



University of
Pittsburgh

Graduate School of Public
and International Affairs



pennsylvania
DEPARTMENT OF COMMUNITY
& ECONOMIC DEVELOPMENT

Strategic Management Planning Program

CURWENSVILLE BOROUGH, CLEARFIELD COUNTY

Steps 1, 2, & 3



Strategic Management Planning Program

Step 1 Financial Condition Assessment

Step 2 Financial Trend Analysis

Step 3 Emergency Plan for Fiscal Year

April, 23, 2025

Step 4 Management Audit & Review

Step 5 Multi-year Plan Adoption

Step 6 Implementation Plan

May, 2025

Defining Financial Condition

Annual Surplus (Deficit)

Compares revenues and expenditures in a fiscal year

Structural Surplus (Deficit)

Compares the rate of change of revenues to the rate of change of expenditures

Defining Financial Condition

1. Cash Solvency

Ability to generate cash flow over a 60-day period to pay bills.

2. Budgetary Solvency

Ability to generate revenues over a normal fiscal year to meet expenditures and avoid deficits.

3. Long-Run Solvency

Ability, in the long-term, to pay all costs of doing business including pension and capital costs.

4. Service-Level Solvency

Ability to provide services at a certain level and quality that are required for the health, safety, and welfare of the community.

Removed from Core Analysis

Revenues:

One time Revenues Removed from Core

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-----------|------------|------------|------------|------------|
| Federal Capital and Operating Grants | | | \$ 6,481 | | |
| Federal Shared Rev. and Entitlements | | | \$ 124,818 | \$ 125,607 | |
| State Capital and Operating Grants | | \$ 26,877 | \$ 161,671 | | \$ 762,794 |
| Local Gov't Units Capital and Operating Grants | | \$ 136,796 | \$ 15,180 | | |
| State Highways and Streets | \$ 18,301 | | | | |
| State Community Development | \$ 84,299 | | | | |
| Proceeds of General Fixed Asset Distribution | \$ - | \$ - | \$ 7,905 | \$ 7,000 | \$ 21,108 |
| Proceeds of Long Term Debt | | | | \$ 593,294 | \$ 175,977 |
| Interfund Operating Transfers | \$ 32,000 | \$ 8,100 | \$ 6,286 | \$ - | \$ 88,618 |

Removed from Core Analysis

Expenditures:

One time Expenditures Removed from Core

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-----------|------------|------------|------------|------------|
| New Police Vehicle and Equipment | | | | \$ 53,962 | |
| Public Works - New Ford Utility Truck | | | \$ 43,858 | | |
| Public Works - Admin - New Leaf Vac | | | | \$ 221,952 | |
| Public Works - Hwys & Streets -Traffic Control | | | | \$ 100,651 | \$ 165,327 |
| Public Works - Hwys & Streets - Construction | | | | \$ 287,294 | |
| Community Development | \$ 96,498 | \$ 179,393 | \$ 190,202 | \$ 51,716 | |
| Culture & Recreation - Pavillion | | | | \$ 90,666 | |
| Debt Service | | | | | \$ 769,271 |
| Refund of Prior Year Expenditures | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interfund Operating Transfers | \$ 80,554 | \$ 50,500 | \$ 42,319 | \$ 28,000 | \$ 24,770 |



Core Review

| Revenues | 2019 Actual | 2020 Actual | 2021 Actual | 2022 Actual | 2023 Actual | Change 5 years | Annual % Change |
|------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|-------------------|--------------------|
| Real Estate Tax | \$ 360,275 | \$ 361,623 | \$ 365,261 | \$ 350,250 | \$ 371,326 | \$ 11,051 | 0.8% |
| Earned Income Tax | \$ 205,379 | \$ 208,120 | \$ 214,400 | \$ 228,584 | \$ 252,049 | \$ 46,670 | 5.7% |
| Other Tax Revenue | \$ 61,263 | \$ 53,643 | \$ 65,209 | \$ 121,782 | \$ 58,297 | \$ (2,966) | -1.2% |
| Licenses & Permits | \$ 23,471 | \$ 24,055 | \$ 23,310 | \$ 22,744 | \$ 20,736 | \$ (2,735) | -2.9% |
| Fines & Forfeits | \$ 15,332 | \$ 20,970 | \$ 16,732 | \$ 18,952 | \$ 13,549 | \$ (1,783) | -2.9% |
| Interest & Rents | \$ 7,314 | \$ 2,377 | \$ 3,877 | \$ 6,424 | \$ 11,867 | \$ 4,553 | 15.6% |
| Liquid Fuels Fund & Turnback | \$ 110,679 | \$ 107,787 | \$ 100,265 | \$ 100,300 | \$ 103,305 | \$ (7,374) | -1.7% |
| Intergovernmental-Other | \$ 66,655 | \$ 77,878 | \$ 67,096 | \$ 76,062 | \$ 80,169 | \$ 13,514 | 5.1% |
| Charges for Service | \$ 54,549 | \$ 83,875 | \$ 101,451 | \$ 97,154 | \$ 103,710 | \$ 49,161 | 22.5% |
| Unclassified Operating | \$ 21,268 | \$ 34,374 | \$ 15,876 | \$ 58,984 | \$ 7,885 | \$ (13,383) | -15.7% |
| Refunds of Prior Year Expenditures | \$ 10,113 | \$ 65 | \$ 310 | \$ 2,607 | \$ 1,546 | \$ (8,567) | -21.2% |
| Total | \$ 936,298 | \$ 974,767 | \$ 973,787 | \$ 1,083,843 | \$ 1,024,439 | \$ 88,141 | 2.4% |

