Overview of Fiscal Year 2021
EXECUTIVE
Recommended Budget
Bay County, Michigan

Prepared by:
Jim Barcia
Bay County Executive

Jon Histed
Finance Officer

Kimberly Prussaitz
Assistant Finance Officer

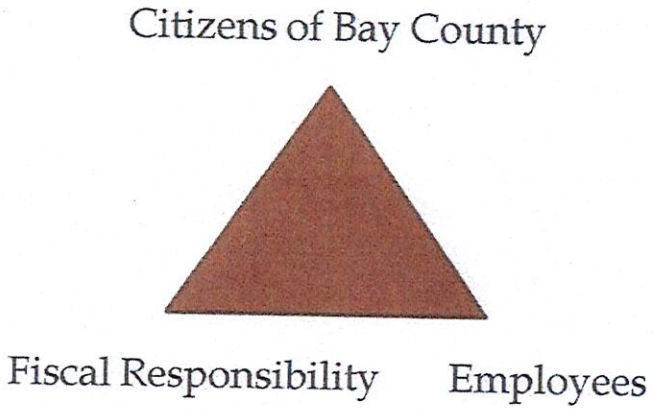
October 01, 2020

2021 Executive Recommended Budget Overview

- Introduction
- Revenues
- Expenditures
- Recommendations

- 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!!

Budget Mission



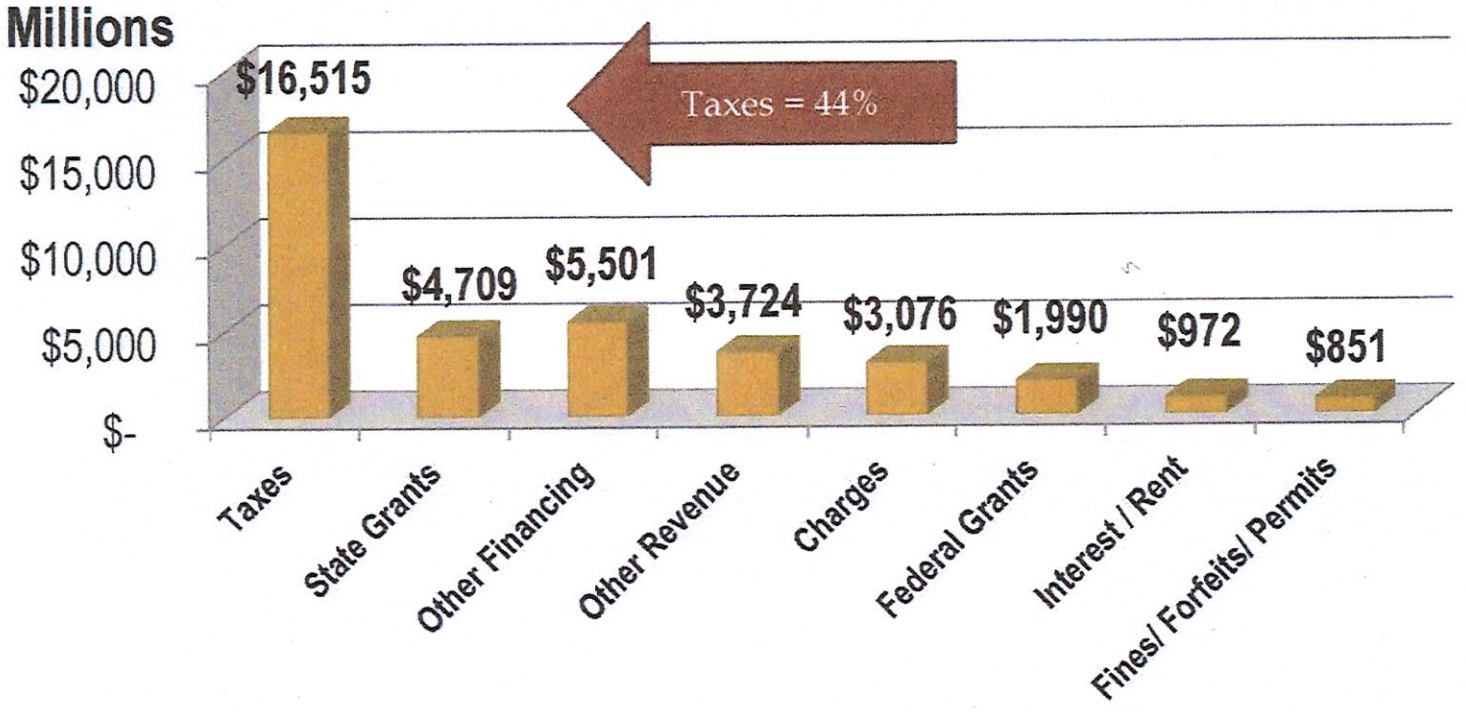
2021 Budget Summary at Executive Level

- Total County spending for all funds is budgeted at $137.6M down from 2020 of $139.6M.

