

City of East Lansing

Budget Discussion

Some data and slides provided by MSU Extension

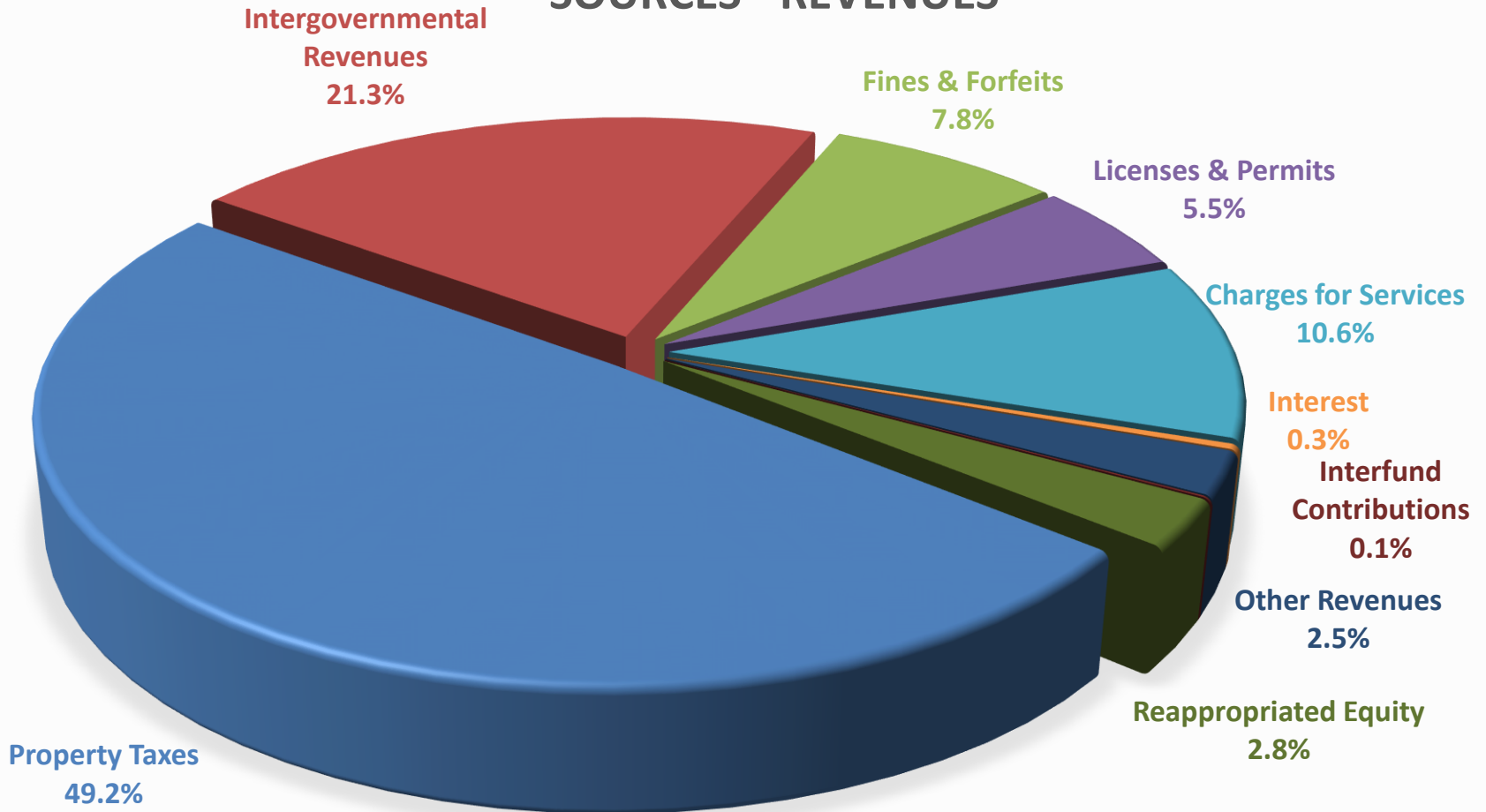


City of East Lansing

FY2018 GENERAL FUND ADOPTED BUDGET

