

City of East Lansing • Long-Term Financial Forecast • FY 2019-23



FY2019 - 2023 FINANCIAL FORECAST

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RISKS, UNCERTAINTIES AND VULNERABILITIES TO THE FORECAST

An economic forecast is based on the best information available at the time the forecast is prepared. Because assumptions and foresight are not perfect, risk and uncertainties are inherent in any forecast. The key risks in this forecast stem predominantly from uncertainties surrounding the overall economic environment, market conditions and fiscal policy at the national, state and local levels.

Property Taxes	The City currently levies 17.5679 operating mills which is our Headlee reduced allowable millage rate. It is possible that FY19 and outer years may experience an additional Headlee millage reduction which would adversely affect the property tax revenue. Once this millage rate is rolled back, it stays at that level unless a Headlee override is approved by the voters. In addition, there is the possibility of large tax appeals through the Michigan Tax Tribunal that could adversely affect our tax revenue in any one year.
Revenue Sharing	The State is projecting a 1.5% overall increase in revenue sharing for the City of East Lansing based on the January Consensus Revenue Estimates and the Governor's budget recommendation. This includes a 3.1% increase in constitutional revenue, assuming sales tax collections will increase, however this is offset by reducing the statutory revenue back to FY17 levels. We generally budget constitutional revenue sharing more conservatively based on experience. Since the statutory portion is subject to appropriation, there is always a risk that could be reduced or increased by the State.
Public Act 289 Fire Protection	Given this source of revenue is subject to appropriation and is under closer scrutiny by both administrative officials and certain legislators, the future of funding amounts to cities will always remain a vulnerability. The Governor's budget recommendation currently includes a large increase to this funding, but it will likely change as the proposal makes its way through the House and Senate.
Defined Benefit Pension Contributions	The MERS funding policy of pension plans has changed and now requires the City to be fully funded by 2040. The projections of our required pension contributions are staggering. City-wide the FY18 required contribution is approximately \$7 million and will continue to rise without significant supplemental contributions, reaching almost \$18 million in FY40. We have made supplemental pension payments in an effort to increase our funding ratio and slow the exponential increases in our required contributions. In FY16, we made an additional \$2 million payment, followed by \$1 million in FY17 and another \$1 million thus far in FY18. We expect our December 31, 2017 valuation from MERS sometime in June and we are hopeful our funding ratio will increase from the current level of 50%.
Health Insurance	The Health Care Task Force will work towards maintaining costs below the hard cap limits imposed by the State. Renewal bids are not yet ready for FY19, however we do expect to see some changes to our pricing of retiree versus active policies. In the past all policies were considered equal, but going forward they will be separated and the retiree policy cost will likely increase, while the active employee policy cost may see minimal changes. Due to this uncertainty, we are limiting the increase in the budget until we have a better understanding of this change.

RISKS, UNCERTAINTIES AND VULNERABILITIES TO THE FORECAST

Labor Agreements	All union groups have negotiated contracts in place through June 30, 2019. These contracts include a 1% cost of living adjustment which is reflected in the forecast. Without a clear solution to our underlying financial stress, it will be difficult to bargain long-term contracts due to so many unknowns.
Deviation from FY18 year end estimates and FY19 payroll budget numbers	As part of the General Fund forecasting and budgeting preparation, department heads enter their best estimates for both revenue and expense items under their respective cost centers for the current fiscal year. We then forecast non-payroll expenses based on those funding levels, extracting any one-time events that may distort future results. Payroll (labor and fringe) costs for FY19 are created by the Finance Department, using the New World position budgeting system. Future year costs are calculated using factors identified in the assumptions table. Deviations may occur (either negative or positive) based on factors outside of our control or as directors request changes to their positions the closer it gets to finalizing the FY19 annual budget.
Garage and Computer equipment internal replacement charges	See the assumption table for percentage increases assumed for forecasting purposes. Deferring replacement and reducing the charges out to the users is one of the ways we have helped solve our financial problems in the past. This, in turn, has reduced the amount of reserves on hand to replace equipment. We will need to evaluate both equipment needs and the level of reserves needed to meet those needs.

NOTEWORTHY ITEMS IMPACTING THE FORECAST

PA 289 Fire Protection	Although the Governor's proposed budget includes a 40% increase, the forecast is using a 10% increase factor for FY19. Due to the extreme uncertainty of State appropriations we assume no change for the outer years. FY18 is seeing a reduction of \$365 thousand in funding, however, this was after seeing a \$600 thousand increase in FY17.
Other Revenue	We have two new sources of revenue reflected in this forecast. First, the BWL franchise revenue began in FY18 with a year end estimate of \$950,000. FY19 shows a 10% increase to account for the first full year of collections. Second, the Center City ground lease is expected to take effect in March 2019 (FY19) with a full year of revenue, \$200,000, in FY20.
Grant Revenue	The fire department received a CGAP grant that will be exhausted in FY18, therefore a significant decrease is expected in FY19. A corresponding decrease in operating expenditures is reflected in FY19.
Salaries/Wages	<p>The City has been reducing staff over the last decade, and in FY18 additional positions have become vacant and remain unfilled. A significant decrease from the FY18 budget is expected as result of these vacancies. These positions are not included in FY19 and the forecasted increase shown is due to a 1% cost of living adjustment and applicable merit increases. The following positions have been removed:</p> <ul style="list-style-type: none">• City Clerk Administrative Secretary• Assessing Intern• Building Intern• Planning Intern• 3 Patrol Officers• 2 Part-Time PACE Officers• 54B Court Probation Intern• Treasury Finance Assistant• Part-Time Plumbing Inspector• Detective Bureau Sworn Officer• 2 Police Cadets• 2 Police Range Instructors• DPW Engineering Intern• 2 Firefighter/Paramedics• Vacant Property Coordinator• School Officer• Police Recruit Trainee
Supplemental DB Retirement	The City has committed to making supplemental pension payments and has begun making necessary cuts to accomplish this. The forecast includes a \$1 million supplemental pension payment for all years. These additional contributions will help, but are not sufficient to significantly reduce the expected rise of required contributions in future years.
Retiree Health	The retiree healthcare actuarial valuation is completed biennially using industry standard increases. Because our experience was much less than the assumptions used, FY18 is expecting a significant decrease from the budget. Going forward, the retirees will be considered separate from the active employees for the insurance renewal process. Increases to retiree healthcare, only, mirror the assumptions from our most recent actuarial valuation. No additional OPEB pre-funding is included in the forecast, however the balance of the OPEB trust is \$15.5 million as of December 31, 2017.

NOTEWORTHY ITEMS IMPACTING THE FORECAST

Operating Expenditures	FY19 includes specific reductions resulting in an overall decrease from the FY18 estimates. These reductions include \$185,000 of fire grant related expenditures, \$25,000 of CRC funding, \$47,000 reduction in human service funding, \$150,000 of 54B Court reductions, and \$25,000 of sidewalk snow plowing costs. All of these items are recommended cuts to allow for the additional supplemental pension payment discussed previously. No additional reductions are included in FY20 or outer years.
Sidewalk Program	The forecast allows for \$50,000 of emergency hazardous sidewalk repairs. FY18 includes approximately \$100,000 of CDBG funded sidewalk expenditures, with an equal amount of grant revenue. It is possible to utilize CDBG funds for eligible sidewalk areas within the City, but this would be subject to grant funding which is uncertain in future years.
Capital Outlay	Due to budget constraints, capital outlay is being limited in FY19 and includes \$30,000 for a facility assessment of City Hall and \$35,000 of grant match funding for fire equipment. Future years assume an equal amount for unidentified items.
Transfer to CIP Fund	This includes funds for items on the capital improvement plan as well as a \$100,000 per year subsidy expected for the Avondale Square project. The FY19 transfer amount includes funding of \$35,000 to repair the overhead doors at the fire station, \$42,500 for the Pumphouse building repairs, \$25,000 grant matching funds for the theatre sound system, \$20,000 for concrete repairs at the Hannah Pool, and \$15,000 to replace the emergency exit stairs outside the Hannah gym.

