

Overview of Fiscal Year 2016 Executive Recommended Budget Bay County, Michigan



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October 13, 2015

October 13, 2015

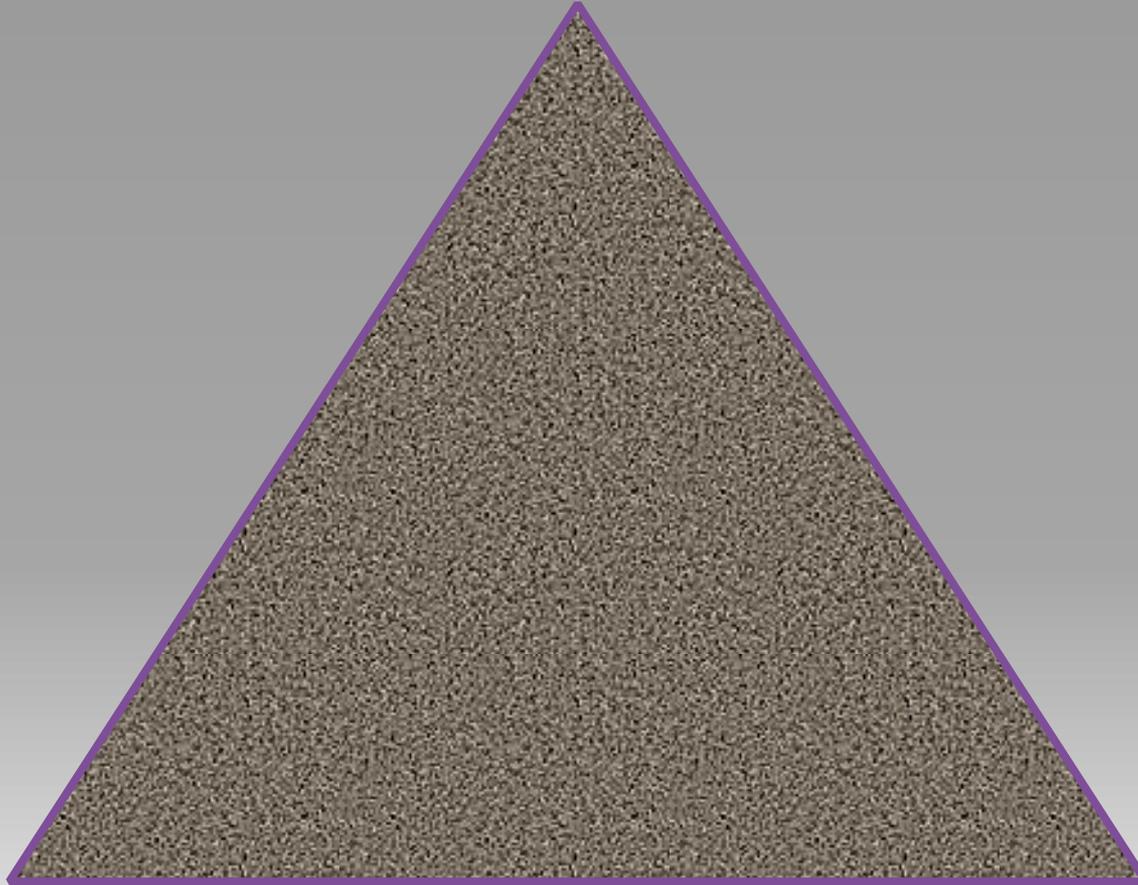
2016 Executive Recommended Budget Overview

- Introduction
- Revenues
- Expenditures
- Recommendations
- Q&A



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CITIZENS OF BAY COUNTY



FISCAL RESPONSIBILITY

EMPLOYEES



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2016 Budget Highlights

- A balanced budget was submitted by the statutory deadline
- Total county spending for all funds \$132M
- Total General Fund expenditures \$35M