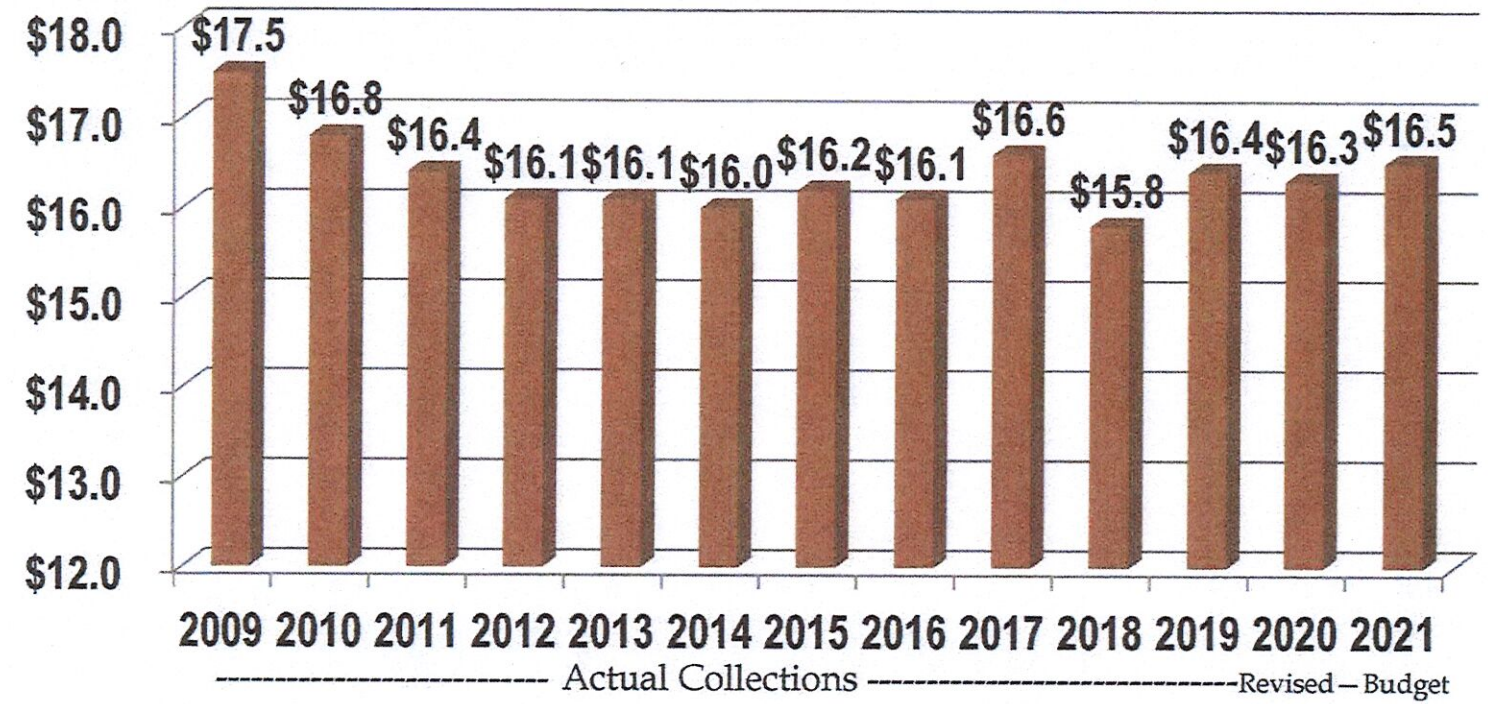
	Use of Fund Balance
Medical Care Facility	$1,416,946
General Fund	$2,280,238
Health Department	$876,065
911 Service Fund	$547,285
Department on Aging	$1,419,512

- Total General Fund expenditures are budgeted at $37.3M up from 2020 of $36.8M. The majority of the $.5M increase is due to the increase in capital outlay projects.

