

2016-2020 Five Year Plan Update

Council Workshop Discussion – May 10, 2016

The following are key Amendments/Assumptions that were incorporated into the updated Five Year Plan. This was done to give City Council an understanding of the financial implications of recent changes in cost estimates as well as projects that have been added to the original plan.

1. We updated the Five Year Plan to include 2015 actual results.
2. Income tax revenue was amended to project a 3% for 2016 over 2015. Through the May 2016 advance, we have increased 6.4% over 2015.
3. We kept the same assumption that the income tax increase will be 2% for 2017-2020.
4. We adjusted 2016 revenue estimates to property taxes, KWH hour tax, broadband service revenue and advances based on year to date results.
5. We included adjustments that will be included in the First Quarter appropriations request. The more significant adjustments are as follows:
 - a. Transfer to Storm Water Fund for the Ranett Ave culvert projects (\$80,000)
 - b. Transfer to Storm Water Fund for the Middleton Rd ditch elimination project (\$275,000)
 - c. Transfer to the Storm Water Capital Fund for a portion of the Norfolk/Southern RR culvert project (\$280,000).
 - d. Income tax refund to Windstream Communications for prior years' overpayment of estimated taxes (\$53,796).
6. We added the debt service for the increased estimate of the Barlow Rd construction project. The original estimate was \$2.3 million; the amended estimate is \$2.9 million. The increased estimate includes the traffic signal and related widening and sidewalk at Terex & Barlow Rd (\$400,000) and contingency (\$200,000).
7. We added the debt service for \$1.8 million for the increased cost of the N. Main St. project.