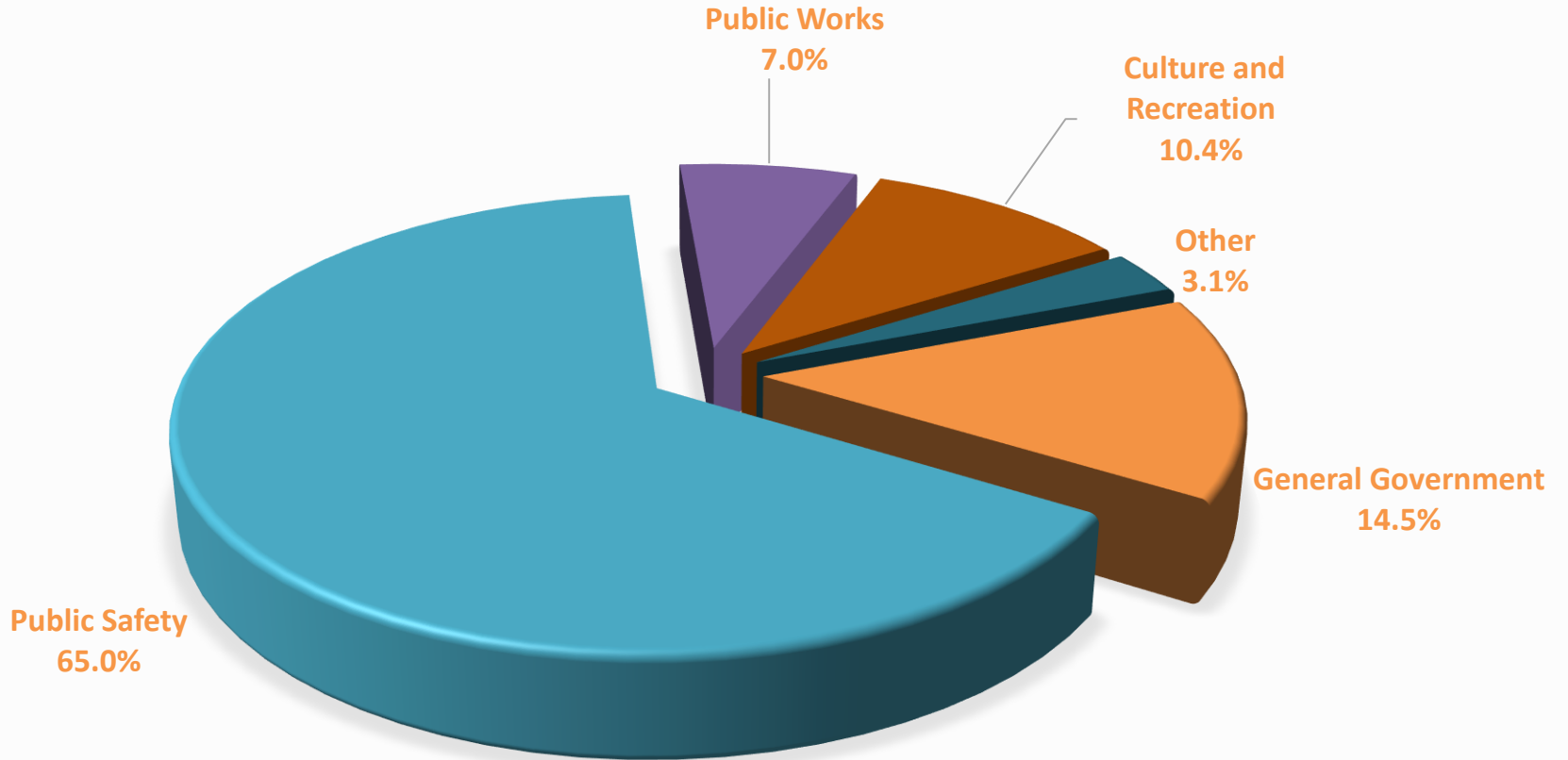
\$34,207,540

SOURCES - REVENUES



City of East Lansing

FY2018 GENERAL FUND ADOPTED BUDGET
\$34,207,540