2021 General Fund Budgeted Revenue

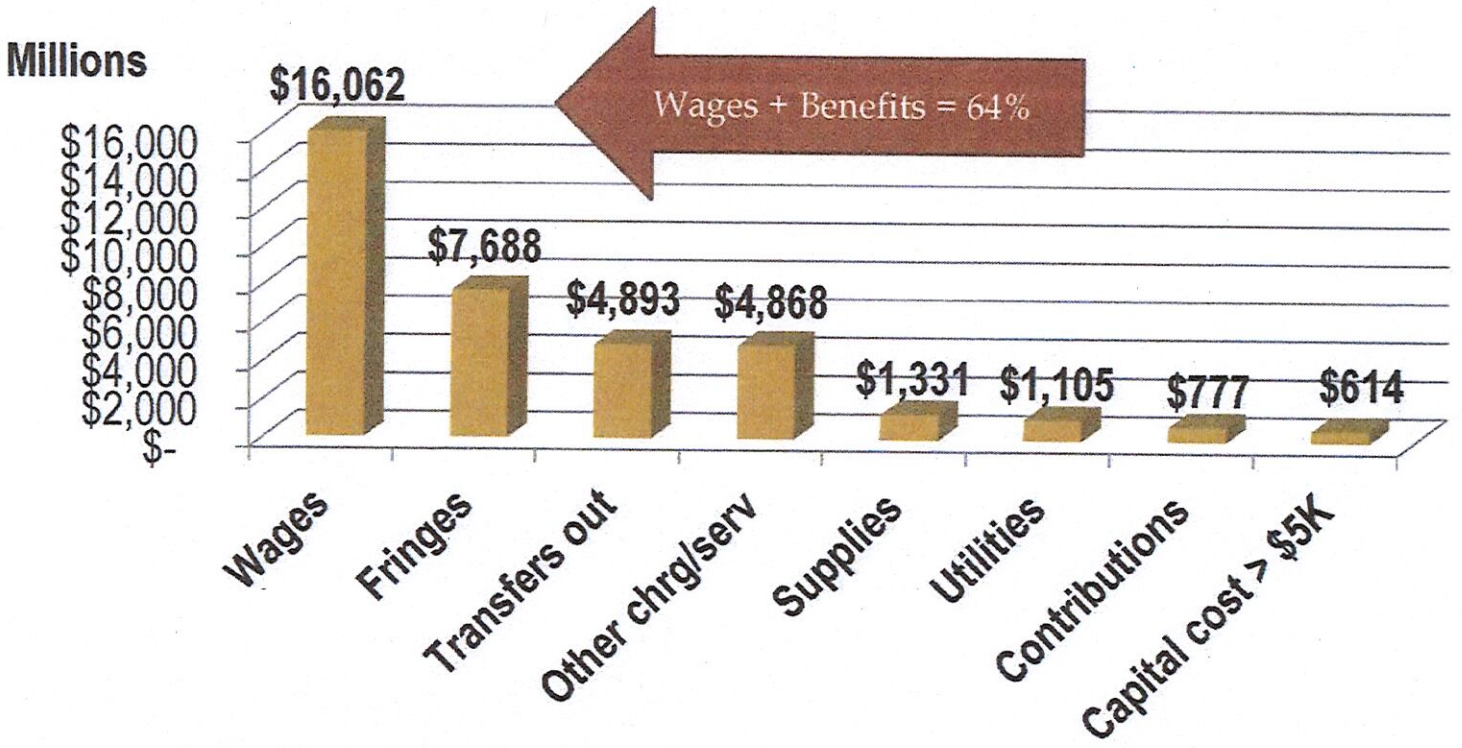


Bay County General Fund Property Tax Collection History

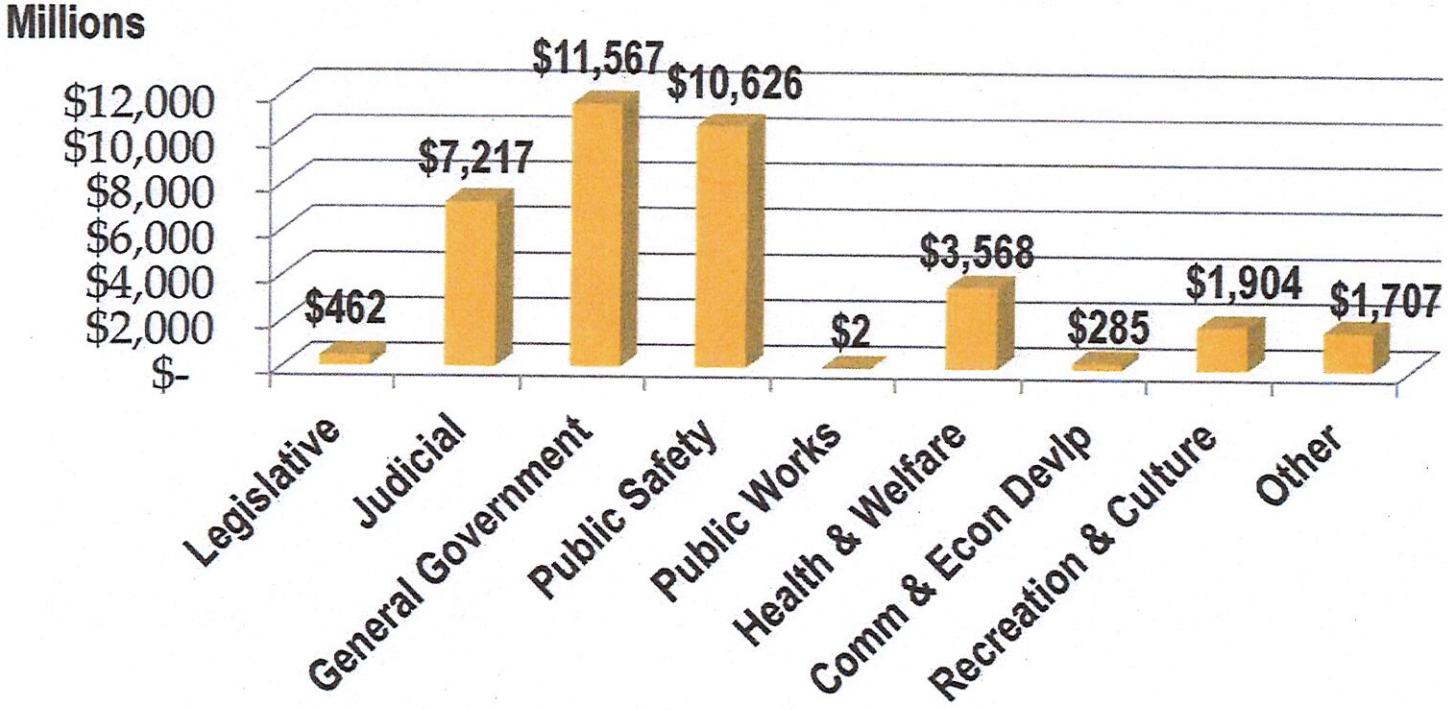


** Note: During the years 2016 & 2017 $554,179 and $1,034,372 respectively of Community Stabilization Share Revenue was recorded under object 44100 which was part of the property tax revenue group. The State of Michigan issued a new chart of accounts and moved this revenue to object 57300 part of state grant revenue group.

2021 General Fund Budgeted Expenditures



2021 General Fund Budgeted Expenditures by Function



General Fund Expenditure Detail

- Wages – General Fund/Grant Funded 2021 net increase of $1,150 is based on the following service enhancement request:

  Environmental Affairs – Administrative Secretary II job be reclassified from TU07 to TU08 a $1,388 increase to Transportation activity a grant funded activity under General Fund. This position has a new split allocation: 38.33% to General Fund use to be 40% to General Fund so a ($238) credit to General Fund 10128700 Environmental Affairs activity. Allocation to Transportation 10172101/81 changed from 30% to 31.17% a $1,388 increase grant funded. Allocation to Gypsy Moth 23828600 changed from 30% to 30.5% a $954 increase the funding source is Gypsy Millage money.