| Expenditures | 2019 Actual | 2020 Actual | 2021 Actual | 2022 Actual | 2023 Actual | Change 5 years | Annual % Change |
|--|-------------------|-------------------|-------------------|---------------------|---------------------|-------------------|--------------------|
| General Government | \$ 103,821 | \$ 93,703 | \$ 93,617 | \$ 118,676 | \$ 160,375 | \$ 56,554 | 13.6% |
| Police | \$ 150,860 | \$ 193,028 | \$ 259,742 | \$ 287,610 | \$ 216,042 | \$ 65,182 | 10.8% |
| Fire | \$ 52,508 | \$ 27,061 | \$ 37,342 | \$ 30,264 | \$ 40,792 | \$ (11,716) | -5.6% |
| Code Enforcement & Other Public Safety | \$ 19,336 | \$ 18,887 | \$ 19,672 | \$ 14,169 | \$ 14,719 | \$ (4,617) | -6.0% |
| Health & Human Service | \$ 8,157 | \$ 7,075 | \$ 1,265 | \$ 7,533 | \$ 7,083 | \$ (1,074) | -3.3% |
| Public Works - Highways and Streets | \$ 298,403 | \$ 383,489 | \$ 339,483 | \$ 356,179 | \$ 321,801 | \$ 23,398 | 2.0% |
| Culture & Recreation | \$ 3,928 | \$ 2,818 | \$ 13,982 | \$ 10,336 | \$ 14,850 | \$ 10,922 | 69.5% |
| Community Development | \$ 13,238 | \$ 1,656 | \$ 24,649 | \$ 36,033 | \$ 6,891 | \$ (6,347) | -12.0% |
| Debt Service | \$ 50,000 | \$ 27,327 | \$ 27,327 | \$ 27,327 | \$ 46,681 | \$ (3,319) | -1.7% |
| Employer Paid Benefits | \$ 175,174 | \$ 128,036 | \$ 130,549 | \$ 132,043 | \$ 149,611 | \$ (25,563) | -3.6% |
| Insurance | \$ 14,973 | \$ 19,673 | \$ 20,814 | \$ 25,703 | \$ 22,970 | \$ 7,997 | 13.4% |
| Unclassified Operating | \$ - | \$ - | \$ 505 | \$ 31 | \$ 165 | \$ 165 | NA |
| Total | \$ 890,398 | \$ 902,753 | \$ 968,947 | \$ 1,045,904 | \$ 1,001,980 | \$ 111,582 | 3.1% |

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|------------------------------|-----------|------------|------------|------------|------------|
| Surplus/(Deficit) | \$ 45,900 | \$ 72,014 | \$ 4,840 | \$ 37,939 | \$ 22,459 |
| Cumulative Surplus/(Deficit) | | \$ 117,914 | \$ 122,754 | \$ 160,693 | \$ 183,152 |

Core Review Takeaways

- Revenues increased by 2.4% annually over 5 years (2019 – 2023)
- Expenditures increased by 3.1% annually
- Small budget surpluses of 0-10%
- Structural deficit of .7% but no annual deficits
- Approximately \$183k in cumulative surpluses (2019-2023)

CORE REVENUE REVIEW

| Revenues | 2019 Actual | 2020 Actual | 2021 Actual | 2022 Actual | 2023 Actual | Change 5 years | Annual % Change |
|------------------------------------|-------------------|-------------------|-------------------|---------------------|---------------------|-------------------|--------------------|
| Real Estate Tax | \$ 360,275 | \$ 361,623 | \$ 365,261 | \$ 350,250 | \$ 371,326 | \$ 11,051 | 0.8% |
| Earned Income Tax | \$ 205,379 | \$ 208,120 | \$ 214,400 | \$ 228,584 | \$ 252,049 | \$ 46,670 | 5.7% |
| Other Tax Revenue | \$ 61,263 | \$ 53,643 | \$ 65,209 | \$ 121,782 | \$ 58,297 | \$ (2,966) | -1.2% |
| Licenses & Permits | \$ 23,471 | \$ 24,055 | \$ 23,310 | \$ 22,744 | \$ 20,736 | \$ (2,735) | -2.9% |
| Fines & Forfeits | \$ 15,332 | \$ 20,970 | \$ 16,732 | \$ 18,952 | \$ 13,549 | \$ (1,783) | -2.9% |
| Interest & Rents | \$ 7,314 | \$ 2,377 | \$ 3,877 | \$ 6,424 | \$ 11,867 | \$ 4,553 | 15.6% |
| Liquid Fuels Fund & Turnback | \$ 110,679 | \$ 107,787 | \$ 100,265 | \$ 100,300 | \$ 103,305 | \$ (7,374) | -1.7% |
| Intergovernmental-Other | \$ 66,655 | \$ 77,878 | \$ 67,096 | \$ 76,062 | \$ 80,169 | \$ 13,514 | 5.1% |
| Charges for Service | \$ 54,549 | \$ 83,875 | \$ 101,451 | \$ 97,154 | \$ 103,710 | \$ 49,161 | 22.5% |
| Unclassified Operating | \$ 21,268 | \$ 34,374 | \$ 15,876 | \$ 58,984 | \$ 7,885 | \$ (13,383) | -15.7% |
| Refunds of Prior Year Expenditures | \$ 10,113 | \$ 65 | \$ 310 | \$ 2,607 | \$ 1,546 | \$ (8,567) | -21.2% |
| Total | \$ 936,298 | \$ 974,767 | \$ 973,787 | \$ 1,083,843 | \$ 1,024,439 | \$ 88,141 | 2.4% |

