

# **Overview of Fiscal Year 2017 Executive Recommended Budget Bay County, Michigan**



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**November 15, 2016**



# 2017 Executive Recommended Budget Overview

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



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## CITIZENS OF BAY COUNTY

- This budget strives to balance the needs of the citizens of Bay County and its employees, while ensuring fiscal responsibility and excellent service to the Bay County community.

**FISCAL RESPONSIBILITY**

**EMPLOYEES**



# 2017 Budget Highlights

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



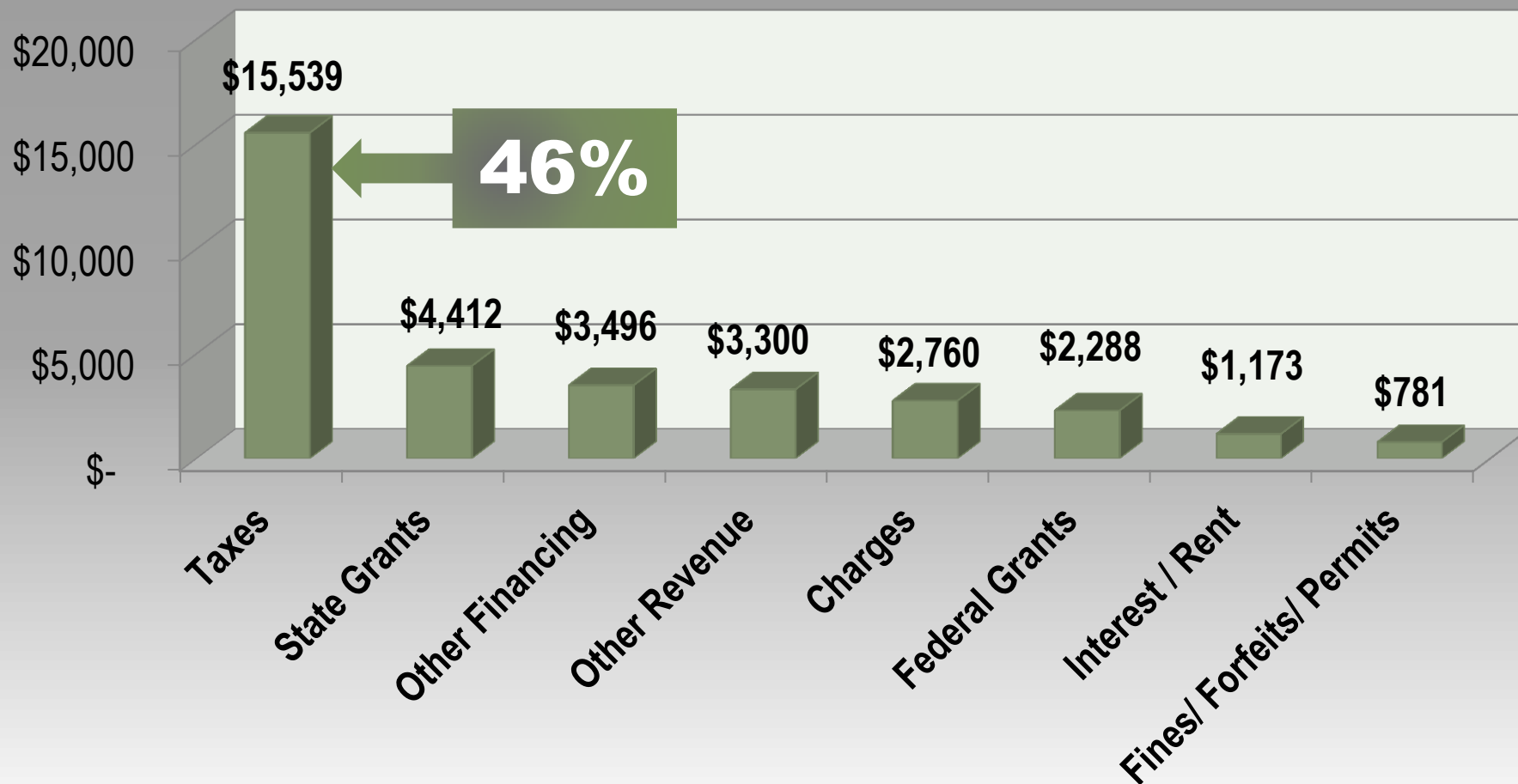
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# 2017 General Fund Revenues

