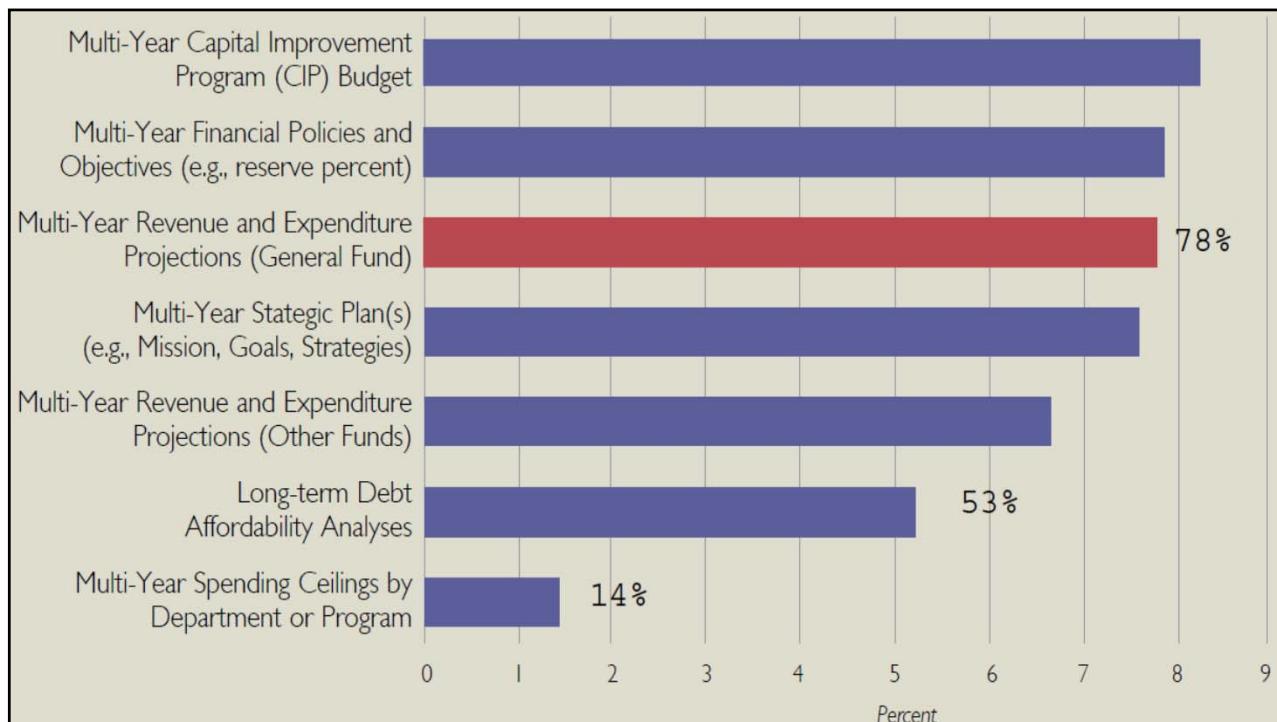


Multi-Year Forecasting and Your Township Budget

Presented by
David Williamson, CPA
PSLZ, LLP
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FAX-734-453-0312
David@pslz.com

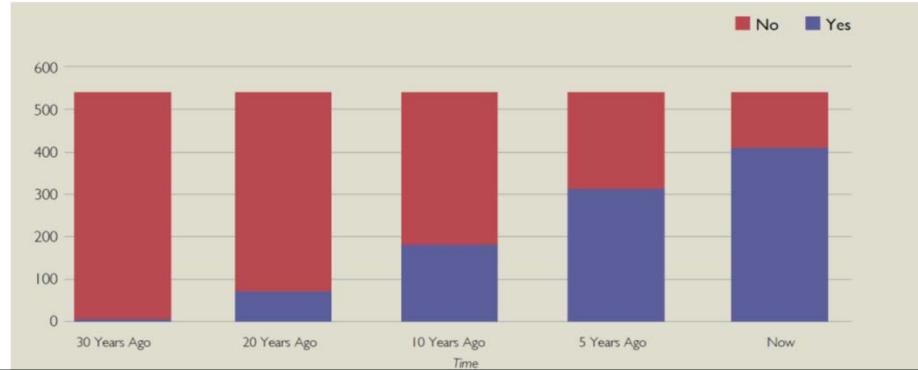
LONG TERM FORECASTING AND FISCAL PLANNING

- Many groups such as MTA and GFOA have long advocated-address cyclical and structural budget issues
- A longer term focus makes sense as many policies and decisions have multi-year fiscal implications
- How used are these forecasts and projections used?
- Results of 2013 survey by GFOA



Long Term and Multi Year Projections Trends

- According to the GFOA study, number of governments implementing have increased due to fiscal 'challenges'-legacy costs, declining tax base, etc. :



How do governments implement multi-year fiscal planning and projections?

- Level of detail in multi year projections varies significantly among users
- Most include key revenue and expenditure assumptions, expenditure projections by categories (departments/line items) and ending fund balance
- Only 41% of those surveyed provided solutions to identified problems, such as projected budget gaps

How to make multi year fiscal planning and projections more effective-GFOA recommendations

- Define Assumptions
- Gather Information
- Preliminary/Exploratory Analysis
- Select Methods
- Implementation
- Presentation

Assumptions

- What is the time line of the forecast?
- What is the objective? E.g. a conservative forecast underestimates revenues and builds a layer of contingencies for expenditures, while an 'objective' (or 'likely') forecast seeks to estimate revenue and expenditures accurately
- What are the major revenue and expenditure categories?

Information gathering

- Use statistical data as well as accumulated judgment and expertise of employees/consultants
- Forecaster needs to understand the forces impacting revenues and expenditures, including events that could cause disruption in operating environment (examples: equipment failures, plant closing)
- Assumptions should be well documented for future reference

Preliminary Exploratory Analysis

- Business cycles do the revenues and expenditures tend to vary with the level of economic activity?
 - Building department revenues and expenditures
 - Tax base made up of industrial/commercial v. 'bedroom' community
- Demographic trends-are population changes affecting service demands, or revenues?
- Are there important relationships between variables-such as Fringe benefit costs to employment?

Select Methods

- Extrapolation-uses historical trends to predict future behavior by projecting the trend forward-common tools-moving averages, and single exponential smoothing
- Regression/econometric modeling-statistical procedure based on relationship between independent and dependent variables-key assumption is that a linear relationship exists between the variables.
- **Hybrid-most commonly used-combines knowledge-based forecasting with forecaster's judgement and knowledge rather than data and statistics ("Moneyball" vs.. an old scout's instincts)**

Implementation Methods

- Put into practice one (or more) of the forecasting methods, previously discussed
- Forecast range-I always use a range of possible outcomes, with different assumptions and scenarios. “Optimistic”, “Likely”, “Pessimistic”

Presentation Approach

- A clear, simple, and reasoned statement of the forecast message is very important
- Assumptions should be made very clear, and supplement with information used to develop
- Involving other staff such as department heads, will help ensure that the projections will be credible

Linking the forecast to decision making

- A reserve policy on fund balance stabilization fund
- Policies on maintaining structural balance between revenues and expenditures
- Long term financial planning policies which commits officials to consider the longer term impact of decisions made today (defined benefit pension plan vs. defined contribution)
- Capital improvement plans should employ a long planning horizon

