

Charter Township of Union
General Fund Long Term Forecast
September, 2019

| Fiscal Year Maximum Millage Rate Levied | Projected | Recommended | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Year End 2019 | Budget 2020 | | | | | | | | | |
| | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Revenues | | | | | | | | | | | |
| Property Tax ¹ | 456,900 | 460,300 | 464,903 | 469,552 | 474,248 | 478,990 | 483,780 | 488,618 | 493,504 | 498,439 | 503,423 |
| State Shared Revenue ² | 1,139,000 | 1,159,000 | 1,182,180 | 1,205,824 | 1,229,940 | 1,254,539 | 1,279,630 | 1,305,222 | 1,331,327 | 1,357,953 | 1,385,112 |
| Other ³ | 433,400 | 561,200 | 424,402 | 428,646 | 432,932 | 437,262 | 441,634 | 446,051 | 450,511 | 455,016 | 459,567 |
| Total Revenues | 2,029,300 | 2,180,500 | 2,071,485 | 2,104,022 | 2,137,120 | 2,170,791 | 2,205,044 | 2,239,891 | 2,275,342 | 2,311,409 | 2,348,102 |
| Expenditures | | | | | | | | | | | |
| Salaries & Wages ⁴ | 640,246 | 678,564 | 740,378 | 762,590 | 785,467 | 809,031 | 833,302 | 858,302 | 884,051 | 910,572 | 937,889 |
| Health Care Benefit ⁵ | 173,281 | 186,257 | 212,575 | 225,329 | 238,849 | 253,180 | 268,370 | 284,473 | 301,541 | 319,633 | 338,811 |
| Other Benefits ⁶ | 110,132 | 116,023 | 128,214 | 132,061 | 136,023 | 140,103 | 144,306 | 148,636 | 153,095 | 157,688 | 162,418 |
| Public Works ⁷ | 147,700 | 668,500 | 350,000 | 360,500 | 371,315 | 382,454 | 393,928 | 405,746 | 417,918 | 430,456 | 443,370 |
| Other ⁸ | 713,668 | 784,793 | 522,025 | 535,076 | 548,453 | 562,164 | 576,218 | 590,624 | 605,389 | 620,524 | 636,037 |
| Total Expenditures | 1,785,027 | 2,434,137 | 1,953,193 | 2,015,556 | 2,080,107 | 2,146,933 | 2,216,126 | 2,287,779 | 2,361,994 | 2,438,873 | 2,518,526 |
| Excess of revenue over expenditures | 244,273 | -253,637 | 118,292 | 88,466 | 57,013 | 23,858 | -11,082 | -47,889 | -86,652 | -127,464 | -170,423 |
| Fund Balance - beginning of year | 4,147,178 | 4,391,451 | 4,137,814 | 4,256,106 | 4,344,572 | 4,401,586 | 4,425,443 | 4,414,362 | 4,366,473 | 4,279,821 | 4,152,357 |
| Projected Fund Balance - end of year | 4,391,451 | 4,137,814 | 4,256,106 | 4,344,572 | 4,401,586 | 4,425,443 | 4,414,362 | 4,366,473 | 4,279,821 | 4,152,357 | 3,981,933 |
| Fund Balance Policy⁹ | 595,009 | 710,619 | 651,064 | 671,852 | 693,369 | 715,644 | 738,709 | 762,593 | 787,331 | 812,958 | 839,509 |
| Amount over/(under) policy target | 3,796,442 | 3,427,195 | 3,605,042 | 3,672,721 | 3,708,217 | 3,709,799 | 3,675,653 | 3,603,880 | 3,492,490 | 3,339,399 | 3,142,425 |
| Fund balance percent of operating expense | 246% | 170% | 218% | 216% | 212% | 206% | 199% | 191% | 181% | 170% | 158% |

Assumptions:

¹Taxable value increases 1%/year

²State revenue increases 2%/year

³Other revenue increases 1%/year

⁴Salaries & wages increase 3%/year, increased for building official employee 50% in 2020 and 100% 2021

⁵Health care benefit increase 6%/year, increased for building official employee 50% in 2020 and 100% 2021

⁶Other benefit increase 3%/year, increased for building official employee 50% in 2020 and 100% 2021

⁷Public works expense increase 3%/year and reset using 5 year avg after 2020

⁸Other expense increase 2.5%/year, decreased for McKenna contract elimination, 50% in 2020 and 100% 2021 and Jameson Hall project \$211,000 is a one time project in 2020