Millions

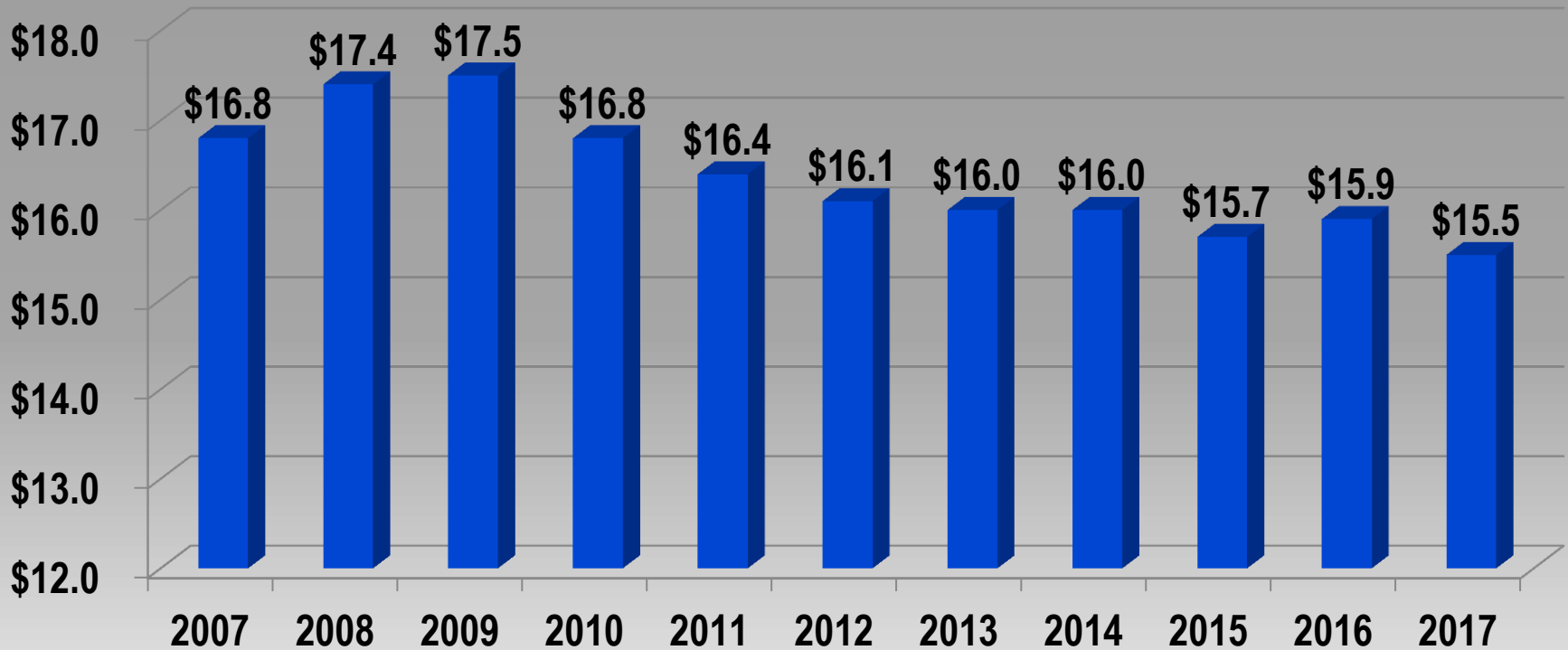




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# Bay County General Fund Property Tax Collections

Millions





# 2017 - General Fund Revenues

- \$1.2M transfer to the General Fund from the Delinquent Tax Revolving Fund
- Revenue Sharing - 2.6M
- Liquor Tax - 371K