**CITY OF EAST LANSING
FORECAST ASSUMPTIONS FY2019 THROUGH FY2023**

Category	REVENUE ASSUMPTIONS Assumption/Additional information	Projected					
		UOM	FY2019	FY2020	FY2021	FY2022	FY2023
Taxes:							
Taxable Values	Taxable Values adjusted for items outlined in development projection grid		see taxable value analysis				
Millage Rate	Assumes max operating millage (with Headlee rollback) and no additional rollback	mills	17.5679	17.5679	17.5679	17.5679	17.5679
Property taxes-Operating	Amounts calculated from the projected taxable values						
Administrative Fees-Tax	Based on anticipated tax growth or decline (CPI factor plus new growth plus equalization factors)	%	2.43%	2.83%	2.70%	1.80%	1.78%
Payment in Lieu of Taxes	Expect little to no change, based on percentage of rent	%	0.00%	0.00%	0.00%	0.00%	0.00%
Penalties/Interest on Taxes	Based on anticipated tax growth or decline (CPI factor plus new growth plus equalization factors)	%	2.43%	2.83%	2.70%	1.80%	1.78%
State Revenue Sharing:							
Constitutional	State's preliminary estimate for FY19 is 3.1%, however, used a more conservative amount based on experience	%	2.70%	2.50%	2.25%	2.00%	2.00%
Statutory (EVIP/CVTRS)	State's preliminary discussions have the additional statutory from FY18 being removed, assume flat in other years	%	-2.63%	0.00%	0.00%	0.00%	0.00%
Liquor License	Expect amount to remain flat	%	0.00%	0.00%	0.00%	0.00%	0.00%
State Revenue - PA289 Fire	Expect an increase in FY19 based on the latest talks at the State, this is subject to appropriations, unknown	%	10.00%	0.00%	0.00%	0.00%	0.00%
Other Intergovernmental Revenue:							
Drunk Driving/Drug Case Assistance	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Small Taxpayer Loss Reimb	Assume consistent, dependent on State appropriations	%	0.00%	0.00%	0.00%	0.00%	0.00%
MSU Dispatch	Per agreement, \$10,000 contribution for FY2013-2022 (10 years)	%	0.00%	0.00%	0.00%	0.00%	-100.00%
Meridian Dispatch	Per agreement, \$9,000 contribution for FY2013-2022 (10 years)	%	0.00%	0.00%	0.00%	0.00%	-100.00%
Licenses and Permits:							
Permits and Inspections - Building	Fee schedule is cost recovery, increase/decrease based on Building Administrator estimates	%	5.00%	-5.00%	-3.00%	-1.00%	-1.00%
Engineering Permits & Inspections	Fee schedule not expected to change; fluctuates based on projects submitted, use building permit factor	%	5.00%	-5.00%	-3.00%	-1.00%	-1.00%
Housing Licenses & Inspections	Annual growth rate based on 8 year historical average	%	2.25%	2.25%	2.25%	2.25%	2.25%
Business & Restaurant Licenses	Constant; set fee schedule, no increase anticipated	%	0.00%	0.00%	0.00%	0.00%	0.00%
Fines & Forfeitures:							
Court Parking Fines	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Ordinance Fines and Costs	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Restitution Fines	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Court Screening Fees	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Charges for Services:							
Interfund Contributions:							
Downtown Maint Service Charge	First year based on expected taxable values, outer years based on anticipated tax growth or decline	%	4.87%	2.83%	2.70%	1.80%	1.78%
DDA - Grand River Project	Repayment complete in FY17						
General Government:							
Court Cost Recovery	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
City Attorney Cost Recovery	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Planning Services	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Finance Services - ELMWSA	Constant; agreement between City and ELMWSA	%	0.00%	0.00%	0.00%	0.00%	0.00%
Assessor Services	Payroll based; use pay increase percentages	%	1.49%	2.00%	2.00%	2.00%	2.00%
Treasury Services	No increase anticipated	%	0.00%	0.00%	0.00%	0.00%	0.00%
City Clerk Services	No increase anticipated	%	0.00%	0.00%	0.00%	0.00%	0.00%
Communications Services	Constant; set fee schedule - no increase anticipated	%	0.00%	0.00%	0.00%	0.00%	0.00%

**CITY OF EAST LANSING
FORECAST ASSUMPTIONS FY2019 THROUGH FY2023**

Category	REVENUE ASSUMPTIONS Assumption/Additional information	Projected					
		UOM	FY2019	FY2020	FY2021	FY2022	FY2023
Public Safety:							
Municipal Services - Deerpath	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Police Services to Others	Constant; fee schedule for FOIA, reports, etc	%	0.00%	0.00%	0.00%	0.00%	0.00%
PBT Revenue	Constant; based on orders of Judges and Probation Officers	%	0.00%	0.00%	0.00%	0.00%	0.00%
Police Services to MSU	Based on payroll cost recovery; assume service is constant	%	1.49%	2.00%	2.00%	2.00%	2.00%
OUIL Cost Recovery	Based on payroll cost recovery and number of OUIL convictions	%	1.49%	2.00%	2.00%	2.00%	2.00%
Inmate Reimbursement	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Impound Lot Fees	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Fire Chief Shared Services	One year contract extension (dated January 2014) with continued extensions until notice of termination	%	1.49%	2.00%	2.00%	2.00%	2.00%
Ambulance Services	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Hazmat Services	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
MSU Fire Contract	\$326,000 per contract, assume service is constant	%	0.00%	0.00%	0.00%	0.00%	0.00%
Fire Services to MSU and Others	Based on payroll cost recovery; assume service is constant	%	1.49%	2.00%	2.00%	2.00%	2.00%
Inspection Services to Other	Constant; based on Meridian Township fee structure	%	0.00%	0.00%	0.00%	0.00%	0.00%
Public Works:							
Sidewalk Revenue	Based on approximately 35% of projected expenditures						
Downtown Maintenance	No longer providing services of installing banners in the downtown effective FY17						
Rec/Culture - Park Reservations	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Other Revenue:							
Investment Income	Rates have stabilized and we have seen a steady increase	%	3.50%	3.00%	2.50%	2.00%	1.50%
Contributions and Donations:							
Contribution/Donation from Others	Based on pledged contributions						
Franchise Revenue:							
Cable Franchise Revenue	Assume flat based on prior years	%	0.00%	0.00%	0.00%	0.00%	0.00%
BWL Franchise Revenue	Increase by CPI for outer years; FY19 expected to increase more with first full year of collections	%	10.00%	1.90%	1.90%	1.90%	1.90%
Rental Income:							
Building Rent Indirect Charge	Assume flat - based on direct allocation study completed in 2016	%	0.00%	0.00%	0.00%	0.00%	0.00%
Cell Tower Leases	Sold leases and will recognize the revenue over a 30 year term (thru FY2040), scheduled amounts to recognize						
Ground Lease	Lesser of rental unit CPI or 1.5%, use 1.5% for this purpose; partial year in FY19, first full year in FY20	%		200.00%	1.50%	1.50%	1.50%
Bailey Building Lease	Set rate, assume no change	%	0.00%	0.00%	0.00%	0.00%	0.00%
Miscellaneous Revenue:							
Miscellaneous Revenue	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Miscellaneous Dept. Revenue	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%	1.90%
Residential Parking Permits	With change to fee schedule, this is nominal and not expected to change	%	0.00%	0.00%	0.00%	0.00%	0.00%
Grant Revenue:							
Federal/State/Misc Grants	Based on anticipated and historical award amounts						
Sidewalk Grants (CDBG)	Based on actual grant amounts expected and related expenditures						