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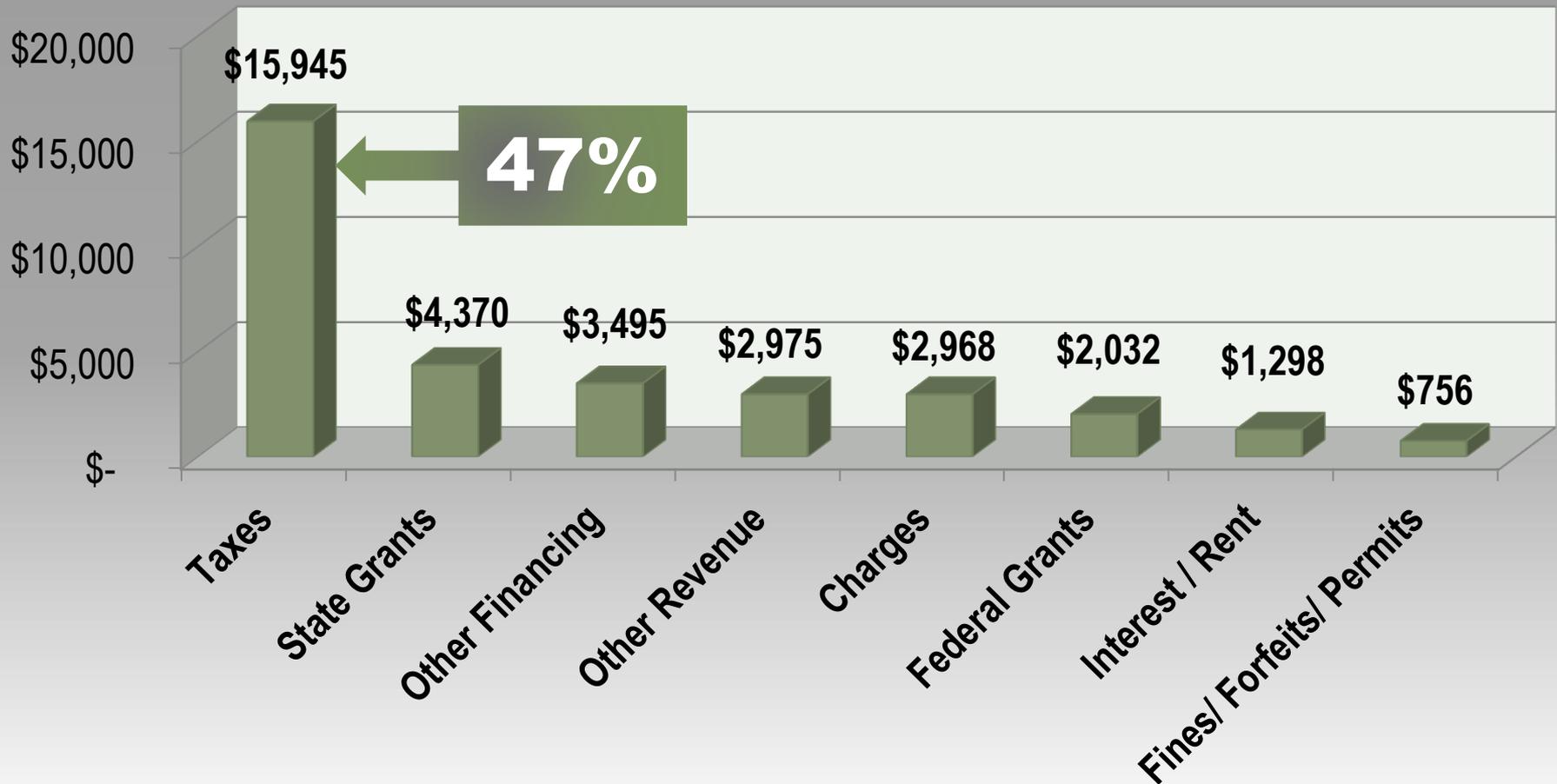




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2016 General Fund Revenues

Thousands





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Bay County General Fund Property Tax Collections

Millions





2016 - General Fund Revenues

- \$1.2M transfer to the General Fund from the Delinquent Tax Revolving Fund
- Revenue Sharing-Status Quo
- Liquor Tax - Down 50%

