

2018 Budget Plan Executive Summary



City of Akron, Ohio
Dan Horrigan, Mayor

Prepared by the Department of Finance
March 5, 2018

2018 Budget Assumptions



Revenue

1. Income tax revenues to increase by 2%.
2. Local government fund revenues decrease slightly.
3. Property tax revenues to remain stable.
4. No increase in Water or Sewer service rates for 2018.
5. City will examine its current structure of fees, licenses, fines and service charges and make adjustments where appropriate.

Expenditure

1. A 2.5% cost-of-living wage increase for all unions and non-bargaining employees was effective December 31, 2017.
2. The charge for health care costs will increase for 2018.
3. The City will be hiring Police Officers and Firefighter/medics
4. Pension payments for 2018 will include a 13th payment.

2018 Budget Categories



Budget Categories to Banner Account Types

Wages/Benefits

61 – Labor: Includes wages for full-time, part-time, temporary, and seasonal staff, overtime, longevity payment, and uniform allowance.

62 – Fringe Benefits: Includes health benefits, unemployment, Workers' Compensation, Medicare, pension, and retirement payouts.

Other

70 – Direct Expenditures: Discretionary items including supplies, postage, contractual services, maintenance, computer equipment, travel, salt purchases, and etc.

71 – Income Tax Refunds: Exclusively Income tax, JEDD tax refunds, and tax sharing payments.

72 – Utilities: Gas, Electric, Steam and Tipping fees are the majority of the expenses.

73 – Debt Service: Payments for debt issuance including: principal, interest, and issuance expense.

74 – Insurance: Payments for vehicle, property, and other insurance.

75 – State/County Charges: Real estate taxes, Auditor of State fees, election, and Summit County Auditor Fee.

76 – Rentals and Leases: Equipment and property lease and lease purchase payments.

80 – Interfund Transfers: Payments primarily to reimburse internal service funds for services provided including: Motor Equipment, Communications, Information Technology, and Engineering. Subsidy payments, advances along with the City share of grant matching funds are recorded as interfund.

Outlay

78 – Capital Outlay: Payments for items with a unit cost in excess of \$7,500 with a useful life more than five years and includes items such as: equipment, streets, highways, sewer, water mains, vehicles, trucks, and accessories.

General Fund

Cash Balance, Revenue, Expense, and Ending Cash (2016-2017 Actual and 2018 Budget)