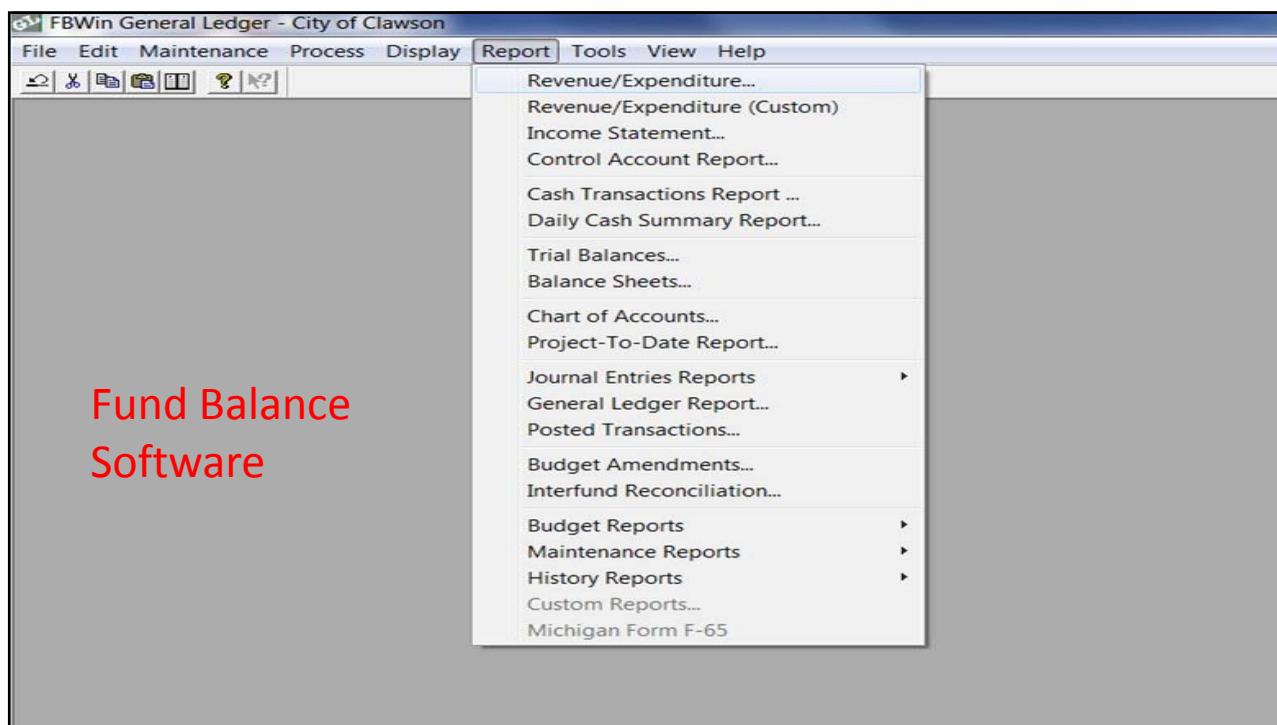
14

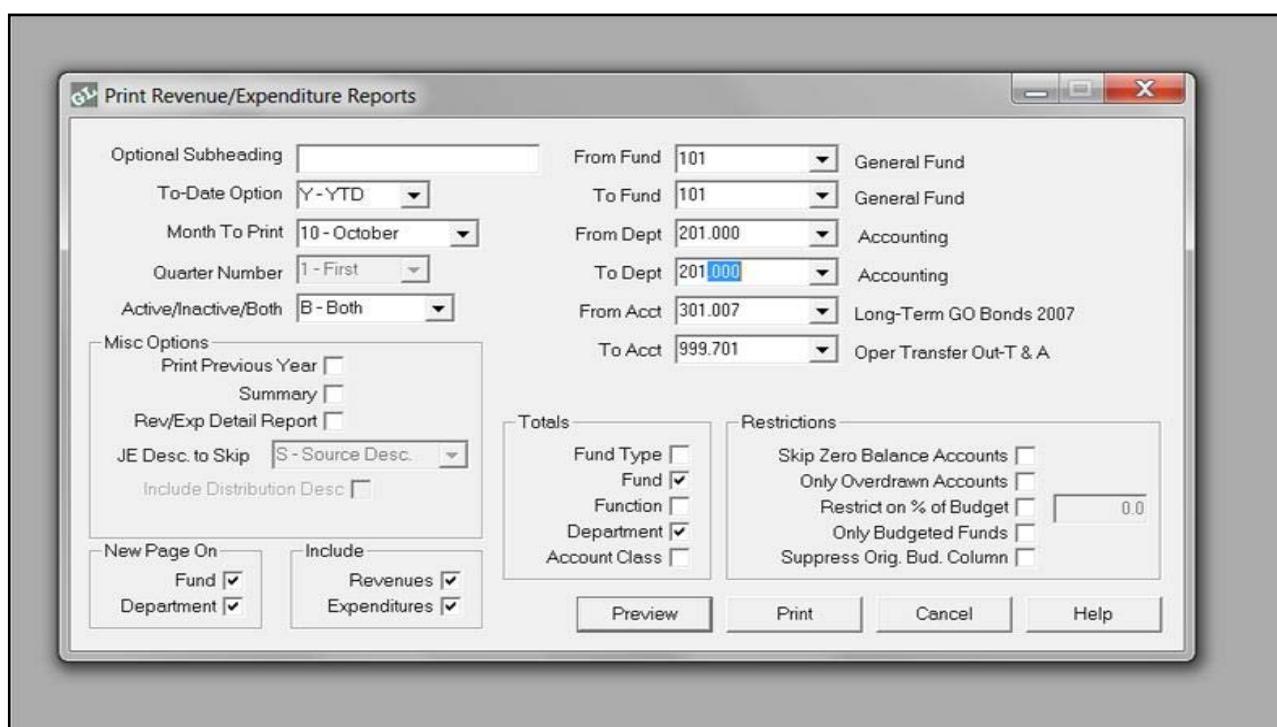
-Crunching the Numbers-Challenges-Most Software Program Have Limited Budgeting Capabilities

- Have limited ability to forecast inside programs
- Typically rely on users exporting historical results to Microsoft Excel, and manually enter results into program

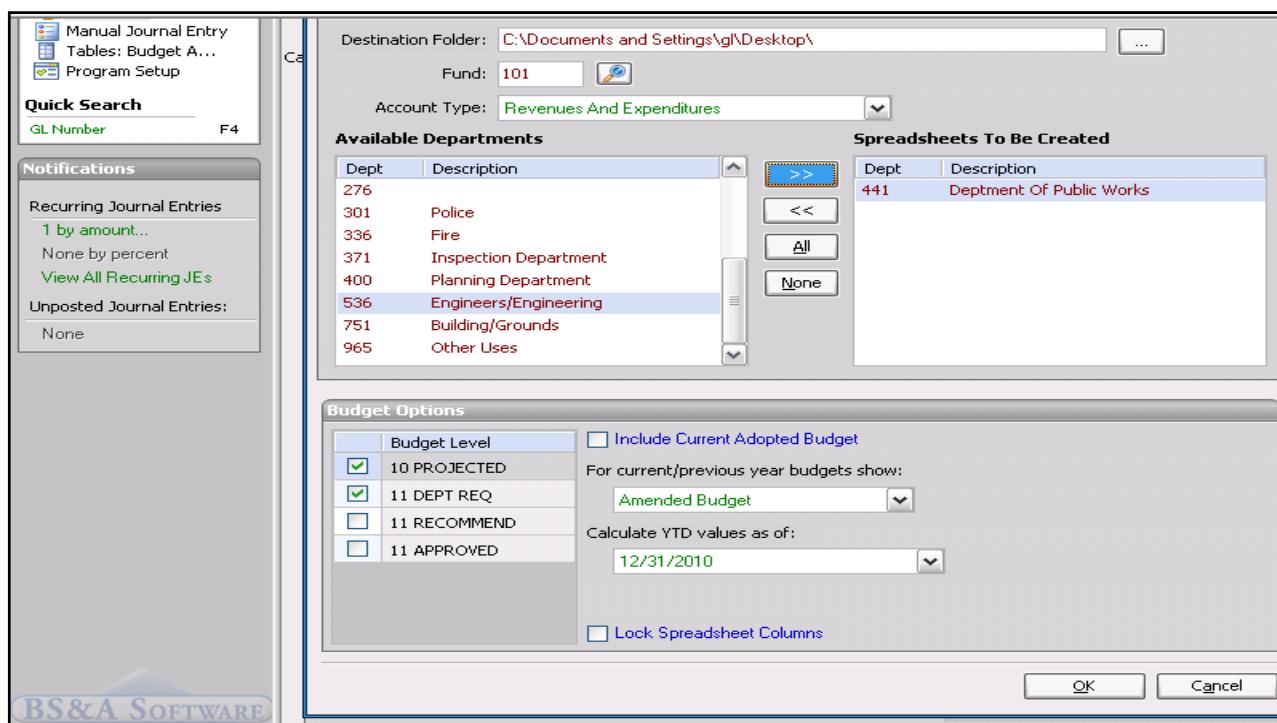
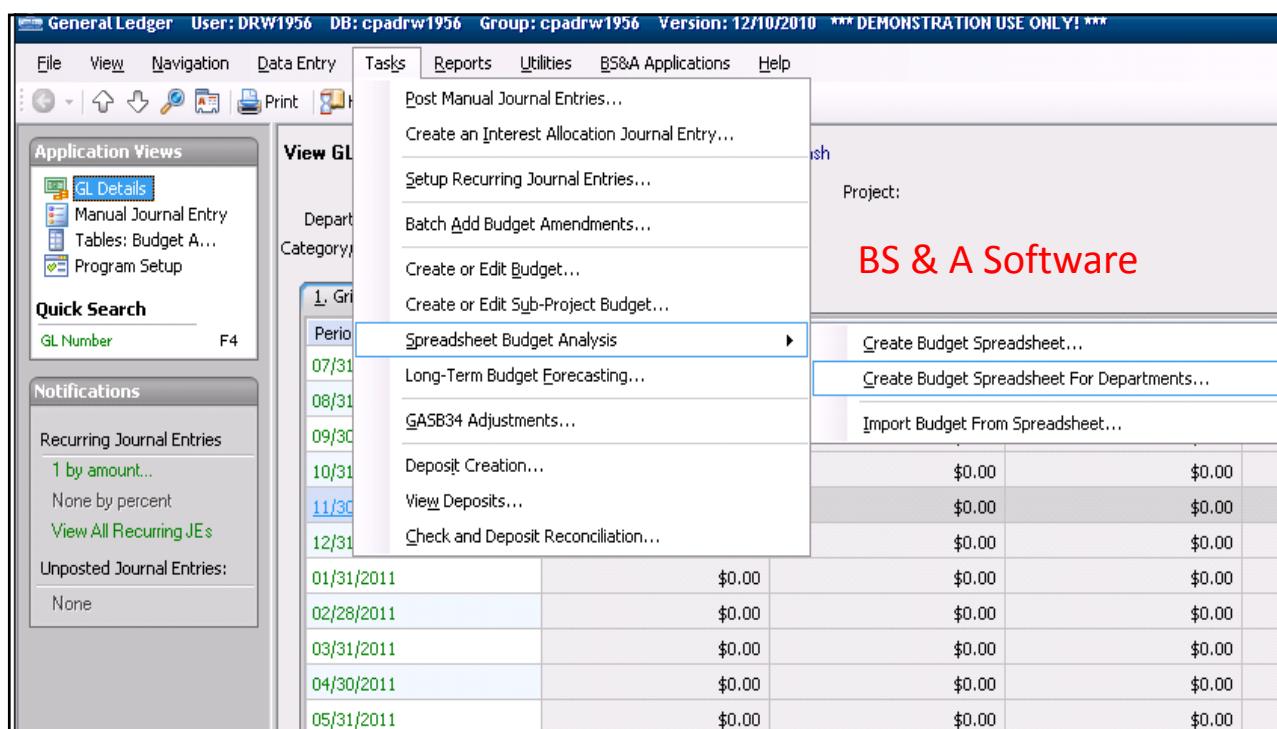
Using Microsoft's Excel

- All major governmental software developers provided ways to export reports from software to excel, and many have ways to import excel spreadsheets to budgeting section of software
- BS&A also has a built in “long term projection” feature built into the budget module





REVENUE/EXPENDITURE REPORT							
City of Clawson		Original Bud.	Amended Bud.	YTD Actual	Curr. Mth	Encumb. YTD	UnencBal % Bud
For the Period: 7/1/2012 to 10/31/2012 Fund: 101 - General Fund							
Expenditures							
Dept 201.000 Accounting							
702.000 Salaries & Wages	0.00	0.00	0.00	0.00	0.00	0.00	0.0
702.500 Vacation & Sick Time Buyouts	0.00	0.00	0.00	0.00	0.00	0.00	0.0
706.000 Part-time Salaries & Wages	32,000.00	32,000.00	8,667.50	2,487.50	0.00	25,332.50	25.6
708.000 Part-time TEMP-AP	0.00	0.00	0.00	0.00	0.00	0.00	0.0
711.000 Social Security-Medicare Taxes	2,450.00	2,450.00	510.07	188.77	0.00	1,939.33	25.6
712.000 Health Care-Premium/Agent Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.0
712.025 Health Care-EHM	0.00	0.00	0.00	0.00	0.00	0.00	0.0
712.500 Health Care-Buy Out	0.00	0.00	0.00	0.00	0.00	0.00	0.0
713.000 Life & LTD Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.0
714.000 MERS-DB Retirement Active	0.00	0.00	0.00	0.00	0.00	0.00	0.0
714.500 MERS-DC Retirement	0.00	0.00	0.00	0.00	0.00	0.00	0.0
715.000 Workers Compensation	100.00	100.00	74.00	0.00	0.00	26.00	74.0
716.000 Dental Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.0
717.000 Optical Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.0
720.000 Tuition & Education	0.00	0.00	0.00	0.00	0.00	0.00	0.0
727.000 Office Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.0
736.000 Postage	0.00	0.00	0.00	0.00	0.00	0.00	0.0
738.000 Bank Fees	500.00	500.00	344.82	83.12	0.00	155.38	68.9
740.000 Operating Supplies	750.00	750.00	580.16	254.97	0.00	169.84	77.4
744.000 Computer Supplies	150.00	150.00	0.00	0.00	0.00	150.00	0.0
757.000 Books & Periodicals	0.00	0.00	0.00	0.00	0.00	0.00	0.0
806.500 Audit Fees	10,000.00	10,000.00	0.00	0.00	0.00	10,000.00	0.0
808.000 Other Professional Services	0.00	0.00	0.00	0.00	0.00	0.00	0.0
820.000 Pagers/Cellular	0.00	0.00	0.00	0.00	0.00	0.00	0.0
860.000 Vehicle/Mileage Allowance	50.00	50.00	0.00	0.00	0.00	50.00	0.0
821.000 Equipment Maintenance	50.00	50.00	0.00	0.00	0.00	50.00	0.0
933.000 Software Maintenance	1,200.00	1,200.00	0.00	0.00	0.00	1,200.00	0.0
950.000 Seminars & Workshops	100.00	100.00	0.00	0.00	0.00	100.00	0.0
951.000 Memberships and Dues	75.00	75.00	0.00	0.00	0.00	75.00	0.0
955.000 Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	0.0
Accounting	47,425.00	47,425.00	8,176.35	3,034.36	0.00	38,248.65	17.2



