

ROYAL OAK

**2009-2010
RECOMMENDED
BUDGET**

ROYAL OAK

A DIFFERENT APPROACH

**ATTEMPTED TO SHOW 5-YEAR
BALANCED BUDGET**

ROYAL OAK

A DIFFERENT APPROACH

**RECENT BUDGETS BASED ON
CURRENT STAFFING LEVELS**

ROYAL OAK

A DIFFERENT APPROACH

**RESULTED IN BETTER THAN
BUDGET ACTUAL PERFORMANCE
WHEN VACANCIES WERE NOT
FILLED**

ROYAL OAK

A DIFFERENT APPROACH

2009-2010 BUDGET
ANTICIPATES RETIREMENTS

ROYAL OAK

A DIFFERENT APPROACH

2009-2010 BUDGET
~~ANTICIPATES~~ RELIES ON
RETIREMENTS

ROYAL OAK

A DIFFERENT APPROACH

2009-2010 BUDGET ~~ANTICIPATES~~
RELIES ON RETIREMENTS

OUR PROJECTIONS MAY BE
WRONG!

ROYAL OAK

GENERAL FUND

**MEETS STATE REQUIREMENT
FOR A BALANCED BUDGET
BUT IS NOT REALLY
BALANCED**

ROYAL OAK

GENERAL FUND

REVENUES < EXPENDITURES

“APPROPRIATION FROM FUND
BALANCE” MAKES UP DIFFERENCE

ROYAL OAK

GENERAL FUND

LIVING OFF SAVINGS

\$1.37 MILLION

ROYAL OAK

GENERAL FUND

**SAVINGS WILL RUN OUT IN
2014!**

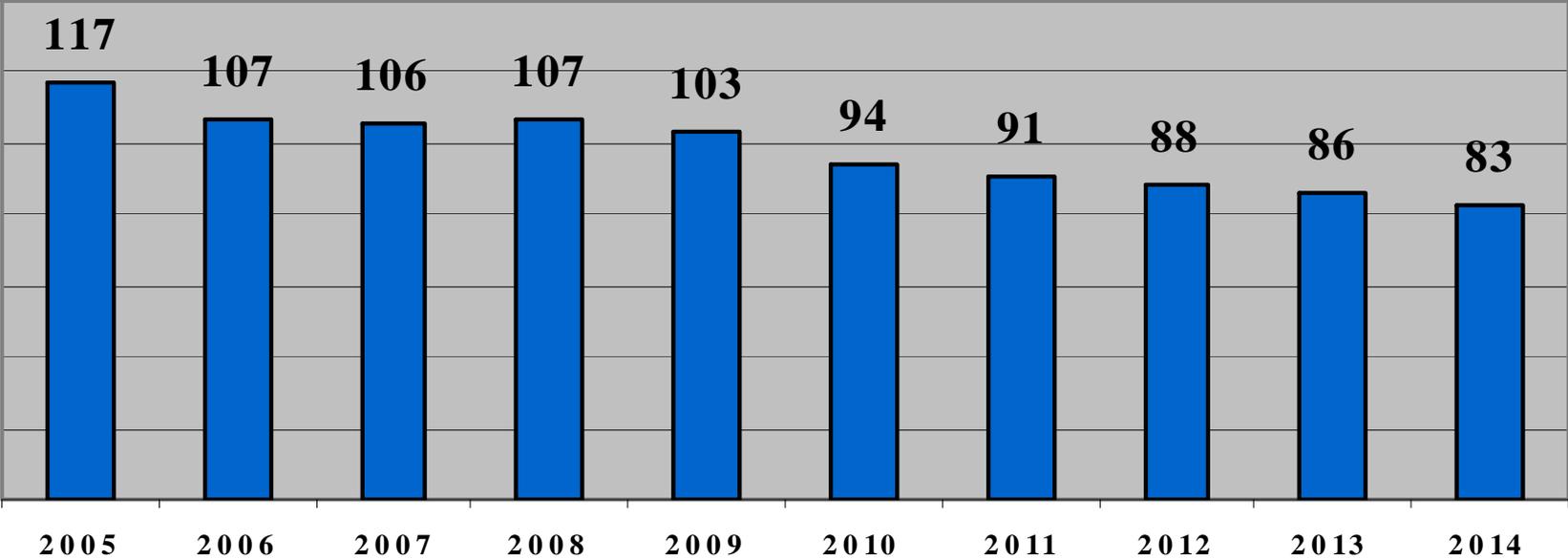
Budget Summary

General Fund Summary	2008-2009 Estimated Year End	2009-2010 Manager's Budget	2010-2011 Projected Budget	2011-2012 Projected Budget	2012-2013 Projected Budget	2013-2014 Projected Budget
Beginning Fund Balance	8,361,834	9,461,806	8,090,891	5,723,150	3,645,820	1,523,560
Revenues	33,736,200	32,813,328	32,303,283	32,100,473	32,363,075	32,978,445
Expenditures	35,328,803	35,669,243	35,796,024	35,302,802	35,610,335	36,033,712
Net	(1,592,604)	(2,855,915)	(3,492,742)	(3,202,329)	(3,247,260)	(3,055,267)
Transfers from other funds	2,692,576	1,485,000	1,125,000	1,125,000	1,125,000	1,125,000
Net Change in Fund Balance	1,099,972	(1,370,915)	(2,367,742)	(2,077,329)	(2,122,260)	(1,930,267)
Ending Fund Balance	9,461,806	8,090,891	5,723,150	3,645,820	1,523,560	(406,707)
Fund Balance as a percentage of Expenditures	26.78%	22.68%	15.99%	10.33%	4.28%	-1.13%
Net Change in Fund Balance	1,099,972	(1,370,915)	(2,367,742)	(2,077,329)	(2,122,260)	(1,930,267)