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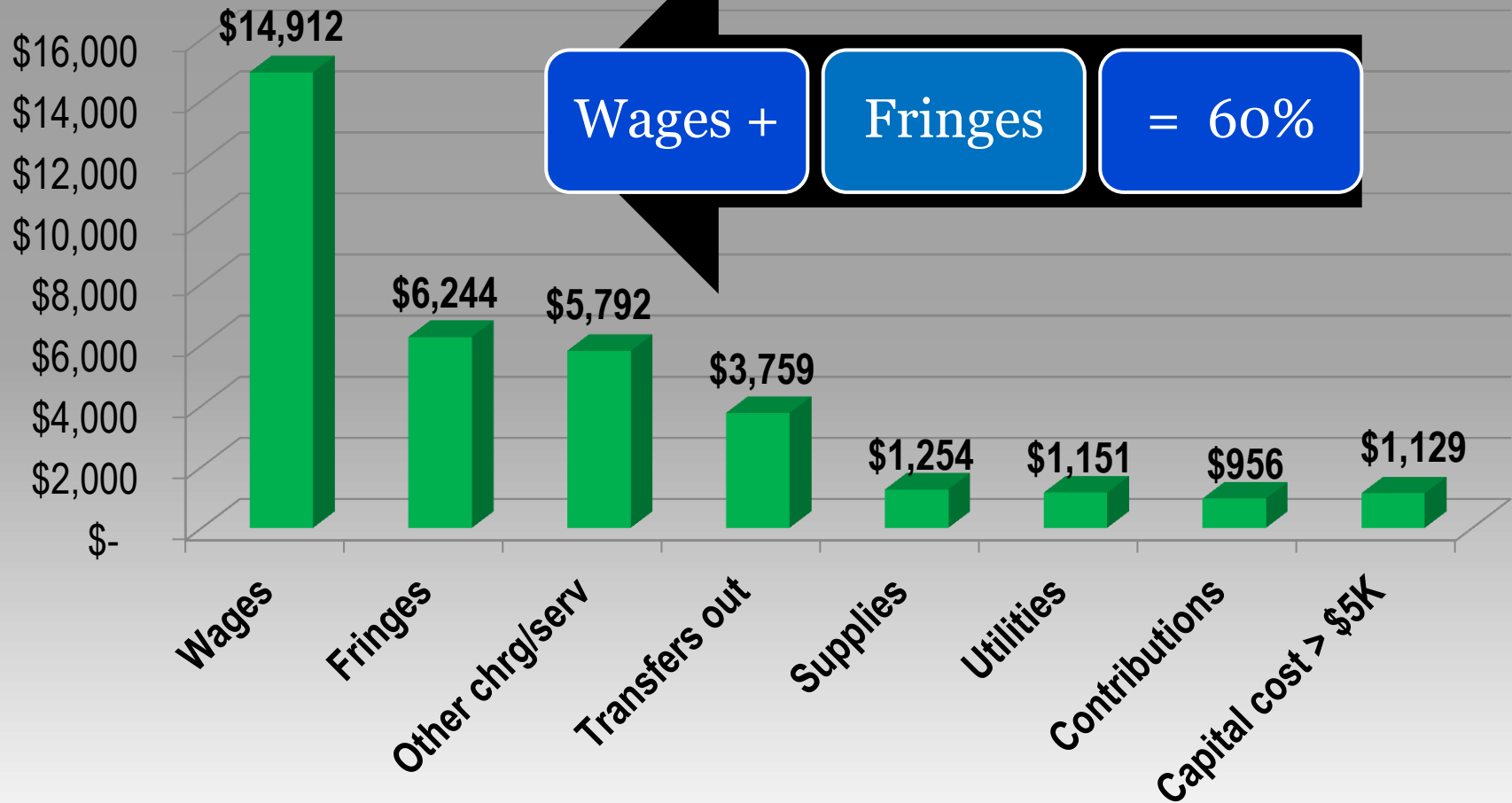
# EXPENDITURES



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# 2017 - General Fund Expenditures

Millions





# Other General Fund Expenditure Factors

- Wages- No increase to base is currently included in the 2017 Executive budget, however contract negotiations were finalized as of Tuesday November 8, 2016.

+

One percent (1%) lump sum or three personal days are included in this budget.



# Other General Fund Expenditure Factors (Continued)

- Health Insurance-Employers health insurance contributions is projected to be \$3.7M (includes Active & Retirees)
- Continued Health Cost Reducing Measures
  - Co-Pay & Deductible Structure
  - Prescription Incentive Program
  - Wellness Center
  - Wellness Programs

# General Fund Expenditures Retirement System

- As of December 31, 2015, the **General Group** in the retirement system had a funded ratio of 116%; as a result, there is no recommended employer contribution to the pension system for 2017. (however, the 4% employer contribution is currently budgeted)