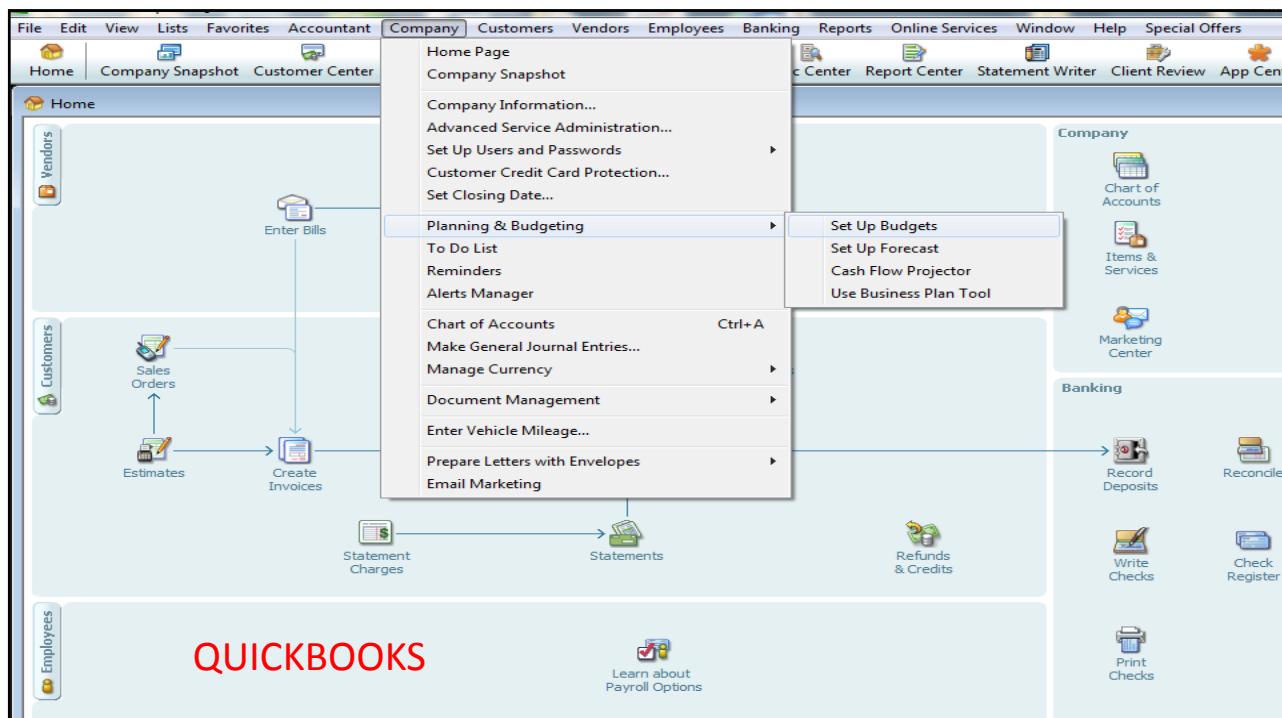
GL Number	Description	YTD As Of 06/30/2010	2009-10 Projected	2010-11 Requested	RECOMMENDED	2010-11 APPROVED
--- Appropriations ---						
101-441-740.000	OPERATING SUPPLIES	14,804.56	6,650.00			
101-441-740.103	SUPPLIES - SPRING CLEAN UP	1,960.28	10,000.00			
101-441-778.000	EQUIPMENT MAINT SUPPLIES	0.00	0.00			
101-441-780.000	SEWER MAINTENANCE SUPPLY	0.00	0.00			
101-441-801.000	PROFESSIONAL/CONSULTANT	0.00	0.00			
101-441-805.000	TREE TRIM/LAWN MAINT	0.00	0.00			
101-441-810.000	CONTRACT RUBBISH	935,074.71	948,350.00			
101-441-811.000	INCINERATOR	190,584.77	230,000.00			
101-441-813.000	WEED CUTTING	271,394.06	275,000.00			
101-441-815.000	BOARD UPS / CLEAN UPS	8,017.36	35,000.00			
101-441-850.000	TELEPHONE	9,515.43	8,000.00			
101-441-920.000	UTILITIES	4,738.22	3,500.00			
101-441-926.000	STREET LIGHTING	489,664.83	435,000.00			
101-441-931.000	BUILDING MAINTENANCE	1,415.99	1,500.00			
101-441-933.000	EQUIPMENT MAINTENANCE	1,470.38	1,500.00			
101-441-942.000	BUILDING RENTAL	20,000.02	20,000.00			
101-441-943.000	EQUIPMENT RENTAL	0.00	0.00			
101-441-947.000	MOTOR EQUIPMENT RENTAL	75,600.00	75,600.00			
101-441-958.000	SUBSCRIPTIONS/MEMBERSHIPS	0.00	0.00			
101-441-960.000	EDUCATION/TRAINING	0.00	0.00			
101-441-974.000	CAPITAL IMPROVEMENTS	0.00	0.00			
101-441-974.100	VEHICLES	0.00	0.00			
101-441-977.000	EQUIPMENT	0.00	0.00			
Total Appropriations:		2,024,240.61	2,050,100.00	0.00	0.00	0.00

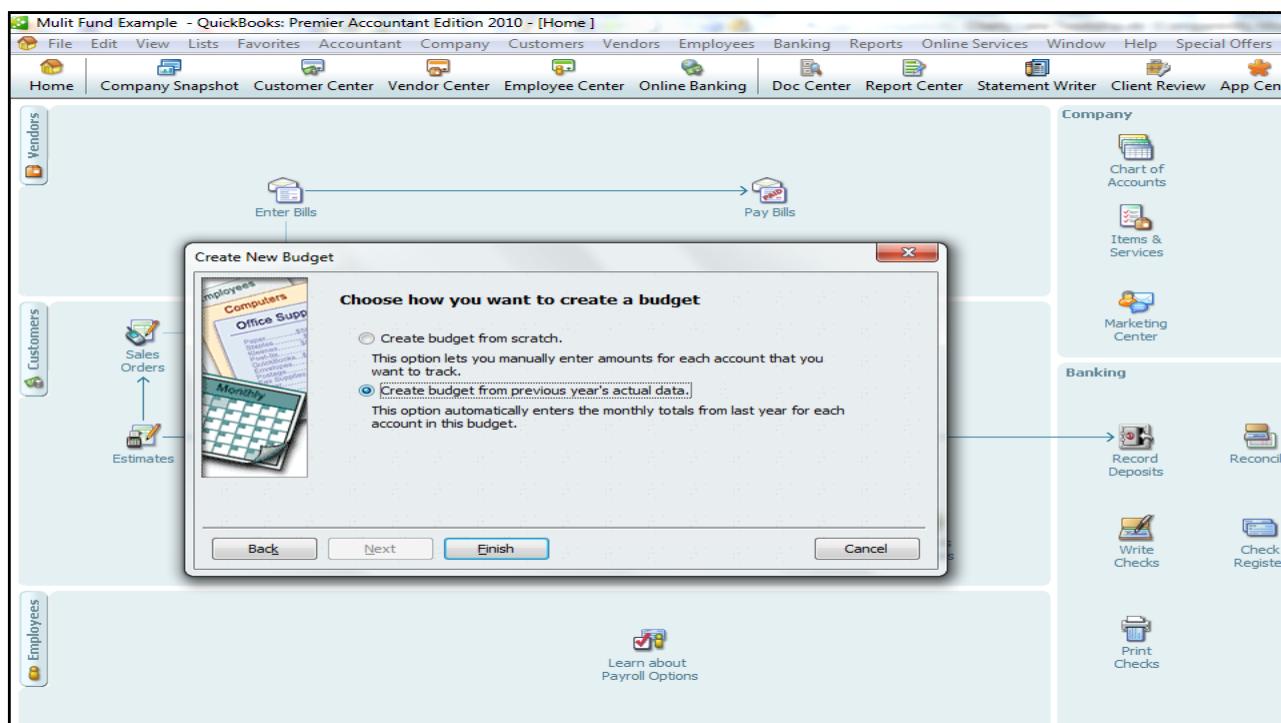
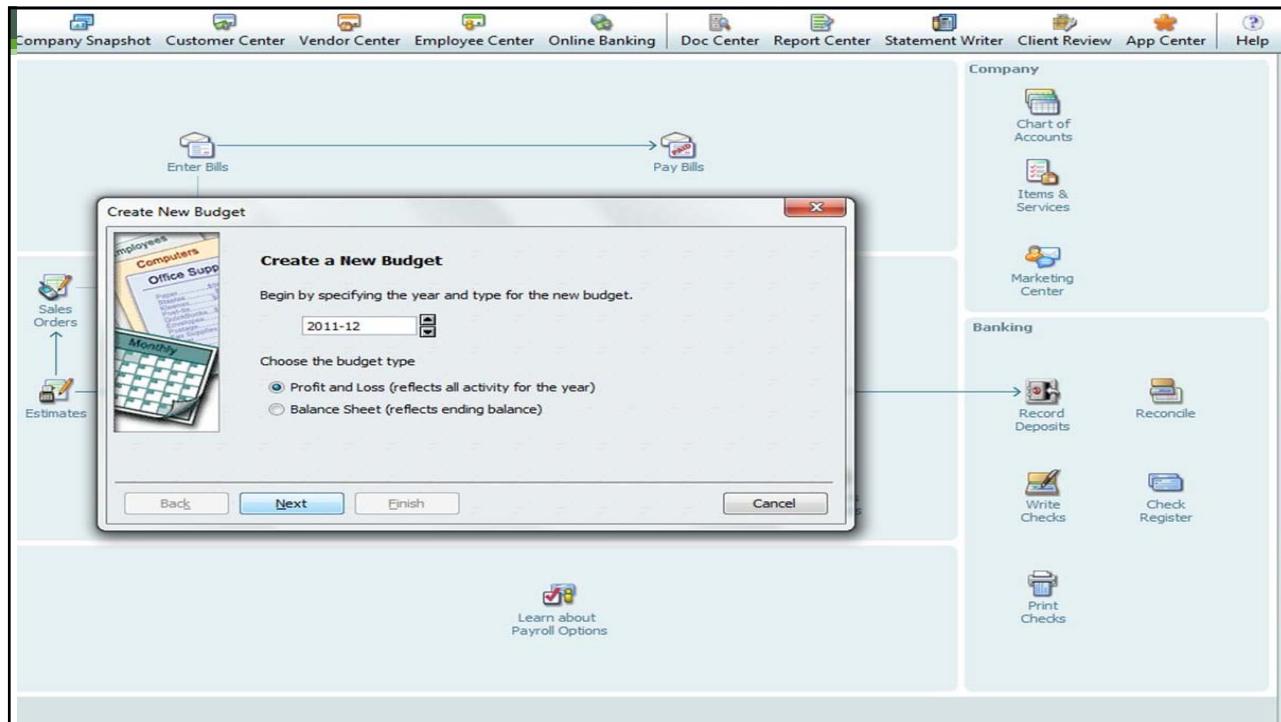
Budgets

