

CITY OF FLINT MICHIGAN

FIVE YEAR FINANCIAL PLAN 2017-2021

Adopted Budget for FY17 and FY18

Future Projections for FY19, F20, and FY21

Setting a Sustainable Course for the City of Flint

Dr. Karen Weaver
Mayor



Sylvester Jones
City Administrator

Dawn Steele
Deputy Finance Director

City of Flint Five-Year Financial Plan

Vision, Mission, and Goals	3
City Council Budget Priorities	4
Organization Chart	5
FY17 and FY18 Staffing	6
Fund Balance and Reserve Projections and Analysis	7
FY17 & FY18 Budget; FY19, FY20, and FY21 Projections by Fund	8

CITY OF FLINT STRATEGIC PLAN

2017 - 2021

Setting a Sustainable Course for the City of Flint

The Vision for the City Government of Flint

A well-managed, financially stable, and accountable government focused on creating and maintaining a vibrant and growing community which will attract and retain residents, businesses, students, and visitors and improve our quality of life

The Mission of the City Government

To assure that residents, businesses, students and visitors in the City of Flint receive municipal services in a customer friendly, financially responsible, and equitable manner in order to insure equality of opportunity for all persons

The Goals

In order to operate per our Mission and realize our Vision, residents, businesses, students and visitors can expect that the City of Flint will:

1. The City will operate in an open and financially sustainable manner, including improving citizen access, focusing on measurable results, improving the City's financial position and eliminating accumulated deficits
2. The City will provide a highly trained and professional staff of elected leaders, appointed officials and employees
3. The City will provide for a safe, secure, healthy and clean environment in which to live, work, learn and play
4. The City will provide access to dependable, quality and sustainable water and sewer
5. The City will provide access to an adequate and well maintained transportation network for all modes of travel serving motorized, non-motorized, and pedestrian needs
6. The City will foster cooperation among business, non-profit, higher education, foundation partners, and residents to create a climate that supports economic development with a focus on small business and entrepreneurs in order to build local wealth and enhance the tax base
7. The City will seek partnerships with Local, State and Federal governmental partners, and other private entities in order to maximize efficiencies and resources in meeting its Mission
8. The City will promote the equal protection of the law for each person in accordance with fundamental human rights

