENEFIT (DB) PENSION UNFUNDED LIABILITY - ACTUARIAL



# DEFINED BENEFIT PENSION HISTORY - ANNUAL CONTRIBUTION





# Long Term Liability Funding Strategy

- ▶ **GOALS:** Based upon CC strategic planning.
  - ▶ Maintain minimum 25% General Fund Balance
  - ▶ Reduce DB Pension liability to 10 years / 100% funded.
  - ▶ Reduce OPEB actuarial liability via RHSA transition and additional contribution.
- ▶ **ACTIONS / RECOMMENDATIONS:**
  - ▶ FY 15-16:
    - ▶ Additional \$350,000 was applied to DB Pension liability following audit (\$500,000 total).
    - ▶ Additional \$150,000 was applied to OPEB Trust following audit (\$300,000 total).
  - ▶ FY 16-17:
    - ▶ Additional \$150,000 to DB Pension in budget.
    - ▶ Additional \$150,000 to OPEB trust in budget.
    - ▶ Continue moving employees to RHSA.

# FY 16-17 Budget Highlights

- DPW Motor Equipment Operator(s)
- Police Property Room Custodian (PT)
- Continued outsourcing of inspections
- Seasonal Interns
- 2.5% COLA wage adjustment
- Continuation of building maintenance contracts w/Trane
- Master Plan Updates – Transportation Section & Subplans & Parks
- Events / Promotions
- Additional OPEB / Pension contributions
- Begin replacement of patrol rifles
- Communications tower on water tank

# FY 16-17: Major Projects / Capital Investments

- Capital Building Investments (Public Safety Building / brick walkway)
- City Hall complex signs and parking lots
- Bristol / 4 Mile right turn lane study
- Trail / Bridge Maintenance
- Lake Michigan Drive Tunnel contribution
- Remembrance Road trail/sidewalk (grant match)
- Walker & Turner Avenue overlay construction (grant matches)
- Major and Local road overlay projects

# FY 16-17: Major Projects / Capital Investments

- Final phase of phone/fiber upgrade
- City Hall security / card reader system
- Income tax e-filing
- Park maintenance/upgrades (Community Park playground and others)
- Future Fire Apparatus set aside
- Skid Steer – dpw equipment
- Dump truck w/hook loader - replacement
- PD Tahoe purchases (2)
- Refurbish fire truck



Thank You

**City of Walker Staff**