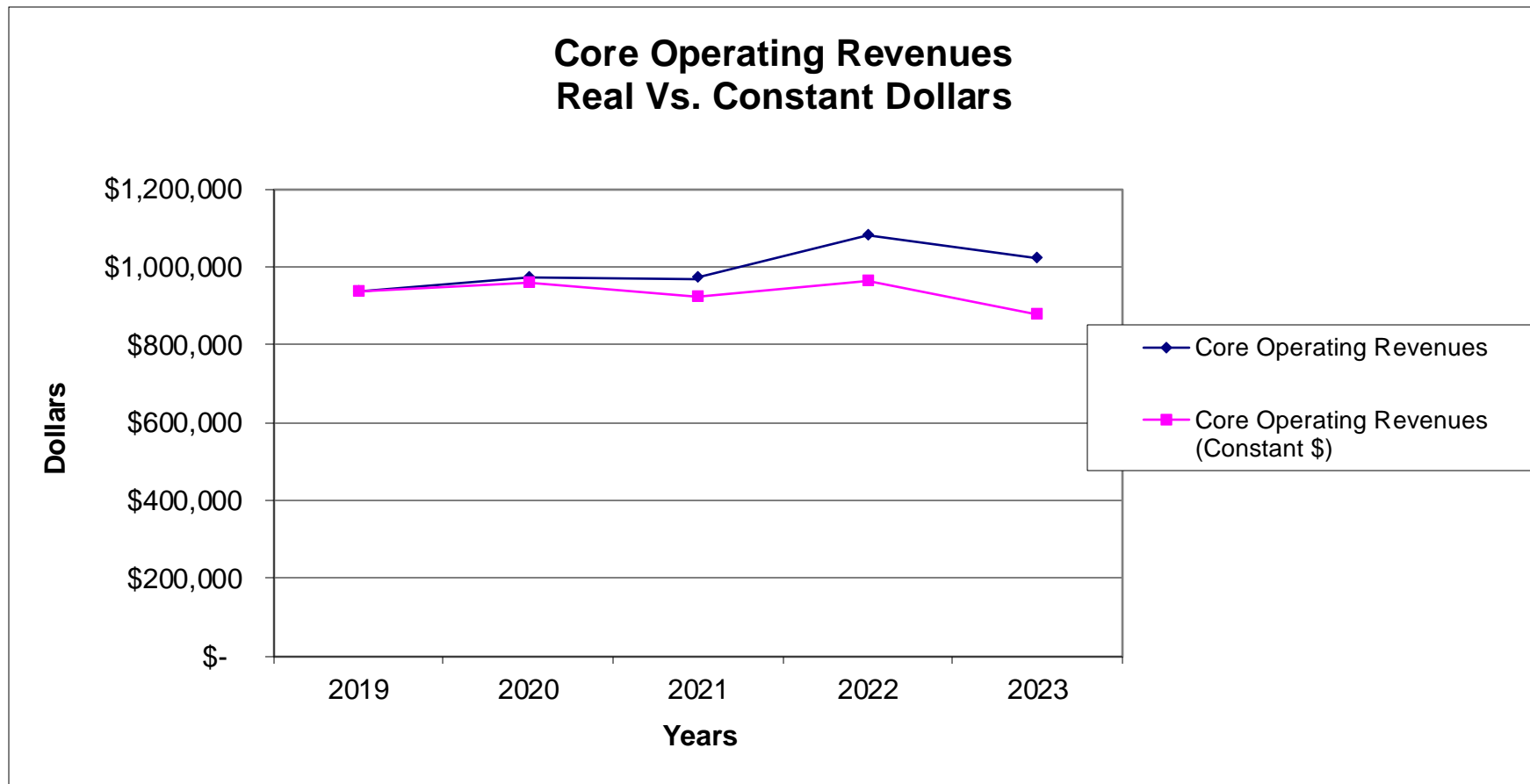
REVENUE PER CAPITA

Revenues Per Capita = Core Operating Revenues / Population

| | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|---|-------------|-------------|-------------|-------------|-------------|
| Core Operating Revenues | \$ 936,298 | \$ 974,767 | \$ 973,787 | \$1,083,843 | \$1,024,439 |
| Consumer Price Index (CPI) | 100.00 | 101.31 | 105.26 | 112.59 | 116.48 |
| CPI in decimal | 1.00 | 1.01 | 1.05 | 1.13 | 1.16 |
| | | | | | |
| Core Operating Revenues (Constant \$) | \$ 936,298 | \$ 962,209 | \$ 925,142 | \$ 962,609 | \$ 879,503 |
| Population | 2,567 | 2,567 | 2,567 | 2,567 | 2,567 |
| | | | | | |
| Net Operating Revenues Per Capita (Constant \$) | \$ 365 | \$ 375 | \$ 360 | \$ 375 | \$ 343 |

Warning Sign: Decreasing Net Operating Revenues Per Capita (Constant \$)