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# General Fund Expenditures

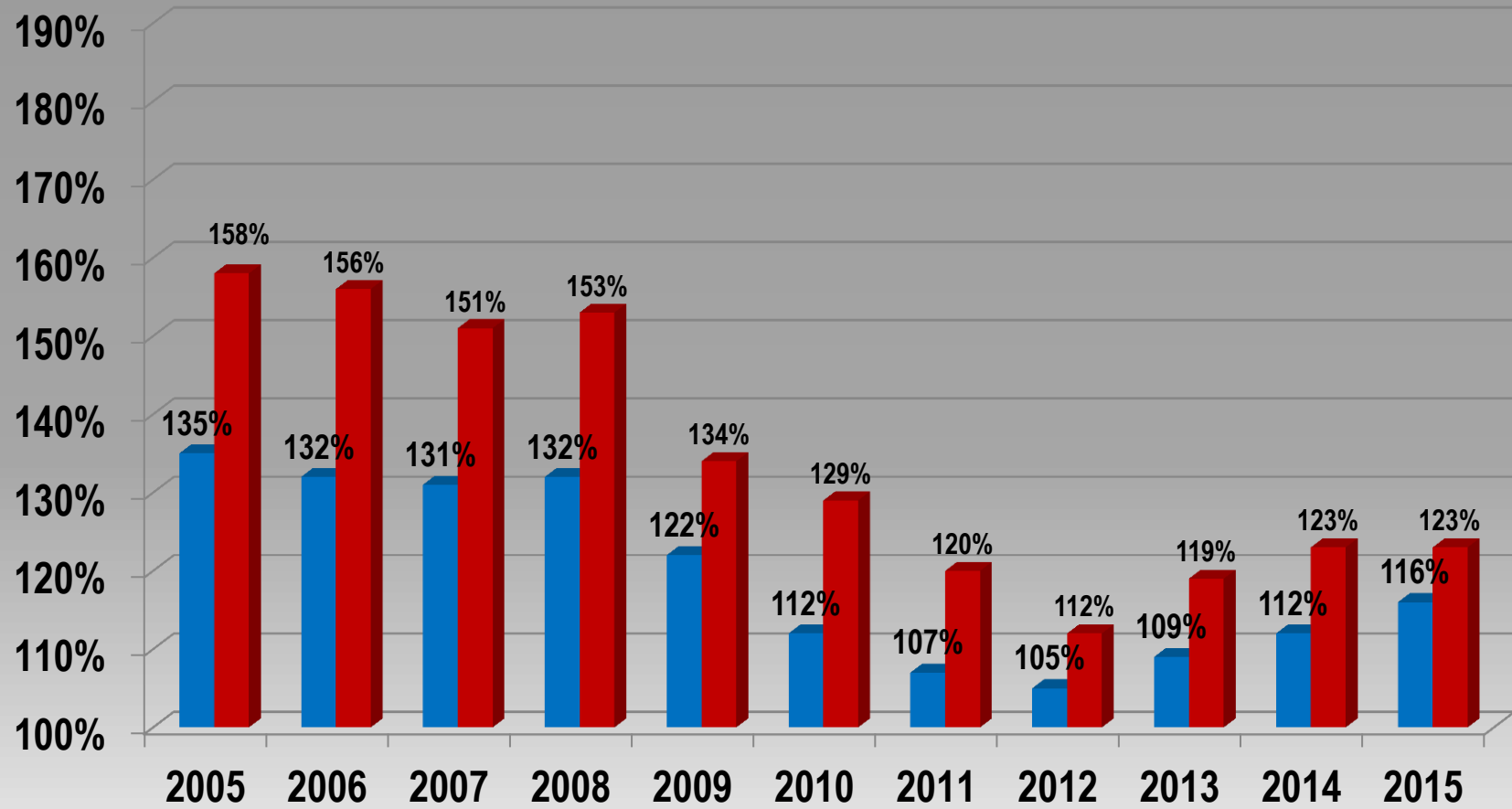
## Retirement System (Continued)

- As of December 31, 2015, 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 2017.

(the 4% employer contribution for 2017 is currently budgeted)

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# Percentage Funding Level of Pension Funds



**Blue(left) = General Group    Red = Sheriff's Group**



# 2017 Major Transfers Out

- Health Department - \$1.037M
- Juvenile Home - \$619K

*Note:* Other Child Care programs funded by the General Fund - \$947K, a \$212K GF increase over the 2016 budget (the remaining increase is covered by 50% State match revenue).