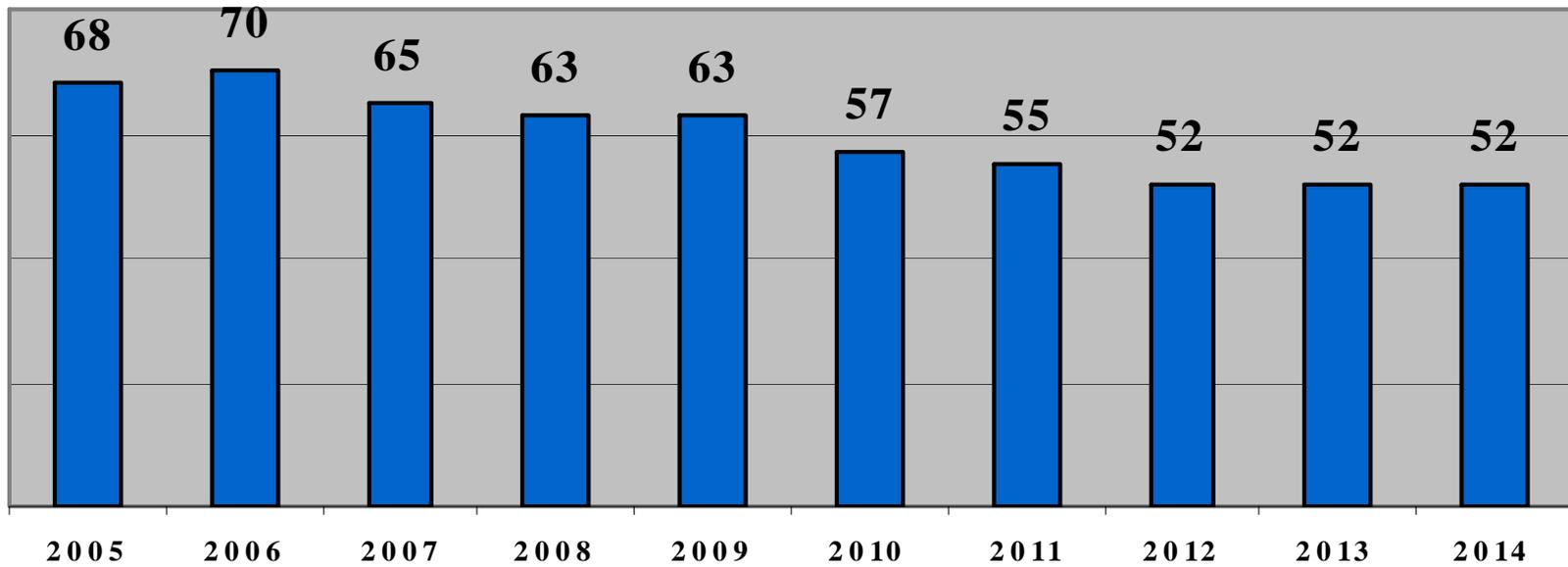
At Current Staff Levels

General Fund Summary	2008-2009 Estimated Year End	2009-2010 Manager's Budget	2010-2011 Projected Budget	2011-2012 Projected Budget	2012-2013 Projected Budget	2013-2014 Projected Budget
Beginning Fund Balance	8,361,834	9,461,806	6,752,935	2,089,446	(3,952,335)	(11,043,329)
Revenues	33,736,200	32,813,328	32,303,283	32,100,473	32,363,075	32,978,445
Expenditures	35,328,803	37,007,199	38,091,772	39,267,254	40,579,068	41,440,372
Net	(1,592,604)	(4,193,871)	(5,788,490)	(7,166,781)	(8,215,993)	(8,461,927)
Transfers from other funds	2,692,576	1,485,000	1,125,000	1,125,000	1,125,000	1,125,000
Net Change in Fund Balance	1,099,972	(2,708,871)	(4,663,490)	(6,041,781)	(7,090,993)	(7,336,927)
Ending Fund Balance	9,461,806	6,752,935	2,089,446	(3,952,335)	(11,043,329)	(18,380,255)
Fund Balance as a percentage of Expenditures	26.78%	18.25%	5.49%	-10.07%	-27.21%	-44.35%
Net Change in Fund Balance	1,099,972	(2,708,871)	(4,663,490)	(6,041,781)	(7,090,993)	(7,336,927)