General Fund Expenditure Detail

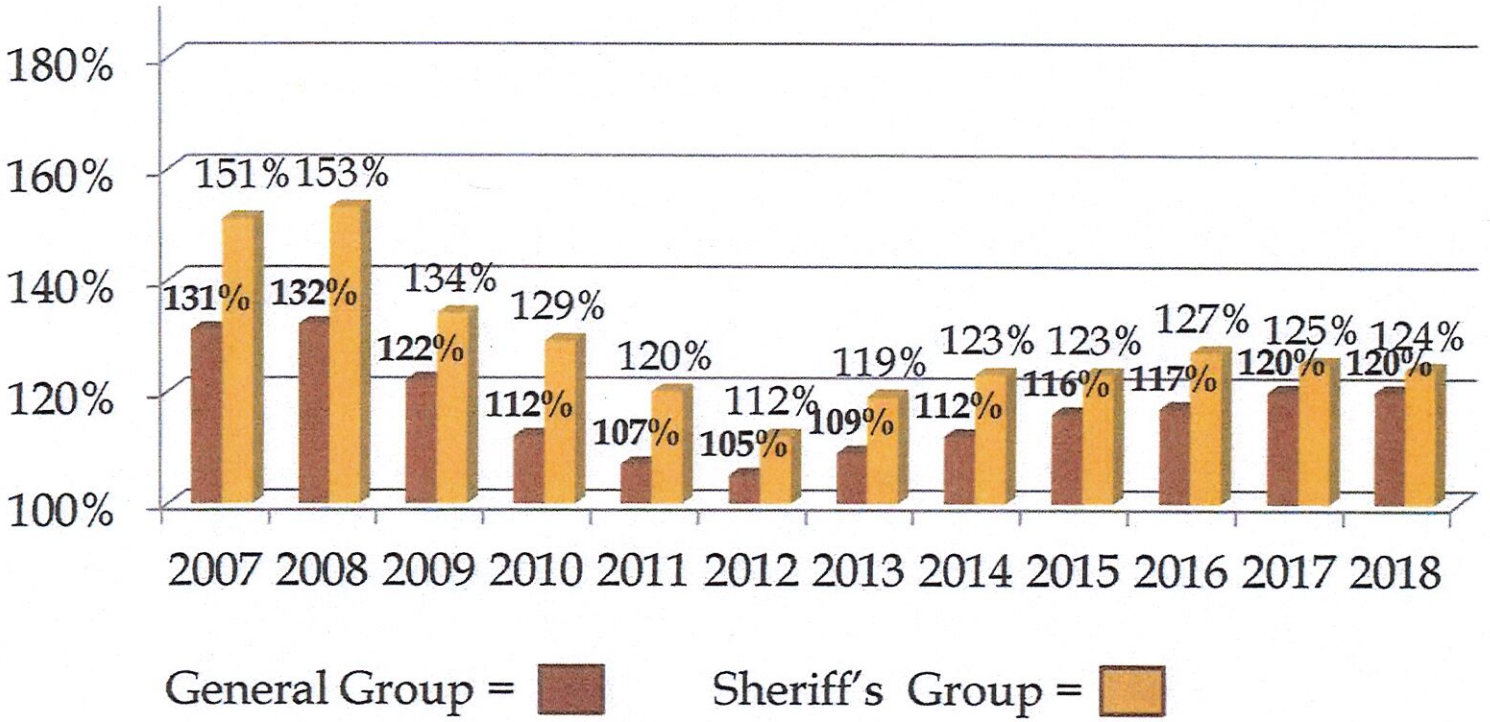
- Health Insurance – Employers health insurance contributions are projected to be $3.4M for 2021. The budget for 2020 is estimated to be $3.1M.

General Fund Expenditure Detail

- Retirement – General Group – as of December 31, 2018 has a funded ratio of 120%; as a result, the employer contribution to the pension system will remain at 4% for 2021. *(12/31/17 = 120%)*

- Retirement – Sheriff's Group – as of December 31, 2018 has funded ratio of 124%; as a result, the employer contribution remains budgeted at the 4%. *(12/31/17 = 125%)*

Historical Percentage Funding Level of Pension Funds



2020 Major Capital Expenditures

General Fund:

- Building & Grounds — $101,500
  (VAV Controls for Court Facility, roof and LEC repairs, purchase Jeep for plowing sidewalks, purchase Van for Juvenile Home to lease.)
- Information Systems – Hardware — $82,900
  (Additional drive space for system, Core Switch Updates, & Fiber installation)
- Animal Control — $35,000
  (Purchase new truck and cap)

Special Revenue Fund:

- Department on Aging Admin. — $94,000
  (Two delivery trucks for the Home Delivered Meals Program, P.C/laptop re-placement, update workstation)
- Mosquito Control: — $205,500
  (Purchase new vehicle tracking system, replace 3 trucks, 2 ULV foggers, 5 Mesa tablets & licenses for windows ULV Adulticide)

2017 – 2021 General Fund Budget Comparison

2017 Executive Level GF Budget

	Original Budget
Revenues	$34,653,657
Expenditures	$35,673,958
Surplus/(Deficit)	($1,020,301)
Budgeted Use of Fund Balance	($1,020,301)
Actual use of Fund Balance Surplus/(Deficit)	$1,341,852

2018 Executive Level GF Budget

	Original Budget
Revenues	$35,032,736
Expenditures	$36,857,210
Surplus/(Deficit)	($1,824,474)
Budgeted Use of Fund Balance	($1,824,474)
Actual use of Fund Balance Total Surplus/(Deficit)	($2,069,519)