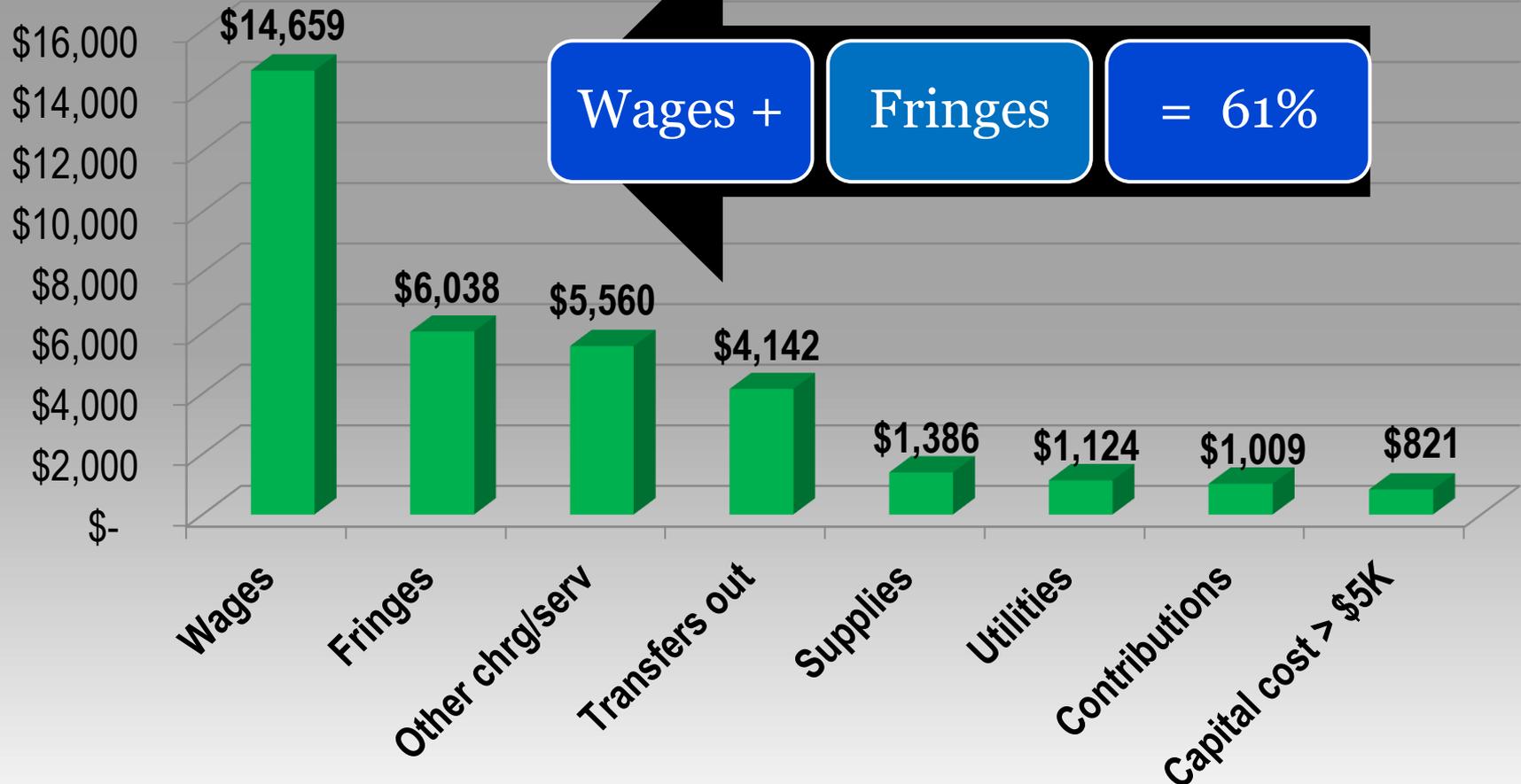


EXPENDITURES

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2016 - General Fund Expenditures

Thousands





Other General Fund Expenditure Factors

- Wages- No increase to base in 2016

+

One percent (1%) lump sum
or three personal days

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Other General Fund Expenditure Factors (Continued)

- Health Insurance-Employers health insurance contributions is projected to be \$3.6M
- Continued Health Cost Reducing Measures
 - New Co-Pay & Deductible Structure
 - Wellness Center
 - Wellness Programs

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General Fund Expenditures Retirement System

- As of December 31, 2014, the **General Group** in the retirement system had a funded ratio of 112%; as a result, there is no recommended employer contribution to the pension system in January 1, 2016.