REVENUE PER CAPITA





REAL ESTATE TAX REVENUE

Real Estate Tax Revenues = Property Tax Revenues/Constant Dollars

| | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|--|-------------|-------------|-------------|-------------|-------------|
| Real Estate Tax Revenues | \$ 360,275 | \$ 361,623 | \$ 365,261 | \$ 350,250 | \$ 371,326 |
| Consumer Price Index (CPI) | 100.00 | 101.31 | 105.26 | 112.59 | 116.48 |
| CPI in decimal | 1.00 | 1.01 | 1.05 | 1.13 | 1.16 |
| | | | | | |
| Real Estate Tax Revenues (Constant \$) | \$ 360,275 | \$ 356,964 | \$ 347,015 | \$ 311,073 | \$ 318,791 |
| Population | 2,567 | 2,567 | 2,567 | 2,567 | 2,567 |
| | | | | | |
| Real Estate Tax Per Capita (Constant \$) | \$ 140 | \$ 139 | \$ 135 | \$ 121 | \$ 124 |

Warning Sign: Decreasing Real Estate Tax Revenues (Constant \$)

REAL ESTATE TAX REVENUE



REAL ESTATE TAX RATE COMPARISON (2022)

| Municipality | County | Millage Rate | RE Tax Rev | Decennial Population | Per Capita |
|--------------------|------------|--------------|-------------|----------------------|------------|
| Brookville Boro | Jefferson | 17.89 | \$1,352,254 | 3,995 | \$ 338 |
| Ridgway Boro | Elk | 17.92 | \$863,981 | 4,039 | \$ 214 |
| Brockway Boro | Jefferson | 12.375 | \$481,965 | 2,276 | \$ 212 |
| Emporium Boro | Cameron | 18 | \$400,160 | 1,923 | \$ 208 |
| Clearfield Boro | Clearfield | 27 | \$1,083,051 | 5,962 | \$ 182 |
| Philipsburg Boro | Centre | 15.33 | \$501,766 | 2,789 | \$ 180 |
| Curwensville Boro | Clearfield | 26 | \$350,250 | 2,567 | \$ 136 |
| Reynoldsville Boro | Jefferson | 10.485 | \$324,323 | 2,549 | \$ 127 |
| Pike Twp | Clearfield | 8 | \$122,060 | 2,298 | \$ 53 |
| | | | | | |
| | | | | Higher | 6 |
| | | | | Lower | 2 |
| | | | | Average | \$ 183 |

EARNED INCOME TAX

Earned Income Tax Revenues (Constant \$) = Earned Income Tax Revenues / CPI Decimal

| | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|--|-------------|-------------|-------------|-------------|-------------|
| Earned Income Tax Revenues | \$ 205,379 | \$ 208,120 | \$ 214,400 | \$ 228,584 | \$ 252,049 |
| CPI | 100.00 | 101.31 | 105.26 | 112.59 | 116.48 |
| CPI Decimal | 1.00 | 1.01 | 1.05 | 1.13 | 1.16 |
| | | | | | |
| Earned Income Tax Revenues (Constant \$) | \$ 205,379 | \$ 205,439 | \$ 203,690 | \$ 203,016 | \$ 216,389 |

Warning Sign: Decreasing Earned Income Tax (Constant \$)

LIQUID FUELS FUND

Liquid Fuels Fund & Turnback Revenue (Constant \$) = Liquid Fuels Fund & Turnback/ CPI Decimal

| | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|---|------------------|------------------|------------------|------------------|------------------|
| Turnback | \$110,679 | \$107,787 | \$100,265 | \$100,300 | \$103,305 |
| CPI | 100.00 | 101.31 | 105.26 | 112.59 | 116.48 |
| CPI Decimal | 1.00 | 1.01 | 1.05 | 1.13 | 1.16 |
| | | | | | |
| Liquid Fuels & Turnback Revenues (Constant \$) | \$110,679 | \$106,398 | \$ 95,256 | \$ 89,081 | \$ 88,690 |

Warning Sign: Decreasing Revenues (Constant \$)

CORE REVENUE TAKEAWAYS

- Revenues increased by 9.4% over the period from 2019 to 2023
- In constant dollars, per capita operating revenues declined by approximately 6% over the period
- The largest revenue sources were Real Estate & Earned Income Taxes, and Liquid Fuels
- Warning signs in Real Estate Tax and Liquid Fuels Revenues

CORE EXPENDITURE REVIEW

| Expenditures | 2019 Actual | 2020 Actual | 2021 Actual | 2022 Actual | 2023 Actual | Change 5 years | Annual % Change |
|--|----------------|----------------|----------------|----------------|----------------|-------------------|--------------------|
| General Government | \$ 103,821 | \$ 93,703 | \$ 93,617 | \$ 118,676 | \$ 160,375 | \$ 56,554 | 13.6% |
| Police | \$ 150,860 | \$ 193,028 | \$ 259,742 | \$ 287,610 | \$ 216,042 | \$ 65,182 | 10.8% |
| Fire | \$ 52,508 | \$ 27,061 | \$ 37,342 | \$ 30,264 | \$ 40,792 | \$ (11,716) | -5.6% |
| Code Enforcement & Other Public Safety | \$ 19,336 | \$ 18,887 | \$ 19,672 | \$ 14,169 | \$ 14,719 | \$ (4,617) | -6.0% |
| Health & Human Service | \$ 8,157 | \$ 7,075 | \$ 1,265 | \$ 7,533 | \$ 7,083 | \$ (1,074) | -3.3% |
| Public Works - Highways and Streets | \$ 298,403 | \$ 383,489 | \$ 339,483 | \$ 356,179 | \$ 321,801 | \$ 23,398 | 2.0% |
| Culture & Recreation | \$ 3,928 | \$ 2,818 | \$ 13,982 | \$ 10,336 | \$ 14,850 | \$ 10,922 | 69.5% |
| Community Development | \$ 13,238 | \$ 1,656 | \$ 24,649 | \$ 36,033 | \$ 6,891 | \$ (6,347) | -12.0% |
| Debt Service | \$ 50,000 | \$ 27,327 | \$ 27,327 | \$ 27,327 | \$ 46,681 | \$ (3,319) | -1.7% |
| Employer Paid Benefits | \$ 175,174 | \$ 128,036 | \$ 130,549 | \$ 132,043 | \$ 149,611 | \$ (25,563) | -3.6% |
| Insurance | \$ 14,973 | \$ 19,673 | \$ 20,814 | \$ 25,703 | \$ 22,970 | \$ 7,997 | 13.4% |
| Unclassified Operating | \$ - | \$ - | \$ 505 | \$ 31 | \$ 165 | \$ 165 | NA |
| Total | \$ 890,398 | \$ 902,753 | \$ 968,947 | \$ 1,045,904 | \$ 1,001,980 | \$ 111,582 | 3.1% |

