

The City of Moraine Citizen's Budget Advisory Committee



May 16, 2011

Agenda

- ❖ Review of 2010 Financial Results
- ❖ 2011 YTD Budget Analysis
- ❖ Potential Issues
- ❖ Performance Planning for 2011
- ❖ Options

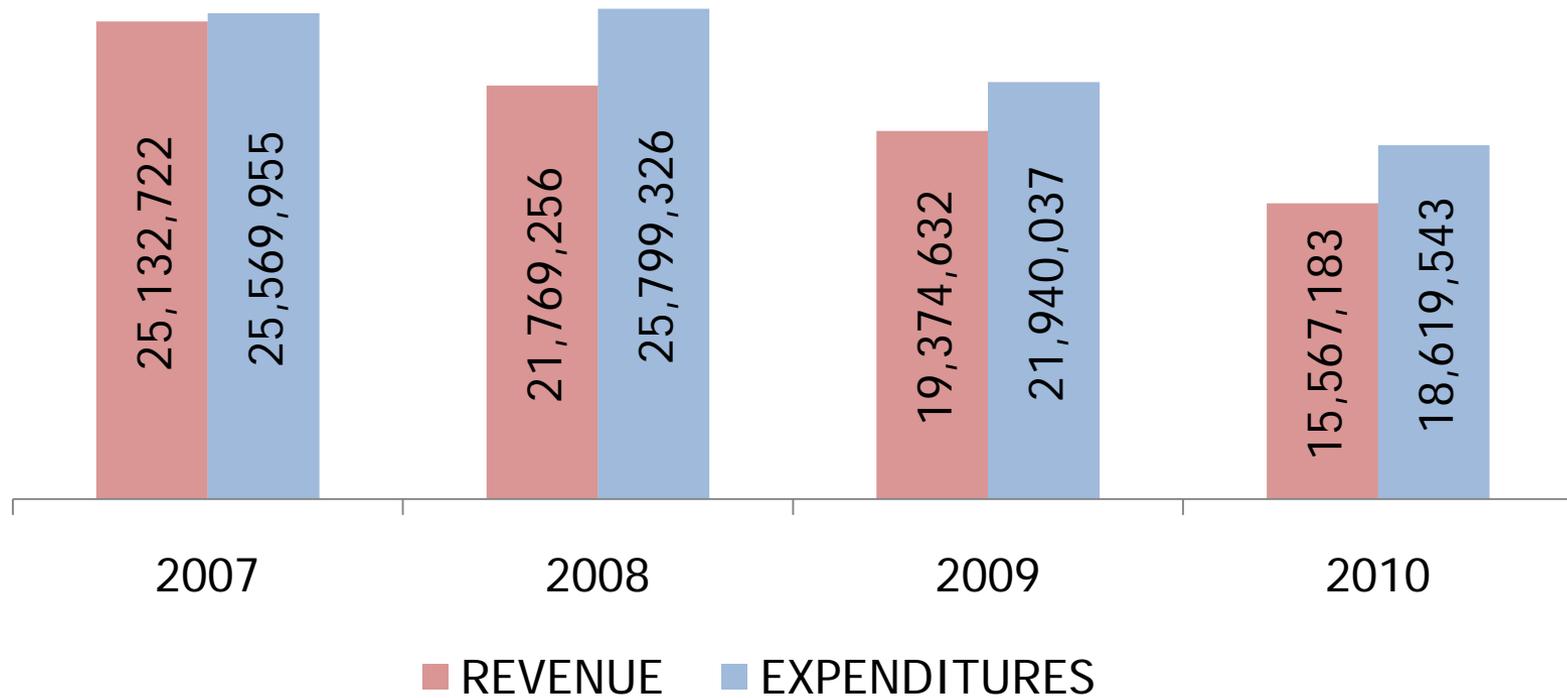
Review of 2010 Financial Results

Overview of the City Wide 2010 Financial Results

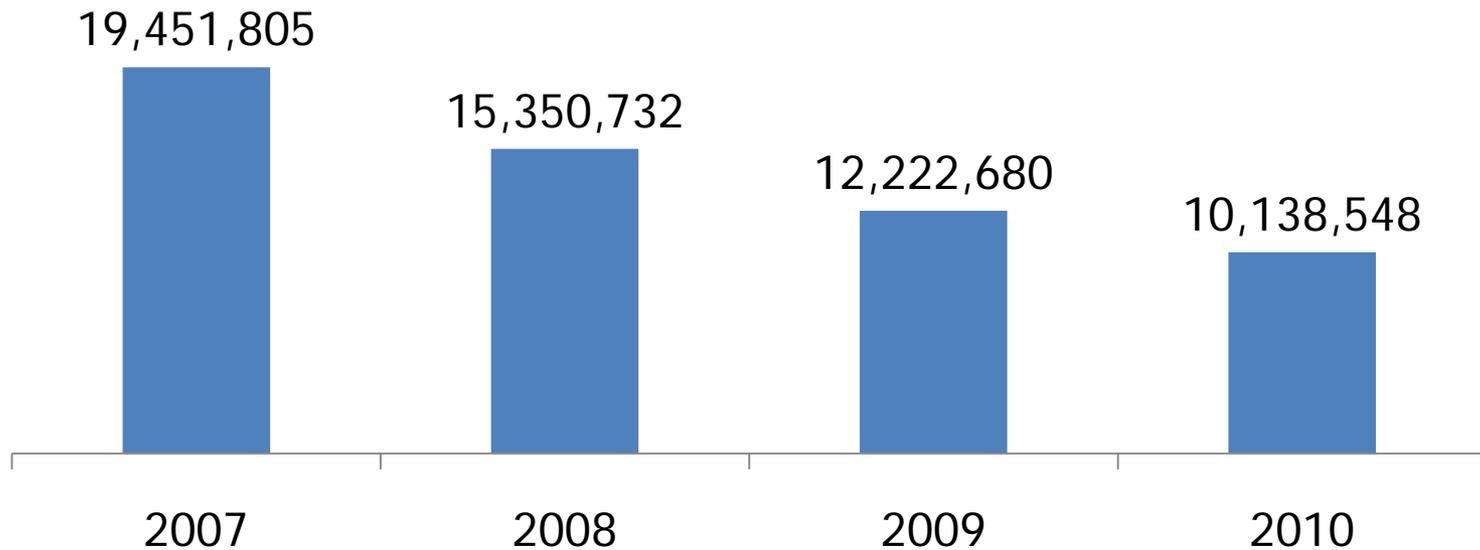
Actual overall deficit for 2010 was
\$3,052,360, or 54% less than projected

	Projected	Actual
Revenue	\$12,458,592	\$15,567,183
Expenses	\$19,091,388	\$18,619,543
Deficit	(\$6,632,796)	(\$3,052,360)

2010 Revenue/Expenditures City Wide



2010 Income Tax Collections City Wide



TAX ACCOUNT CHANGES 2005 - 2010

	<u>Year</u>	<u># of Employees</u>	<u>Avg Salary PER Employee</u>	<u>Tax Revenue Annually</u>
<u>Moved into town</u>				
2005 - 7 Businesses		357	\$29,279	\$114,841
2006 - 8 Businesses		287	\$31,081	\$149,629
2007 - 10 Businesses		379	\$31,046	\$308,181
2008 - 10 Businesses		269	\$21,835	\$92,078
2009 - 4 Businesses		62	\$46,406	\$58,770
2010 - 2 Businesses		54	\$37,634	\$11,719
Total 2005-2010 Business Revenue Gain		1,408	\$32,880	\$735,217
<u>Moved out of town</u>				
2005-2010 Outgoing Businesses - 8 Businesses		7,934	\$65,000	\$3,431,668
Major Downsize - 2 Businesses		650	\$35,000	\$455,000
Total 2005-2010 Business Revenue Loss		8,584	\$50,000	\$3,886,668
2005-2010 Net Gain/Loss Business Revenue		(7,176)		(\$3,151,450)