SOURCES - EXPENDITURES

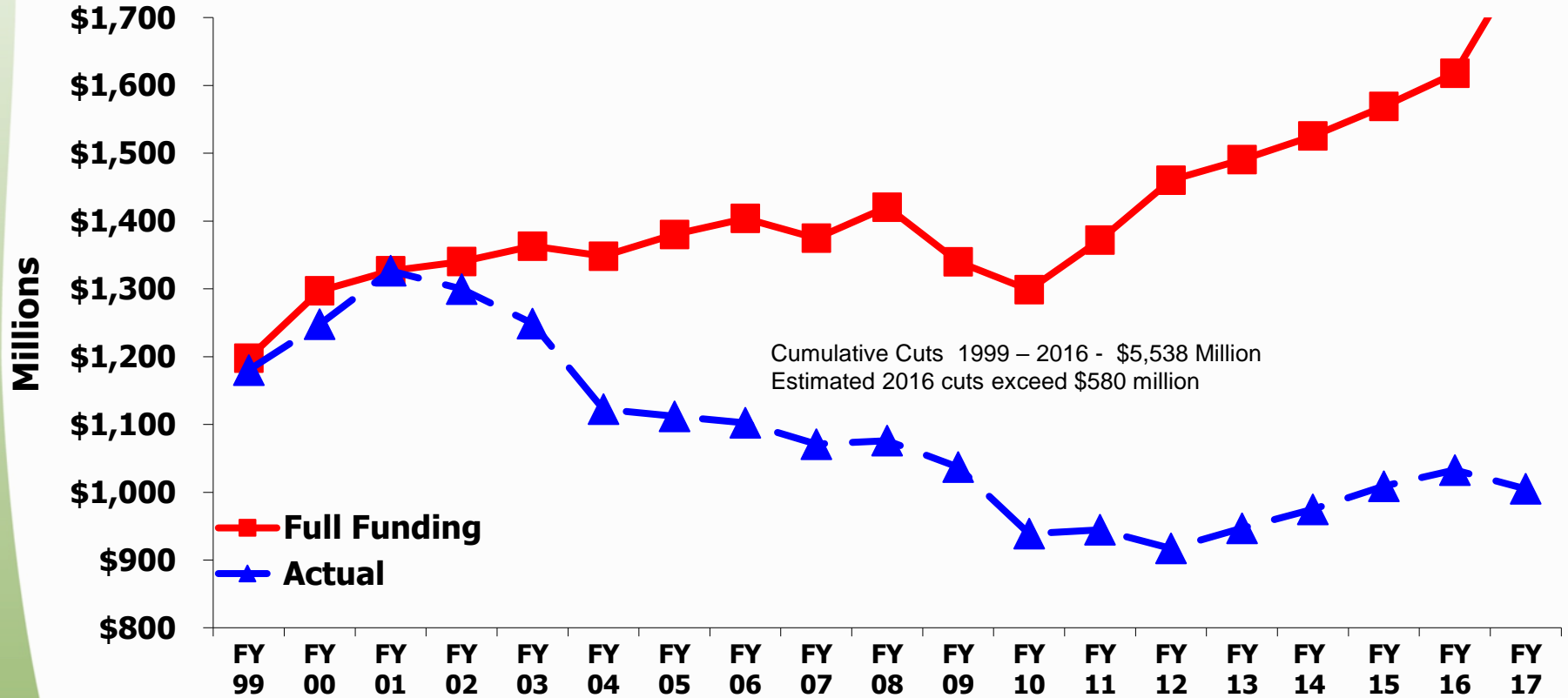


Main Causes of Fiscal Stress

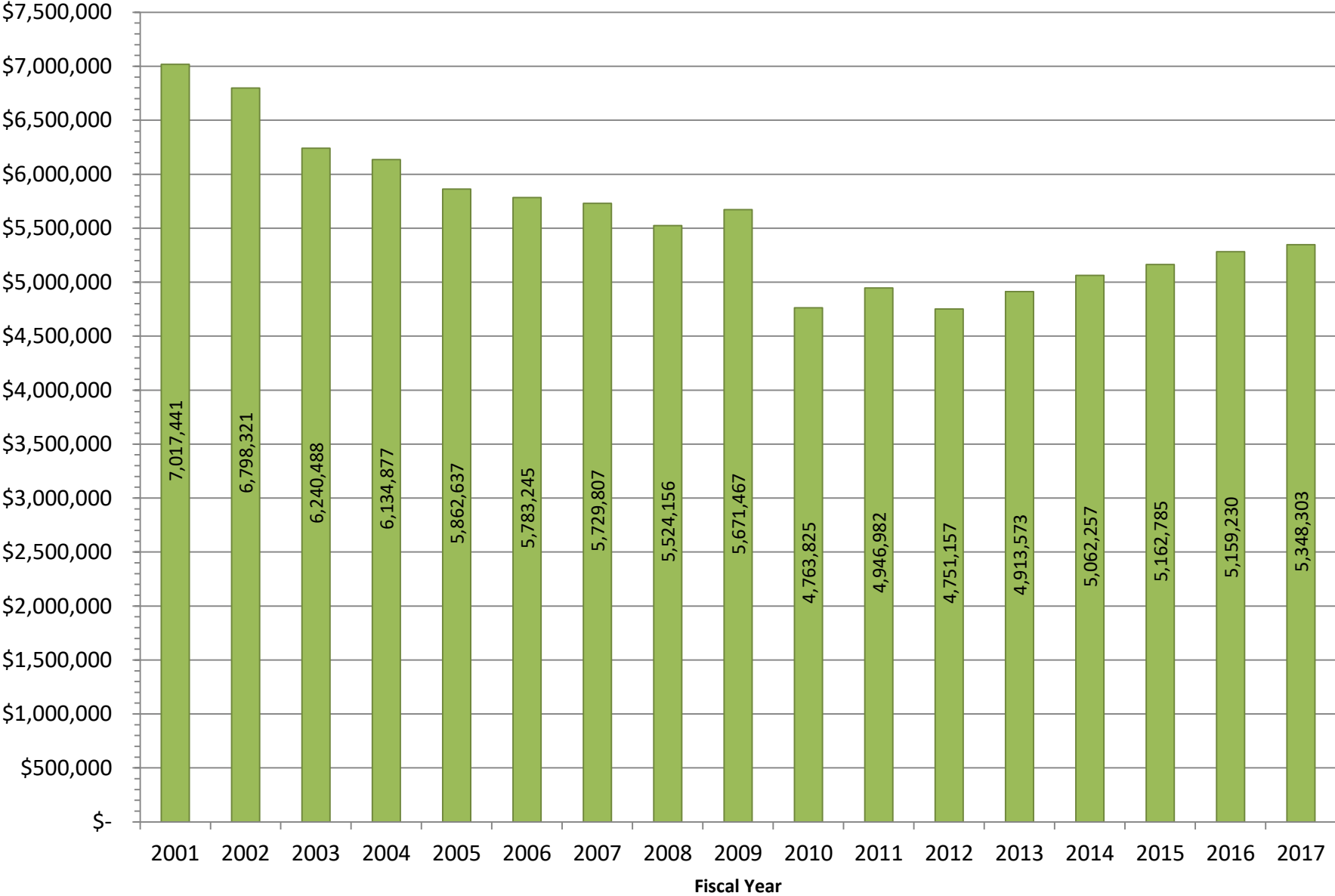
- Tight restrictions on local's revenue raising ability
- Collapse in property values due to Great Recession
- Deep cuts in revenue sharing
- Increase in legacy costs due, in large part, to below average market returns