Budget Year to work with: 2014-2015	<input type="button" value="Get Budget"/>	Budget Status PRELIMINARY
Detail View (Left-Click this header or press Alt-L to display the Budgets list) Select account to change.		
Ledger Account Number: 101-000-574.000 State Revenue Sharing		
Initial Budget Entry	Adjust the budgeted total for the year.	Save the change
Amount: <input type="text" value="\$0.00"/>		<input type="button" value="Save Budget Entry"/> <input type="button" value="Cancel Budget Entry"/>
Amendments		
Date	Amount of Change	Comment

PONTEM SOFTWARE

Township Preliminary Budget Worksheet Revenues					
Account Title	2012-13 Actual	2013-14 Actual	2013-14 Budget	Preliminary 2014-15 Budget	Worl
Fund: General Fund					
General Revenues					
Taxes					
Township General					
Property Taxes - Current	33,035.32	0.00	135,000.00	135,000.00	_____
Property Taxes - Delinquent	1,615.92	0.00	8,000.00	8,000.00	_____
Tax Collection - Summer Set Fees	0.00	0.00	12,500.00	12,500.00	_____
Tax Collection - Administration Fees	22,029.09	0.00	40,000.00	40,000.00	_____
Tax Collection Penalties	0.00	0.00	1,500.00	1,500.00	_____
Payment in Lieu of Taxes	125.17	0.00	500.00	500.00	_____
Total Township General	56,805.50	0.00	197,500.00	197,500.00	
Total Taxes	56,805.50	0.00	197,500.00	197,500.00	
Total General Revenues	56,805.50	0.00	197,500.00	197,500.00	
Program Revenues					
State Grants					
Township General					
State Revenue Sharing	40,813.00	0.00	98,000.00	98,000.00	_____
Total Township General	40,813.00	0.00	98,000.00	98,000.00	
Liquor Law Enforcement					





Home	Company Snapshot	Customer Center	Vendor Center	Employee Center	Online Banking	Doc Center	Report Center	Statement Writer	Client Review	App
Budget										
FY2012-13 - Profit & Loss by Account										
Account	Annual Total	Apr12	May12	Jun12	Jul12	Aug12	Sep12	Oct12	Nov12	Dec12
101-000- GF REV										
402 Current Property Tax	89,719.32	6,256.42					7.68			
411 Delinquent Property Taxes	3,843.53	6,714.57		30.41	14.70		12.06			9.77
435 Mobile Home Tax	-30.50	-58.00	5.50	5.50	5.50	63.00	66.00	69.00		-218.50
447 Tax Administration Fee	30,914.57	1,523.06		8.99	535.10	570.90	8,003.68	128.98		37.81
448 Special Assessment Weevil										
476 Dog Licenses										
477 Zoning Permits	585.00	70.00		105.00	35.00	35.00			105.00	
478 Variance Fees	400.00	400.00								
574 State Revenue Sharing	95,778.00		14,204.00		16,593.00		14,447.00			16,928.00
575 St of MI Metro Act Monies	3,627.55			3,627.55						
664 Interest	3,324.01	125.16	126.93	116.90	119.55	103.12	87.52	435.41		80.68
665 Extrac Permit Fund Interest	75.00							75.00		
667 Hall Rent	3,170.00		390.00		765.00	300.00	295.00	150.00		120.00
671 Misc Income	1,326.52		240.00			653.74				
676 Election Reimbursement	3,127.89	1,054.22	100.00		618.34					
677 Fire Run Reimb	18,715.00	1,700.00	350.00	1,400.00	1,820.00	1,025.00	3,375.00	2,395.00		1,550.00
678 ST MI SUM REIMB Tax										
2-RECYCLE FUND REV										
Clean Up Day Co Pay										
RECYCLE FUND County Funds										
402-100 · Prior Year Tax Refunds										
101-GF EXP										
263-715 Twp Matching FICA	5,094.51									
871 - Worker's Comp Insurance	1,016.00	335.58	356.99	592.27	494.01	356.96	592.26	-200.05		347.43
Other										
Community Development										
721- 809 PC Professional Fees	1,641.75									
721- 965 PC Conf/Training	110.00			110.00						1,281.00

FY2012-13 - Profit & Loss by Account											
Account	Annual Total	Apr12	May12	Jun12	Jul12	Aug12	Sep12	Oct12	Nov12	Dec12	
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435 Mobile Home Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,	
447 Tax Administration Fee	30,914.57	1,523.06			8.99	535.10	570.90	8,003.68	128.98	37.81	
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476 Dog Licenses											
477 Zoning Permits	585.00	70.00		105.00	35.00	35.00		105.00			
478 Variance Fees	400.00	400.00									
574 State Revenue Sharing	95,778.00		14,204.00		16,593.00		14,447.00		16,928.00		
575 St of MI Metro Act Monies	3,627.55			3,627.55							
664 Interest	3,324.01	125.16	126.93	116.90	119.55	103.12	87.52	435.41	75.00	80.68	
665 Extrac Permit Fund Interest	75.00										
667 Hall Rent	3,170.00			390.00		765.00	300.00	295.00	150.00	120.00	
671 Misc Income	1,326.52			240.00			653.74				
676 Election Reimbursement	3,127.89		1,054.22	100.00		618.34					
677 Fire Run Reimb	18,715.00		1,700.00	350.00	1,400.00	1,820.00	1,025.00	3,375.00	2,395.00	1,550.00	
678 ST MI SLIM REIMB Tax											
2-RECYCLE FUND REV											
Clean Up Day Co Pay											
RECYCLE FUND County Funds											
402-100 - Prior Year Tax Refunds											
101-GF EXP											
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871 - Worker's Comp Insurance	1,016.00									1,016.00	
Other											
Community Development											
721- 809 PC Professional Fees											
721- 965 PC Conf/Training	1,641.75									1,281.00	
110.00					110.00						

Home		Company Snapshot	Customer Center	Vendor Center	Employee Center	Online Banking	Doc Center	Report Center	Statement Writer	Client Review	App C
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435 Mobile Home Tax	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	
447 Tax Administration Fee	60,000.00	5,000.00	5,000.00	5,000.00	5,000.00		5,000.00	5,000.00	5,000.00	5,000.00	
448 Special Assesement Weevil											
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478 Variance Fees	400.00	400.00									
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678 ST MI SUM REIMB Tax											
2-RECYCLE FUND REV											
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402-100 - Prior Year Tax Refunds											
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Other											
Community Development											
721- 809 PC Professional Fees	1,641.75										
721- 965 PC Conf/Training	110.00				110.00					1,281.00	
Copy Across Adjust Row Amounts Clear											

Home		Company Snapshot	Customer Center	Vendor Center	Employee Center	Online Banking	Doc Center	Report Center	Statement Writer	Client Review	App C
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447 Tax Administration Fee	60,000.00	5,000.00	5,000.00	5,000.00	5,000.00		5,000.00	5,000.00	5,000.00	5,000.00	
448 Special Assesement Weevil											
476 Dog Licenses											
477 Zoning Permits	585.00	70.00		105.00	35.00		35.00		105.00		
478 Variance Fees	400.00	400.00									
574 State Revenue Sharing	95,778.00		14,204.00		16,593.00		14,447.00			16,928.00	
575 St of MI Metro Act Monies	3,627.55			3,627.55							
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Community Development											
721- 809 PC Professional Fees	1,641.75										
721- 965 PC Conf/Training	110.00				110.00					1,281.00	
Copy Across Adjust Row Amounts Clear											

Adjust Row Amounts

Start at

Increase each monthly amount in this row by this dollar amount or percentage

Decrease each monthly amount in this row by this dollar amount or percentage



		F	G	H	I	J	K	L	M	N
			Current Year				Next Year			
			Actual	Budget			Budget			
Ordinary Income/Expense							Worksheet			
Income							anticipated increase			
000-400 - REVENUE CONTROL							3%			
000-402 - Winter Tax Collection		93,843.66	68,000.00				=H6*(1+\$K\$5)			
000-412 - Delinquent Tax		633.76	0.00							
000-425 - Interest on Current Tax		2,410.29								
000-445 - Interest on Delinquent Tax		0.00	0.00							
000-448 - Admin Fee		23,100.13	16,000.00							
000-477 - Dog License Fees		7.80	20.00							
000-478 - Zoning Permit Fees		4,550.00	2,500.00							
000-479 - Land Division Fees		750.00	1,500.00							
000-575 - State Revenue Sharing		118,653.13	126,971.00							
000-665 - Interest from Investments		4,154.73	6,000.00							
000-671 - Miscellaneous Income		4,249.12	2,000.00							
000-687 - Insurance Refunds		0.00	0.00							
000-926 - Park Shore Lights Revenue		2,733.33	2,500.00							
Total 000-400 - REVENUE CONTROL		255,085.95	225,491.00							
Total Income		255,085.95	225,491.00							
Expense										
000-700 - EXPENDITURE CONTROL										
101-101 - TWP BOARD CONTROL										
101-701 - Salary		4,990.00	5,350.00							
101-801 - Legal Services		16,767.60	16,000.00							