2010 General Fund

Overview of the 2010 Financial Results

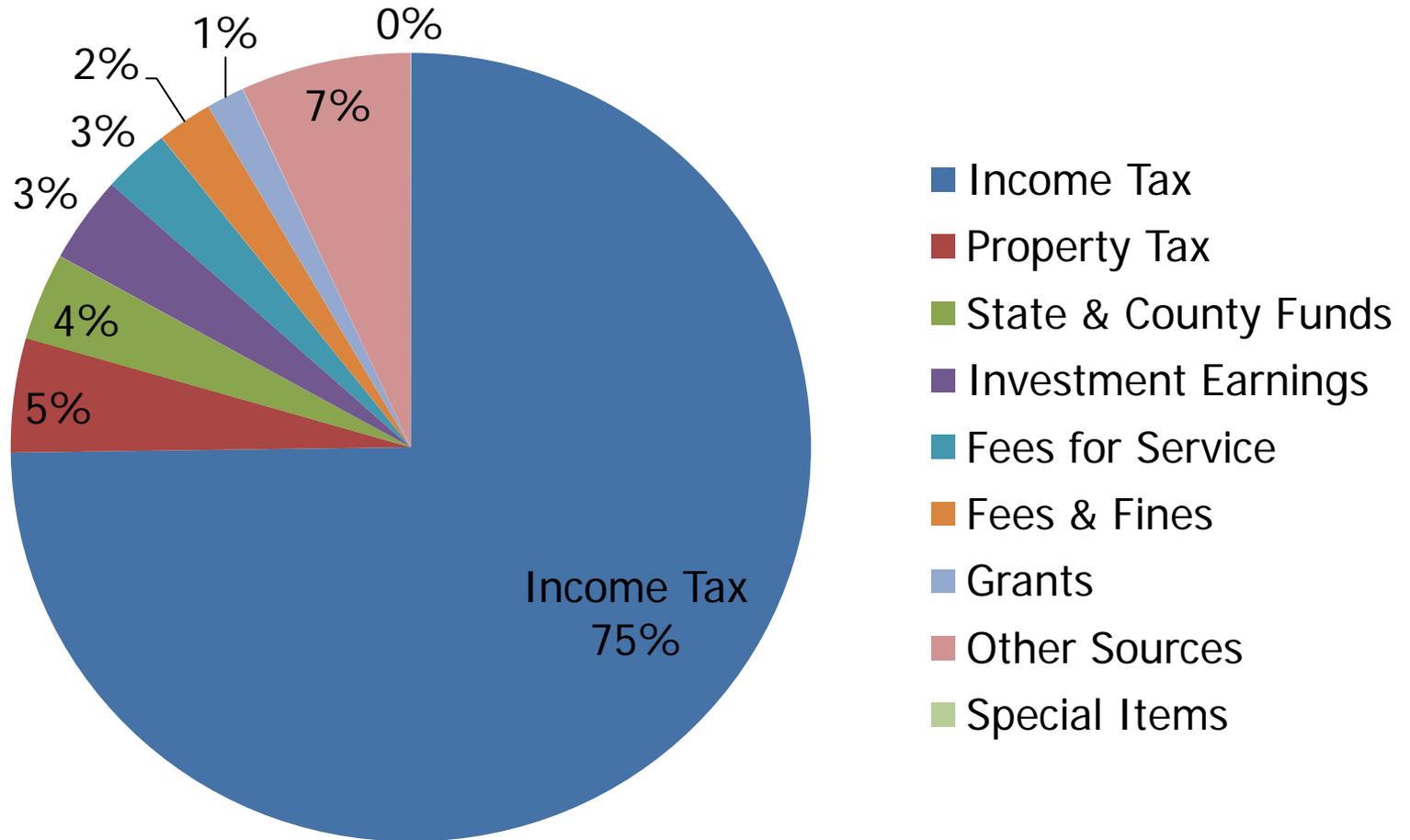
- ❖ Projected deficit of \$7,097,551 was not reached
- ❖ Actual overall deficit for 2010 was \$3,594,126, or 49.4% less than projected

	Projected	Actual
Revenue	\$11,164,115	\$11,799,237
Expenses	\$18,261,666	\$15,393,363
Deficit	(\$7,097,551)	(\$3,594,126)