2019 Executive Level GF Budget

	Original Budget
Revenues	$34,709,008
Expenditures	$36,609,757
Surplus/(Deficit)	($1,900,749)
Budgeted Use of Fund Balance	($1,900,749)
Actual use of Fund Balance Total Surplus/(Deficit)	$806,303

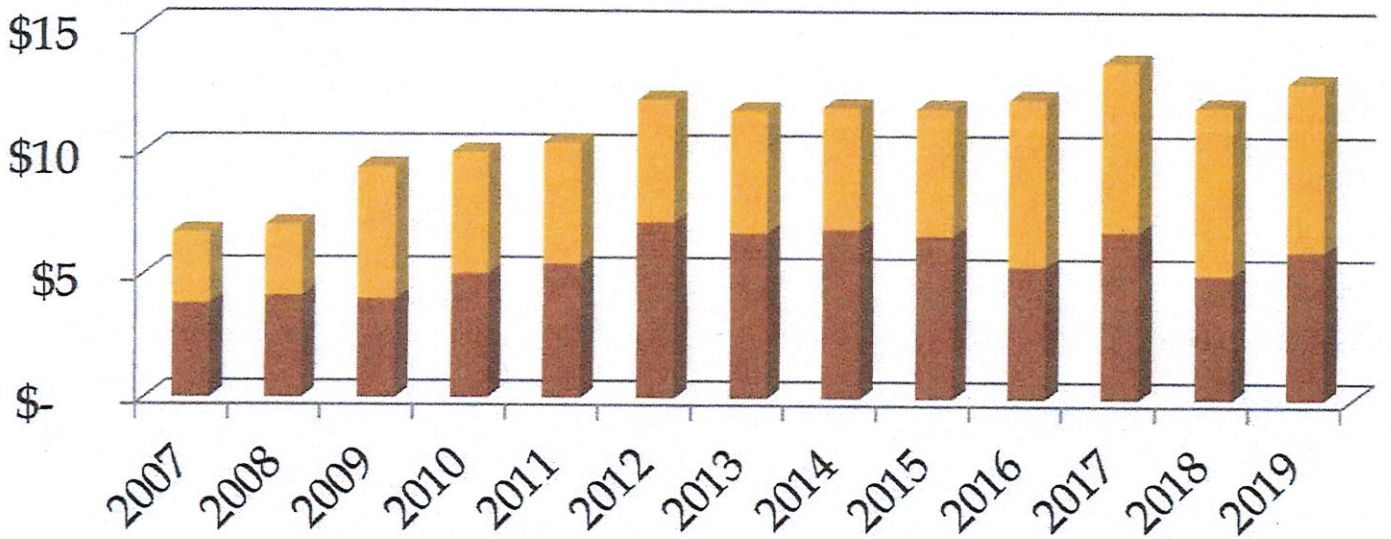
2020 Executive Level GF Budget

	Original Budget
Revenues	$35,533,383
Expenditures	$36,889,184
Surplus/(Deficit)	($1,355,801)
Budgeted Use of Fund Balance	($1,355,801)

2021 Executive Level GF Budget

	Original Budget
Revenues	$35,057,563
Expenditures	$37,337,801
Surplus/(Deficit)	($2,280,238)
Budgeted Use of Fund Balance	($2,280,238)

General & Budget Stabilization Fund Balances



Tan: Budget Stabilization $6.8M (up to 20% based on PA 2016, No. 169)
Brown: Assigned & Unassigned Fund Balance $6M.
Total General & Budget Stabilization Fund Balance - $12.8M

Budget Recommendations

- Use approximately $2.2M of Unassigned Fund Balance to balance the 2021 budget. Last year's Executive Budget had a use of unassigned Fund Balance of ($1,335,801) - one reason why 2021 use of Fund Balance is so large is the Board of Commissioners approved for 2021 Budget a reduction of ($1,100,000) from the Treasurer's Office - Delinquent Tax Fund transfer to General Fund. This reduction was based on the current law suit regarding the foreclosed home possible repayments.
- Continue to research additional funding revenue sources and grants to cover budgeted expenditures.
- Continue to prioritize capital outlay projects as to reduce the level of 2021 projects based on need. Capital Outlay is budgeted at $731,667 countywide.
- Additional decisions and adjustments will have to be made to the proposed 2021 budget to ensure fiscal responsibility while still maintaining excellent community service.

Thank You!