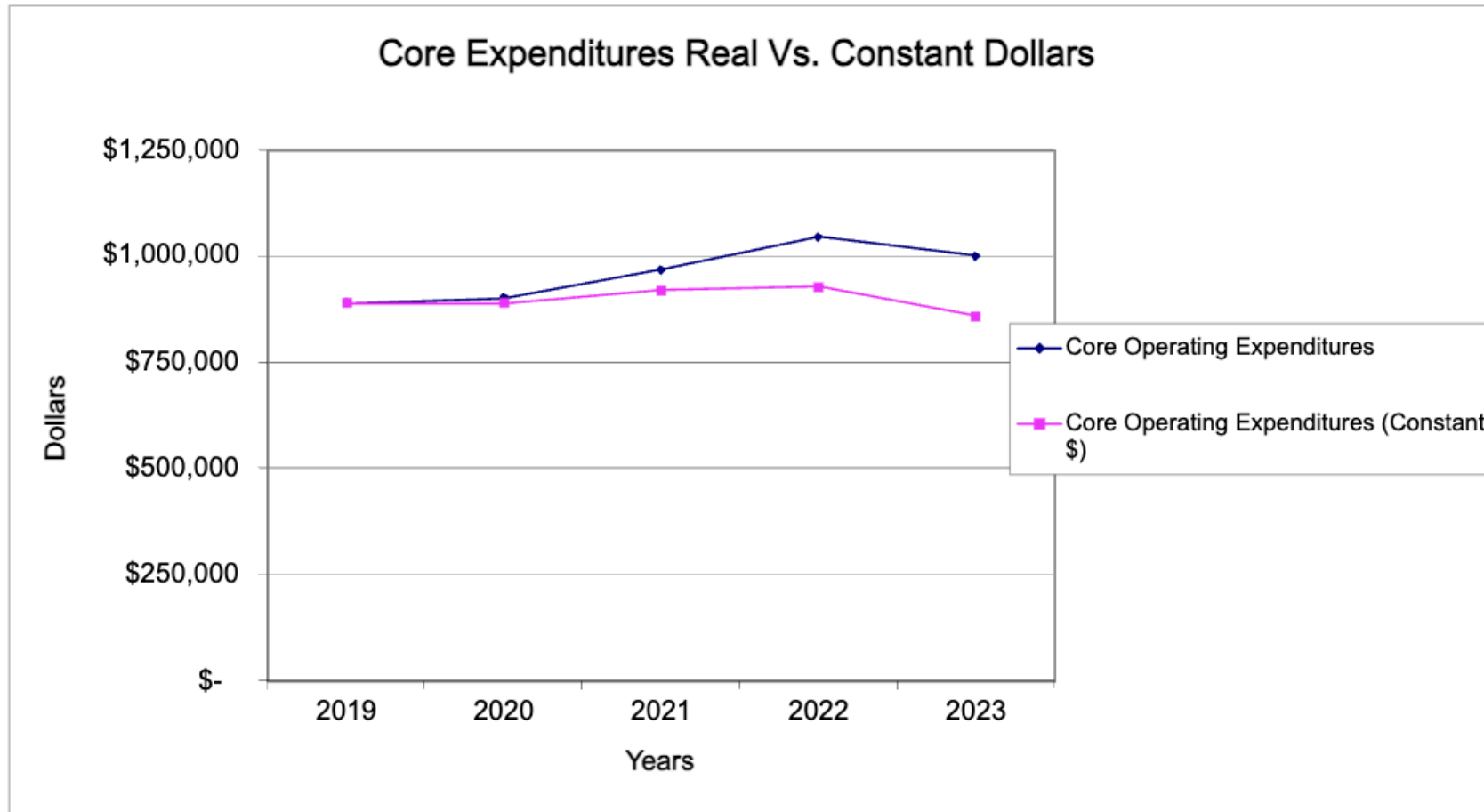
EXPENDITURES PER CAPITA

Expenditures Per Capita = Core Operating Expenditures / Population

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|------------|------------|------------|-------------|-------------|
| Core Operating Expenditures | \$ 890,398 | \$ 902,753 | \$ 968,947 | \$1,045,904 | \$1,001,980 |
| Consumer Price Index (CPI) | 100.00 | 101.31 | 105.26 | 112.59 | 116.48 |
| CPI in decimal | 1.00 | 1.01 | 1.05 | 1.13 | 1.16 |
| | | | | | |
| Core Operating Expenditures (Constant \$) | \$ 890,398 | \$ 891,122 | \$ 920,544 | \$ 928,914 | \$ 860,221 |
| Population | 2,567 | 2,567 | 2,567 | 2,567 | 2,567 |
| | | | | | |
| Expenditures Per Capita (Constant \$) | \$ 347 | \$ 347 | \$ 359 | \$ 362 | \$ 335 |