Total Revenue Sharing Payments to Cities, Villages, and Townships



State Revenue Sharing



Taxable Value Per Capita, Michigan Cities, 2015

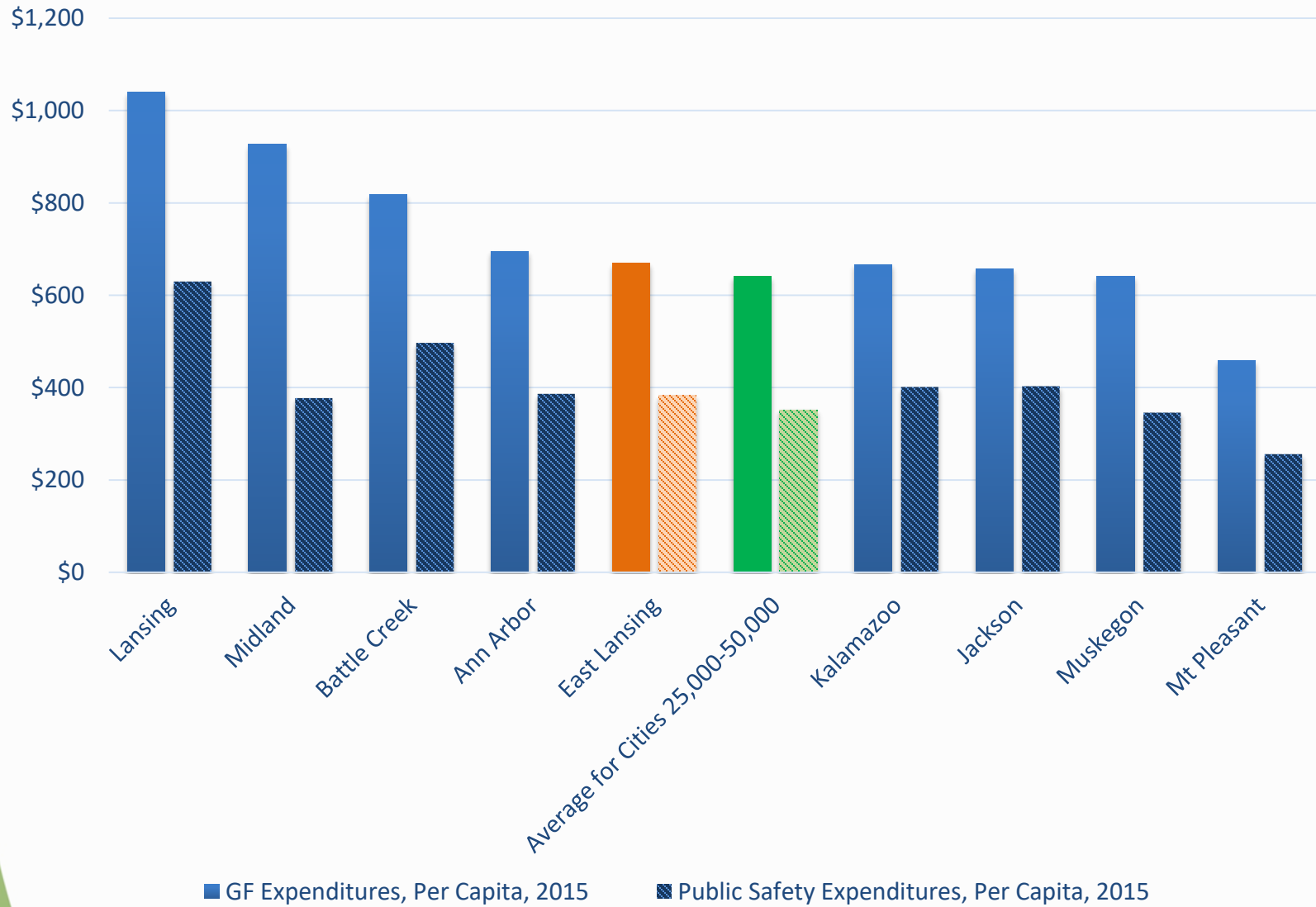
Rank	City	TV Per Capita
1	Mackinac Island	\$453,811
2	Lake Angelus	\$234,201
3	Harbor Springs	\$197,549
4	Bloomfield Hills	\$192,074
5	Orchard Lake Village	\$142,588
	Median	\$24,521
194	East Lansing	\$19,461
271	Ionia	\$9,349
272	Mount Morris	\$8,753
273	Hamtramck	\$8,561
274	Flint	\$7,575
275	St. Louis	\$6,733



Rank	City	Income Tax	Taxable Value Per Capita
241	Muskegon	X	\$15,192
220	Mount Pleasant		\$17,076
216	Lansing	X	\$17,330
208	Jackson	X	\$18,187
194	East Lansing		\$19,461
190	Kalamazoo		\$19,841
123	Battle Creek	X	\$26,562
65	Kentwood		\$37,632
49	Ann Arbor		\$43,678
25	Midland		\$56,220