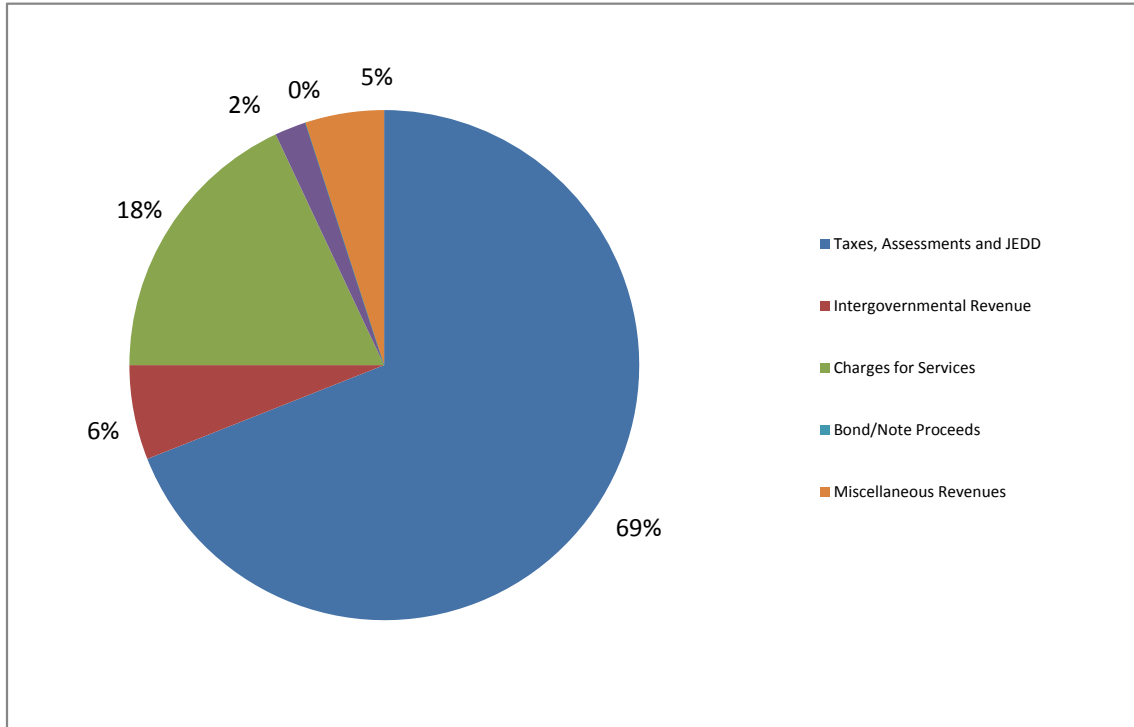


| | <u>2016</u> <u>Actual</u> | <u>2017</u> <u>Actual</u> | <u>2018</u> <u>Budget</u> |
|---|------------------------------|------------------------------|------------------------------|
| <u>Cash Balance, January 1</u> | \$5,187,664 | \$5,401,932 | \$9,852,856 |
| <u>Revenue</u> | | | |
| Taxes, Assessments and JEDD | \$112,630,874 | \$110,641,292 | \$116,413,100 |
| Intergovernmental Revenue | 10,523,699 | 10,279,072 | 10,246,200 |
| Charges for Services | 28,832,897 | 29,392,607 | 29,773,000 |
| License and Fees | 2,602,960 | 2,978,425 | 2,931,100 |
| Bond/Note Proceeds | 5,000,000 | 0 | 0 |
| Miscellaneous Revenues | 1,769,117 | 17,733,890 | 8,490,900 |
| Total Revenue | <u>\$161,359,547</u> | <u>\$171,025,286</u> | <u>\$167,854,300</u> |
| <u>Expense</u> | | | |
| Labor | \$77,570,477 | \$72,221,377 | \$77,407,200 |
| Fringe Benefits | 37,989,753 | 40,315,355 | 41,302,750 |
| Current Expenditures - Other | 25,098,082 | 24,645,065 | 24,370,150 |
| Utilities Expenses | 3,452,579 | 3,629,012 | 4,135,660 |
| Debt Service | 1,633,364 | 312,836 | 238,130 |
| Insurance | 450,559 | 518,589 | 513,940 |
| State/County Charges | 1,444,092 | 1,609,667 | 1,740,600 |
| Rentals and Leases | 1,874,721 | 1,641,927 | 1,663,110 |
| Capital Outlay | 338,949 | 184,839 | 75,000 |
| Interfund Service Charges | 11,292,703 | 21,495,695 | 17,323,770 |
| Total Expense | <u>\$161,145,279</u> | <u>\$166,574,362</u> | <u>\$168,770,310</u> |
| <u>Cash Balance, December 31</u> | <u><u>\$5,401,932</u></u> | <u><u>\$9,852,856</u></u> | <u><u>\$8,936,846</u></u> |