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# 2017 Major Capital Expenditures

## General Fund

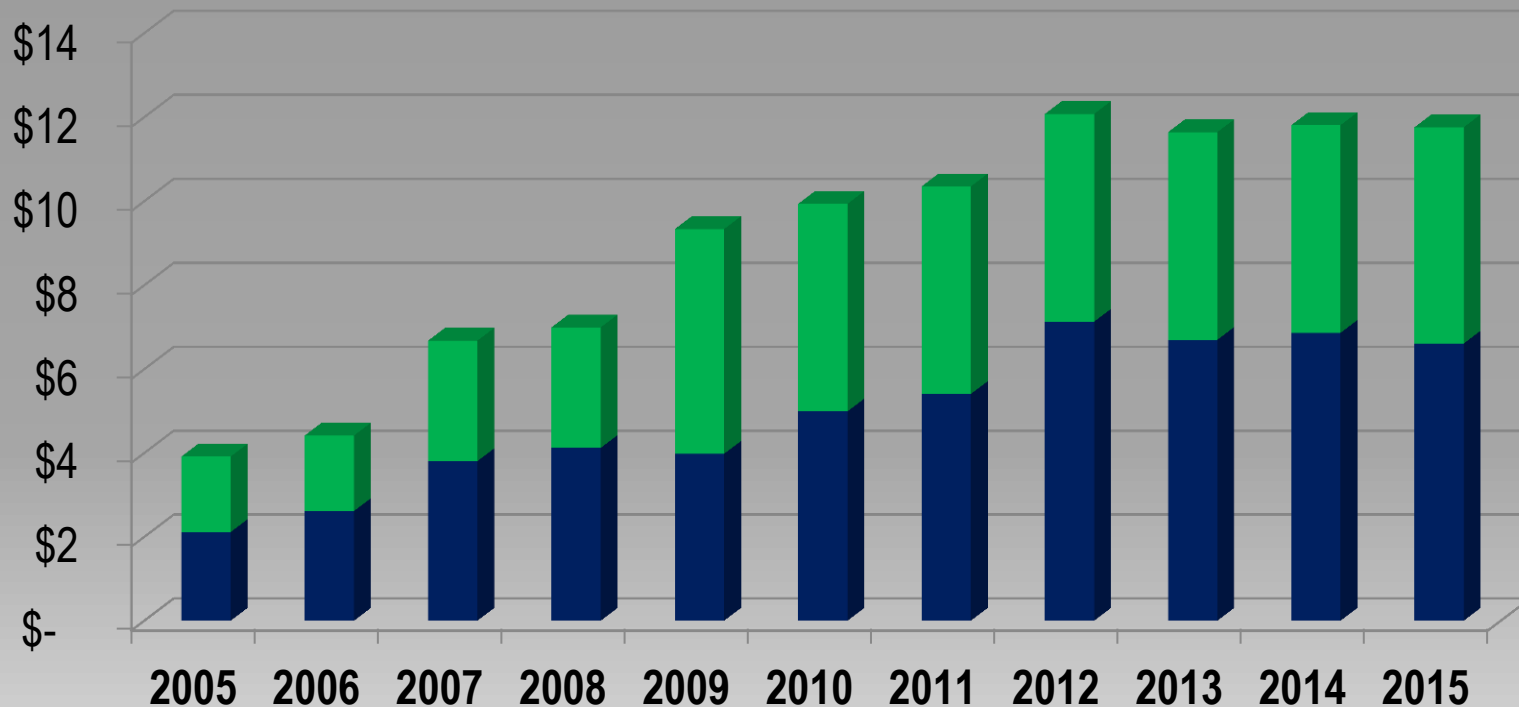
- **Buildings & Grounds** \$ 437,000  
(Includes County-Wide Phone System from 2016 Budget)
- **Sheriff** \$ 195,900
- **Information Systems** \$ 527,500
- **Secondary Road Patrol** \$ 111,200



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# General and Budget Stabilization Fund Balances

Millions



**Green: Budget Stabilization Fund**

**Blue: Assigned & Unassigned Fund Balance**

*\* In FY 2016 1.6M will be moved to Budget Stabilization from Unassigned which will bring the reserve level to 20% based on P.A. 2016, No. 169.*



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# RECOMMENDATIONS





# Recommendations

- Use approximately \$1.4M of Unassigned Fund Balance to balance the 2017 budget.
- Continue to prioritize capital outlay projects as to reduce the level of 2017 projects based on need, Capital outlay is budgeted at 2.3M countywide.
- Finalize the negotiated union contracts for the three year period of FY 2017-2019, and adjust the budget as necessary.
- This approach services the needs of the citizens of Bay County and its employees. Additional decisions/adjustments will have to be made to the 2017 operating budget to ensure fiscal responsibility, while still maintaining excellent service to the community.



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Questions?  
***Thank you!***