**CITY OF EAST LANSING
FORECAST ASSUMPTIONS FY2019 THROUGH FY2023**

Category	EXPENDITURE ASSUMPTIONS Assumption/Additional information	Projected				
		UOM	FY2019	FY2020	FY2021	FY2022
Personnel Services:						
Wages	FY19 based on preliminary position budgeting estimates. For outer years, assume 1% increase for COLA, plus an additional 1% adjustment for step increases, and no change in retiree payouts from FY19 estimates.	%	1.49%	2.00%	2.00%	2.00%
Retirement:						
Defined Benefit	Rates for FY19 are those established by MERS in the December 2016 valuation as adjusted by experience study changes and using the phase-in option. FY20 and forward are based on MERS 20-year actuary projections.	%	11.10%	10.60%	9.10%	8.40%
Defined Contribution/Hybrid	FY19 based on preliminary position budgeting estimates. For outer years, based on wage increases	%	2.14%	2.00%	2.00%	2.00%
Health Insurance:						
Retiree Health (pay as you go)	Using OPEB valuation assumptions	%	7.91%	8.00%	7.50%	7.00%
Active Employees	Limit increases to comply with PA152 hard cap limits, assume 3.5% for outer years and FY19 based on position budgeting. Assume no change to med buyout amounts.	%	-3.98%	3.50%	3.50%	3.50%
Other Fringe Benefits:						
Dental	Assume constant; self-funded experience within budgeted amounts (FY19 based on position budgeting)	%	-4.40%	0.00%	0.00%	0.00%
Workers Comp Insurance	FY19 based on position budgeting, outer years assume no change	%	-0.73%	0.00%	0.00%	0.00%
Misc. Fringes	FY19 based on position budgeting, outer years assume no change	%	-8.68%	0.00%	0.00%	0.00%
FICA and LTD	FY19 based on position budgeting, outer years based on wage assumption above	%	2.46%	2.00%	2.00%	2.00%
Operating Costs:						
Contract Services	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%
Utilities (Gas and Electric)	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%
Repair & Maintenance	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%
Fleet - Gasoline	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%
Garage Fees	Minimal increase in FY19, but outer years we need to increase to have funds on hand for replacements	%	2.25%	5.00%	5.00%	5.00%
Computer - Equip Rental	Slight decrease in FY19 due to department reallocations, assume increases in outer years based on experience	%	-2.45%	2.00%	2.00%	2.00%
All Other Expenditures	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%
Net Indirect Charges to Other Funds	FY19 decrease due to reductions in general government divisions - use CPI factor for outer years	%	-6.55%	1.90%	1.90%	1.90%
Sidewalk Program	Includes an amount of \$50,000 for all future years - emergency as needed repairs					
Capital Outlay	FY19 includes City Hall facility assessment and fire grant matching funds; assume future years are consistent					
Transfer to Other Funds:						
Transfer to Parks & Rec	Increase by CPI Estimate from Economic Outlook and House Fiscal Agency Revenue Estimates (Dec 2017)	%	1.80%	1.90%	1.90%	1.90%
Transfer to Seniors	Flat for FY19, CPI increase in outer years	%	0.00%	1.90%	1.90%	1.90%
Transfer to Public Art Fund	Per resolution, based on previous fiscal years capital outlay amount					
Transfer to Art Festival Fund	Calculated based on 1/2 cost of DPW charges for actual time spent; increase by payroll increases	%	1.49%	2.00%	2.00%	2.00%
Transfer to Debt Service	Based on actual debt payment schedule of capital improvements bonds					
Transfer to CIP	F19 includes \$35,000 fire station door repairs, \$42,500 repairs at Pumphouse, \$35,000 repairs at ELHCC, and \$25,000 grant matching for sound system from the CIP plan PLUS \$100,000 estimated amount needed for Avondale Square shortfall FY20 and each outer year includes \$100,000 for Avondale Square and \$400,000 to help fund the projects listed in the CIP plan					