		G	H	I	J	K	L	M	N
		Current Year			Next Year				
		Actual	Budget		Budget				
3	Ordinary Income/Expense								
4	Income								
5	000-400 - REVENUE CONTROL								
6	000-402 - Winter Tax Collection	93,843.66	68,000.00		70,040.00				
7	000-412 - Delinquent Tax	633.76	0.00						
8	000-425 - Interest on Current Tax	2,410.29							
9	000-445 - Interest on Delinquent Tax	0.00	0.00						
10	000-448 - Admin Fee	23,100.13	16,000.00						
11	000-477 - Dog License Fees	7.80	20.00						
12	000-478 - Zoning Permit Fees	4,550.00	2,500.00						
13	000-479 - Land Division Fees	750.00	1,500.00						
14	000-575 - State Revenue Sharing	118,653.13	126,971.00						
15	000-665 - Interest from Investments	4,154.73	6,000.00						
16	000-671 - Miscellaneous Income	4,249.12	2,000.00						
17	000-687 - Insurance Refunds	0.00	0.00						
18	000-926 - Park Shore Lights Revenue	2,733.33	2,500.00						
19	Total 000-400 - REVENUE CONTROL	255,085.95	225,491.00						
20	Total Income	255,085.95	225,491.00						
21	Expense								
22	000-700 - EXPENDITURE CONTROL								
23	101-101 - TWP BOARD CONTROL								
24	101-701 - Salary	4,990.00	5,350.00						
25	101-801 - Legal Services	16,767.60	16,000.00						

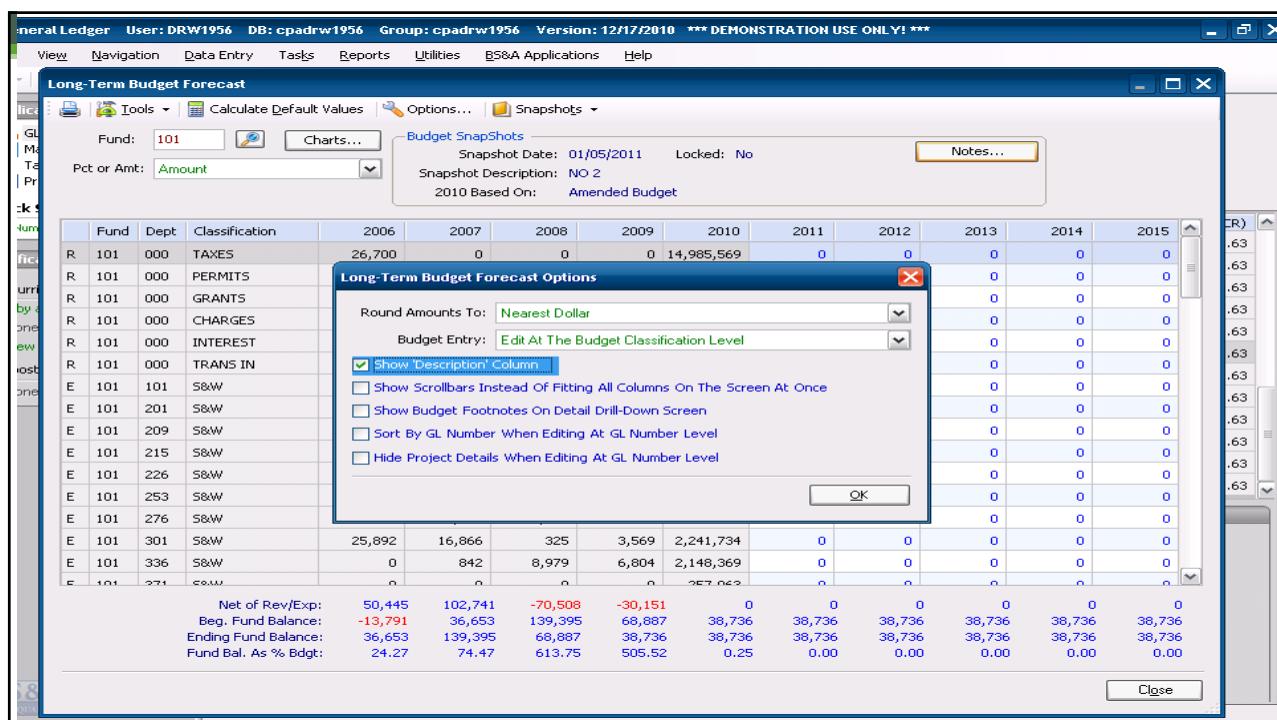
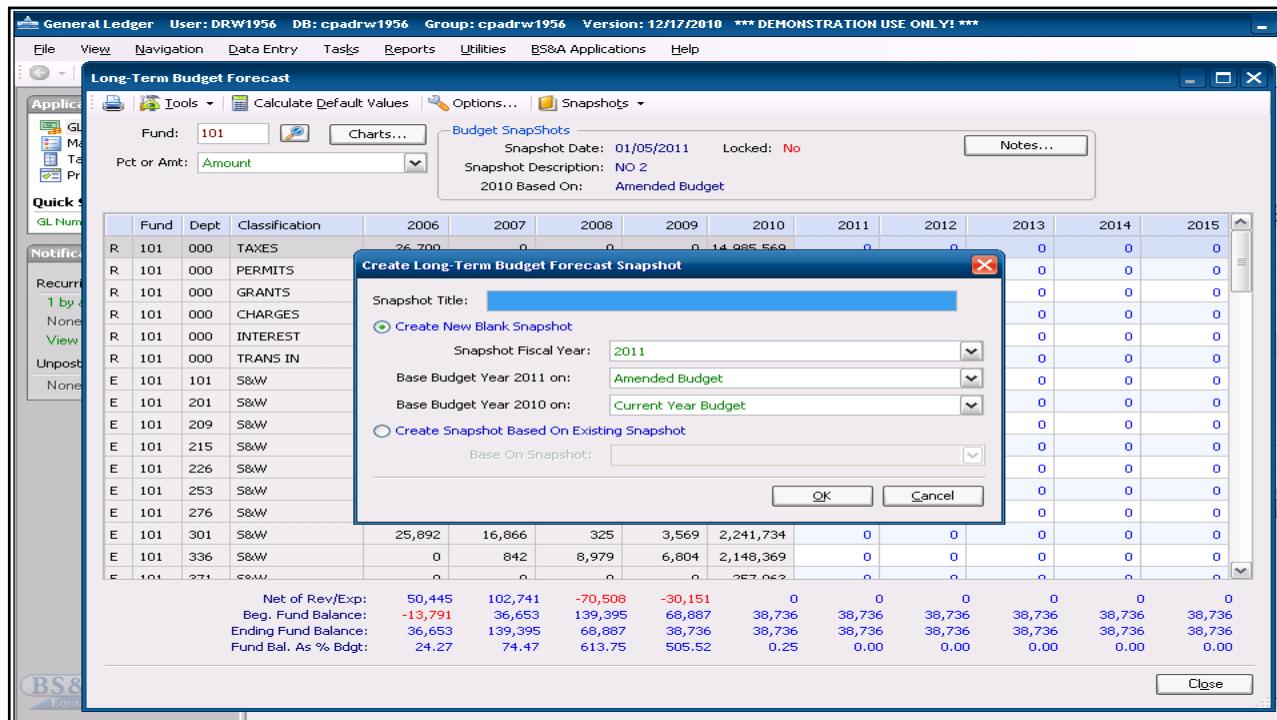
		G	H	I	J	K	L	M	N
		Current Year			Next Year				
		Actual	Budget		Budget				
3	Ordinary Income/Expense								
4	Income								
5	000-400 - REVENUE CONTROL								
6	000-402 - Winter Tax Collection	93,843.66	68,000.00		70,040.00	-			
7	000-412 - Delinquent Tax	633.76	0.00			-			
8	000-425 - Interest on Current Tax	2,410.29				-			
9	000-445 - Interest on Delinquent Tax	0.00	0.00						
10	000-448 - Admin Fee	23,100.13	16,000.00			16,480.00			
11	000-477 - Dog License Fees	7.80	20.00			20.60			
12	000-478 - Zoning Permit Fees	4,550.00	2,500.00			2,575.00			
13	000-479 - Land Division Fees	750.00	1,500.00			1,545.00			
14	000-575 - State Revenue Sharing	118,653.13	126,971.00			130,780.13			
15	000-665 - Interest from Investments	4,154.73	6,000.00			6,180.00			
16	000-671 - Miscellaneous Income	4,249.12	2,000.00			2,060.00			
17	000-687 - Insurance Refunds	0.00	0.00			-			
18	000-926 - Park Shore Lights Revenue	2,733.33	2,500.00			2,575.00			
19	Total 000-400 - REVENUE CONTROL	255,085.95	225,491.00						
20	Total Income	255,085.95	225,491.00						
21	Expense								
22	000-700 - EXPENDITURE CONTROL								
23	101-101 - TWP BOARD CONTROL								
24	101-701 - Salary	4,990.00	5,350.00						
25	101-801 - Legal Services	16,767.60	16,000.00						

	F	G	H	I	J	K	L	M	N
1		Current Year			Next Year				
2		Actual	Budget		Budget				
3	Ordinary Income/Expense				Worksheet	anticipated increase			
4	Income					3%			
5	000-400 - REVENUE CONTROL								
6	000-402 - Winter Tax Collection	93,843.66	68,000.00		70,040.00				
7	000-412 - Delinquent Tax	633.76	0.00		-				
8	000-425 - Interest on Current Tax	2,410.29			-				
9	000-445 - Interest on Delinquent Tax	0.00	0.00		-				
10	000-448 - Admin Fee	23,100.13	16,000.00		16,480.00				
11	000-477 - Dog License Fees	7.80	20.00		20.60				
12	000-478 - Zoning Permit Fees	4,550.00	2,500.00		2,575.00				
13	000-479 - Land Division Fees	750.00	1,500.00		1,545.00				
14	000-575 - State Revenue Sharing	118,653.13	126,971.00		130,780.13				
15	000-665 - Interest from Investments	4,154.73	6,000.00		6,180.00				
16	000-671 - Miscellaneous Income	4,249.12	2,000.00		2,060.00				
17	000-687 - Insurance Refunds	0.00	0.00		-				
18	000-926 - Park Shore Lights Revenue	2,733.33	2,500.00		2,575.00				
19	Total 000-400 - REVENUE CONTROL	255,085.95	225,491.00						
20	Total Income	255,085.95	225,491.00						
21	Expense								
22	000-700 - EXPENDITURE CONTROL								
23	101-101 - TWP BOARD CONTROL								
24	101-701 - Salary	4,990.00	5,350.00						
25	101-801 - Legal Services	16,767.60	16,000.00						

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BS&A'S Long Term Budget Projection Tool

- While BS&A can easily Accommodate Sending and Receiving Data To/From Excel, they have also built in a powerful projection model building capabilities
- Uses “line items”, departments, and “classifications” as method of projecting future revenues and expenditures for budget and up to 10 future periods
- It is not “dynamic” in that it can only automate forecasting based on existing cost structures, but certainly a potential time saver for many users



General Ledger User: DRW1956 DB: cpadrw1956 Group: cpadrw1956 Version: 12/17/2010 *** DEMONSTRATION USE ONLY! ***

Long-Term Budget Forecast

Fund: 101 Tools Calculate Default Values Options... Snapshots

Pct or Amt: Percent Snapshot Date: 01/05/2011 Locked: No Notes...

