

BUDGET PRESENTATION

2020/21 PROPOSED BUDGET

Unique Circumstances

- **These are unprecedented times – We do not fully know what that will mean financially**
 - COVID-19 had created a set of circumstances that struck suddenly, and harshly.
 - We still do not know how much this will impact the overall economy, let alone here in Troy.
 - Because of this, it is incredibly difficult to create a budget that fully takes into account the financial impact in the future.
- **The City is financially sound right now**
 - While we have seen decreases in revenue, we have also seen commensurate decreases in costs.
 - Troy is not reliant on income taxes, sales taxes, or other forms of revenue generation that are more closely tied to the day-to-day economy
 - Our budgets are always very conservative, which offsets unforeseen circumstances
 - The City has a solid fund-balance, as well as enough cash on hand to weather this crisis
- **The proposed budget is built on normal circumstances, but can ALWAYS be amended**

Budget Highlights | Millage Rate

- The proposed budget calls for a decrease in the City's millage rate
 - Total millage rate decreases by .2446 mills to 9.9991

	2015/16	2016/17	2017/18	2018/19	2019/20	Proposed 2020/21	Proposed 2021/22	Proposed 2022/23
General Operating	6.5000	6.5000	6.5000	6.5000	6.5000	6.5000	6.5000	6.5000
Capital	1.5300	1.5300	1.4949	1.4381	1.3896	1.3486	1.3486	1.3486
Refuse	1.0700	1.0700	1.0700	1.0700	1.0900	1.0900	1.0900	1.0900
Debt	0.7000	0.6000	0.6000	0.6000	0.5800	0.3800	TBD	TBD
Library	0.6974	0.6989	0.6934	0.6884	0.6841	0.6805	TBD	TBD
Total	10.4974	10.3989	10.3583	10.2965	10.2437	9.9991	8.9386	8.9386

Budget Highlights | Expanded Services

- **The proposed budget recommends to create 5 new positions**
 - **2 new positions in Police**
 - **1 new position in Community Development to assist with Master Plan evaluation & community engagement**
 - **1.5 new positions in Recreation to support community programming**
 - **.5 new position in Library to support programming & service communications**
- **Currently, City Management is not filling open positions**
- **All new positions would only be filled if/when the overall financial impact on the City is understood**

Budget Highlights | Water & Sewer Rates

- The proposed budget recommends to increase Water & Sewer rates by 2.8%

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Budget	Budget	Budget
	Rates	Rates	Rates	Rates	Rates	Rates	Rates	2020/21	2021/22	2022/23
								Rates	Rates	Rates
Water	\$30.35	\$31.00	\$34.40	\$38.50	\$39.30	\$39.30	\$40.50	\$41.50	\$42.50	\$43.80
Sewer	\$24.80	\$24.80	\$25.30	\$25.30	\$26.60	\$27.40	\$28.20	\$29.10	\$30.00	\$31.00
Total										
Rate	\$55.15	\$55.80	\$59.70	\$63.80	\$65.90	\$66.70	\$68.70	\$70.60	\$72.50	\$74.80
Rate										
Increase	\$ -	\$ 0.65	\$ 3.90	\$ 4.10	\$ 2.10	\$ 0.80	\$ 2.00	\$ 1.90	\$ 1.90	\$ 2.30
Percent	0.0%	1.2%	7.0%	6.9%	3.3%	1.2%	3.0%	2.8%	2.7%	3.2%
Average Quarterly Consumer Billing based on 3.9 mcf:						\$260.13	\$267.93	\$275.34	\$282.75	\$291.72
Increase Per Quarterly Billing							\$7.80	\$7.41	\$7.41	\$8.97