Expenditures, 2015



General Fund Revenue Total FY 2006-2017

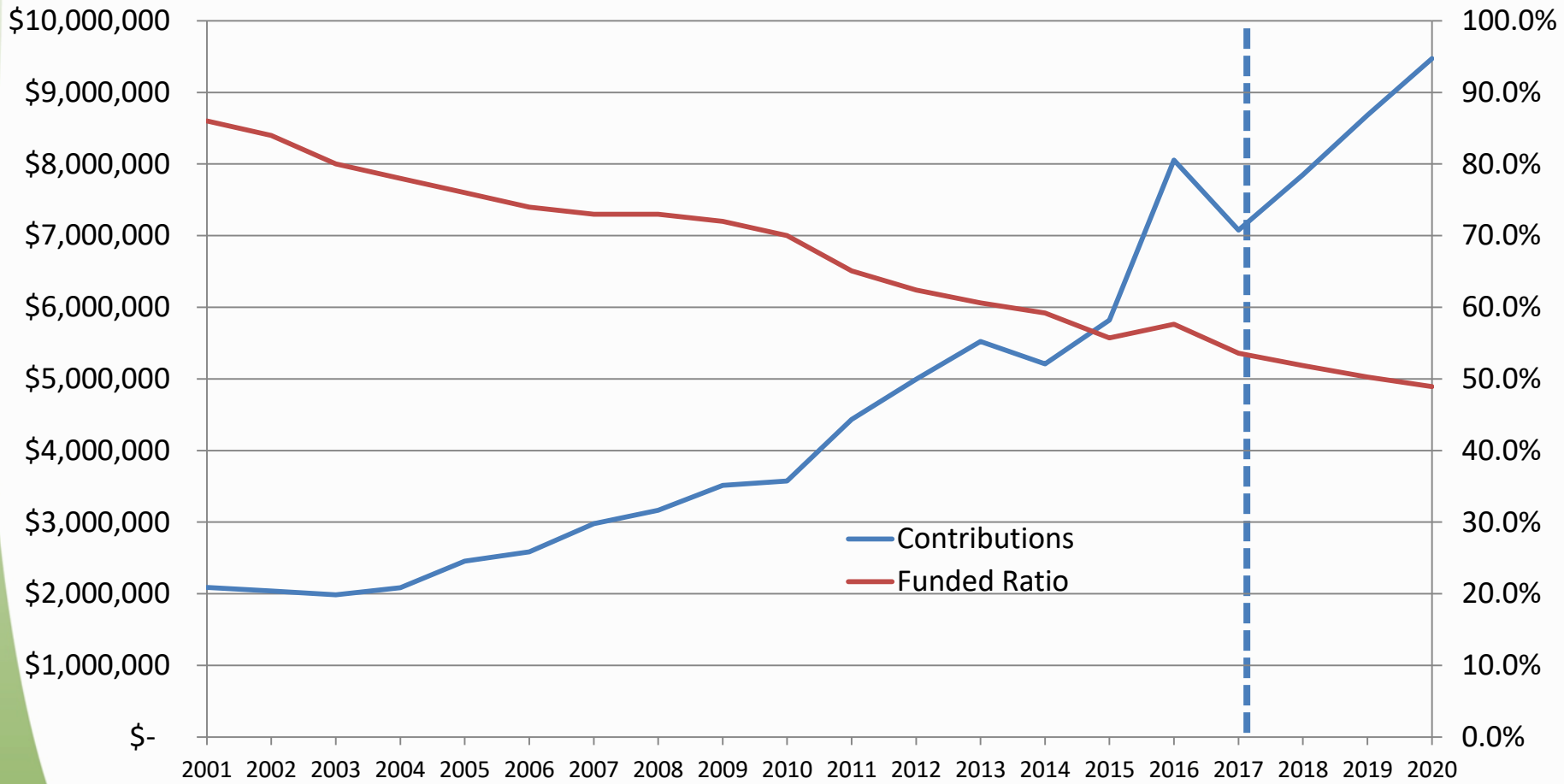
Fiscal Year	General Fund Revenue Total	Percent Change
2006	\$ 33,827,505	
2007	\$ 34,863,846	3.1%
2008	\$ 33,587,106	-3.7%
2009	\$ 32,990,309	-1.8%
2010	\$ 32,997,385	0.0%
2011	\$ 33,637,727	1.9%
2012	\$ 33,992,733	1.1%
2013	\$ 32,902,731	-3.2%
2014	\$ 32,062,290	-2.6%
2015	\$ 32,171,747	0.3%
2016	\$ 33,378,853	3.8%
2017 Preliminary	\$ 33,131,220	-0.7%
Percent change from 2006 to 2017	-\$696,285	-1.3%