Snapshot Description: NO 2
2010 Based On: Amended Budget

Fund	Classification	Description	2008	2009	2010	2011	2012	2013	
R 101	TAXES	TAXES	0.0000	0.0000	0.0000	-5,000	-5,000	0.0000	
R 101	PERMITS	PERMIT	-61,2858	-36,8231	4,990,0000	0.0000	0.0000	0.0000	
R 101	GRANTS	GRANTS	-99,9667	9,900,0000	205,1800	0.0000	0.0000	0.0000	
R 101	CHARGES	CHARGES FOR SERVICES	320,1844	-91,2312	9,423,3933	0.0000	0.0000	0.0000	
R 101	INTEREST	INTEREST AND RENTS	-88,3140	-56,3994	11,820,9994	0.0000	0.0000	0.0000	
R 101	TRANS IN	TRANSFERS IN	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
E 101	S&W	SALARIES AND WAGES	13,6826	-1,7507	24,928,1516	0.0000	0.0000	0.0000	
E 101	FRINGES	FRINGE BENEFITS	37,9086	-10,6131	51,557,0624	0.0000	0.0000	0.0000	
E 101	SUPPLIES	SUPPLIES	-35,3102	-95,0967	123,940,6061	0.0000	0.0000	0.0000	
E 101	CONTRACT	CONTRACTUAL SERVICE	-50,0000	0.0000	0.0000	0.0000	0.0000	0.0000	
E 101	MISC	MISCELLANEOUS	170,0000	-75,9259	19,371,8462	0.0000	0.0000	0.0000	
E 101	R&M	REPAIRS AND MAINTENANCE	950,0000	-78,5714	132,451,9556	0.0000	0.0000	0.0000	
E 101	TRANS OU	TRANSFERS OUT	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
			Net of Rev/Exp:	-70,508	-30,151	0	14,236,291	13,524,476	13,524,476
			Beg. Fund Balance:	139,395	68,887	38,736	38,736	14,275,026	27,799,502
			Ending Fund Balance:	68,887	38,736	38,736	14,275,026	27,799,502	41,323,978
			Fund Bal. As % Bdgt:	613.75	505.52	0.25	0.00	0.00	0.00

Save Cancel

Click here to change applications. Clicking the link will log you out of your current demo.

General Ledger User: DRW1956 DB: cpadrw1956 Group: cpadrw1956 Version: 12/17/2010 *** DEMONSTRATION USE ONLY! ***

Long-Term Budget Forecast

Fund: 101 Tools Calculate Default Values Options... Snapshots

Pct or Amt: Amount Snapshot Date: 01/05/2011 Locked: No Notes...

Snapshot Description: NO 2
2010 Based On: Amended Budget

Fund	Classification	Description	2008	2009	2010	2011	2012	2013	
R 101	TAXES	TAXES	0	0	14,985,69	14,236,291	13,524,476	13,524,476	
R 101	PERMITS	PERMIT	554	350	17,815	0	0	0	
R 101	GRANTS	GRANTS	50	5,000	15,259	0	0	0	
R 101	CHARGES	CHARGES FOR SERVICES	6,654	584	55,569	0	0	0	
R 101	INTEREST	INTEREST AND RENTS	3,966	1,729	206,126	0	0	0	
R 101	TRANS IN	TRANSFERS IN	0	0	25,362	0	0	0	
E 101	S&W	SALARIES AND WAGES	28,823	28,318	7,087,497	0	0	0	
E 101	FRINGES	FRINGE BENEFITS	5,533	4,946	2,554,824	0	0	0	
E 101	SUPPLIES	SUPPLIES	33,651	1,650	2,046,670	0	0	0	
E 101	CONTRACT	CONTRACTUAL SERVICE	525	0	507,723	0	0	0	
E 101	MISC	MISCELLANEOUS	2,700	650	126,567	0	0	0	
E 101	R&M	REPAIRS AND MAINTENANCE	10,500	2,250	2,982,419	0	0	0	
E 101	TRANS OU	TRANSFERS OUT	0	0	0	0	0	0	
			Net of Rev/Exp:	-70,508	-30,151	0	14,236,291	13,524,476	13,524,476
			Beg. Fund Balance:	139,395	68,887	38,736	38,736	14,275,026	27,799,502
			Ending Fund Balance:	68,887	38,736	38,736	14,275,026	27,799,502	41,323,978
			Fund Bal. As % Bdgt:	613.75	505.52	0.25	0.00	0.00	0.00

Save Cancel

[Click here to change applications.](#) Clicking the link will log you out of your current demo.

General Ledger User: DRW1956 DB: cpadrw1956 Group: cpadrw1956 Version: 12/17/2010 *** DEMONSTRATION USE ONLY! ***

File View Navigation Data Entry Tasks Reports Utilities BS&A Applications Help

Long-Term Budget Forecast

Fund: 101 Pct or Amt: Amount

Budget SnapShots Snapshot Date: 01/05/2011 Locked: No Notes...

Snapshot Description: NO 2 2010 Based On: Amended Budget

Fund	Dept	Classification	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
R	101	000 TAXES	26,700	0	0	0	14,985,569	0	0	0	0	0
R	101	000 PERMITS										
R	101	000 GRANTS										
R	101	000 CHARGES										
R	101	000 INTEREST										
R	101	000 TRANS IN										
E	101	101 S&W										
E	101	201 S&W										
E	101	209 S&W										
E	101	215 S&W										
E	101	226 S&W										
E	101	253 S&W										
E	101	276 S&W										
E	101	301 S&W	25,892	16,866	325	3,569	2,241,734	0	0	0	0	0
E	101	336 S&W	0	842	8,979	6,804	2,148,369	0	0	0	0	0
E	101	371 S&W	0	0	0	0	277,062	0	0	0	0	0
Net of Rev/Exp: 50,445 102,741 -70,508 -30,151 0 0 0 0 0 0 0 0												
Beg. Fund Balance: -13,791 36,653 139,395 68,887 38,736 38,736 38,736 38,736 38,736 38,736 38,736 38,736												
Ending Fund Balance: 36,653 139,395 68,887 38,736 38,736 38,736 38,736 38,736 38,736 38,736 38,736 38,736												
Fund Bal. As % Bdgt: 24.27 74.47 613.75 505.52 0.25 0.00 0.00 0.00 0.00 0.00 0.00 0.00												

Long-Term Budget Forecast Options

Round Amounts To: Nearest Dollar

Budget Entry: Edit At The Budget Classification Level

Show 'Description' Column

Show Scrollbars Instead Of Fitting All Columns On The Screen At Once

Show Budget Footnotes On Detail Drill-Down Screen

Sort By GL Number When Editing At GL Number Level

Hide Project Details When Editing At GL Number Level

OK Close

General Ledger User: DRW1956 DB: cpadrw1956 Group: cpadrw1956 Version: 12/17/2010 *** DEMONSTRATION USE ONLY! ***

File View Navigation Data Entry Tasks Reports Utilities BS&A Applications Help

Long-Term Budget Forecast

Fund: 101 Pct or Amt: Percent

Budget SnapShots Snapshot Date: 01/05/2011 Locked: No Notes...

Snapshot Description: NO 2 2010 Based On: Amended Budget

Fund	Classification	Description	2008	2009	2010	2011	2012	2013
R	101	TAXES	0.0000	0.0000	0.0000	-5,000.00	-5,000.00	0.0000
R	101	PERMITS	-61,2858	-36,8231	4,990,0000	0.0000	0.0000	0.0000
R	101	GRANTS	-99,9667	9,900,0000	205,1800	0.0000	0.0000	0.0000
R	101	CHARGES	320,1844	-91,2312	9,423,3933	0.0000	0.0000	0.0000
R	101	INTEREST	-88,3140	-56,3994	11,820,9994	0.0000	0.0000	0.0000
R	101	TRANS IN	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
E	101	S&W	13,6826	-1,7507	24,928,1516	0.0000	0.0000	0.0000
E	101	FRINGES	37,9086	-10,6131	51,557,0624	6,0000	5,0000	8,0000
E	101	SUPPLIES	-35,3102	-95,0967	123,940,6061	0.0000	0.0000	0.0000
E	101	CONTRACT	-50,0000	0.0000	0.0000	0.0000	0.0000	0.0000
E	101	MISC	170,0000	-75,9259	19,371,8462	0.0000	0.0000	0.0000
E	101	R&M	950,0000	-78,5714	132,451,9556	0.0000	0.0000	0.0000
E	101	TRANS OUT	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Net of Rev/Exp: -70,508 -30,151 0 11,528,177 10,680,057 10,153,475								
Beg. Fund Balance: 139,395 68,887 38,736 38,736 11,566,913 22,247,670								
Ending Fund Balance: 68,887 38,736 38,736 11,566,913 22,247,670 32,701,345								
Fund Bal. As % Bdgt: 613.75 505.52 0.25 427.12 782.41 1,064.84								

Save Cancel

BS&A Message Center

Sort Index: GL Number

Having problems viewing our demo? Please click here to view our help page.