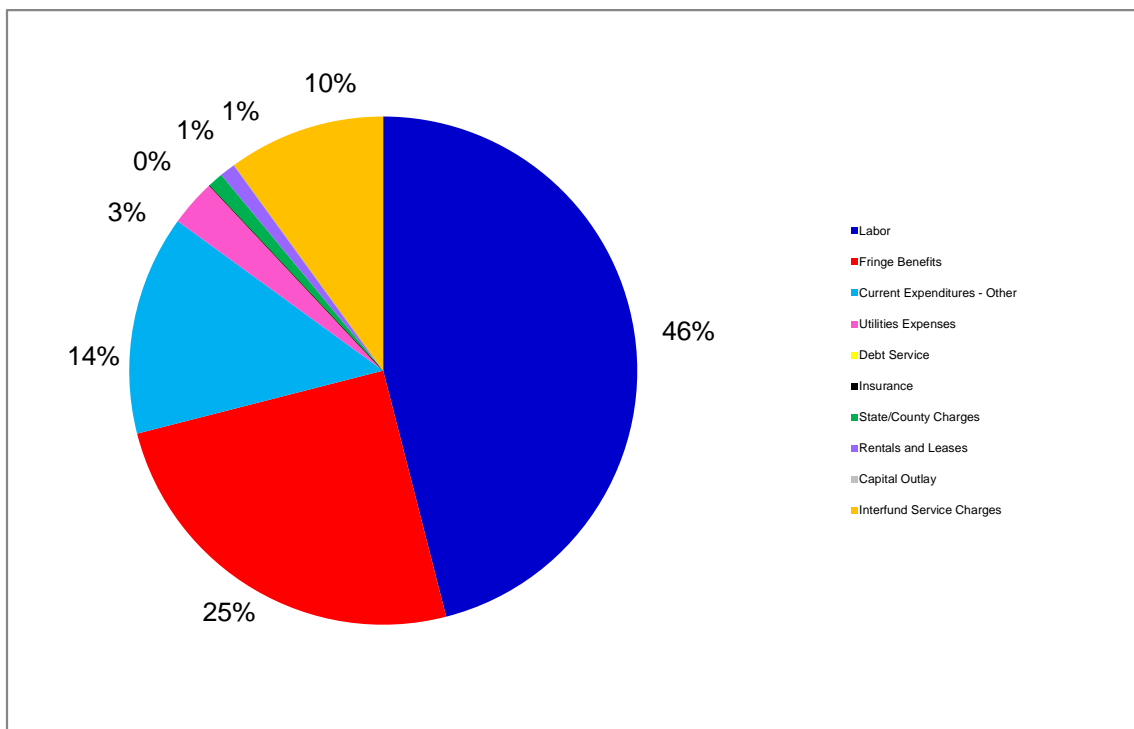
General Fund 2018 Budget



Revenue by Major Source



Expense by Category



All Funds

Gross Revenue - by Fund



| <u>Fund - Title</u> | <u>2016 Actual</u> | <u>2017 Actual</u> | <u>2018 Budget</u> |
|---|----------------------|----------------------|----------------------|
| 1000-GENERAL FUND | \$161,359,547 | \$171,025,286 | \$167,854,300 |
| 2000-INCOME TAX COLLECTION | 6,542,781 | 6,395,454 | 6,520,400 |
| 2005-EMERGENCY MEDICAL SERVICE | 9,407,826 | 19,683,687 | 19,652,300 |
| 2010-SPECIAL ASSESSMENT BOND PAYMENT | 29,803,219 | 29,709,763 | 29,875,900 |
| 2015-POLICE PENSION-LIABILITY | 763,910 | 785,025 | 839,880 |
| 2020-FIRE PENSION-LIABILITY | 763,910 | 785,025 | 839,880 |
| 2025-INCOME TAX CAPITAL IMPROVEMENT (DW) | 35,646,507 | 43,050,591 | 44,393,200 |
| 2030-STREET & HIGHWAY MAINTENANCE | 9,437,724 | 10,172,947 | 9,595,000 |
| 2080-COMMUNITY DEVELOPMENT (DW) | 5,774,464 | 5,721,751 | 6,875,000 |
| 2095-COMMUNITY ENVIRONMENT GRANTS (DW) | 1,309,197 | 1,015,910 | 1,075,000 |
| 2127-A.M.A.T.S. | 1,441,142 | 1,534,897 | 1,460,000 |
| 2146-H.O.M.E. PROGRAM (DW) | 2,005,672 | 516,613 | 7,195,000 |
| 2195-TAX EQUIVALENCY (DW) | 15,000,746 | 15,032,894 | 14,785,000 |
| 2200-SPECIAL REVENUE LOANS | 10,848 | 11,155 | 10,000 |
| 2240-JOINT ECONOMIC DEVELOPMENT DISTRICT (DW) | 14,989,299 | 16,489,971 | 15,355,500 |
| 2255-AKRON MUNICIPAL COURT INFORMATION SYSTEM | 211,080 | 226,218 | 235,000 |
| 2295-POLICE GRANTS | 3,547,829 | 2,649,453 | 540,000 |
| 2305-SAFETY PROGRAMS | 6,426,884 | 5,664,059 | 4,915,000 |
| 2320-EQUIPMENT & FACILITIES OPERATING (DW) | 3,386,921 | 3,763,324 | 3,410,000 |
| 2330-VARIOUS PURPOSE FUNDING (DW) | 2,639,690 | 2,968,367 | 3,590,000 |