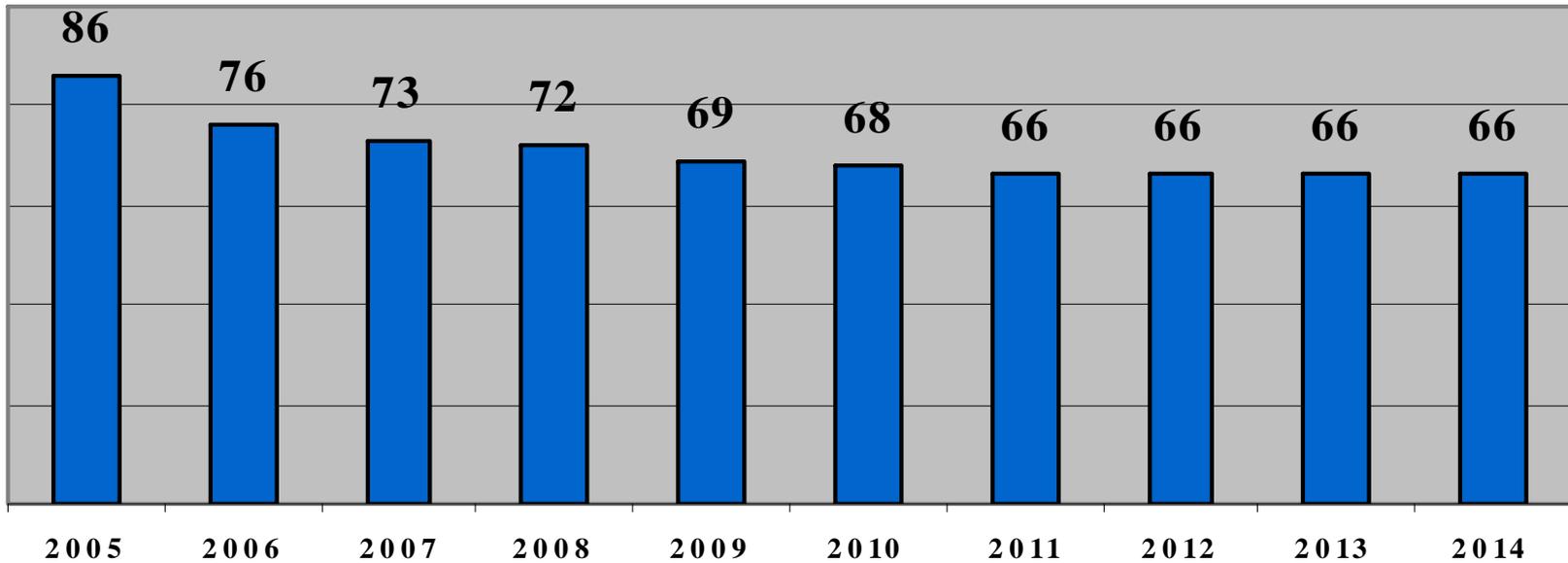
POLICE POSITIONS



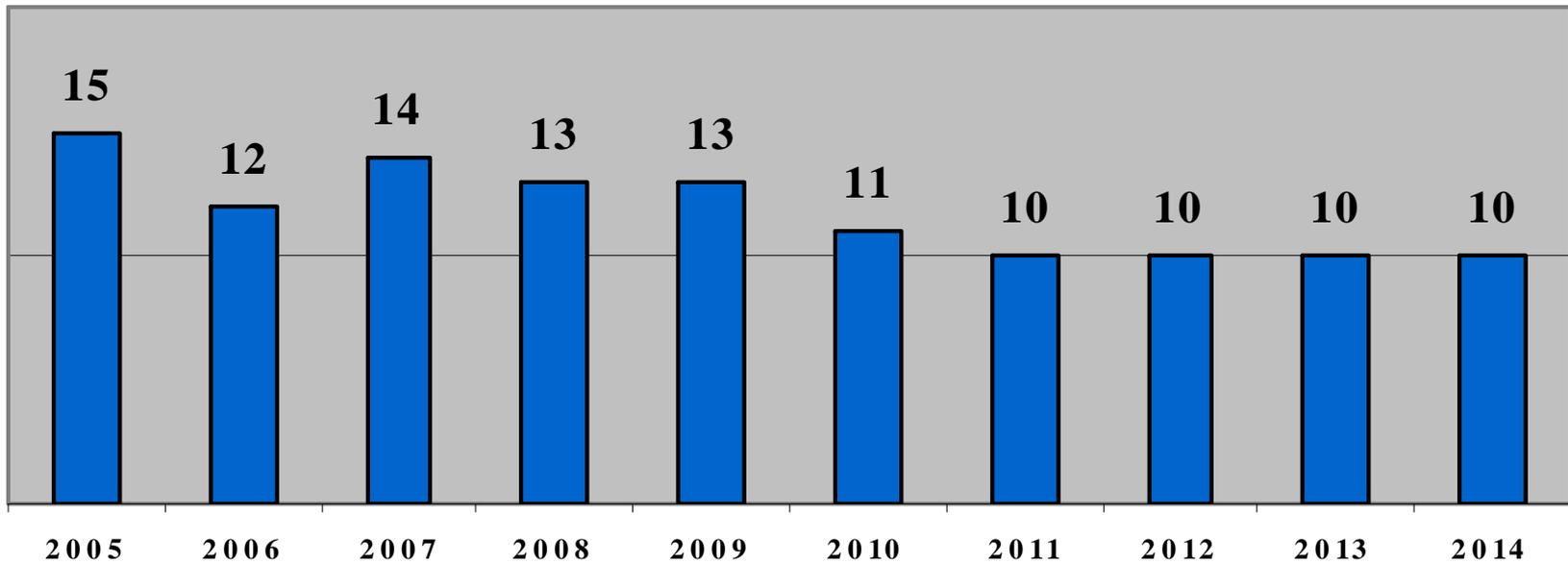
FIRE POSITIONS



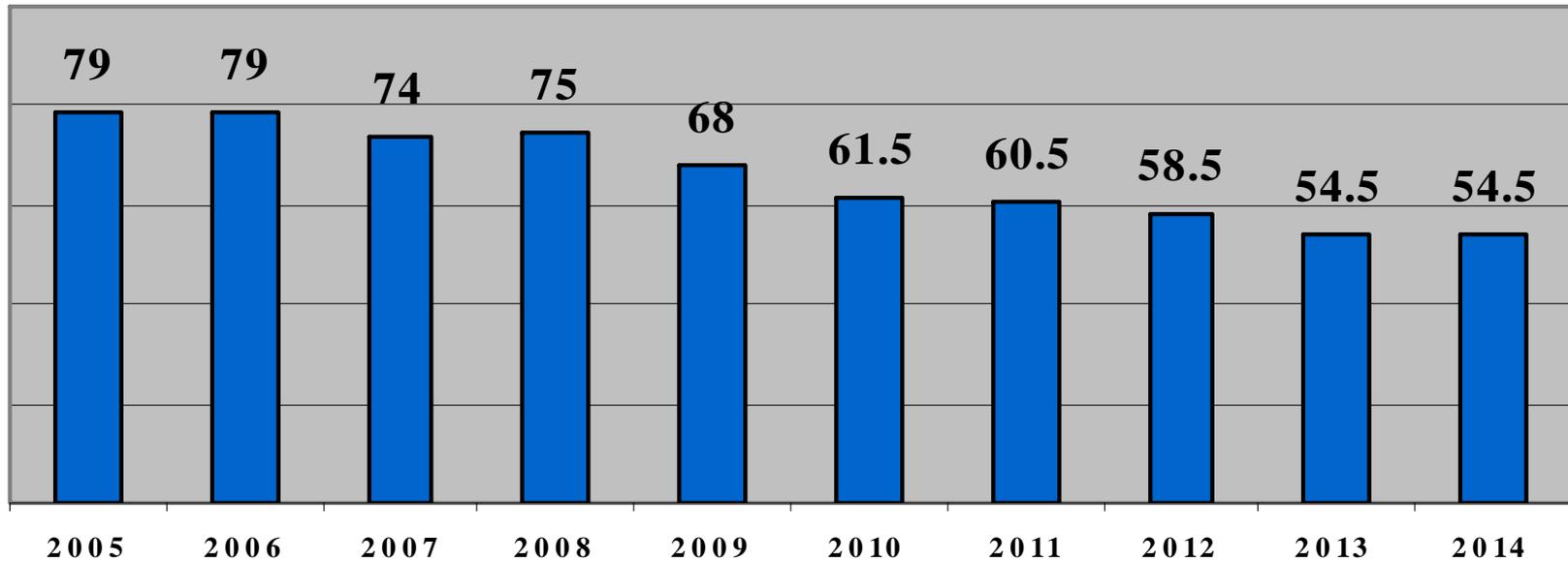
DPS & RECREATION POSITIONS



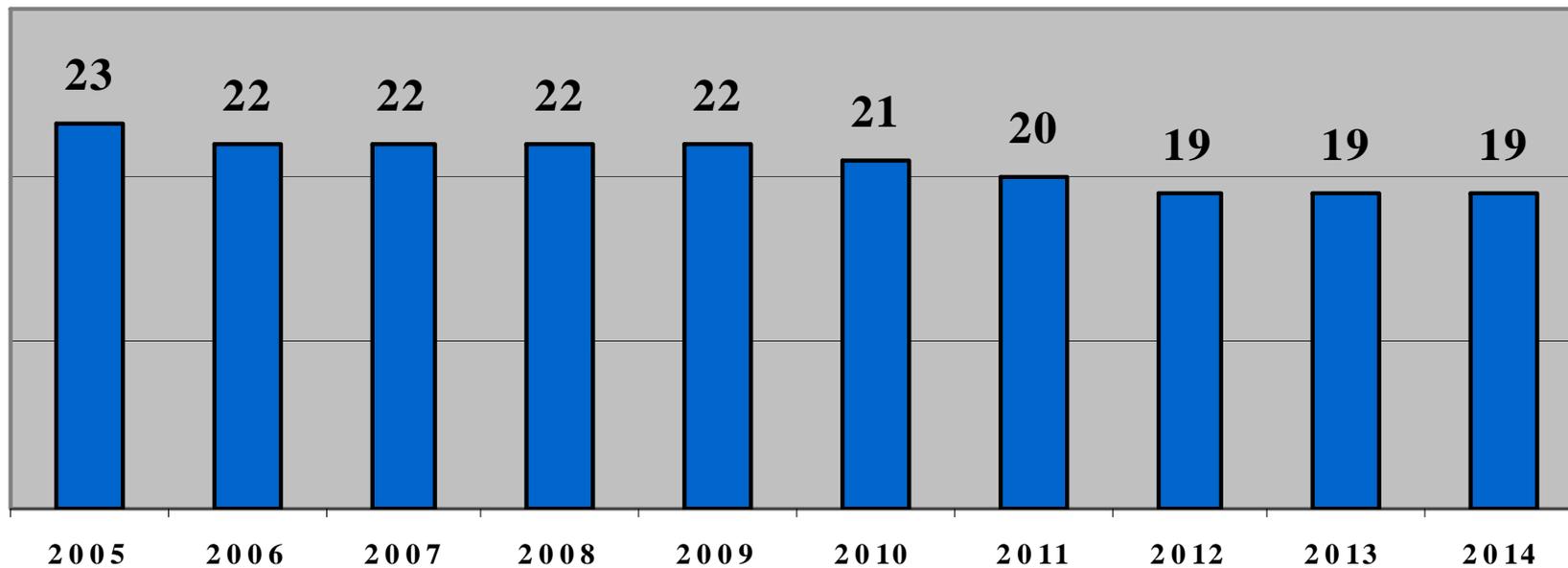
LIBRARY POSITIONS



ADMINISTRATIVE SERVICES



DISTRICT COURT POSITIONS



ROYAL OAK

GENERAL FUND REVENUE

TAXES DOWN 1.26%

WE EXPECTED WORSE

ROYAL OAK

TAXABLE VALUE

-1.26%	2009-2010
-4.50%	2010-2011
