

# Projected Budget Report

<b>Local Unit Name:</b>	City of Wayne
<b>Local Unit Code:</b>	82-2300
<b>Current Fiscal Year End Date:</b>	6/30/2021
<b>Fund Name:</b>	General Fund

REVENUES	Current Year Budget	Percentage Change	Year 2 Budget	Assumptions
Property Taxes	\$ 6,628,895	1.0 %	\$ 6,695,184	City's taxable value began increasing a few years ago.  Other inflationary increase estimated at 1%
Intergovernmental	\$ 2,230,000	1.0 %	\$ 2,252,300	
Charges for Services	\$ 250,000	1.0 %	\$ 252,500	
Interest and Rents	\$ 23,500	1.0 %	\$ 23,735	
Other Revenues	\$ 4,099,755	1.0 %	\$ 4,140,753	
Departmental Revenues	\$ 1,933,000	1.0 %	\$ 1,952,330	
Interfund Transfers (In)	\$ -	%	\$ -	
<b>Total Revenues</b>	<b>\$ 15,165,150</b>		<b>\$ 15,316,802</b>	
EXPENDITURES				
General Government	\$ 6,267,550	1.0 %	\$ 6,330,226	City continues to hold the line on expenditures. Wages and fringes are increasing greater than 1% per year, but other operational reductions will hopefully compensate.
Judicial	\$ 1,196,590	1.0 %	\$ 1,208,556	
Public Safety	\$ 7,351,076	1.0 %	\$ 7,424,587	
Public Services	\$ 2,600,565	1.0 %	\$ 2,626,571	
Community and Economic Development	\$ 218,295	1.0 %	\$ 220,478	
Recreation & Culture	\$ 510,670	1.0 %	\$ 515,777	
Debt Service	\$ 856,110	1.0 %	\$ 864,671	City still expects to sell recreation center in near future which will decrease costs, but that transaction is not certain at this point.
Interfund Transfers (Out)	\$ -	%	\$ -	
<b>Total Expenditures</b>	<b>\$ 19,000,856</b>		<b>\$ 19,190,865</b>	
<b>Net Revenues (Expenditures)</b>	<b>\$ (3,835,706)</b>		<b>\$ (3,874,063)</b>	
<b>Beginning Fund Balance</b>	<b>\$ 38,764</b>		<b>\$ (3,796,942)</b>	
<b>Ending Fund Balance</b>	<b>\$ (3,796,942)</b>		<b>\$ (7,671,005)</b>	Deficit of Fund Balance

**Commentary:** The City's adopted budget for FY21 ends in a significant deficit, primarily due to rising pension contributions. The City has recently negotiated with the MERS pension system and changed the amortization period for several divisions, resulting in a lower required contribution. This is not yet represented in the above figures. In addition, the City has been paying less than the required contributions since Spring 2020 which has led to legal action by MERS against the City. The ultimate result of these actions is unknown, but could potentially lead to a new revenue source dedicated to pension contributions. We do not expect the City to end FY22 in an (\$7.6M) deficit; however, the City's budget is not yet updated to reflect these recent changes.