CITY OF FLINT

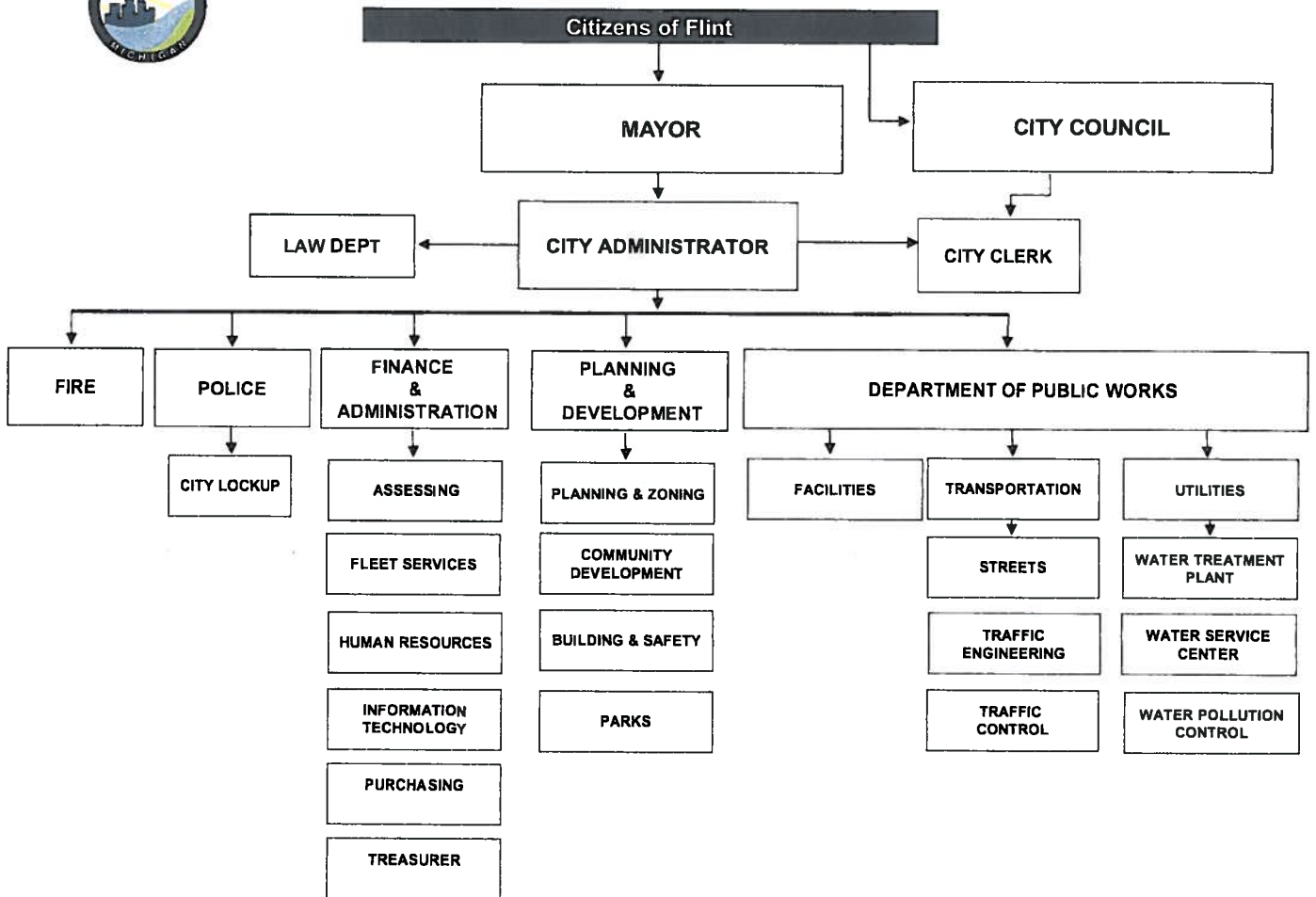
Council Priorities FY2017 & FY2018

- Increase the General Fund reserve by at least \$1 million annually.
- Maintain Police and Fire staffing levels while seeking additional funding sources to increase public safety programs.
- Ensure the Department of Public Works has tools necessary to provide for street maintenance, sidewalk maintenance, snow removal, and right-of-way tree maintenance.
- Resolve the Water Lead Crisis through improvement of City infrastructure and replacement of customer service lines.
- Stabilize the financial position of the Water and Sewer Funds at the most affordable rates possible at the highest quality standards.
- Build community relationships to ensure capacity and continued implementation of Master Plan and Capital Improvement Plan; including blight elimination, economic development, parks maintenance and essential human services.
- Improve customer service across all departments through training and technology.



CITY OF FLINT – ORGANIZATIONAL CHART

FY17-18



AUTHORIZED POSITION LIST

	FY14 ACTUAL	FY15 ACTUAL	FY16 END. BUDGET	FY17 ADOPTED	FY18 ADOPTED
GOVERNANCE AND ADMINISTRATION	19	21	23	22	22
City Administrator	2	3	3	3	3
City Council	2	2	3	3	3
Civil Service Commission					
Clerk's Office	5	5	6	6	6
Human Relations					
Law Department	8	8	8	8	8
Mayor's Office	2	3	3	2	2
POLICE	151	115	122	127	121
Police Officers	129	100	106	112	106
Civilians	22	15	16	15	15
911	23	23			
FIRE	94	75	68	68	56
DISTRICT COURT	31	32			
DEPARTMENT OF PUBLIC WORKS	162	173	173	174	174
DPW/Transportation Admin. (incl. Engineering)	4	5	7	6	6
Facilities Maintenance	2	2	2	3	3
Streets	16	17	22	21	21
Traffic Engineering	11	11	11	10	10
Utilities Admin.	3	3	3	3	3
Water Pollution Control	38	40	38	38	38
Water Treatment Plant	23	26	24	25	25
Water Service Center	63	68	66	68	68
Parks and Recreation	2	1			
PLANNING AND DEVELOPMENT	24	26	29	30	30
Building & Safety (incl. Blight)	14	14	14	14	14
Community Development & Planning	10	12	15	16	16
FINANCE AND ADMINISTRATION	63	60	59	62	62
Assessing	9	9	9	9	9
Finance	9	8	8	9	9
Fleet Services	10	9	9	9	9
Human Resources	8	7	7	8	8
Information Technology	7	6	5	5	5
Purchasing	2	2	2	2	2
Treasurer	18	19	19	20	20
TOTALS	567	525	474	483	465