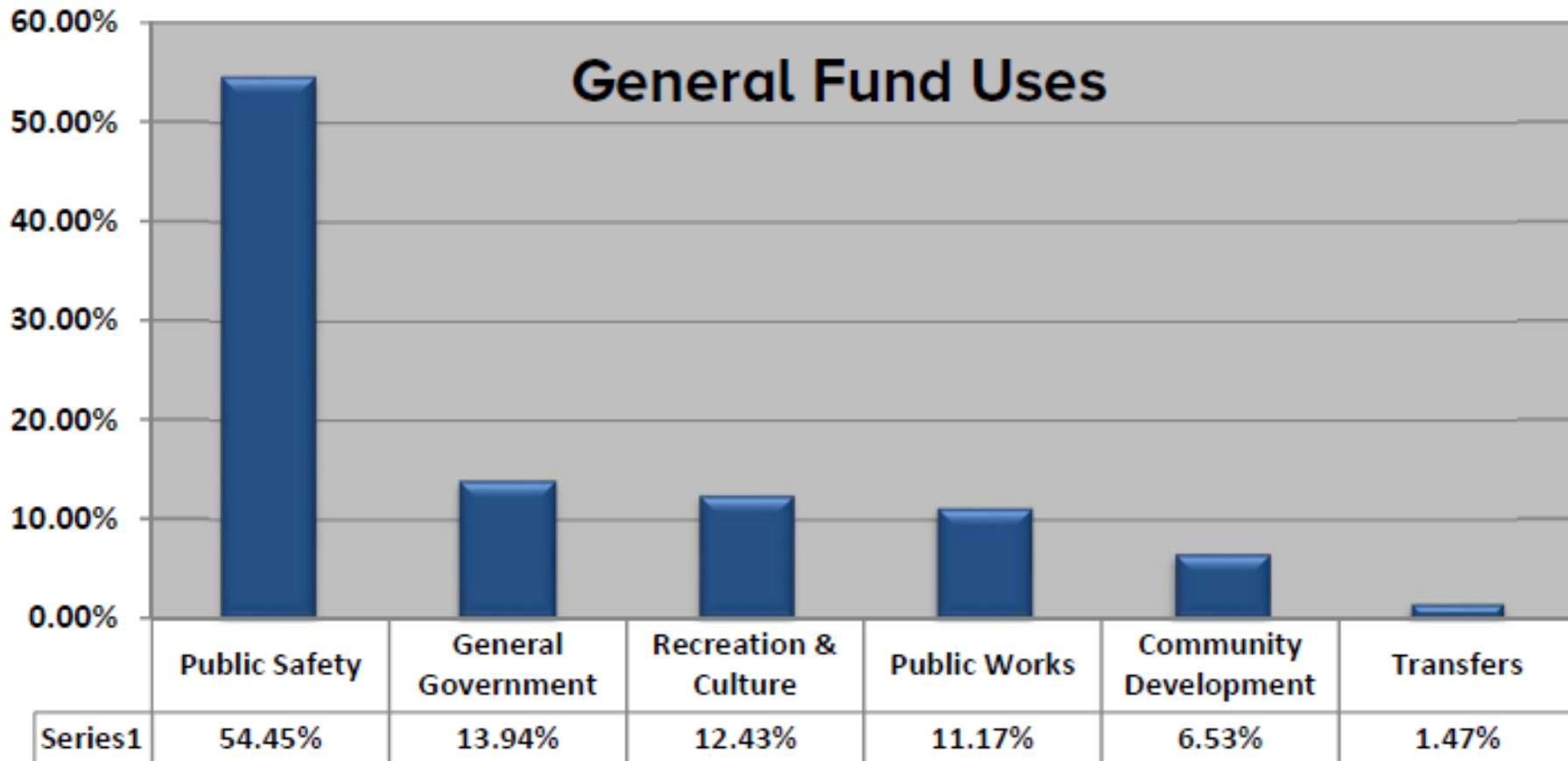
Budget Highlights | Capital Improvements

The proposed budget recommends **\$16.8 million** in capital improvements

- **Major & Local Streets - \$9.7 million**
- **Parks Development - \$2.0 million**
 - Trails and Pathways - \$750k
 - Civic Center Parking Lot Demolition - \$500k
 - Boulan Park Tennis Court Resurfacing - \$275k
- **Community Center Roof - \$1.1 million**
- **Historic Village - \$404k**
 - Stamped Concrete Walkways - \$130k
 - Exterior Building Repairs and Painting - \$150k
 - School House and General Store Roof Replacement - \$124k
- **City Buildings - \$737,000**
 - Training Center Improvements - \$192k
 - District Court Repairs - \$100k
 - Access Control/Security Camera - \$300k
- **Library - \$595,000**
 - Books and Materials - \$595k
- **Police Department - \$604,000**
 - Mobile Digital Computer Replacement - \$260k
- **Fire Department - \$160,000**
 - Roof Replacement Station 2 - \$95k

Budget Highlights | General Fund

General Fund is budgeted at \$67.8 million



Next Steps

- **The Governor's Orders make in-person meetings impossible for some unknown time. We plan to schedule in-person meetings when normal operations resume.**
- **The City Charter requires City Council to adopt the fiscal year 2020-2021 budget on or before May 18, 2020.**
- **City Council may have to adopt this budget without the benefit of in-person meetings but can amend the budget at any time. We recommend that City Council discuss and potentially amend this budget in the future.**
- **We encourage City Council Members and members of the public to review the budget and submit questions in writing to CityManager@troymi.gov.**