Warning Sign: Increasing Operating Expenditures Per Capita (Constant \$)

EXPENDITURES PER CAPITA



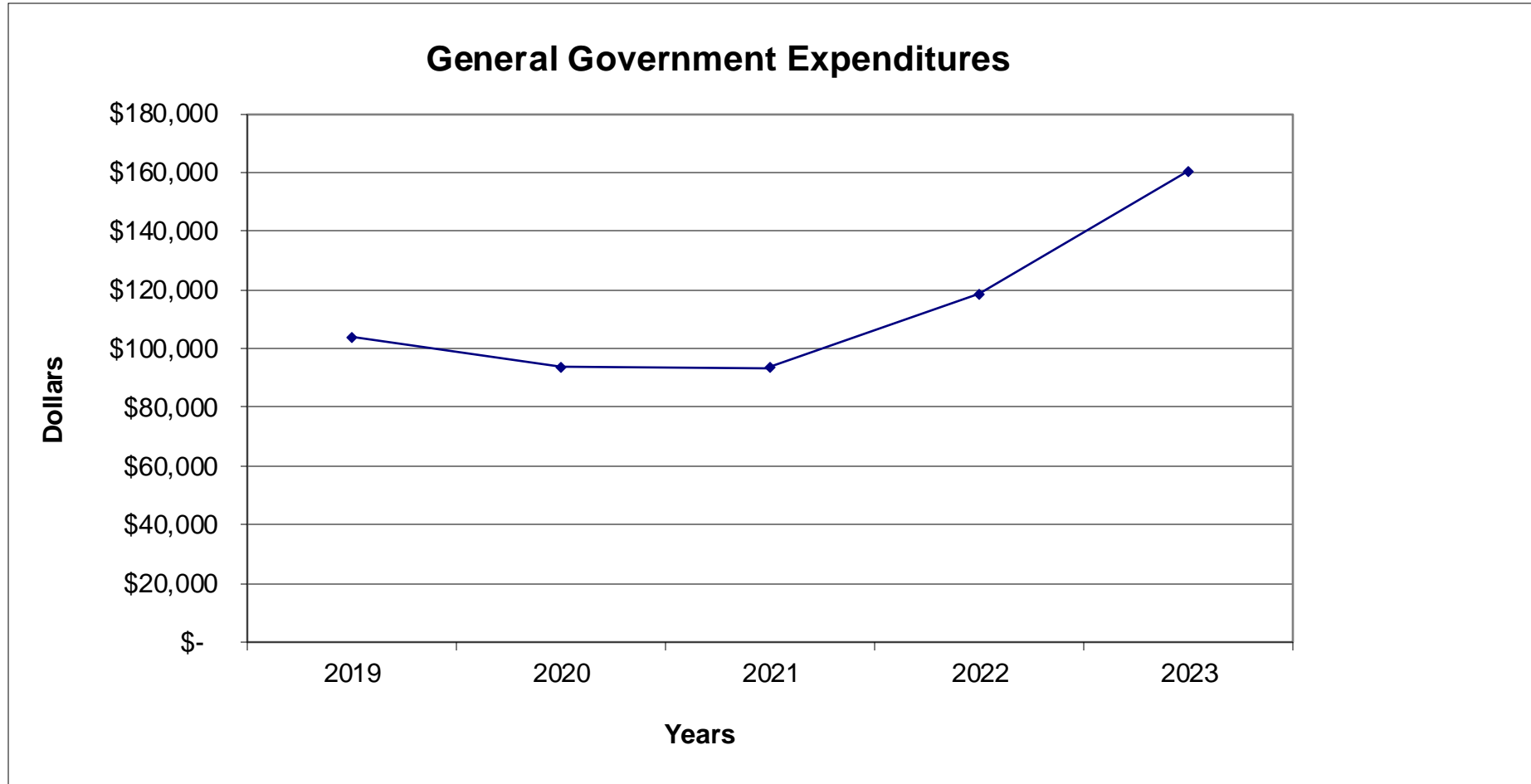
GENERAL GOVERNMENT EXPENDITURES

General Government Expenditures = General Government Expenditures / Total Core Operating Expenditures

| | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|---|--------------|--------------|-------------|--------------|--------------|
| General Administration Expenditures | \$ 103,821 | \$ 93,703 | \$ 93,617 | \$ 118,676 | \$ 160,375 |
| Total Core Operating Expenditures | \$ 890,398 | \$ 902,753 | \$ 968,947 | \$1,045,904 | \$1,001,980 |
| | | | | | |
| General Administration Expenditures as a percentage of Total Core Operating Expenditures | 11.7% | 10.4% | 9.7% | 11.3% | 16.0% |