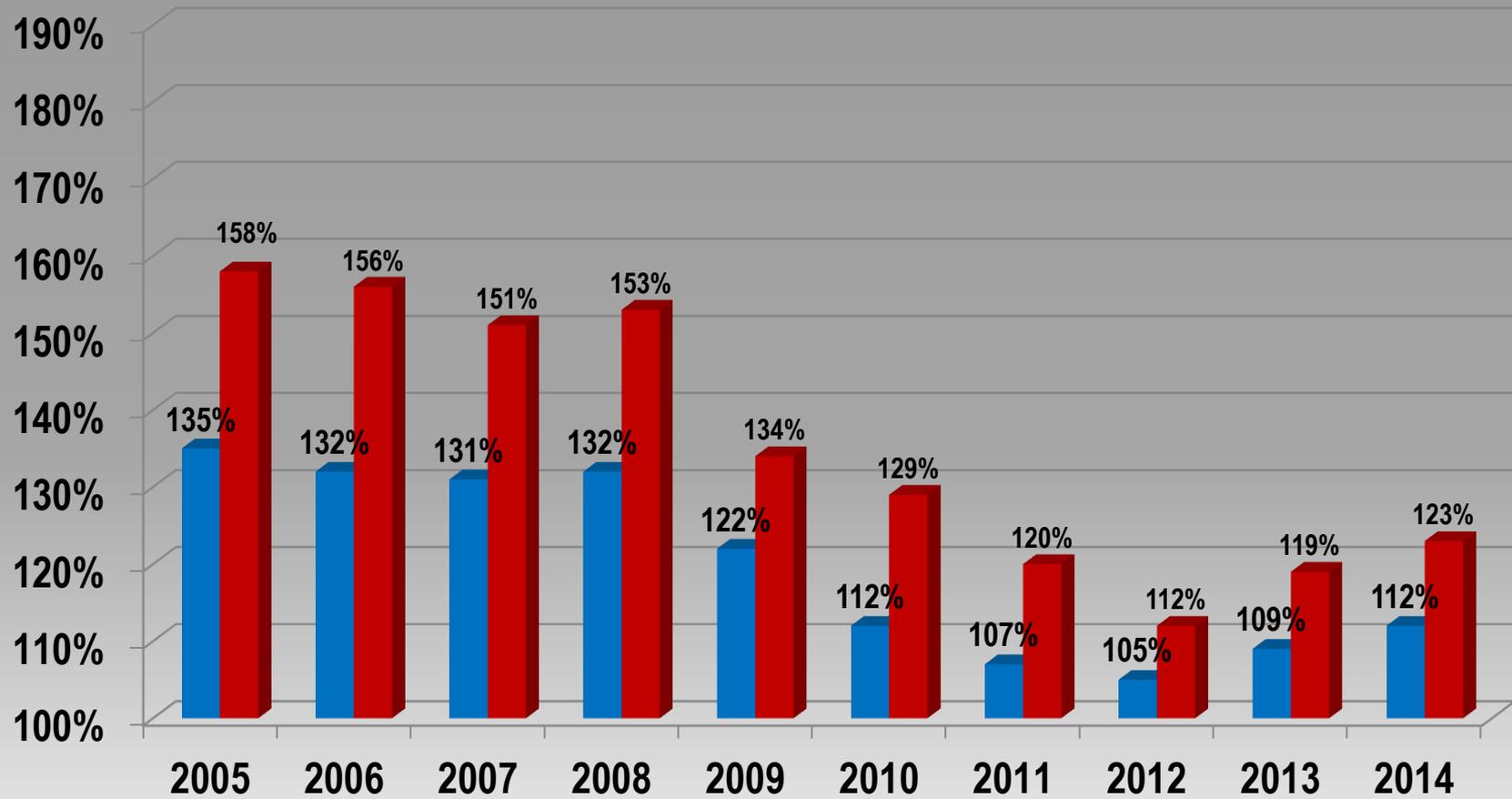
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General Fund Expenditures Retirement System (Continued)

- As of December 31, 2014, the **Sheriff Group** in the retirement system had a funded ratio of 123%. As a result, no employer contributions to the pension system are required for 2016.

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Percentage Funding Level of Pension Funds



Blue(left) = General Group

Red = Sheriff's Group



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2016 Major Transfers Out

- Health Department - \$996K
- Juvenile Home - \$641K

Note: Other Child Care programs funded by the General Fund - \$735K, a \$50K increase over 2015 budget



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2016 Major Capital Expenditures