General Ledger User: DRW1956 DB: cpadrw1956 Group: cpadrw1956 Version: 12/17/2010 * DEMONSTRATION USE ONLY! *****

Long-Term Budget Forecast

Fund: 101 Pct or Amt: Amount

Budget SnapShots
Snapshot Date: 01/05/2011 Locked: No
Snapshot Description: NO 2
2010 Based On: Amended Budget

	Fund	Classification	Description	2008	2009	2010	2011	2012	2013
R	101	TAXES	TAXES	0	0	14,985,569	14,236,291	13,524,476	13,524,476
R	101	PERMITS	PERMIT	554	350	17,815	0	0	0
R	101	GRANTS	GRANTS	50	5,000	15,259	0	0	0
R	101	CHARGES	CHARGES FOR SERVICES	6,654	584	55,569	0	0	0
R	101	INTEREST	INTEREST AND RENTS	3,966	1,729	206,126	0	0	0
R	101	TRANS IN	TRANSFERS IN	0	0	25,362	0	0	0
E	101	S&W	SALARIES AND WAGES	28,823	28,318	7,087,497	0	0	0
E	101	FRINGES	FRINGE BENEFITS	5,533	4,946	2,554,824	2,708,113	2,843,519	3,071,001
E	101	SUPPLIES	SUPPLIES	33,651	1,650	2,046,670	0	0	0
E	101	CONTRACT	CONTRACTUAL SERVICE	525	0	507,723	0	0	0
E	101	MISC	MISCELLANEOUS	2,700	650	126,567	0	0	0
E	101	R&M	REPAIRS AND MAINTENANCE	10,500	2,250	2,982,419	0	0	0
E	101	TRANS OU	TRANSFERS OUT	0	0	0	0	0	0

Net of Rev/Exp: -70,508 -30,151 0 11,528,177 10,680,957 10,453,475
Beg. Fund Balance: 139,395 68,887 38,736 38,736 11,566,913 22,247,870
Ending Fund Balance: 68,887 38,736 38,736 11,566,913 22,247,870 32,701,345
Fund Bal. As % Bdgt: 613.75 505.52 0.25 427.12 782.41 1,064.84

BS8

Save **Cancel**

Long-Term Forecast Details For 'FRINGES' Fund 101

Select Bdgt Class. Code... Bdgt Class. Code: FRINGES Detail By: GL Number Print...

GL Number	Code	2008	2009	2010	2011	2012
101-000-714.000	FRINGES	0	0	1,122	1,189	1,249
101-000-717.000	FRINGES	0	0	77	82	86
101-101-714.000	FRINGES	0	0	4,510	4,781	5,020
101-101-715.000	FRINGES	0	50	0	0	0
101-101-716.000	FRINGES	0	0	849	900	945
101-101-717.000	FRINGES	0	0	170	180	189
101-101-718.000	FRINGES	0	0	106	112	118
101-101-724.000	FRINGES	0	0	1,591	1,686	1,771
101-201-714.000	FRINGES	0	1,174	15,917	16,872	17,716
101-201-715.000	FRINGES	0	50	28,650	30,369	31,887
101-201-716.000	FRINGES	0	0	1,316	1,395	1,465
101-201-717.000	FRINGES	0	1,696	14,273	15,129	15,886
101-201-718.000	FRINGES	0	243	4,425	4,691	4,925
101-201-724.000	FRINGES	0	62	1,331	1,411	1,481
101-209-714.000	FRINGES	242	0	18,941	20,077	21,081
101-209-715.000	FRINGES	0	0	22,887	24,260	25,473
101-209-716.000	FRINGES	0	0	1,655	1,754	1,842
101-209-717.000	FRINGES	125	0	17,785	18,852	19,795
101-209-718.000	FRINGES	0	0	5,221	5,534	5,811
101-209-724.000	FRINGES	218	0	1,636	1,734	1,821
101-215-714.000	FRINGES	229	133	26,528	28,120	29,526
101-215-715.000	FRINGES	0	50	39,261	41,617	43,697
101-215-716.000	FRINGES	0	0	2,335	2,475	2,599
101-215-717.000	FRINGES	83	0	23,875	25,308	26,573
101-215-718.000	FRINGES	46	0	5,943	6,300	6,615
101-215-724.000	FRINGES	214	26	1,636	1,734	1,821
101-226-714.000	FRINGES	0	0	3,183	3,374	3,543
101-226-715.000	FRINGES	0	0	584	619	650
101-226-716.000	FRINGES	0	0	287	304	319
101-226-717.000	FRINGES	0	0	3,183	3,374	3,543
101-226-718.000	FRINGES	0	0	128	136	142
101-226-724.000	FRINGES	0	0	1,971	2,089	2,194
101-253-714.000	FRINGES	480	54	7,014	7,435	7,807
101-253-715.000	FRINGES	0	40	15,917	16,872	17,716

OK

More Complex Revenue Streams and Cost Structures are Likely Beyond Capabilities of Built in Budgeting Software

- Tax base with many different classifications
- Enterprise Activities
- Structural Deficits
- Unfunded Legacy Costs
- Would Generally Need More Sophisticated Modeling

Example of Forecast of Tax Revenues

- Complex tax base made up of large components of commercial and industrial real and personal property
- Used Hybrid methodology to project losses increases in various property classifications
- Would be accompanied by memo or narrative with detail explanations of how assumptions were developed

Table One-Projections of Future Gains (Losses)-By TAX ROLL										
	2016 Assumptions			2017 Assumptions			2018 Assumptions			
	Optimistic	Expected	Pessimistic	Optimistic	Expected	Pessimistic	Optimistic	Expected	Pessimistic	
Classes:										
residential	2%	0%	-5%	2%	0%	-5%	2%	0%	-5%	
Commercial-Real	2%	0%	-5%	2%	0%	-5%	2%	0%	-5%	
Commerical-Personal	0%	-5%	-8%	0%	-5%	-8%	0%	-2%	-8%	
Industrial-Real	0%	-8%	-12%	0%	3%	5%	0%	-3%	-18%	
Industrial-Personal	-40%	-40%	-50%	-60%	-60%	-60%	-40%	-40%	-50%	

TABLE 2	2015 TV	2016 TV Projections			2017 TV Projections			
		Expected	Optimistic	Expected	Pessimistic	Optimistic	Expected	Pessimistic
Advalorem						table 3		
residential	86,532,808	88,263,464	86,532,808	82,206,168	90,028,733	86,532,808	78,095,859	
Commercial-Real	23,972,736	24,452,191	23,972,736	22,774,099	24,941,235	23,972,736	21,635,394	
Commerical-Personal	3,640,753	3,640,753	3,458,715	3,349,493	3,640,753	3,285,780	3,081,533	
Industrial-Real	5,126,235	5,126,235	4,716,136	4,511,087	5,126,235	4,857,620	4,736,641	
Industrial-Personal	49,337,500	29,602,500	29,602,500	24,668,750	11,841,000	11,841,000	9,867,500	
	168,610,032	151,085,143	148,282,896	137,509,596	135,577,956	130,489,944	117,416,928	
Net effective Roll	168,610,032	151,085,143	148,282,896	137,509,596	135,577,956	130,489,944	117,416,928	
Increase or (Loss) from Previous	-	(17,524,889)	(20,327,136)	(1,104,553,239)	(15,507,187)	(17,792,952)	(20,092,668)	
Percentage loss	0.00%	-1.41%	-12.06%	-88.93%	-10.26%	-12.00%	-14.61%	

Table 3

		Actual Budgeted Millage				Projected Millage for 2016 thru 2013 Revenues			
Budget Year		for 2016 Revenues		2017	2018	2019	2020		
Headlee		1.00		1.00	1.00	1.00	1.00		
Fire Operating		2.8500		2.8500	2.8500	2.8500	2.8500		
General Operating		0.8950		0.8950	0.8950	0.8950	0.8950		
Law Enforcement		2.1500		2.1500	2.1500	2.1500	2.1500		
Total Operating		5.8950		5.8950	5.8950	5.8950	5.8950		

		Optimistic		
Taxable Value		168,610,032	151,085,143	135,577,956
		2016 Revenue 2015 TAX ROLL	2017 Revenue 2016 TAX ROLL	2018 Revenue 2017 TAXROLL
<u>Operating:</u>				
General Fund		150,906	135,221	121,342
Fire		480,539	430,593	386,397
Law Enforcement		362,512	324,833	291,493
		Expected		
Taxable Value		168,610,032	148,282,896	130,489,944
		2016 Revenue 2015 TAX ROLL	2017 Revenue 2016 TAX ROLL	2018 Revenue 2017 TAXROLL
<u>Operating:</u>				
General Fund		150,906	132,713	116,788
Fire		480,539	422,606	371,896
Law Enforcement		362,512	318,808	280,553
		Pessimistic		
Taxable Value		168,610,032	137,509,596	117,416,928
		2016 Revenue 2015 TAX ROLL	2017 Revenue 2016 TAX ROLL	2018 Revenue 2017 TAXROLL
<u>Operating:</u>				
General Fund		150,906	123,071	105,088
Fire		480,539	391,902	334,638
Law Enforcement		362,512	295,646	252,446

Personnel Budgeting Process

- Since salaries and wages generally make up the greatest portion of the expenditure budgets –emphasis should be placed in this area
- Consideration should be given to past trends, frozen or eliminated positions, and start dates for vacant positions
- Collective bargaining units-portions that are covered should be - identified along with beginning and ending date of contracts-along with any settlement payments agreed to (lump sums)
- Many contracts agreements call for holiday premiums, shift differentials and uniform allowances should be addressed in budgets-sub accounts?

Township With More Complex Payroll and Fringes

- Need flexible tools to forecast different cost elements-some are very static, and easy to project (gross pay) some have dynamic cost behavior such as defined benefit costs, and health care costs
- Suggest using sub accounts structure to project and track these costs
- Use separate sub accounts and account numbers for all costs that behave in similar fashion

Salary Wage Projection with Percentage and Step Increase-Budget Year 2016

Employee Name	Current Salary	Proj. Increase	Step increase	Total Proj. Salary
<u>Wage Summary-Firefighters</u>				
Employee 1	45,000.00	1,012.50		46,012.50
Employee 2	46,750.00	1,051.88		47,801.88
Employee 3	32,000.00	720.00	144	32,864.00
Employee 4	36,000.00	810.00		36,810.00
Employee 5	35,000.00	787.50	660	36,447.50
Employee 6	22,000.00	495.00		22,495.00
Employee 7	12,000.00	270.00		12,270.00
TOTALS	228,750.00	5,146.88	804.00	234,700.88
Increase %	2.25%			
Fire Chief	64,845.00	1,945.35	0	66,790.35
increase %	3.00%			