RESERVE POLICY BY FUND

Sustainable financial solvency requires that the City have the ability to address unexpected events affecting revenues and/or expenses in a manner which avoids immediate crisis oriented responses. One means of accomplishing this is to maintain adequate financial reserves which will enable the City, should it be faced with sudden unexpected and unavoidable revenue decreases or expenditure increases in the course of a fiscal year, to immediately address most such issues without requiring immediate decisions which seriously disrupt the provision of city services by providing access to a financial resource for a short time. This will allow the City to provide a more well thought out and considered response to the financial impact, preferably in the context of the annual planning and budget review process. Such reserves also have an impact on the City's ability to borrow funds if necessary, by assuring that the City has such capability.

Unexpected events can be such items as: unexpectedly high property tax chargebacks from the county; unanticipated decline in income tax revenues; reduction in constitutional revenue sharing payments; unexpected decrease in water and sewer revenues; unexpected number of water main breaks, road and sidewalk repairs; major equipment failure; or unexpected need for major building repairs.

Consequently, reserve requirements were established by ordinance for funds as shown on the following page.

BUDGETS & PROJECTIONS BY FUND
FY17 & FY18; FY19-FY21 PROJECTIONS
General, Special Revenue and Enterprise Funds FY17-FY21

Funds Supported by General Tax Dollars or Millages:

General Fund
Police/Fire Millage
Neighborhood Police Millage
Parks
Public Improvement

Funds Supported by Dedicated Funds, Fees, or Assessments:

Major Streets
Local Streets
Street Light Assessment
Waste Collection
Drug Forfeiture
Building Safety

Special Revenue Grant Funds

CDBG, ESG, HOME
Other Grants

Enterprise Funds:

Sewer
Water

FY2017 AND FY2018 ADOPTED BUDGETS, FY2019-FY2021 PROJECTIONS

	Budget FY17	Budget FY18	Projected FY19	Projected FY20	Projected FY21
Fund 101 - General Fund					
Revenues	49,505,205	50,499,504	50,499,504	50,499,504	50,499,504
Expenditures	49,505,205	50,499,504	51,509,494	52,539,684	53,590,478
Budgeted Use of Fund Balance (FY17 & FY18 only)	0	0	-1,009,990	-2,040,180	-3,090,974
Budgeted Use of Fund Balance for Reserve Accumulation	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Beginning Fund Balance	4,247,652	5,247,652	6,247,652	6,237,662	5,197,482
Ending Fund Balance	5,247,652	6,247,652	6,237,662	5,197,482	3,106,508
Fund Balance as % of Expenditures - Actual	11%	12%	12%	10%	6%
Fund Balance as % of Expenditures - Policy	68%	82%	82%	69%	41%
Designated Reserve Per Policy(15%)	7,685,881	7,574,926	7,574,926	7,574,926	7,574,926
Variance - Actual to Policy	-2,438,229	-1,327,274	-1,337,264	-2,377,444	-4,468,417
Fund 202 - Major Street Fund					
Revenues	9,439,882	9,312,032	9,312,032	9,312,032	9,312,032
Expenditures	8,869,095	9,417,809	9,606,165	9,798,288	9,994,254
Net of Revenues/Appropriations	570,787	-105,777	-294,133	-486,256	-682,222
Beginning Fund Balance	4,715,481	5,286,268	5,180,491	4,886,358	4,400,101
Ending Fund Balance	5,286,268	5,180,491	4,886,358	4,400,101	3,717,879
Fund Balance as % of Expenditures - Actual	60%	55%	51%	45%	37%
Fund Balance as % of Expenditures - Policy	15%	15%	15%	15%	15%
Designated Reserve Per Policy(15%)	1,330,364	1,412,671	1,440,925	1,469,743	1,499,138
Variance - Actual to Policy	3,955,904	3,767,820	3,445,433	2,930,358	2,218,741
Fund 203 - Local Street Fund					
Revenues	4,351,036	4,444,079	4,444,079	4,444,079	4,444,079
Expenditures	4,937,295	4,998,639	5,098,612	5,200,584	5,304,596
Budgeted Use of Fund Balance (FY17 & FY18 only)	-586,259	-554,560	-654,533	-756,505	-860,517
Beginning Fund Balance	1,367,288	781,029	226,469	-428,064	-1,184,569
Ending Fund Balance	781,029	226,469	-428,064	-1,184,569	-2,045,085
Fund Balance as % of Expenditures - Actual	0	0	0	0	0
Fund Balance as % of Expenditures - Policy	15%	15%	15%	15%	15%
Designated Reserve Per Policy(15%)	740,594	749,796	764,792	780,088	795,689
Variance - Actual to Policy	40,435	-523,327	-1,192,856	-1,964,656	-2,840,775
Fund 205 - Public Safety					
Revenues	3,634,453	3,647,464	3,647,464	3,647,464	3,647,464
Expenditures	6,187,561	4,308,591	4,394,763	4,482,658	4,572,311
Budgeted Use of Fund Balance (FY17 & FY18 only)	-2,553,108	-661,127	-747,299	-835,194	-924,847
Beginning Fund Balance	3,537,203	984,095	322,968	-424,331	-1,259,525
Ending Fund Balance	984,095	322,968	-424,331	-1,259,525	-2,184,372
Fund Balance as % of Expenditures - Actual	16%	7%	-10%	-28%	-48%
Fund Balance as % of Expenditures - Policy	10%	10%	10%	10%	10%
Designated Reserve Per Policy(10%)	618,756	430,859	439,476	448,266	457,231
Variance - Actual to Policy	365,339	-107,891	-863,807	1,707,791	-2,641,603
(Fy18 - 21 is based on the millage renewal)					
Fund 207 - Police Fund					
Revenues	1,211,484	1,215,822	1,215,822	1,215,822	1,215,822
Expenditures	978,470	1,088,020	1,109,780	1,131,976	1,154,616
Net of Revenues/Appropriations	233,014	127,802	106,042	83,846	61,206
Beginning Fund Balance	0	233,014	360,816	466,858	550,704
Ending Fund Balance	233,014	360,816	466,858	550,704	611,910
Fund Balance as % of Expenditures - Actual	24%	33%	42%	49%	53%
Fund Balance as % of Expenditures - Policy	10%	10%	10%	10%	10%
Designated Reserve Per Policy(10%)	97,847	108,802	110,978	113,198	115,462
Variance - Actual to Policy	135,167	252,014	355,880	437,506	496,449
(Fy18 - 21 is based on the millage renewal)					