***Warning Sign:** Increasing General Administration Expenditures as a percentage of Total Core Operating Expenditures*

GENERAL GOVERNMENT EXPENDITURES



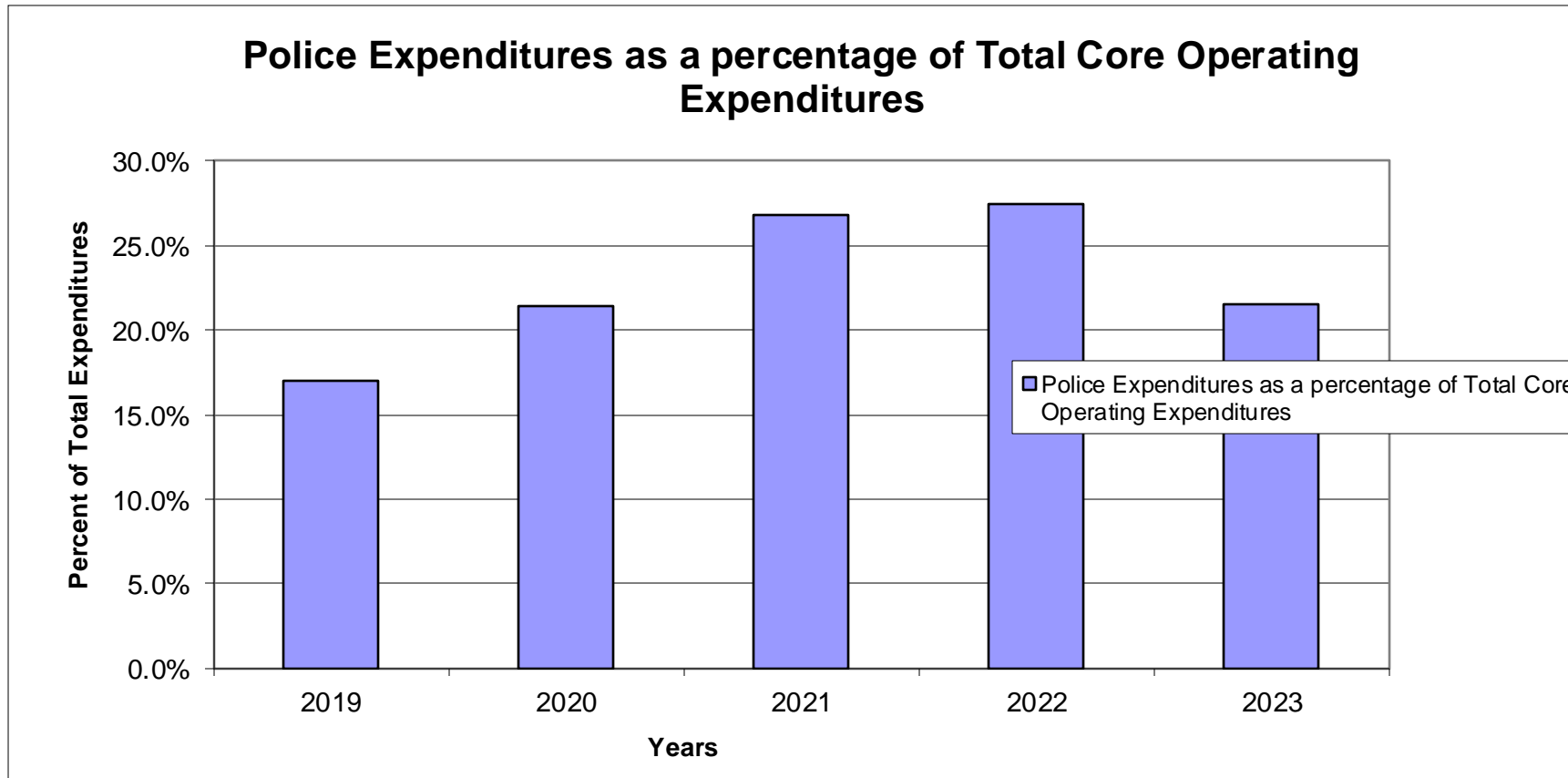
POLICE EXPENDITURES

Police Expenditures = Police Expenditures / Total Core Operating Expenditures

| | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|---|--------------|--------------|--------------|--------------|--------------|
| Police Expenditures | \$ 150,860 | \$ 193,028 | \$ 259,742 | \$ 287,610 | \$ 216,042 |
| Total Core Operating Expenditures | \$ 890,398 | \$ 902,753 | \$ 968,947 | \$1,045,904 | \$1,001,980 |
| | | | | | |
| Police Expenditures as a percentage of Total Core Operating Expenditures | 16.9% | 21.4% | 26.8% | 27.5% | 21.6% |

Warning Sign: Increasing Police Expenditures as a percentage of Total Core Operating Expenditures

POLICE EXPENDITURES



PUBLIC WORKS EXPENDITURES

Public Works Expenditures = Public Works Expenditures / Total Core Operating Expenditures

| | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|---|-------------|-------------|-------------|-------------|-------------|
| Public Works Expenditures | \$ 298,403 | \$ 383,489 | \$ 339,483 | \$ 356,179 | \$ 321,801 |
| Total Core Operating Expenditures | \$ 890,398 | \$ 902,753 | \$ 968,947 | \$1,045,904 | \$1,001,980 |
| | | | | | |
| Public Works Expenditures as a percentage of Total Core Operating Expenditures | 33.5% | 42.5% | 35.0% | 34.1% | 32.1% |

Warning Sign: Increasing Public Works Expenditures as a percentage of Total Core Operating Expenditures

CORE EXPENDITURE TAKEAWAYS

- Expenditures increased by 3.1% annually or 12.5% over the 2019-2023 period
- In constant dollars, per capita operating expenditures declined by 3.5% over the period
- Warning signs in General Government and Police Expenditures
- Largest expenditures were in Public Works and Police