CITY OF EAST LANSING FIVE YEAR FORECAST

February 16, 2018	FY2017 ACTUAL	FY2018 BUDGET	over/17 actual	FY2018 EXPECTATION	over/17 actual	FY2019 FORECAST	over/18 estimate	FY2020 FORECAST	over/19 forecast	FY2021 FORECAST	over/20 forecast	FY2022 FORECAST	over/21 forecast	FY2023 FORECAST	over/22 forecast
REVENUE															
Property Taxes	16,510,300	16,830,635	1.9%	16,829,275	1.9%	17,237,465	2.4%	17,724,735	2.8%	18,203,125	2.7%	18,530,240	1.8%	18,858,970	1.8%
State Shared Revenue	5,405,651	5,408,300	0.0%	5,514,880	2.0%	5,582,930	1.2%	5,685,170	1.8%	5,779,480	1.7%	5,865,200	1.5%	5,952,640	1.5%
PA 289 Fire Protection	1,701,064	1,350,000	-20.6%	1,335,395	-21.5%	1,468,930	10.0%	1,468,930	0.0%	1,468,930	0.0%	1,468,930	0.0%	1,468,930	0.0%
Other Intergovernmental Revenue	78,484	70,465	-10.2%	87,155	11.0%	87,520	0.4%	87,910	0.4%	88,310	0.5%	88,720	0.5%	70,130	-21.0%
Licenses & Permits															
Building & Engineering Permits	1,310,431	1,039,300	-20.7%	1,114,300	-15.0%	1,170,020	5.0%	1,111,520	-5.0%	1,078,170	-3.0%	1,067,390	-1.0%	1,056,720	-1.0%
Housing Licenses	814,384	780,000	-4.2%	780,000	-4.2%	797,550	2.3%	815,490	2.2%	833,840	2.3%	852,600	2.2%	871,780	2.2%
Business & Restaurant Licenses	92,207	87,400	-5.2%	87,400	-5.2%	87,400	0.0%	87,400	0.0%	87,400	0.0%	87,400	0.0%	87,400	0.0%
Total Licenses & Permits	2,217,021	1,906,700		1,981,700		2,054,970		2,014,410		1,999,410		2,007,390		2,015,900	
Fines & Forfeitures															
Court Parking Fines	1,079,173	1,250,000	15.8%	1,000,000	-7.3%	1,018,000	1.8%	1,037,340	1.9%	1,057,050	1.9%	1,077,130	1.9%	1,097,600	1.9%
Ordinance Fines and Costs	1,283,802	1,375,000	7.1%	1,200,000	-6.5%	1,221,600	1.8%	1,244,810	1.9%	1,268,460	1.9%	1,292,560	1.9%	1,317,120	1.9%
Court Screening Fees & Restitution Fines	32,230	29,500	-8.5%	28,200	-12.5%	28,710	1.8%	29,250	1.9%	29,800	1.9%	30,360	1.9%	30,930	1.9%
Total Fines & Forfeitures	2,395,205	2,654,500		2,228,200		2,268,310		2,311,400		2,355,310		2,400,050		2,445,650	
Charges for Services	3,691,870	3,572,325	-3.2%	3,448,920	-6.6%	3,511,420	1.8%	3,568,050	1.6%	3,625,650	1.6%	3,683,180	1.6%	3,741,800	1.6%
Other Revenue	1,064,316	1,727,525	62.3%	1,923,105	80.7%	2,084,920	8.4%	2,240,655	7.5%	2,267,320	1.2%	2,292,595	1.1%	2,318,015	1.1%
Grant Revenue	430,054	559,375	30.1%	715,740	66.4%	313,060	-56.3%	317,690	1.5%	322,410	1.5%	327,220	1.5%	332,120	1.5%
SUBTOTAL FUND REVENUE	33,493,965	34,079,825		34,064,370		34,609,525		35,418,950		36,109,945		36,663,525		37,204,155	
Revenue Growth (Decline)		1.7%		1.7%		1.6%		2.3%		2.0%		1.5%		1.5%	
TOTAL RESOURCES AVAILABLE FOR OPERATIONS	33,493,965	34,079,825		34,064,370		34,609,525		35,418,950		36,109,945		36,663,525		37,204,155	
Total Fund Balance at Start of Fiscal Year	6,642,716	6,448,931		6,448,931		5,867,691		5,443,026		4,240,886		2,410,751		(205,934)	
TOTAL FUND RESOURCES	40,136,680	40,528,756		40,513,301		40,477,216		40,861,976		40,350,831		39,074,276		36,998,221	
EXPENDITURES															
Personnel Services															
Salaries	13,949,843	14,450,835	3.6%	13,928,815	-0.2%	14,137,020	1.5%	14,419,760	2.0%	14,708,160	2.0%	15,002,320	2.0%	15,302,370	2.0%
Retirement	5,383,755	5,709,980	6.1%	5,699,809	5.9%	6,288,338	10.3%	6,911,740	9.9%	7,500,360	8.6%	8,101,300	8.0%	8,414,710	3.9%
Supplemental DB Retirement	1,000,000	1,000,000	0.0%	1,000,000	0.0%	1,000,000	0.0%	1,000,000	0.0%	1,000,000	0.0%	1,000,000	0.0%	1,000,000	0.0%
Retiree Health - annual "pay-as-you-go piece"	1,917,524	2,123,485	10.7%	1,837,625	-4.2%	1,982,890	7.9%	2,141,520	8.0%	2,302,130	7.5%	2,463,280	7.0%	2,623,390	6.5%
Health Insurance - Actives	2,070,222	2,162,093	4.4%	2,128,900	2.8%	2,044,141	-4.0%	2,114,470	3.4%	2,187,260	3.4%	2,262,600	3.4%	2,340,570	3.4%
Other fringes	1,155,810	1,211,932	4.9%	1,183,076	2.4%	1,172,730	-0.9%	1,185,910	1.1%	1,199,340	1.1%	1,213,030	1.1%	1,227,000	1.2%
Total Personnel Services	25,477,154	26,658,325		25,778,225		26,625,120		27,773,400		28,901,250		30,042,530		30,908,040	
Operating Expenses	6,289,649	7,462,060	18.6%	7,299,445	16.1%	6,983,320	-4.3%	7,149,140	2.4%	7,319,740	2.4%	7,495,290	2.4%	7,675,980	2.4%
Net Indirect Charges to Other Funds	(1,269,795)	(1,269,795)	0.0%	(1,269,795)	0.0%	(1,186,610)	-6.6%	(1,209,160)	1.9%	(1,232,130)	1.9%	(1,255,540)	1.9%	(1,279,400)	1.9%
Sidewalk Program	439,446	156,540	-64.4%	159,990	-63.6%	50,000	-68.7%	50,000	0.0%	50,000	0.0%	50,000	0.0%	50,000	0.0%
Capital Outlay	249,627	139,220	-44.2%	125,615	-49.7%	65,000	-48.3%	65,000	0.0%	65,000	0.0%	65,000	0.0%	65,000	0.0%
Transfers Out to Other Funds															
Parks & Recreation Fund	1,916,200	1,996,425	4.2%	1,996,425	4.2%	2,032,360	1.8%	2,070,970	1.9%	2,110,320	1.9%	2,150,420	1.9%	2,191,280	1.9%
Capital Improvement Funds	360,000	326,938	-9.2%	326,940	-9.2%	237,500	-27.4%	500,000	110.5%	500,000	0.0%	500,000	0.0%	500,000	0.0%
All Others (Seniors, Debt, Public Art)	225,468	228,765	1.5%	228,765	1.5%	227,500	-0.6%	221,740	-2.5%	225,900	1.9%	232,510	2.9%	239,020	2.8%
Total Transfers Out to Other Funds	2,501,668	2,552,128		2,552,130		2,497,360		2,792,710		2,836,220		2,882,930		2,930,300	
SUBTOTAL FUND EXPENDITURES	33,687,750	35,698,478		34,645,610		35,034,190		36,621,090		37,940,080		39,280,210		40,349,920	
Expenditure Growth (Decline)		6.0%		2.8%		1.1%		4.5%		3.6%		3.5%		2.7%	
Total Fund Balance at Year End	6,448,931	4,830,278		5,867,691		5,443,026		4,240,886		2,410,751		(205,934)		(3,351,699)	
TOTAL FUND BALANCE AS % OF OPERATING EXPENDITURES	19.1%	13.5%		16.9%		15.5%		11.6%		6.4%		-0.5%		-8.3%	
USE OF FUND BALANCE	(193,785)	(1,618,653)		(581,240)		(424,665)		(1,202,140)		(1,830,135)		(2,616,685)		(3,145,765)	

RESIDENTIAL AND COMMERCIAL CLASSES
STATE EQUALIZED VALUE (SEV) AND TAXABLE VALUE (TV) CHANGES
2000-2017
January 3, 2018

<u>Property Class</u>	<u>Year</u>	<u>SEV</u>	<u>SEV</u>	<u>TV</u>	<u>TV</u>	<u>Ratio of TV to SEV</u>	<u>Inflation Rate Multiplier</u>
			<u>Change From Prior Year</u>		<u>Change From Prior Year</u>		
Residential	2000	\$426,882,500	---	\$386,782,270	---	91%	1.019
Residential	2001	\$451,954,400	5.87%	\$406,016,460	4.97%	90%	1.032
Residential	2002	\$482,122,900	6.68%	\$427,792,090	5.36%	89%	1.032
Residential	2003	\$519,318,400	7.71%	\$450,398,670	5.28%	87%	1.015
Residential	2004	\$564,423,900	8.69%	\$477,927,930	6.11%	85%	1.023
Residential	2005	\$612,902,300	8.59%	\$509,294,350	6.56%	83%	1.023
Residential	2006	\$651,269,500	6.26%	\$541,787,670	6.38%	83%	1.033
Residential	2007	\$665,990,000	2.26%	\$570,965,880	5.39%	86%	1.037
Residential	2008	\$673,705,900	1.16%	\$589,377,250	3.22%	87%	1.023
Residential	2009	\$647,891,400	-3.83%	\$597,156,850	1.32%	92%	1.044
Residential	2010	\$610,045,600	-5.84%	\$575,058,760	-3.70%	94%	0.997
Residential	2011	\$595,610,510	-2.37%	\$555,578,060	-3.39%	93%	1.017
Residential	2012	\$560,236,990	-5.94%	\$536,008,700	-3.52%	96%	1.027
Residential	2013	\$550,595,544	-1.72%	\$530,314,114	-1.06%	96%	1.024
Residential	2014	\$566,175,540	2.83%	\$538,648,430	1.57%	95%	1.016
Residential	2015	\$602,140,275	6.35%	\$550,461,705	2.19%	91%	1.016
Residential	2016	\$643,065,185	6.80%	\$559,067,565	1.56%	87%	1.003
Residential	2017	\$670,484,275	4.26%	\$571,445,395	2.21%	85%	1.009