⁹Fund balance policy equals 4 months of expenses or 33% of operating expenses

Charter Township of Union
Fire Fund Long Term Forecast
September, 2019

| Fiscal Year Millage Rate Levied ¹ | Projected | Recommended | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|------------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| | Year End 2019 | Budget 2020 | | | | | | | | | |
| Revenues | | | | | | | | | | | |
| Property Tax ² | 607,450 | 610,150 | 693,113 | 700,044 | 707,044 | 714,115 | 721,256 | 728,468 | 735,753 | 743,110 | 750,542 |
| Property Tax Refunds-MTT | -10,000 | -10,000 | -10,100 | -10,201 | -10,303 | -10,406 | -10,510 | -10,615 | -10,721 | -10,829 | -10,937 |
| Pilot Tax | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 | 6,200 |
| DPP | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| State Grant-Public Safety | 6,000 | 6,000 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 | 5,500 |
| State Aid Revenue | 9,000 | 9,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 |
| Fire Protection-East & West DDA | 115,100 | 115,100 | 116,251 | 117,414 | 118,588 | 119,774 | 120,971 | 122,181 | 123,403 | 124,637 | 125,883 |
| Interest Earned | 30,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 |
| Gain on Sale of Assets | 0 | 30,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Revenues | 764,250 | 786,950 | 839,464 | 847,456 | 855,529 | 863,682 | 871,917 | 880,234 | 888,634 | 897,119 | 905,688 |
| Expenditures | | | | | | | | | | | |
| Salaries & Benefits-Hydrant Flushing ³ | 45,000 | 45,000 | 46,350 | 47,741 | 49,173 | 50,648 | 52,167 | 53,732 | 55,344 | 57,005 | 58,715 |
| Professional and Contractual Services ⁴ | 731,400 | 763,800 | 796,300 | 812,900 | 830,100 | 847,532 | 865,330 | 883,502 | 902,056 | 920,999 | 940,340 |
| Capital Outlay-Fire Truck | 0 | 478,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fire Hydrant Repairs/Replacements ³ | 5,150 | 5,150 | 5,305 | 5,464 | 5,628 | 5,796 | 5,970 | 6,149 | 6,334 | 6,524 | 6,720 |
| Total Expenditures | 781,550 | 1,291,950 | 847,955 | 866,104 | 884,900 | 903,976 | 923,468 | 943,384 | 963,734 | 984,527 | 1,005,774 |
| Excess of revenue over expenditures | -17,300 | -505,000 | -8,491 | -18,648 | -29,372 | -40,294 | -51,551 | -63,150 | -75,100 | -87,409 | -100,086 |
| Fund Balance - beginning of year | 1,179,617 | 1,162,317 | 657,317 | 648,826 | 630,178 | 600,806 | 560,512 | 508,961 | 445,811 | 370,711 | 283,303 |
| Projected Fund Balance - end of year | 1,162,317 | 657,317 | 648,826 | 630,178 | 600,806 | 560,512 | 508,961 | 445,811 | 370,711 | 283,303 | 183,216 |
| Fund Balance Policy⁵ | 260,517 | 271,317 | 282,652 | 288,701 | 294,967 | 301,325 | 307,823 | 314,461 | 321,245 | 328,176 | 335,258 |
| Amount over/(under) policy target | 901,800 | 386,000 | 366,175 | 341,477 | 305,840 | 259,187 | 201,138 | 131,350 | 49,467 | -44,873 | -152,042 |
| Fund balance percent of operating expenditures | 149% | 81% | 77% | 73% | 68% | 62% | 55% | 47% | 38% | 29% | 18% |

Assumptions:

¹ Millage passed in November 2018

² Taxable value increases 1%/year

³ Expenses increase 3%/year

⁴ From Service Agreement with City of Mt Pleasant through 2023, then 2.1% increase

⁵ Fund balance policy equals 4 months of expenditures or 33% of operating expenditures

Charter Township of Union
East DDA Fund Long Term Forecast
September, 2019

| Fiscal Year | Projected Year End 2019 | Recommended Budget 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|-------------------------------|-------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Revenues | | | | | | | | | | | |
| Property Tax ¹ | 401,500 | 435,800 | 440,158 | 444,560 | 449,005 | 453,495 | 458,030 | 462,610 | 467,237 | 471,909 | 476,628 |
| Property Tax Refunds-MTT | -4,250 | -4,250 | -4,250 | -4,250 | -4,250 | -4,250 | -4,250 | -4,250 | -4,250 | -4,250 | -4,250 |
| State Aid Revenue ² | 55,000 | 55,000 | 50,000 | 45,000 | 40,000 | 35,000 | 30,000 | 25,000 | 20,000 | 15,000 | 10,000 |
| Interest Earned | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 | 18,000 |
| Other Revenue | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Total Revenues | 470,350 | 504,650 | 504,008 | 503,410 | 502,855 | 502,345 | 501,880 | 501,460 | 501,087 | 500,759 | 500,478 |
| Expenditures | | | | | | | | | | | |
| Professional and Contractual Services ³ | 138,670 | 134,000 | 136,680 | 139,414 | 142,202 | 145,046 | 147,947 | 150,906 | 153,924 | 157,002 | 160,142 |
| Fire Protection ⁴ | 64,500 | 66,000 | 67,000 | 68,000 | 69,000 | 70,000 | 71,000 | 72,000 | 73,000 | 74,000 | 75,000 |
| Projects ⁵ | 122,650 | 267,260 | 250,000 | 257,500 | 265,225 | 273,182 | 281,377 | 289,819 | 298,513 | 307,468 | 316,693 |
| Total Expenditures | 325,820 | 467,260 | 453,680 | 464,914 | 476,427 | 488,228 | 500,324 | 512,724 | 525,437 | 538,471 | 551,835 |
| Excess of revenue over expenditures | 144,530 | 37,390 | 50,328 | 38,496 | 26,428 | 14,118 | 1,556 | -11,264 | -24,350 | -37,712 | -51,357 |
| Fund Balance - beginning of year | 1,123,948 | 1,268,478 | 1,305,868 | 1,356,196 | 1,394,692 | 1,421,120 | 1,435,238 | 1,436,794 | 1,425,530 | 1,401,180 | 1,363,468 |
| Projected Fund Balance - end of year | 1,268,478 | 1,305,868 | 1,356,196 | 1,394,692 | 1,421,120 | 1,435,238 | 1,436,794 | 1,425,530 | 1,401,180 | 1,363,468 | 1,312,111 |
| Fund Balance Policy⁶ | 33,862 | 33,334 | 33,947 | 34,570 | 35,201 | 35,842 | 36,492 | 37,152 | 37,821 | 38,501 | 39,191 |
| Amount over/(under) policy target | 1,234,616 | 1,272,534 | 1,322,249 | 1,360,122 | 1,385,919 | 1,399,396 | 1,400,302 | 1,388,378 | 1,363,358 | 1,324,967 | 1,272,920 |
| Fund balance percent of operating expenditures | 624% | 653% | 666% | 672% | 673% | 667% | 656% | 640% | 617% | 590% | 558% |