FY2017 AND FY2018 ADOPTED BUDGETS, FY2019-FY2021 PROJECTIONS

	Budget FY17	Budget FY18	Projected FY19	Projected FY20	Projected FY21
Fund 208 - Park/Recreation Fund					
Revenues	381,348	384,160	384,160	384,160	384,160
Expenditures	381,348	384,160	391,843	399,580	407,674
Budgeted Use of Fund Balance (FY17 & FY18 only)	0	0	-7,683	-15,520	-23,514
Beginning Fund Balance	2	2	2	-7,681	-23,201
Ending Fund Balance	2	2	-7,681	-23,201	-46,715
Fund Balance as % of Expenditures - Actual	0%	0%	-2%	-6%	-11%
Fund Balance as % of Expenditures - Policy	10%	10%	10%	10%	10%
Designated Reserve Per Policy(10%)	38,135	38,416	39,184	39,968	40,767
Variance - Actual to Policy	-38,133	-38,414	-46,866	-63,169	-87,482
Fund 219 - Street Light					
Revenues	2,205,000	2,205,000	2,205,000	2,205,000	2,205,000
Expenditures	2,442,528	2,443,297	2,492,163	2,542,006	2,592,846
Budgeted Use of Fund Balance (FY17 & FY18 only)	-237,528	-238,297	-287,163	-337,006	-387,846
Beginning Fund Balance	552,258	314,730	76,433	-210,730	547,736
Ending Fund Balance	314,730	76,433	-210,730	-547,736	-935,582
Fund Balance as % of Expenditures - Actual	13%	3%	-8%	-22%	-36%
Fund Balance as % of Expenditures - Policy	15%	15%	15%	15%	15%
Designated Reserve Per Policy(15%)	366,379	366,495	373,824	381,301	388,927
Variance - Actual to Policy	-51,649	-290,062	-584,554	-929,037	-1,324,509
If no increase in assessment fee					
Fund 226 - Rubbish Collection Fund					
Revenues	4,401,500	4,401,500	4,401,500	4,401,500	4,401,500
Expenditures	4,614,710	4,716,248	4,810,573	4,906,784	5,004,920
Budgeted Use of Fund Balance (FY17 & FY18 only)	-213,210	-314,748	-409,073	-505,284	-603,420
Beginning Fund Balance	590,337	377,127	62,379	-346,694	851,978
Ending Fund Balance	377,127	62,379	-346,694	-851,978	-1,455,398
Fund Balance as % of Expenditures - Actual	8%	1%	-7%	-17%	-29%
Fund Balance as % of Expenditures - Policy	15%	15%	15%	15%	15%
Designated Reserve Per Policy(15%)	692,207	707,437	721,586	736,018	750,738
Variance - Actual to Policy	-315,080	-645,058	-1,068,280	-1,587,996	-2,206,137
If no increase in assessment fee					
Fund 246 - COF - EDA Revolving loan fund					
Revenues	50,880	50,730	50,730	50,730	50,730
Expenditures	5,300	5,250	5,000	4,750	4,500
Net of Revenues/Appropriations	45,580	45,480	45,730	45,980	46,230
Beginning Fund Balance	344,804	390,384	435,864	481,594	527,574
Ending Fund Balance	390,384	435,864	481,594	527,574	573,804
Fund 265 - Drug Law Enforcement Fund					
Revenues	85,221	98,687	98,687	98,687	98,687
Expenditures	232,064	235,872	240,589	245,401	250,309
Budgeted Use of Fund Balance (FY17 & FY18 only)	-146,843	-137,185	-141,902	-146,714	-151,622
Beginning Fund Balance	317,861	171,018	33,833	-108,069	-254,784
Ending Fund Balance	171,018	33,833	-108,069	-254,784	-406,406
Fund Balance as % of Expenditures - Actual	74%	14%	-45%	104%	-162%
Fund Balance as % of Expenditures - Policy	100%	100%	100%	100%	100%
Designated Reserve Per Policy	232,064	235,872	240,589	245,401	250,309
Variance - Actual to Policy	-61,046	-202,039	-348,659	-500,185	-656,715
Fund 295 - Section 108 Loans					
Revenues	990,088	841,390	807,734	775,425	744,408
Expenditures	990,088	841,390	807,734	775,425	744,408
Net of Revenues/Appropriations	0	0	0	0	0
Beginning Fund Balance	1,396,473	1,396,473	1,396,473	1,396,473	1,396,473
Ending Fund Balance	1,396,473	1,396,473	1,396,473	1,396,473	1,396,473