Overview of the 2010 General Fund Revenue Results

- ❖ Total 2010 revenues exceeded budget projections by 5.7% or \$635,122
- ❖ Income tax fell short of projections by 2.0% or \$176,271 while property tax surpassed expectations by \$155,041
- ❖ State and County Funds were down by 17.2% or \$87,894
- ❖ Despite the sluggish investment market, the investment earnings were able to come in higher than the budgeted projections

2010 General Fund Actual Revenue Detail



Overview of the 2010 General Fund Expense Results

- ❖ Total 2010 expenditures did not reach the projected budget of \$18,261,666 but came in at 15.7% less or \$2,868,303
- ❖ Personnel costs were less than projected by 8.9% or \$978,381
- ❖ Operating expenses were less than projected by 30.6% or \$1,134,922 and can be attributed to increased performance management of each department

2011 Budget YTD Financial Results

General Fund Revenue & Expenditures Overview

General Fund Revenues are down from 2010 by 9.4% or \$437,130.

Expenditures are 8.6% or \$424,988 less in comparison to 2010 for the same time period.

Our YTD deficit figure of \$319,875 is only \$11,942 more than the deficit we had in 2010 for the same time period.

General Fund April YTD Revenue

- ❖ Income tax revenues when compared with prior years are low. When compared with 2010, we are down 2.5% for the same time period.
- ❖ Property tax funds have come in slightly higher due to payments from delinquent accounts as well as the establishment of payment plans with the county.
- ❖ State and county funds are down 6.9% from the same time period as 2010. This is due to the reductions in the local government fund over previous years.

General Fund

April YTD Expenditures

Personnel costs have increased by 3.3% over the same period in 2010 due to a combination of factors that are beyond the control of the city: several weather episodes, insurance increases and workers compensation increases. In comparison with the projections, we are actually still below the expected forecast by 9.5%.

Operating costs are down by 25.6% over forecasted numbers and are \$424,988 less than 2010 for the same period.

Potential Issues

- ❖ Centralized Local Income Tax Collection
- ❖ Elimination of entire Local Government Fund
- ❖ Potential changes to pensions
- ❖ EMS revenues declining due to change in payment point
- ❖ Effects of Senate Bill 5
- ❖ Effects of Health Care Reform Act

Local Government Fund 2008 - 2014

2008.....	\$290,715
2009.....	\$256,660
2010.....	\$260,092
2011 Projected.....	\$131,439
2012 Projected.....	\$ 98,579
2013 Projected.....	\$ 65,719
2014 Projected.....	\$ 0

Personnel Overview 2001-2011

Staffing Reductions 2001-2011

Total Authorized Positions 2001	421	
Total Authorized Positions 2011	368	-12.59% reduction
Total Filled Positions 2011	169	45.92% filled
Total Vacant Positions 2011	199	54.08% vacant

Full-Time Personnel 2001-2011

Division	Full-Time			
	Authorized	Authorized	Filled	Vacant
	2001 Positions	2011 Positions	2011 Positions	2011 Positions
Administration	7	8	6	2
Dept of Finance	8	7	5	2
Dept of Law	1	0	0	0
Clerk of Council	1	1	1	0
Clerk of Courts	2	2	2	0
Community Development	5	6	4	2
Street Department*	22	27	23	4
Bldg & Parks Maintenance Dept	22	10	9	1
Parks & Recreation	9	7	5	2
Police	43	42	36	6
Fire	35	32	30	2
	155	142	121	21

*In 2011 6 positions were moved from Bldg & Parks Maintenance to Street Dept

Part-Time & Seasonal Personnel 2001-2011

Division	Part-Time and Seasonal			
	Authorized	Authorized	Filled	Vacant
	2001 Positions	2011 Positions	2011 Positions	2011 Positions
Administration	4	3	0	3
Dept of Finance	0	1	0	1
Dept of Law	1	4	0	4
Clerk of Council	1	1	0	1
Clerk of Courts	1	1	0	1
Community Development	2	2	0	2
Street Department	3	3	0	3
Bldg & Parks Maintenance Dept	8	5	0	5
Parks & Recreation	213	180	36	144
Police	8	6	0	6
Fire	25	20	12	8
	266	226	48	178