Previous Slide with Formulas Displayed

Employee Name	Current Salary	Proj. Increase	Step increase	Total Proj. Salary
<u>Wage Summary-Firefighters</u>				
Employee 1	45000	=C4*\$C\$14		=SUM(C4:G4)
Employee 2	46750	=C5*\$C\$14		=SUM(C5:G5)
Employee 3	32000	=C6*\$C\$14	144	=SUM(C6:G6)
Employee 4	36000	=C7*\$C\$14		=SUM(C7:G7)
Employee 5	35000	=C8*\$C\$14	660	=SUM(C8:G8)
Employee 6	23000	=C9*\$C\$14		=SUM(C9:G9)
Employee 7	12000	=C10*\$C\$14		=SUM(C10:G10)
TOTALS	=SUM(C4:C11)	=SUM(E4:E11)	=SUM(G4:G11)	=SUM(I4:I11)
Increase %	0.0225			
Fire Chief	64845	=C16*\$C\$17	0	=G16+E16+C16
increase %	0.03			

changing this percentage only updates chief's-Cell C17

Fringe Benefit Projection Example

	HEALTH INSURANCE:			Social Sec.		Medicare:	
Coverage A	Purple Cross	1	13,000.00	1	0	1	0
Coverage B	Purple Cross	2	13,675.00	2	0.062	2	0.0145
Coverage C	Purple Cross	3	14,560.00				
Coverage D	Purple Cross	4	17,000.00				
Coverage E	Purple Cross	5	8,500.00				
Coverage A	Acme	6	16,600.00				
Coverage B	Acme	7	17,000.00				
Coverage C	Acme	8	9,000.00				
No coverage		9	-				

Fire Department Fringe Benefit Projections

this is called a 'vertical look up table' the codes in the cells to the left of the fringe 'look up' the costs in the master table on previous slide

Fringe Benefit Projection Fire Department		Total fringe cost	Health Insurance		Social Sec.		Medicare	
EmployeeName								
Employee 1		13,667.18	1	13,000.00	1	-	2	667.18
Employee 2		13,693.13	1	13,000.00	1	-	2	693.13
Employee 3		8,976.53	5	8,500.00	1	-	2	476.53
Employee 4		13,533.75	1	13,000.00	1	-	2	533.75
Employee 5		15,088.49	3	14,560.00	1	-	2	528.49
Employee 6		1,690.18	9	-	2	1,364.00	2	326.18
Employee 7		921.92	9	-	2	744.00	2	177.92
Fire Chief		15,528.46	3	14,560.00	1	-	2	968.46
TOTALS		67,571.16		62,060.00		2,108.00		4,371.62

A	B	C	D	E	F	G	H	I	J
19	Fringe Benefit Projection Fire Department			Vertical Look Up Tables					
21	EmployeeName	Total fringe cost		Health Insurance	Social Sec.			Medicare	
22									
23	Employee 1	13,667.18	1	=LOOKUP(D23,\$D\$34:\$D\$42,\$E\$34:\$E\$42)				667.18	
24	Employee 2	13,693.13	1	13,000.00	1	-	2	693.13	
25	Employee 3	8,976.53	5	8,500.00	1	-	2	476.53	
26	Employee 4	13,533.75	1	13,000.00	1	-	2	533.75	
27	Employee 5	15,088.49	3	14,560.00	1	-	2	528.49	
28	Employee 6	1,690.18	9	-	2	1,364.00	2	326.18	
29	Employee 7	921.92	9	-	2	744.00	2	177.92	
30	Fire Chief	15,528.46	3	14,560.00	1	-	2	968.46	
31	TOTALS	67,571.16		62,060.00		2,108.00		4,371.62	
32									
33		HEALTH INSURANCE:			Social Sec.		Medicare:		
34	Coverage A	Purple Cross	1	13,000.00	1	0	1	0	
35	Coverage B	Purple Cross	2	13,675.00	2	0.062	2	0.0145	
36	Coverage C	Purple Cross	3	14,560.00					
37	Coverage D	Purple Cross	4	17,000.00					
38	Coverage E	Purple Cross	5	8,500.00					
39	Coverage A	Acme	6	16,600.00					
40	Coverage B	Acme	7	17,000.00					
41	Coverage C	Acme	8	9,000.00					
42	No coverage		9	-					
43									
44									
45									
46									

Wage Increase Assumptions

Employee Name	Current Salary	Proj. Increase	Step increase	Total Proj. Salary
Employee 1	46,012.50	460.13		46,472.63
Employee 2	47,801.88	478.02		48,279.89
Employee 3	32,864.00	328.64	0	33,192.64
Employee 4	36,810.00	368.10	500	37,678.10
Employee 5	36,447.50	364.48	0	36,811.98
Employee 6	22,495.00	224.95		22,719.95
Employee 7	12,270.00	122.70		12,392.70
TOTALS	234,700.88	2,347.01	500.00	237,547.88
Increase %	1.00%			
Fire Chief	66,790.35	1,335.81	0	68,126.16
increase %	2.00%			

2017 Wage And Fringe Projections

Fringe Benefit Projection Fire Department

EmployeeName	Total fringe cost	Health Insurance	Social Sec.	Medicare
Employee 1	14,713.85	1 14,040.00	1 -	2 673.85
Employee 2	14,740.06	1 14,040.00	1 -	2 700.06
Employee 3	9,661.29	5 9,180.00	1 -	2 481.29
Employee 4	14,586.33	1 14,040.00	1 -	2 546.33
Employee 5	16,712.63	3 15,724.80	1 -	2 537
Employee 6	1,738.08	9 -	2 1,408.64	2 329.44
Employee 7	948.04	9 -	2 768.35	2 179.69
Fire Chief	16,712.63	3 15,724.80	1 -	2 987.83
TOTALS	72,646.23	67,024.80	2,176.98	4,432.27

HEALTH INSURANCE:

		Social Sec.	Medicare
Coverage A	Purple Cross	1 14,040.00	1 0
Coverage B	Purple Cross	2 14,769.00	2 0.062
Coverage C	Purple Cross	3 15,724.80	2 0.0145
Coverage D	Purple Cross	4 18,360.00	
Coverage E	Purple Cross	5 9,180.00	
Coverage A	Acme	6 17,928.00	
Coverage B	Acme	7 18,360.00	
Coverage C	Acme	8 9,720.00	
No coverage		9 -	

increase in insurance 8%

Employee Name		Current Salary	Proj. Increase	Step Increase	Total Proj. Salary
Wage Increase Assumptions					
Employee 1	46,472.63	464.73			46,937.35
Employee 2	48,279.89	482.80			48,762.69
Employee 3	33,192.64	331.93	0	500	33,524.57
Employee 4	37,678.10	376.78	0	500	38,554.88
Employee 5	36,811.98	368.12	0	500	37,180.09
Employee 6	22,719.95	227.20	0	500	22,947.15
Employee 7	12,392.70	123.93	0	500	12,516.63
TOTALS	237,547.88	2,375.48	500.00		240,423.36
Increase %	1.00%				
Fire Chief	68,126.16	1,362.52	0		69,488.68
Increase %	2.00%				
Fringe Benefit Projection Fire Department					
EmployeeName	Total fringe cost	Health Insurance	Social Sec.	Medicare	
Employee 1	15,562.99	1 14,882.40	1 -	2 680.59	
Employee 2	15,589.46	1 14,882.40	1 -	2 707.06	
Employee 3	10,216.91	5 9,730.80	1 -	2 486.11	
Employee 4	15,441.45	1 14,882.40	1 -	2 559.05	
Employee 5	17,207.40	3 16,668.29	1 -	2 539.11	
Employee 6	1,755.46	9 -	2 1,422.72	2 332.73	
Employee 7	957.52	9 -	2 776.03	2 181.49	
Fire Chief	17,675.87	3 16,668.29	1 -	2 1,007.59	
TOTALS	76,731.18	71,046.29	2,198.75		4,493.72
Health Insurance Increase assumption					
Coverage A	Purple Cross	1 14,882.40	Social Sec. 0	Medicare: 0	
Coverage B	Purple Cross	2 15,655.14	0.062	2 0.0145	
Coverage C	Purple Cross	3 16,668.29			
Coverage D	Purple Cross	4 19,461.60			
Coverage E	Purple Cross	5 9,730.80			
Coverage A	Acme	6 19,003.68			
Coverage B	Acme	7 19,461.60			
Coverage C	Acme	8 10,303.20			
No coverage		9 -			
increase in insurance		6%			

		Prior Year	Current Budget	Proposed Budget	2016 Forecast	2017 Forecast	2018 Forecast
705.000	SALARY - CHIEF	55,845	64,845	66,795	68,126	69,489	
706.100	SALARY - FIREFIGHTERS	216,359	228,750	234,701	237,548	240,423	
706.011	FIRE CLERICAL	26,365	26,400	-	-	-	
715.000	F.I.C.A.	1,985	1,990	2,108	2,177	2,199	
715.1	MEDICARE	4,175	4,200	4,372	4,432	4,494	
719.000	HEALTH & DENTAL INSURANCE	56,514	58,000	62,060	67,025	71,046	
720.000	LIFE INSURANCE	980	980	1,012	1,020	1,020	
730.000	POSTAGE	750	1,450	975	975	975	
742.000	FIRE PREVENTION MATERIALS	4,000	4,000	2,500	2,500	2,500	
757.000	OPERATING SUPPLIES	25,750	23,313	23,400	24,100	24,200	
801.000	PROFESSIONAL SERVICES	5,000	2,500	1,300	1,300	1,300	
863.001	AUTO & TRUCK MAIN STATION #1	38,000	38,000	14,000	16,000	30,000	
863.003	AUTO & TRUCK MAIN STATION #2	9,000	9,000	7,500	7,500	18,000	
867.000	GAS & OIL	9,500	9,500	9,800	9,800	9,800	
913.000	INSURANCE & BONDS FLEET	12,000	12,000	11,875	12,000	12,000	
917.000	WORKERS COMPENSATION INSURAI	5,815	6,500	7,500	7,600	7,700	
920.004	UTILITIES HEAT	3,300	3,300	2,800	2,800	2,900	
920.005	UTILITIES LIGHT	2,800	2,730	2,100	2,200	2,250	
920.006	UTILITIES TELEPHONE	2,360	2,670	3,160	3,175	3,195	
931.005	BLDG MAINTENANCE STATION #1	15,500	15,500	6,145	12,000	12,000	
931.007	BLDG MAINTENANCE STATION #2	6,300	6,300	2,500	2,500	3,000	
970.000	CAPITAL OUTLAY			10,000	10,000	25,000	
Department Costs		502,298	521,928	476,603	494,778	543,491	
Projected Tax Revenue				480,539	422,606	371,896	
State Reimbursement -ES				55,000	100,000		
Revnues-Expenditures				3,936	(17,172)	(71,595)	
Beginning FB				125,000	128,936	111,764	
Ending FB				128,936	111,764	40,169	

Questions????

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Acknowledgements

- Government Finance Officers Association:
 - “Managing the Personnel Budgeting Process” by John Fishbein and David Vehaun, August 2009 Government Finance Review
 - GFOA’s *Best Practices-Financial Forecasting in the Budget Preparation Process*
 - “Improving the Effectiveness of Multi-Year Fiscal Planning” by Holly Sun, February 2014, Government Finance Review
- Charter Township of Ypsilanti
- Intuit Software
- BS&A Software
- Pontem Software