FY2017 AND FY2018 ADOPTED BUDGETS, FY2019-FY2021 PROJECTIONS

	Budget FY17	Budget FY18	Projected FY19	Projected FY20	Projected FY21
Fund 402 - Public Improvement Fund					
Revenues	1,454,356	1,459,777	1,459,777	1,459,777	1,459,777
Expenditures	2,379,389	2,375,591	2,423,103	2,471,565	2,520,996
Budgeted Use of Fund Balance (FY17 & FY18 only)	-925,033	-915,814	-963,326	-1,011,788	-1,061,219
Beginning Fund Balance	7,398,496	6,473,463	5,557,649	4,594,323	3,582,535
Ending Fund Balance	6,473,463	5,557,649	4,594,323	3,582,535	2,521,316
Fund Balance as % of Expenditures - Actual	N/A	N/A	N/A	N/A	N/A
Fund Balance as % of Expenditures - Policy	N/A	N/A	N/A	N/A	N/A
Designated Reserve Per Policy	3,179,389	3,175,591	3,175,591	3,175,591	3,175,591
Variance - Actual to Policy	3,294,074	2,382,058	1,418,732	406,944	-654,275
Fund 542 - Building Inspection Fund					
Revenues	1,865,000	2,000,000	2,000,000	2,000,000	2,000,000
Expenditures	2,380,272	2,480,472	2,530,081	2,580,683	2,632,297
Budgeted Use of Fund Balance (FY17 & FY18 only)	-515,272	-480,472	-530,081	-580,683	-632,297
Beginning Fund Balance	1,392,437	877,165	396,693	-133,388	-714,072
Ending Fund Balance	877,165	396,693	-133,388	-714,072	-1,346,368
Fund Balance as % of Expenditures - Actual	37%	16%	-5%	-28%	-51%
Fund Balance as % of Expenditures - Policy	15%	15%	15%	15%	15%
Designated Reserve Per Policy	357,041	372,071	379,512	387,102	394,845
Variance - Actual to Policy	520,124	24,622	-512,901	-1,101,174	-1,741,213
TOTAL GENERAL CITY					
Revenues	79,575,453	80,560,145	80,526,489	80,494,180	80,463,163
Expenditures	83,903,325	83,794,843	85,419,901	87,079,485	88,774,205
Budgeted Use of Fund Balance (FY17 & FY18 only)	-4,944,239	-3,174,401	-4,645,009	-6,145,029	-7,675,049
Fund 590 - Sewer Fund					
Revenues	28,976,196	30,400,456	30,400,456	30,400,456	30,400,456
Expenditures	33,636,618	37,259,560	38,004,751	38,764,846	39,540,143
Budgeted Use of Fund Balance (FY17 & FY18 only)	-4,660,422	-6,859,104	-7,604,295	-8,364,390	-9,139,687
Beginning Fund Balance	31,746,920	27,086,498	20,227,394	12,623,099	4,258,709
Ending Fund Balance	27,086,498	20,227,394	12,623,099	4,258,709	-4,880,979
Fund Balance as % of Expenditures - Actual	81%	54%	33%	11%	-12%
Fund Balance as % of Expenditures - Policy	25%	25%	25%	25%	25%
Designated Reserve Per Policy	8,409,155	9,314,890	9,501,188	9,691,212	9,885,036
Variance - Actual to Policy	18,677,344	10,912,504	3,121,911	-5,432,503	-14,766,014
Fund 591 - Water Fund					
Revenues	38,311,749	33,653,119	33,653,119	33,653,119	33,653,119
Expenditures	42,516,233	43,329,425	44,196,014	45,079,934	45,981,532
Budgeted Use of Fund Balance (FY17 & FY18 only)	-4,204,484	-9,676,306	-10,542,895	-11,426,815	-12,328,413
Beginning Fund Balance	6,100,000	1,895,516	-7,780,790	-18,323,685	-29,750,499
Ending Fund Balance	1,895,516	-7,780,790	-18,323,685	29,750,499	-42,078,913
Fund Balance as % of Expenditures - Actual	4%	-18%	-41%	-66%	-92%
Fund Balance as % of Expenditures - Policy	25%	25%	25%	25%	25%
Designated Reserve Per Policy	10,629,058	10,832,356	11,049,003	11,269,983	11,495,383
Variance - Actual to Policy	-8,733,542	-18,613,146	-29,372,688	41,020,483	-53,574,296
TOTAL WATER & SEWER CITY					
Revenues	67,287,945	64,053,575	64,053,575	64,053,575	64,053,575
Expenditures	76,152,851	80,588,985	82,200,765	83,844,780	85,521,676
Budgeted Use of Fund Balance (FY17 & FY18 only)	-8,864,906	-16,535,410	-18,147,190	-19,791,205	-21,468,101
TOTAL CITY					
Revenues	146,863,398	144,613,720	144,580,064	144,547,755	144,516,738
Expenditures	160,056,176	164,383,828	167,620,666	170,924,265	174,295,880
Budgeted Use of Fund Balance (FY17 & FY18 only)	-13,809,145	-19,709,811	-22,792,199	-25,936,234	-29,143,150
ESTIMATED REVENUES - ALL FUNDS	160,672,543	154,753,002			
APPROPRIATIONS - ALL FUNDS	160,056,176	164,383,828			
NET OF REVENUES/APPROPRIATIONS - ALL FUNDS	616,367	-9,630,826			