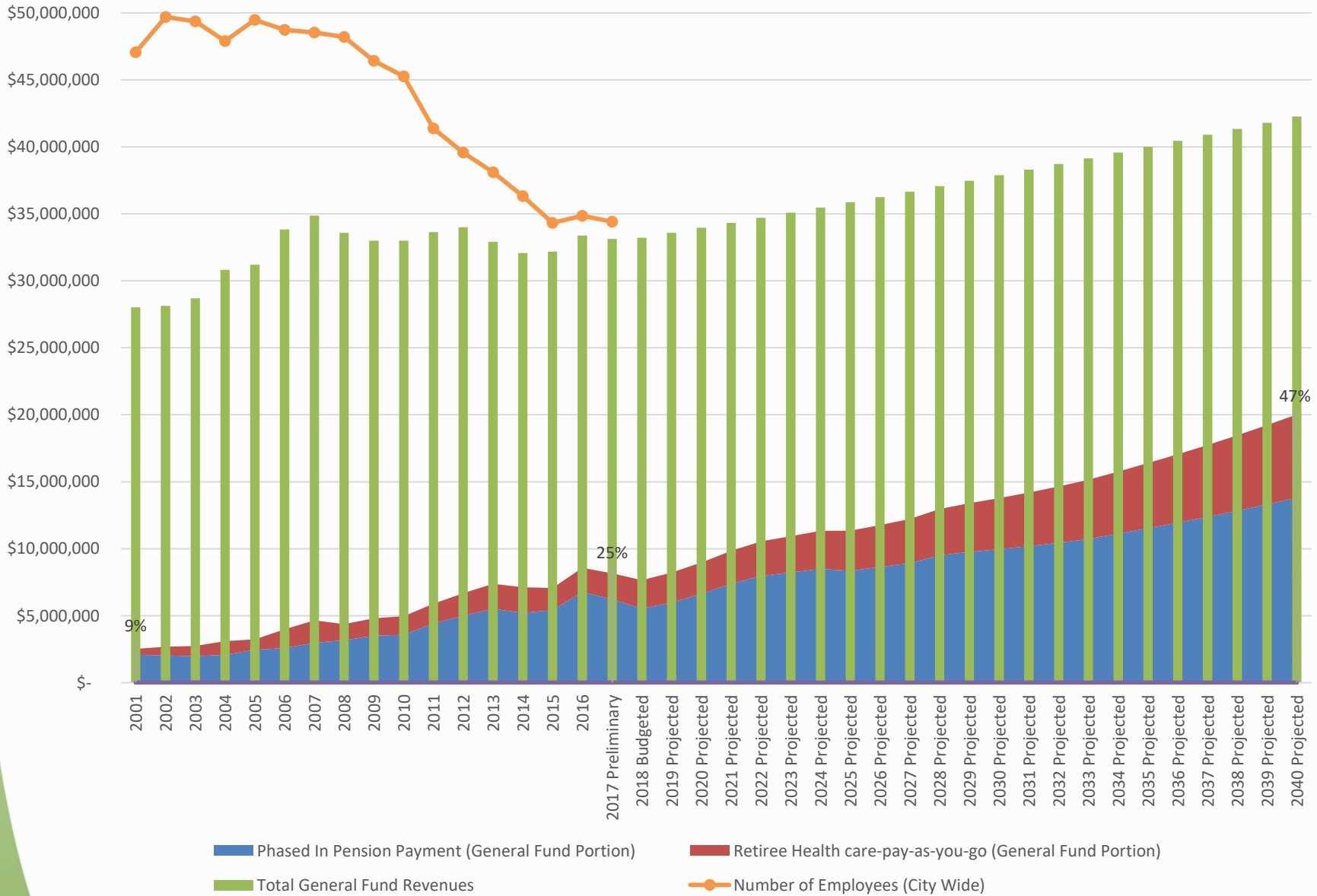
Pension Payments

2001-2016

Projected payments 2016-2020



City of East Lansing General Fund



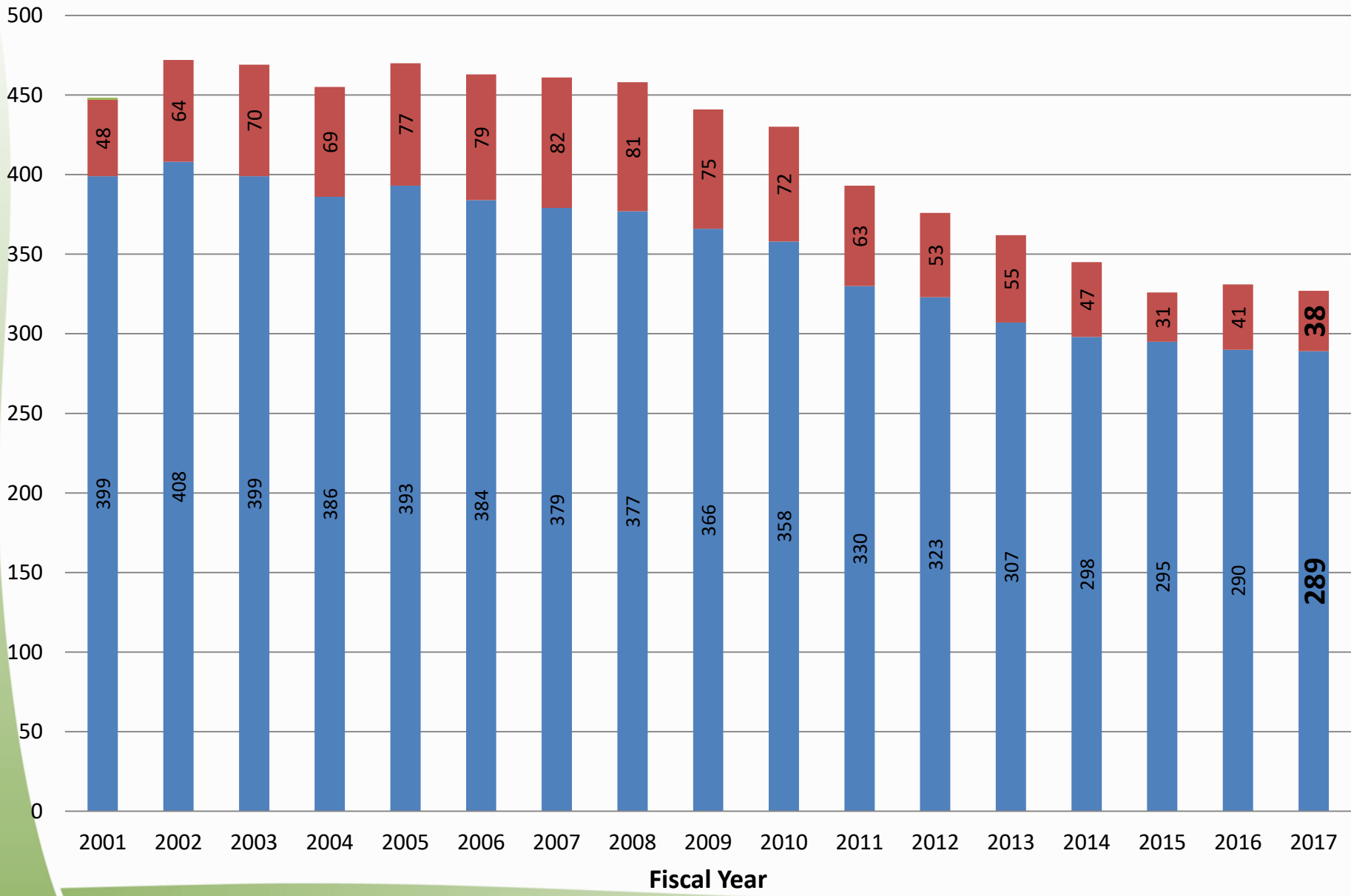
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Steps Taken

- Decreased overall size of government
- Healthcare Task Force
- Restructured pension and retirement
- Department consolidation and restructuring
- Added 2 mills for East Lansing Public Library



Employee Head Count



■ Regular Full Time Employees ■ Regular Part Time Employees



City of East Lansing

Compensation and Benefits

Employee Wage Increases

2010: 2%

2011: 0%

2012: 0%

2013: 1%

2014: 1%

2015: 1%

2016: 1%

Retirement and Health Care

1993 Eliminated healthcare at retirement for non-union new hires

1999 Moved from defined benefit pension to defined contribution for new hires in non-union and two other unions. Other non-public safety groups followed.

2010 Moved from defined contribution to hybrid plan for new hires in all non-public safety groups

2011 Changed retiree healthcare and pension plan structure for new hires in public safety.

Pushed back the age of access for retiree healthcare for existing non-public safety employees

The City's Health Care Task Force has controlled plan costs for the past 12 years and consistently meets the hard caps established by the State.



Cost Controls

- Share trade inspectors with Meridian Township
- Partnered with nonprofit for eldercare (lap respite)
- Share Assessor with Meridian Township
- Restructured PACE and jail service operations
- ELPD/ MSUPD gameday patrol and detective bureau



Pension Distribution

Defined Benefit		Hybrid	
Active	Retired	Active	Retired/Vested
143	423	125	26

TOTAL ACTIVE	TOTAL RETIRED
268	449

*Police and Fire not eligible for social security



Well Regarded Services

- 2014 Community Survey Results:
 - Respondents value, in rank order:
 - Public Safety
 - Library
 - Festivals & Events
 - Parks and Recreation
 - Streets & Sidewalks
 - Solid waste
 - 90% satisfied with quality of City services
 - 85% satisfied with inquiry or transaction with the City over past year



What Now?

- Add Revenue-Strengthen Public Services
 - Maintain Police/Fire/EMS
 - Add to Seniors Program, Library, infrastructure

OR

- Continue Cuts
 - Police/Fire/Parks & Recreation



Questions or Comments?

City of East Lansing