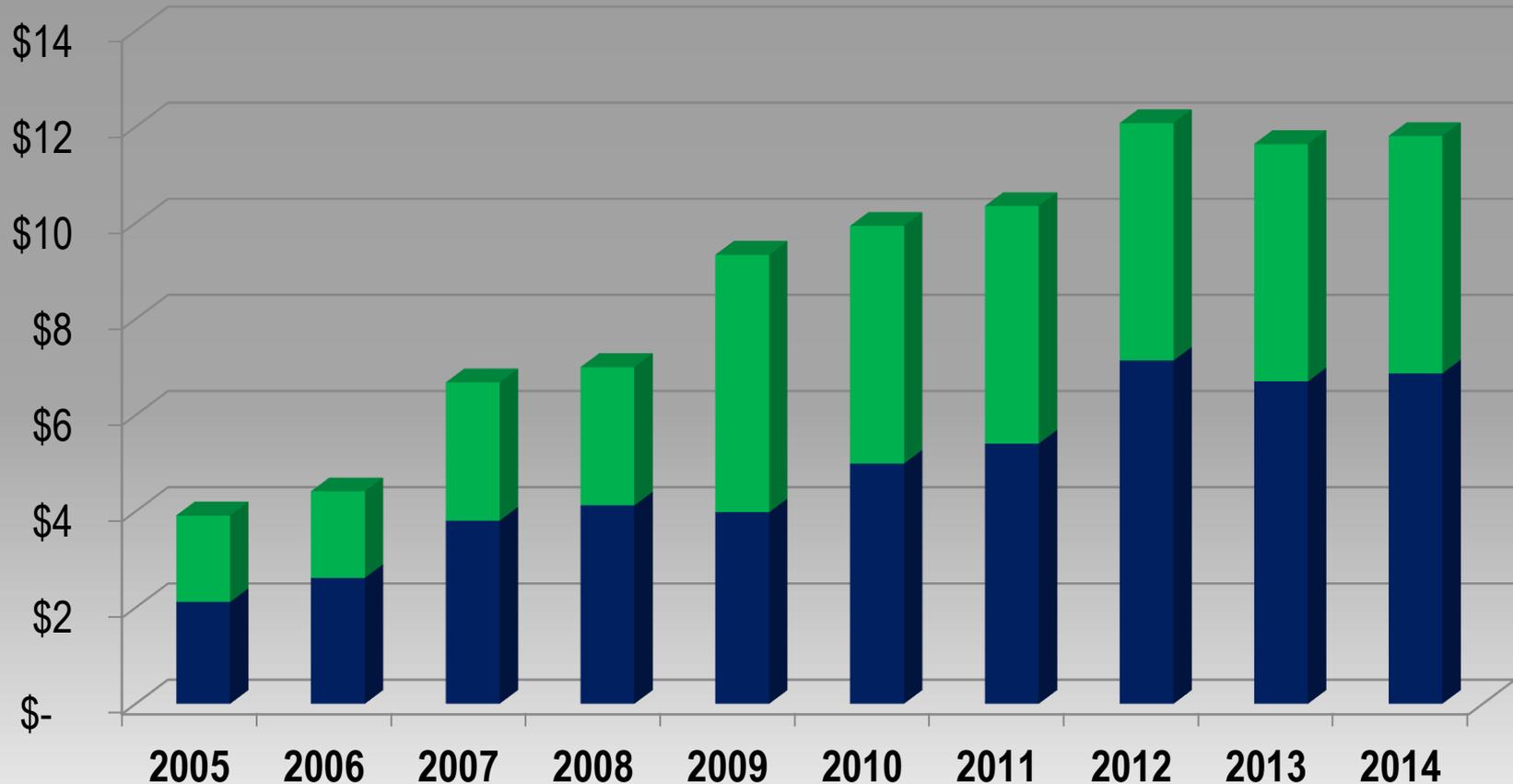
General Fund

- **Buildings & Grounds** \$ 437,000
(Includes County-Wide Phone System)
- **Sheriff** \$ 174,500
- **Information Systems** \$ 147,000
- **Fairgrounds** \$ 30,000

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General and Budget Stabilization Fund Balances

Millions



Green: Budget Stabilization Fund

Blue: Assigned & Unassigned Fund Balance

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RECOMMENDATIONS



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Recommendations

- Use approximately \$895K of Unassigned Fund Balance to balance the budget, which is approximately the total capital outlay for 2016. At the end of 2016, Bay County's general obligation debt will be serviced.
- Maintain up to a 15% reserve level in the Budget Stabilization Fund.
- This approach strikes a balance between the needs of the citizens of Bay County and its employees, while ensuring fiscal responsibility and excellent service to the community.



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Questions?
Thank you!