Assumptions:

¹ Taxable value increases 1%/year

² State Aid Revenue estimated to decrease \$5,000 annually

³ Expenses increase 2%/year

⁴ Reimburse tax captures to Fire Fund for fire protection services

⁵ Projects assumption \$250,000 in 2021 and going forward annually plus 3%

⁶ Fund balance policy equals 2 months of normal operational expenditures or 16.7% of operating expenditures

Charter Township of Union
West DDA Fund Long Term Forecast
September, 2019

| Fiscal Year | Projected Year End 2019 | Recommended Budget 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|---|-------------------------------|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Revenues | | | | | | | | | | | |
| Property Tax ¹ | 304,450 | 320,450 | 323,655 | 326,891 | 330,160 | 333,462 | 336,796 | 340,164 | 343,566 | 347,001 | 350,471 |
| Property Tax Refunds-MTT | -4,000 | -4,000 | -4,000 | -4,000 | -4,000 | -4,000 | -4,000 | -4,000 | -4,000 | -4,000 | -4,000 |
| Interest Earned | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 |
| Total Revenues | 314,450 | 330,450 | 333,655 | 336,891 | 340,160 | 343,462 | 346,796 | 350,164 | 353,566 | 357,001 | 360,471 |
| Expenditures | | | | | | | | | | | |
| Professional and Contractual Services ² | 6,370 | 4,200 | 4,284 | 4,370 | 4,457 | 4,546 | 4,637 | 4,730 | 4,824 | 4,921 | 5,019 |
| Fire Protection ³ | 45,600 | 49,000 | 50,000 | 51,000 | 52,000 | 53,000 | 54,000 | 55,000 | 56,000 | 57,000 | 58,000 |
| Projects ⁴ | 450,745 | 400,000 | 250,000 | 257,500 | 265,225 | 273,182 | 281,377 | 289,819 | 298,513 | 307,468 | 316,693 |
| Total Expenditures | 502,715 | 453,200 | 304,284 | 312,870 | 321,682 | 330,728 | 340,014 | 349,548 | 359,338 | 369,389 | 379,712 |
| Excess of revenue over expenditures | -188,265 | -122,750 | 29,371 | 24,021 | 18,478 | 12,734 | 6,782 | 616 | -5,772 | -12,388 | -19,240 |
| Fund Balance - beginning of year | 1,016,065 | 827,800 | 705,050 | 734,421 | 758,442 | 776,920 | 789,653 | 796,435 | 797,051 | 791,279 | 778,891 |
| Projected Fund Balance - end of year | 827,800 | 705,050 | 734,421 | 758,442 | 776,920 | 789,653 | 796,435 | 797,051 | 791,279 | 778,891 | 759,651 |
| Fund Balance Policy⁵ | 8,662 | 8,867 | 9,048 | 9,228 | 9,410 | 9,591 | 9,773 | 9,955 | 10,138 | 10,320 | 10,503 |
| Amount over/(under) policy target | 819,138 | 696,183 | 725,373 | 749,213 | 767,510 | 780,062 | 786,662 | 787,096 | 781,142 | 768,571 | 749,147 |
| Fund balance percent of operating expenditures | 1593% | 1325% | 1353% | 1370% | 1376% | 1372% | 1358% | 1334% | 1301% | 1258% | 1205% |

Assumptions:

¹ Taxable value increases 1%/year

² Expenses increase 2%/year

³ Reimburse tax captures to Fire Fund for fire protection services' estimated to increase \$1,000 annually

⁴ Projects assumption \$250,000 in 2021 and going forward annually plus 3%

⁵ Fund balance policy equals 2 months of normal operational expenditures or 16.7% of operating expenditures