<u>Property Class</u>	<u>Year</u>	<u>SEV</u>	<u>SEV</u>	<u>TV</u>	<u>TV</u>	<u>Ratio of TV to SEV</u>	<u>Inflation Rate Multiplier</u>
			<u>Change From Prior Year</u>		<u>Change From Prior Year</u>		
Commercial	2000	\$215,735,400	---	\$200,973,590	---	93%	1.019
Commercial	2001	\$236,783,500	9.76%	\$216,478,860	7.72%	91%	1.032
Commercial	2002	\$255,519,400	7.91%	\$229,059,360	5.81%	90%	1.032
Commercial	2003	\$288,854,800	13.05%	\$254,304,910	11.02%	88%	1.015
Commercial	2004	\$303,633,500	5.12%	\$267,572,660	5.22%	88%	1.023
Commercial	2005	\$322,489,800	6.21%	\$280,312,330	4.76%	87%	1.023
Commercial	2006	\$344,820,100	6.92%	\$299,182,690	6.73%	87%	1.033
Commercial	2007	\$361,590,100	4.86%	\$320,439,350	7.10%	89%	1.037
Commercial	2008	\$375,082,300	3.73%	\$338,752,080	5.71%	90%	1.023
Commercial	2009	\$393,402,500	4.88%	\$367,322,030	8.43%	93%	1.044
Commercial	2010	\$376,954,800	-4.18%	\$356,198,560	-3.03%	94%	0.997
Commercial	2011	\$358,622,700	-4.86%	\$341,180,800	-4.22%	95%	1.017
Commercial	2012	\$345,764,000	-3.59%	\$331,058,210	-2.97%	96%	1.027
Commercial	2013	\$342,927,900	-0.82%	\$326,986,100	-1.23%	95%	1.024
Commercial	2014	\$361,453,000	5.40%	\$336,199,080	2.82%	93%	1.016
Commercial	2015	\$389,807,500	7.84%	\$347,912,830	3.48%	89%	1.016
Commercial	2016	\$399,542,700	2.50%	\$348,671,159	0.22%	87%	1.003
Commercial	2017	\$410,310,300	2.69%	\$361,651,049	3.72%	88%	1.009

**FIVE-YEAR FORECAST
PROJECTED TAXABLE VALUE (TV) CHANGE CALCULATIONS
DUE TO PROJECTED STATE EQUALIZED VALUE (SEV) CHANGES**

January 3, 2018

Property Class	Year	SEV	SEV Change From Prior Year	TV	TV Change From Prior Year	Ratio of TV to SEV	Inflation Rate Multiplier
Residential	2008	\$673,705,900	---	\$589,377,250	---	87%	1.023
Residential	2009	\$647,891,400	-3.83%	\$597,156,850	1.32%	92%	1.044
Residential	2010	\$610,045,600	-5.84%	\$575,058,760	-3.70%	94%	0.997
Residential	2011	\$595,610,510	-2.37%	\$555,578,060	-3.39%	93%	1.017
Residential	2012	\$560,236,990	-5.94%	\$536,008,700	-3.52%	96%	1.027
Residential	2013	\$550,595,544	-1.72%	\$530,314,114	-1.06%	96%	1.024
Residential	2014	\$566,175,540	2.83%	\$538,648,430	1.57%	95%	1.016
Residential	2015	\$602,140,275	6.35%	\$550,461,705	2.19%	91%	1.016
Residential	2016	\$643,065,185	6.80%	\$559,067,565	1.56%	87%	1.003
Residential	2017	\$670,484,275	4.26%	\$571,445,395	2.21%	85%	1.009

Property Class	Year	SEV	SEV Change From Prior Year	TV	TV Change From Prior Year	Ratio of TV to SEV	Inflation Rate Multiplier
Commercial	2008	\$375,082,300	---	\$338,752,080	---	90%	1.023
Commercial	2009	\$393,402,500	4.88%	\$367,322,030	8.43%	93%	1.044
Commercial	2010	\$376,954,800	-4.18%	\$356,198,560	-3.03%	94%	0.997
Commercial	2011	\$358,622,700	-4.86%	\$341,180,800	-4.22%	95%	1.017
Commercial	2012	\$345,764,000	-3.59%	\$331,058,210	-2.97%	96%	1.027
Commercial	2013	\$342,927,900	-0.82%	\$326,986,100	-1.23%	95%	1.024
Commercial	2014	\$361,453,000	5.40%	\$336,199,080	2.82%	93%	1.016
Commercial	2015	\$389,807,500	7.84%	\$347,912,830	3.48%	89%	1.016
Commercial	2016	\$399,542,700	2.50%	\$348,671,159	0.22%	87%	1.003
Commercial	2017	\$410,310,300	2.69%	\$361,651,049	3.72%	88%	1.009

**FIVE-YEAR FORECAST
PROJECTED TAXABLE VALUE (TV) CHANGE CALCULATIONS
DUE TO PROJECTED STATE EQUALIZED VALUE (SEV) CHANGES**

January 3, 2018

Property Class	2017 Taxable Value	Projected Percentage Change	Projected 2018 Taxable Value Change	Projected 2018 Taxable Value	Projected Percentage Change	Projected 2019 Taxable Value Change	Projected 2019 Taxable Value
Residential	\$571,445,395	1.0%	\$5,714,500	\$577,159,895	1.5%	\$8,657,400	\$585,817,295
Commercial	\$361,651,049	2.0%	<u>\$7,233,000</u>	\$368,884,049	1.5%	<u>\$5,533,300</u>	\$374,417,349
Total:			<u>\$12,947,500</u>			<u>\$14,190,700</u>	

Property Class	Projected 2019 Taxable Value	Projected Percentage Change	Projected 2020 Taxable Value Change	Projected 2020 Taxable Value	Projected Percentage Change	Projected 2021 Taxable Value Change	Projected 2021 Taxable Value
Residential	\$585,817,295	1.5%	\$8,787,300	\$594,604,595	1.5%	\$8,919,100	\$603,523,695
Commercial	\$374,417,349	1.5%	<u>\$5,616,300</u>	\$380,033,649	1.5%	<u>\$5,700,500</u>	\$385,734,149
Total:			<u>\$14,403,600</u>			<u>\$14,619,600</u>	

Property Class	Projected 2021 Taxable Value	Projected Percentage Change	Projected 2022 Taxable Value Change
Residential	\$603,523,695	1.5%	\$9,052,900
Commercial	\$385,734,149	1.5%	<u>\$5,786,000</u>
Total:			<u>\$14,838,900</u>

Comments: A figure of \$12,947,500 is projected for the change in TV for 2018. The inflation rate multiplier for TV for 2018 is 2.1%. Although the gap between SEV and TV has widened over the past few years and some increases above the inflation rate multiplier can be expected due to taxable value uncapping, the anticipated change in residential SEV is less than the inflation rate multiplier. An increase of 1.0% is projected for residential taxable value for 2018. An increase of 2.0% is projected for commercial taxable value for 2018. For years after 2018, it is projected that moderate taxable value increases (about 1.5% per year) will occur for both classes of real property in the City.