| 2340-DEPOSITS | 1,823,582 | 432,351 | 575,000 |
| 2355-COMMUNITY LEARNING CENTERS (DW) | 18,160,602 | 16,598,940 | 14,017,300 |
| 2360-POLICE, FIRE, ROAD INCOME TAX | 0 | 0 | 13,100,000 |
| 3000-GENERAL BOND PAYMENT | 1,162,615 | 1,720,180 | 1,729,500 |
| 4060-STREETS (DW) | 9,320,899 | 7,248,464 | 10,496,100 |
| 4150-INFORMATION TECH. AND IMPROVE. | 0 | 100,000 | 400,000 |
| 4160-PARKS AND RECREATION (DW) | 10,241 | 228,030 | 1,240,000 |
| 4165-PUBLIC FACILITIES AND IMPROVEMENTS (DW) | 1,804,687 | 677,414 | 1,175,000 |
| 4170-PUBLIC PARKING (DW) | 0 | 0 | 0 |
| 4175-ECONOMIC DEVELOPMENT (DW) | 2,459,040 | 4,696,905 | 4,375,000 |
| 5000-WATER | 37,874,575 | 41,337,431 | 40,724,500 |
| 5005-SEWER | 113,476,865 | 135,542,159 | 102,568,500 |
| 5010-OIL & GAS | 54,794 | 135,896 | 75,000 |
| 5015-GOLF COURSE | 1,269,337 | 1,310,028 | 1,395,000 |
| 5020-AIRPORT | 339,592 | 819,614 | 960,000 |
| 5030-OFF-STREET PARKING | 4,764,107 | 3,196,968 | 3,614,800 |
| 6000-MOTOR EQUIPMENT | 7,820,112 | 7,645,477 | 7,670,000 |
| 6005-LIABILITY SELF-INSURANCE | 33,621,680 | 38,065,569 | 41,078,800 |
| 6007-WORKERS' COMPENSATION RESERVE | 2,304,602 | 3,630,966 | 2,713,840 |
| 6009-SELF-INSURANCE SETTLEMENT | 0 | 0 | 100,000 |
| 6015-TELEPHONE SYSTEM ROTARY | 791,439 | 824,608 | 1,210,000 |
| 6025-ENGINEERING | 5,929,222 | 5,629,066 | 6,196,500 |
| 6030-DATA PROCESSING | 2,983,930 | 2,783,230 | 2,814,730 |
| 7000-CLAIRE MERRIX TENNIS TRUST | 0 | 250 | 0 |
| 7003-HOLOCAUST MEMORIAL | 10,748 | 12,372 | 8,500 |
| 7010-UNCLAIMED MONIES | 42,106 | 34,322 | 35,000 |
| 7020-POLICE/FIRE BENEFICIARY SCHOLARSHIP | 400 | 500 | 0 |
| 7025-POLICE PROPERTY MONETARY EVIDENCE | 1,032,780 | 384,772 | 385,000 |
| Grand Total | \$557,527,151 | \$610,257,902 | \$597,674,430 |

