



City of East Grand Rapids

Projected 2017/2018 Budget

The following assumptions were made in preparing the FY 2017/2018 projected budget:

Revenues:

- CPI has been set at 0.9% in the calculation of property tax revenue for FY 2017/2018, which is projecting an increase of taxes of \$160,000. This is compared to a CPI of 0.3% and increase in property tax revenue of \$110,000 in FY 2016/2017.
- Funding to be received from the State remained at the same levels as FY 2016/2017.

Expenditures:

- Salaries, payroll taxes and defined contribution payments include a 2% inflationary increase.
- Health insurance and workers compensation insurance expenditures were increased by 12%.
- Defined benefit payments were increased from \$1,043,000 to \$ 1,205,000. This is an increase of \$162,000.
- Capital improvements outlined in the City’s 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 may be requested based on the expected ending unrestricted fund balance percentage and/or savings realized on operational expenditures in FY 2016/2017.

	Year Ended June 30,		
	Actual 2015/2016	Amended 2016/2017	Projected 2017/2018
Unrestricted Fund Balance Percentage	27.33%	23.32%	21.54%

City of East Grand Rapids General Fund Projected Budget

	Actual 2015/2016	Amended 2016/2017	Projected 2017/2018	Increase (Decrease)
Revenues:				
Taxes	8,046,700	8,160,000	8,320,000	160,000
Intergovernmental	944,210	916,500	916,500	-
Charges for services	1,668,324	1,668,000	1,668,000	-
Fines and forfeits	43,588	40,000	40,000	-
Licenses and permits	58,839	65,000	65,000	-
Interest	25,642	20,000	20,000	-
Other	205,084	159,400	159,400	-
Total Revenues	10,992,387	11,028,900	11,188,900	160,000
Expenditures:				
General government	1,577,658	1,654,500	1,669,300	14,800
City Services	1,598,384	1,700,400	1,673,750	(26,650)
Public safety	4,682,847	4,934,100	5,054,450	120,350
Parks and recreation	1,849,268	1,949,900	1,980,200	30,300
Operating transfers out	1,000,000	1,078,000	1,000,000	(78,000)
Total Expenditures	10,708,157	11,316,900	11,377,700	60,800
Net change in fund balance	284,230	(288,000)	(188,800)	99,200