POTENTIAL NEW DEVELOPMENT IMPACT ON CITY'S TAX BASE AND OVERALL TAXABLE VALUE ANALYSIS

January 3, 2018

FIVE-YEAR FORECAST OF TAXABLE VALUE

	PROJECT NAME	AREA	PROJECT ASSUMPTIONS	FY18 (2017 Tax Year)	FY19 (2018 Tax Year)	FY20 (2019 Tax Year)	FY21 (2020 Tax Year)	FY22 (2021 Tax Year)	FY23 (2022 Tax Year)
1	MAYNARD OFFICE PARK DEVELOPMENT	LADH	Construction of approximately 14 office buildings within condo park	---	\$0	\$250,000	\$250,000	\$250,000	\$500,000
2	BEAUMONT DEVELOPMENT	LADH	Completion of mixed-use project containing 26 single-family homes, 80 townhouse condos, 320 apartments, and 8,000 square feet of retail space	---	\$0	\$0	\$250,000	\$300,000	\$300,000
3	HAWK'S NEST DEVELOPMENT	LADH	Construction of new residential condo units	---	\$1,200,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
4	EAGLE EYE DEVELOPMENT	LADH/ BATH	Construction of remaining residential condo units (about 17 remaining total)	---	\$225,000	\$450,000	\$450,000	\$450,000	\$450,000
5	MSUFCU EXPANSION	LADH	Construction of 141,200 square foot (above grade) office building	---	\$2,925,000	\$0	\$0	\$0	\$0
6	THE VILLAS AT STRATFORD PLACE DEVELOPMENT	LADH	Construction of additional residential condo units	---	\$700,000	\$800,000	\$800,000	\$400,000	\$0
7	GASLIGHT VILLAGE DEVELOPMENT	EL	Construction of additional residential condo units	---	\$0	\$67,500	\$67,500	\$67,500	\$67,500
8	BAILEY SCHOOL REDEVELOPMENT	EL	Construction of five market rate apartments, 9,000 square feet of retail space, and 1,500 square feet of office space	---	\$200,000	\$200,000	\$0	\$0	\$0
9	FALCON POINTE EAST DEVELOPMENT	LADH/ BATH	Construction of 120 attached apartment units	---	\$3,375,000	\$1,437,500	\$1,250,000	\$0	\$0
10	FALCON POINTE WEST DEVELOPMENT	LADH	Construction of 102 residential condo units	---	\$0	\$750,000	\$750,000	\$750,000	\$750,000
11	COTTAGES ON ABBOT ROAD DEVELOPMENT	EL	Construction of 13 residential duplex dwellings (26 units), 1 single unit dwelling, and a community building	---	\$1,500,000	\$0	\$0	\$0	\$0
12	COSTCO DEVELOPMENT	EL	Construction of 156,170 square foot retail facility (subject to partial brownfield capture and millage sharing)	---	\$660,000	\$0	\$0	\$0	\$0

	PROJECT NAME	AREA	PROJECT ASSUMPTIONS	FY18 (2017 Tax Year)	FY19 (2018 Tax Year)	FY20 (2019 Tax Year)	FY21 (2020 Tax Year)	FY22 (2021 Tax Year)	FY23 (2022 Tax Year)
13	1100 TROWBRIDGE ROAD REDEVELOPMENT	EL	Construction of 88 unit hotel and 10,683 square foot retail facility (subject to partial brownfield capture)	---	\$0	\$525,000	\$0	\$0	\$0
14	THE HUB OF EAST LANSING REDEVELOPMENT	EL	Construction of mixed-use project containing 347 apartments (533 bedrooms) and 12,220 square feet of retail space	---	\$0	\$7,180,000	\$7,180,000	\$0	\$0

SUB-TOTAL		---	\$10,785,000	\$13,160,000	\$12,497,500	\$3,717,500	\$3,567,500
ADDITIONAL NEW CONSTRUCTION --Assumes typical building permit activity for miscellaneous new home starts, new additions, decks, garages, etc.		---	\$700,000	\$700,000	\$700,000	\$700,000	\$700,000
GRAND TOTALS--NEW CONSTRUCTION (Taxable Value)		---	\$11,485,000	\$13,860,000	\$13,197,500	\$4,417,500	\$4,267,500

TAXABLE VALUE (TV) FORECAST COMMENTS

Comments: A figure of \$12,947,500 is projected for the change in TV for 2018. The inflation rate multiplier for TV for 2018 is 2.1%. Although the gap between SEV and TV has widened over the past few years and some increases above the inflation rate multiplier can be expected due to taxable value uncapping, the anticipated change in residential SEV is less than the inflation rate multiplier. An increase of 1.0% is projected for residential taxable value for 2018. An increase of 2.0% is projected for commercial taxable value for 2018. For years after 2018, it is projected that moderate taxable value increases (about 1.5% per year) will occur for both classes of real property in the City.

Taxable Value Forecast Calculations

	FY18 (2017 Tax Year)	FY19 (2018 Tax Year)	FY20 (2019 Tax Year)	FY21 (2020 Tax Year)	FY22 (2021 Tax Year)	FY23 (2022 Tax Year)
Prior TV	---	\$983,259,453	\$1,007,691,953	\$1,035,742,653	\$1,063,343,753	\$1,082,380,853
Estimated Change in TV, Existing Property	---	\$12,947,500	\$14,190,700	\$14,403,600	\$14,619,600	\$14,838,900
Estimated TV Gain Due to New Construction	---	\$11,485,000	\$13,860,000	\$13,197,500	\$4,417,500	\$4,267,500
Estimated Taxable Value	\$983,259,453	\$1,007,691,953	\$1,035,742,653	\$1,063,343,753	\$1,082,380,853	\$1,101,487,253
(Loss)/Gain	---	\$24,432,500	\$28,050,700	\$27,601,100	\$19,037,100	\$19,106,400

City of East Lansing Revenue Detail - General Fund

	<u>FY2017 ACTUAL</u>	<u>FY2018 BUDGET</u>	<u>FY2018 EXPECTATION</u>	<u>FY2019 FORECAST</u>	<u>FY2020 FORECAST</u>	<u>FY2021 FORECAST</u>	<u>FY2022 FORECAST</u>	<u>FY2023 FORECAST</u>
Property Taxes								
Property taxes - Operating	15,719,166	16,038,020	16,028,340	16,417,795	16,882,715	17,339,175	17,651,270	17,964,890
Tax Administration Fee	642,212	657,500	668,000	684,230	703,590	722,590	735,600	748,690
Payment in Lieu of Taxes	30,366	30,115	29,935	29,940	29,940	29,940	29,940	29,940
Penalties/Interest on Taxes	118,556	105,000	103,000	105,500	108,490	111,420	113,430	115,450
Total Taxes	16,510,300	16,830,635	16,829,275	17,237,465	17,724,735	18,203,125	18,530,240	18,858,970
State Shared Revenues								
Constitutional Portion	3,910,959	3,914,000	3,981,984	4,089,500	4,191,740	4,286,050	4,371,770	4,459,210
Statutory Portion / EVIP / CVTRS	1,461,396	1,461,400	1,500,841	1,461,370	1,461,370	1,461,370	1,461,370	1,461,370
State Liquor	33,296	32,900	32,055	32,060	32,060	32,060	32,060	32,060
Total State Revenue Sharing	5,405,651	5,408,300	5,514,880	5,582,930	5,685,170	5,779,480	5,865,200	5,952,640
State Revenue - PA289 Fire Protection	1,701,064	1,350,000	1,335,395	1,468,930	1,468,930	1,468,930	1,468,930	1,468,930
Other Intergovernmental Revenues								
Drunk Driving/Drug Case Assistance	24,283	20,500	20,200	20,560	20,950	21,350	21,760	22,170
LCSA - Small Taxpayer Loss Reimb	35,201	30,965	47,955	47,960	47,960	47,960	47,960	47,960
MSU Dispatch	10,000	10,000	10,000	10,000	10,000	10,000	10,000	-
Meridian Dispatch	9,000	9,000	9,000	9,000	9,000	9,000	9,000	-
Total Dispatch Revenue	78,484	70,465	87,155	87,520	87,910	88,310	88,720	70,130
Licenses and Permits								
Building & Engineering Permits								
Permits and Inspections - Building	1,144,541	900,000	975,000	1,023,750	972,560	943,380	933,950	924,610
Permits and Inspections - Engineering	165,890	139,300	139,300	146,270	138,960	134,790	133,440	132,110
Subtotal Building & Eng. Permits	1,310,431	1,039,300	1,114,300	1,170,020	1,111,520	1,078,170	1,067,390	1,056,720
Housing Licenses & Inspections	814,384	780,000	780,000	797,550	815,490	833,840	852,600	871,780
Business & Restaurant Licenses								
Licenses: Restaurant	51,356	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Licenses: Take Out	400	800	800	800	800	800	800	800
Licenses: Entertainment	33,724	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Licenses: Arcades	600	600	600	600	600	600	600	600
Licenses: Miscellaneous	6,128	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Subtotal Business & Restaurant Licenses	92,207	87,400	87,400	87,400	87,400	87,400	87,400	87,400
Total Licenses and Permits	2,217,021	1,906,700	1,981,700	2,054,970	2,014,410	1,999,410	2,007,390	2,015,900