All Funds

Gross Expense - by Fund



| <u>Fund - Title</u> | <u>2016 Actual</u> | <u>2017 Actual</u> | <u>2018 Budget</u> |
|---|----------------------|----------------------|----------------------|
| 1000-GENERAL FUND | \$161,145,279 | \$166,574,362 | \$168,770,310 |
| 2000-INCOME TAX COLLECTION | 6,553,106 | 6,400,006 | 6,574,010 |
| 2005-EMERGENCY MEDICAL SERVICE | 9,365,411 | 19,520,630 | 19,863,940 |
| 2010-SPECIAL ASSESSMENT BOND PAYMENT | 30,872,265 | 28,248,654 | 29,608,010 |
| 2015-POLICE PENSION-LIABILITY | 762,133 | 761,282 | 820,000 |
| 2020-FIRE PENSION-LIABILITY | 762,133 | 761,282 | 820,000 |
| 2025-INCOME TAX CAPITAL IMPROVEMENT (DW) | 37,063,687 | 42,809,101 | 43,313,780 |
| 2030-STREET & HIGHWAY MAINTENANCE | 9,397,622 | 9,862,323 | 9,969,290 |
| 2080-COMMUNITY DEVELOPMENT (DW) | 5,709,774 | 5,621,907 | 6,801,140 |
| 2095-COMMUNITY ENVIRONMENT GRANTS (DW) | 1,374,338 | 949,944 | 1,177,220 |
| 2127-A.M.A.T.S. | 1,450,912 | 1,501,968 | 1,559,120 |
| 2146-H.O.M.E. PROGRAM (DW) | 1,897,181 | 629,159 | 1,800,000 |
| 2195-TAX EQUIVALENCY (DW) | 17,258,200 | 15,098,823 | 16,021,000 |
| 2200-SPECIAL REVENUE LOANS | 0 | 9,870 | 25,000 |
| 2240-JOINT ECONOMIC DEVELOPMENT DISTRICT (DW) | 15,365,910 | 16,628,467 | 16,945,280 |
| 2255-AKRON MUNICIPAL COURT INFORMATION SYSTEM | 273,184 | 146,717 | 625,500 |
| 2295-POLICE GRANTS | 3,573,898 | 2,632,532 | 923,500 |
| 2305-SAFETY PROGRAMS | 6,454,862 | 5,776,120 | 6,471,790 |
| 2320-EQUIPMENT & FACILITIES OPERATING (DW) | 3,389,314 | 3,386,490 | 3,670,010 |
| 2330-VARIOUS PURPOSE FUNDING (DW) | 1,423,931 | 1,850,961 | 4,247,000 |
| 2340-DEPOSITS | 534,401 | 298,068 | 900,000 |
| 2355-COMMUNITY LEARNING CENTERS (DW) | 18,161,209 | 18,185,395 | 19,200,000 |
| 2360-POLICE, FIRE, ROAD INCOME TAX | 0 | 0 | 13,100,000 |
| 3000-GENERAL BOND PAYMENT | 1,173,121 | 1,630,426 | 1,178,610 |
| 4060-STREETS (DW) | 8,780,823 | 8,945,512 | 10,396,600 |
| 4150-INFORMATION TECH. AND IMPROVE. | 6,902 | 18,400 | 420,000 |
| 4160-PARKS AND RECREATION (DW) | 395,865 | 183,376 | 1,225,100 |
| 4165-PUBLIC FACILITIES AND IMPROVEMENTS (DW) | 1,745,912 | 703,264 | 1,386,000 |
| 4170-PUBLIC PARKING (DW) | 2,654 | 512,538 | 1,100,000 |
| 4175-ECONOMIC DEVELOPMENT (DW) | 3,832,520 | 2,645,169 | 4,349,600 |
| 5000-WATER | 39,069,668 | 39,533,812 | 45,455,320 |
| 5005-SEWER | 89,391,102 | 103,449,619 | 110,539,310 |
| 5010-OIL & GAS | 52,367 | 39,420 | 71,020 |
| 5015-GOLF COURSE | 1,248,743 | 1,320,016 | 1,376,630 |
| 5020-AIRPORT | 496,317 | 788,118 | 945,870 |
| 5030-OFF-STREET PARKING | 4,901,439 | 3,319,331 | 3,614,890 |
| 6000-MOTOR EQUIPMENT | 7,633,050 | 7,716,737 | 7,833,300 |
| 6005-LIABILITY SELF-INSURANCE | 38,675,231 | 36,584,481 | 39,382,030 |
| 6007-WORKERS' COMPENSATION RESERVE | 3,352,240 | 3,075,039 | 3,484,400 |
| 6009-SELF-INSURANCE SETTLEMENT | 0 | 0 | 100,000 |
| 6015-TELEPHONE SYSTEM ROTARY | 782,120 | 929,295 | 1,325,390 |
| 6025-ENGINEERING | 5,439,670 | 6,893,574 | 6,099,590 |
| 6030-DATA PROCESSING | 2,962,963 | 2,603,292 | 2,591,390 |
| 7000-CLAIRE MERRIX TENNIS TRUST | 0 | 0 | 500 |
| 7003-HOLOCAUST MEMORIAL | 2,052 | 8,135 | 6,550 |
| 7010-UNCLAIMED MONIES | 19,657 | 33,615 | 50,000 |
| 7020-POLICE/FIRE BENEFICIARY SCHOLARSHIP | 0 | 0 | 2,000 |
| 7025-POLICE PROPERTY MONETARY EVIDENCE | 262,083 | 254,987 | 350,000 |
| Grand Total | \$543,015,249 | \$568,842,217 | \$616,490,000 |

Full-time Employees Total vs. General Fund