-2.50%	2011-2012
0.00%	2012-2013
+2.00%	2013-2014

ROYAL OAK

GENERAL FUND REVENUE

TRAFFIC TICKETS	-\$450,000
PARKING TICKETS	-\$100,000
INTEREST INCOME	-\$300,000
REVENUE SHARING	-\$200,000*

ROYAL OAK

GENERAL FUND REVENUE

**COURT FACILITIES FUND
TRANSFER -\$1,425,000**

ROYAL OAK

GENERAL FUND EXPENDITURES

>\$1,000,000 REDUCTION

ROYAL OAK

**POSSIBLE CITY HALL
REORGANIZATION**

**COMBINE COUNTERS
REDUCE FROM 7 TO 3**

ROYAL OAK

LEGACY COSTS

25% of GENERAL FUND
PENSIONS & RETIREE HEALTH

ROYAL OAK

RECREATION

FEES

FIELD CHARGES

DEPRECIATION

GOLF

ROYAL OAK

**STATE CONSTRUCTION CODE
FUND**

**REVENUE DOWN \$600,000
SINCE 2005-2006**

ROYAL OAK

**STATE CONSTRUCTION CODE
FUND**

**PROJECTED TO LOSE \$250,000
THIS FISCAL YEAR**

ROYAL OAK

**STATE CONSTRUCTION CODE
FUND**

**WILL RUN OUT OF MONEY IN
2010 IF WE DO NOTHING**

ROYAL OAK

STATE CONSTRUCTION CODE FUND

OPTIONS:

- FIND MORE WORK
- INCREASE FEES
- GENERAL FUND
- EMPLOY FEWER PEOPLE

ROYAL OAK

SOLID WASTE FUND

VOTERS AUTHORIZED 1 MILL

WE HAVE ONLY LEVIED .75

ROYAL OAK

SOLID WASTE FUND

RECOMMENDING FULL LEVY

ROYAL OAK

WATER & SEWER

WATER COST +7.9%

STORM SEWER +13.3%

CAPITAL IMPROVEMENTS
+\$600,000

ROYAL OAK

WATER & SEWER

**RATES WILL HAVE TO
INCREASE AGAIN**

7.14% - 7.89%

ROYAL OAK

**2009-2010
RECOMMENDED
BUDGET**