City of East Lansing Revenue Detail - General Fund

	<u>FY2017 ACTUAL</u>	<u>FY2018 BUDGET</u>	<u>FY2018 EXPECTATION</u>	<u>FY2019 FORECAST</u>	<u>FY2020 FORECAST</u>	<u>FY2021 FORECAST</u>	<u>FY2022 FORECAST</u>	<u>FY2023 FORECAST</u>
Fines & Forfeitures								
Court Collected Parking Fines	1,079,173	1,250,000	1,000,000	1,018,000	1,037,340	1,057,050	1,077,130	1,097,600
Ordinance Fines and Costs	1,283,802	1,375,000	1,200,000	1,221,600	1,244,810	1,268,460	1,292,560	1,317,120
Restitution Fines	3,225	2,500	1,200	1,220	1,240	1,260	1,280	1,300
Court Screening Fees	<u>29,004</u>	<u>27,000</u>	<u>27,000</u>	<u>27,490</u>	<u>28,010</u>	<u>28,540</u>	<u>29,080</u>	<u>29,630</u>
Total Fines & Forfeitures	2,395,205	2,654,500	2,228,200	2,268,310	2,311,400	2,355,310	2,400,050	2,445,650
Charges for Services								
Interfund Contributions								
Downtown Maint Service Charge (DDA)	105,220	120,335	120,335	126,190	129,760	133,260	135,660	138,070
DDA - Grand River Project	<u>15,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Subtotal Interfund Transfers	120,470	120,335	120,335	126,190	129,760	133,260	135,660	138,070
General Government								
Court Cost Recovery	832,282	900,000	800,000	814,400	829,870	845,640	861,710	878,080
City Attorney Cost Recovery	23,142	18,000	18,000	18,320	18,670	19,020	19,380	19,750
Planning Services	55,439	45,000	35,000	35,630	36,310	37,000	37,700	38,420
Finance Services - ELMWSA	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Assessor Services	64,793	65,700	65,700	66,680	68,010	69,370	70,760	72,180
Treasury Services	5,154	3,500	4,250	4,250	4,250	4,250	4,250	4,250
City Clerk Services	49,859	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Communications Services	<u>600</u>	<u>600</u>	<u>600</u>	<u>600</u>	<u>600</u>	<u>600</u>	<u>600</u>	<u>600</u>
Subtotal General Government	1,061,269	1,063,800	954,550	970,880	988,710	1,006,880	1,025,400	1,044,280
Public Safety								
Municipal Services - Deerpath	27,998	28,565	28,630	29,150	29,700	30,260	30,830	31,420
Police Services to Others	57,461	50,000	47,100	47,950	48,860	49,790	50,740	51,700
PBT Revenue	6,912	9,000	8,100	8,100	8,100	8,100	8,100	8,100
Police Services to MSU	50,519	50,000	71,995	73,070	74,530	76,020	77,540	79,090
OWI Cost Recovery	35,088	25,000	25,000	25,370	25,880	26,400	26,930	27,470
Inmate Reimbursement	39,791	35,000	32,000	32,580	33,200	33,830	34,470	35,120
Impound Lot Fees - PACE	28,868	30,000	43,000	43,770	44,600	45,450	46,310	47,190
Fire Chief Shared Services	111,315	110,000	115,000	116,720	119,050	121,430	123,860	126,340
Ambulance Services	1,313,962	1,350,000	1,300,000	1,323,400	1,348,540	1,374,160	1,400,270	1,426,880
Hazmat Services	21,601	18,000	12,000	12,220	12,450	12,690	12,930	13,180
MSU Fire Contract	326,000	326,000	326,000	326,000	326,000	326,000	326,000	326,000
Fire Services to MSU and Others	95,884	116,025	116,410	118,150	120,510	122,920	125,380	127,890
Inspection Services to Others	<u>227,777</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>	<u>225,000</u>
Subtotal Public Safety	2,343,177	2,372,590	2,350,235	2,381,480	2,416,420	2,452,050	2,488,360	2,525,380

City of East Lansing Revenue Detail - General Fund

	<u>FY2017 ACTUAL</u>	<u>FY2018 BUDGET</u>	<u>FY2018 EXPECTATION</u>	<u>FY2019 FORECAST</u>	<u>FY2020 FORECAST</u>	<u>FY2021 FORECAST</u>	<u>FY2022 FORECAST</u>	<u>FY2023 FORECAST</u>
Public Works								
Sidewalk Revenue	149,446	-	8,700	17,500	17,500	17,500	17,500	17,500
Engineering Services	1,885	500	-	-	-	-	-	-
Downtown Maintenance	2,834	-	-	-	-	-	-	-
Subtotal Public Works	<u>154,165</u>	<u>500</u>	<u>8,700</u>	<u>17,500</u>	<u>17,500</u>	<u>17,500</u>	<u>17,500</u>	<u>17,500</u>
Recreation and Culture								
Park Reservations	12,789	15,100	15,100	15,370	15,660	15,960	16,260	16,570
Total Charges for Services	3,691,870	3,572,325	3,448,920	3,511,420	3,568,050	3,625,650	3,683,180	3,741,800
Other Revenue								
Investment Income	108,033	105,000	112,000	115,920	119,400	122,390	124,840	126,710
Contributions and Donations								
Debt Service Fund	135,986	-	-	-	-	-	-	-
Fire Contributions/Donations	9,500	-	3,800	-	-	-	-	-
Subtotal Contributions and Donations	<u>145,486</u>	<u>-</u>	<u>3,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Franchise Revenue								
Cable Franchise Revenue	371,006	385,000	370,000	370,000	370,000	370,000	370,000	370,000
BWL Franchise Revenue	-	750,000	950,000	1,045,000	1,064,860	1,085,090	1,105,710	1,126,720
Subtotal Franchise Revenue	<u>371,006</u>	<u>1,135,000</u>	<u>1,320,000</u>	<u>1,415,000</u>	<u>1,434,860</u>	<u>1,455,090</u>	<u>1,475,710</u>	<u>1,496,720</u>
Rental Income								
Building Rent - Indirect Charge	293,725	347,015	347,015	347,020	347,020	347,020	347,020	347,020
Cell Tower Lease Income	41,856	38,050	38,050	36,240	33,335	31,780	28,895	26,265
Ground Lease Income	-	-	-	66,670	200,010	203,010	206,060	209,150
Bailey Building Rent	100	100	100	100	100	100	100	100
Subtotal Rental Income	<u>335,681</u>	<u>385,165</u>	<u>385,165</u>	<u>450,030</u>	<u>580,465</u>	<u>581,910</u>	<u>582,075</u>	<u>582,535</u>
Miscellaneous Revenue								
Miscellaneous Revenue	292	500	100	100	100	100	100	100
Miscellaneous Court Revenue	101,603	100,000	100,000	101,800	103,730	105,700	107,710	109,760
Miscellaneous Police Revenue	1,769	1,500	1,690	1,720	1,750	1,780	1,810	1,840
Miscellaneous Fire Revenue	3	-	-	-	-	-	-	-
Residential Parking Permits	443	360	350	350	350	350	350	350
Subtotal Miscellaneous Revenue	<u>104,109</u>	<u>102,360</u>	<u>102,140</u>	<u>103,970</u>	<u>105,930</u>	<u>107,930</u>	<u>109,970</u>	<u>112,050</u>
Total Other Revenue	1,064,316	1,727,525	1,923,105	2,084,920	2,240,655	2,267,320	2,292,595	2,318,015
Grant Revenue								
Court State Grants	98,741	119,250	119,250	121,400	123,710	126,060	128,460	130,900
Court Federal Grants	115,279	120,000	120,000	122,160	124,480	126,850	129,260	131,720

City of East Lansing Revenue Detail - General Fund

	<u>FY2017 ACTUAL</u>	<u>FY2018 BUDGET</u>	<u>FY2018 EXPECTATION</u>	<u>FY2019 FORECAST</u>	<u>FY2020 FORECAST</u>	<u>FY2021 FORECAST</u>	<u>FY2022 FORECAST</u>	<u>FY2023 FORECAST</u>
Sidewalk Grants (CDBG)	173,973	102,625	106,075	-	-	-	-	-
Other Misc Grants	2,500	2,500	6,355	-	-	-	-	-
Police Federal Miscellaneous Grants	29,287	20,500	60,000	60,000	60,000	60,000	60,000	60,000
Police Training Funds (State)	10,274	9,500	9,500	9,500	9,500	9,500	9,500	9,500
Fire State Grants	-	185,000	294,560	-	-	-	-	-
Total Grant Revenue	430,054	559,375	715,740	313,060	317,690	322,410	327,220	332,120
TOTAL REVENUES	33,493,965	34,079,825	34,064,370	34,609,525	35,418,950	36,109,945	36,663,525	37,204,155
Percentage change		1.7%	1.7%	1.6%	2.3%	2.0%	1.5%	1.5%

City of East Lansing Expense Detail - General Fund

	<u>FY2017 ACTUAL</u>	<u>FY2018 BUDGET</u>	<u>FY2018 EXPECTATION</u>	<u>FY2019 FORECAST</u>	<u>FY2020 FORECAST</u>	<u>FY2021 FORECAST</u>	<u>FY2022 FORECAST</u>	<u>FY2023 FORECAST</u>
Personnel Services								
Wages	13,949,843	14,450,835	13,928,815	14,137,020	14,419,760	14,708,160	15,002,320	15,302,370
Retirement-Defined Benefit	4,940,079	5,208,610	5,208,400	5,786,400	6,399,760	6,982,140	7,568,640	7,871,390
Supplemental DB Retirement	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Retirement-DC or Hybrid	443,677	501,370	491,409	501,938	511,980	522,220	532,660	543,320
Retiree Health, Rx, Humana	1,917,524	2,123,485	1,837,625	1,982,890	2,141,520	2,302,130	2,463,280	2,623,390
Actives Health and Rx	2,070,222	2,162,093	2,128,900	2,044,141	2,114,470	2,187,260	2,262,600	2,340,570
Other Fringe Benefits	<u>1,155,810</u>	<u>1,211,932</u>	<u>1,183,076</u>	<u>1,172,730</u>	<u>1,185,910</u>	<u>1,199,340</u>	<u>1,213,030</u>	<u>1,227,000</u>
Total Personnel Services	25,477,154	26,658,325	25,778,225	26,625,120	27,773,400	28,901,250	30,042,530	30,908,040
Other Expenditures								
Contract Services	877,941	970,515	1,012,285	1,030,510	1,050,090	1,070,040	1,090,370	1,111,090
Utilities	1,084,339	1,137,900	1,159,515	1,180,390	1,202,820	1,225,670	1,248,960	1,272,690
Repair & Maintenance	205,965	256,155	254,050	258,620	263,530	268,540	273,640	278,840
Fleet - Gasoline	96,275	130,500	99,500	101,290	103,210	105,170	107,170	109,210
Garage Fees	983,585	1,018,050	1,018,050	1,040,960	1,093,010	1,147,660	1,205,040	1,265,290
Computer - Equip Rental	619,820	888,815	888,815	867,040	884,380	902,070	920,110	938,510
All Other Expenditures	<u>2,421,724</u>	<u>3,060,125</u>	<u>2,867,230</u>	<u>2,504,510</u>	<u>2,552,100</u>	<u>2,600,590</u>	<u>2,650,000</u>	<u>2,700,350</u>
Total Operating Expenses	6,289,649	7,462,060	7,299,445	6,983,320	7,149,140	7,319,740	7,495,290	7,675,980
Net Indirect Charges to Other Funds	(1,269,795)	(1,269,795)	(1,269,795)	(1,186,610)	(1,209,160)	(1,232,130)	(1,255,540)	(1,279,400)
Sidewalk Program	439,446	156,540	159,990	50,000	50,000	50,000	50,000	50,000
Capital Outlay	<u>249,627</u>	<u>139,220</u>	<u>125,615</u>	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>
Subtotal Expenditures	31,186,082	33,146,350	32,093,480	32,536,830	33,828,380	35,103,860	36,397,280	37,419,620
Transfers								
Transfer to Parks & Rec	1,916,200	1,996,425	1,996,425	2,032,360	2,070,970	2,110,320	2,150,420	2,191,280
Transfer to Seniors	140,630	143,300	143,300	143,300	146,020	148,790	151,620	154,500
Transfer to Public Art Fund								
Public Art Requirement	9,360	10,065	10,065	6,130	3,530	6,150	6,150	6,150
Arts Commission	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500
Transfer to Art Festival	5,833	5,965	5,965	6,050	6,170	6,290	6,420	6,550
Transfer to Debt Service	59,145	58,935	58,935	61,520	55,520	54,170	57,820	61,320
Transfer to CIP Parks	-	106,938	106,940	-	-	-	-	-
Transfer to CIP	<u>360,000</u>	<u>220,000</u>	<u>220,000</u>	<u>237,500</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Total Transfers	<u>2,501,668</u>	<u>2,552,128</u>	<u>2,552,130</u>	<u>2,497,360</u>	<u>2,792,710</u>	<u>2,836,220</u>	<u>2,882,930</u>	<u>2,930,300</u>
TOTAL EXPENDITURES	33,687,750	35,698,478	34,645,610	35,034,190	36,621,090	37,940,080	39,280,210	40,349,920
Percentage change		6.0%	2.8%	1.1%	4.5%	3.6%	3.5%	2.7%