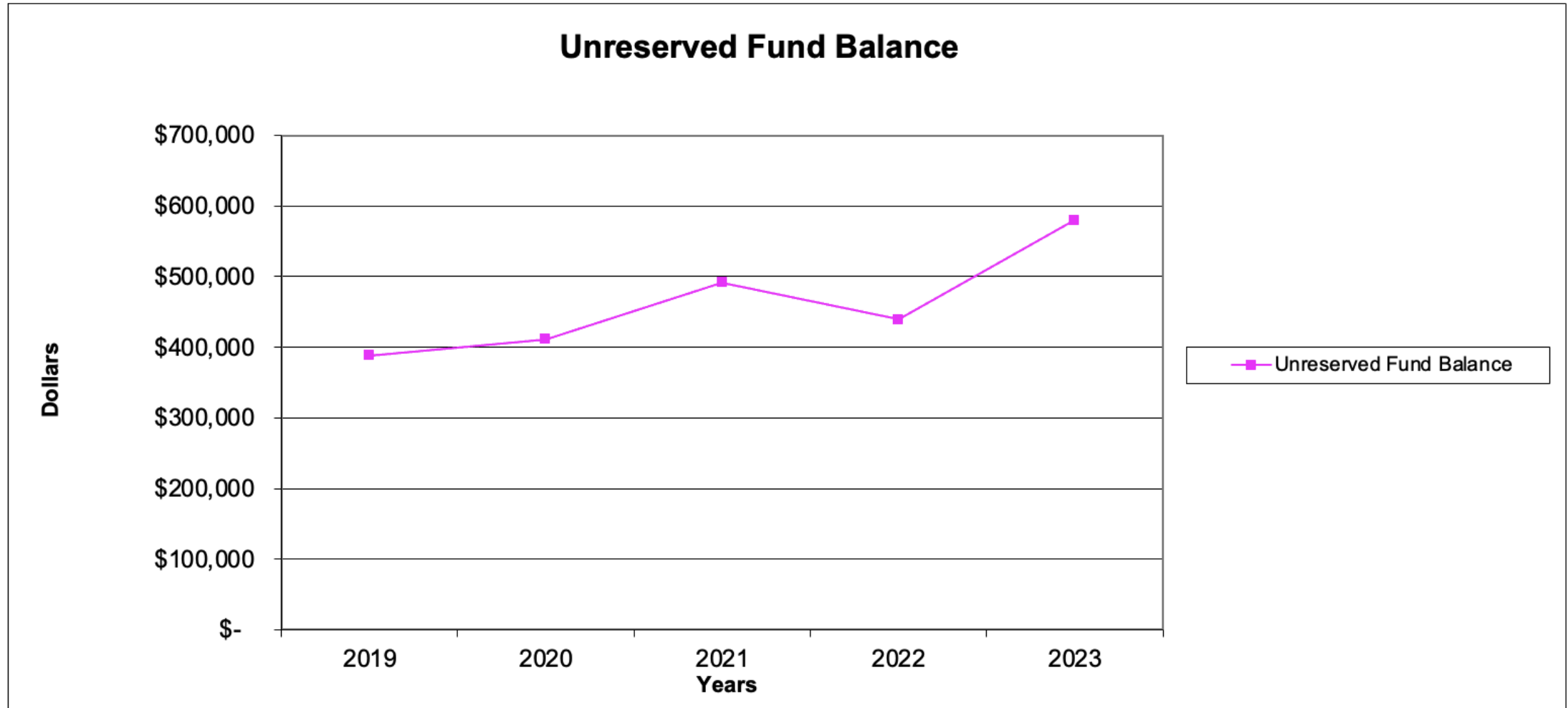
UNRESERVED FUND BALANCE

Unreserved Fund Balance / Operating Revenues General Fund

| | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> |
|--|-------------|-------------|-------------|-------------|-------------|
| Unreserved Fund Balance | \$ 388,558 | \$ 411,473 | \$ 491,354 | \$ 438,997 | \$ 579,633 |
| | | | | | |
| Operating Revenues General Fund | \$ 890,398 | \$ 902,753 | \$ 968,947 | \$1,045,904 | \$1,001,980 |
| | | | | | |
| Unreserved Fund Balance as a percentage of Operating Revenues | 43.6% | 45.6% | 50.7% | 42.0% | 57.8% |

Warning Sign: *Decreasing Unreserved Fund Balance as a percentage of Operating Revenues*

UNRESERVED FUND BALANCE



PROJECTIONS

| Core Financial Projections | | | | | | | | | | |
|--|---------------------|-------------------|--------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Revenues | 2023 | Change 5 years | Annual % Change | Projected % Change | 2024 | 2025 Projected | 2026 Projected | 2027 Projected | 2028 Projected | 2029 Projected |
| Real Estate Tax | \$ 371,326 | \$ 11,051 | 0.8% | 0.5% | \$ 373,183 | \$ 375,049 | \$ 376,924 | \$ 378,808 | \$ 380,702 | \$ 382,606 |
| Earned Income Tax | \$ 252,049 | \$ 46,670 | 5.7% | 3.5% | \$ 258,831 | \$ 267,890 | \$ 277,266 | \$ 286,971 | \$ 297,015 | \$ 307,410 |
| Other Tax Revenue | \$ 58,297 | \$ (2,966) | -1.2% | 0.0% | \$ 63,816 | \$ 63,816 | \$ 63,816 | \$ 63,816 | \$ 63,816 | \$ 63,816 |
| Licenses & Permits | \$ 20,736 | \$ (2,735) | -2.9% | -3.0% | \$ 20,126 | \$ 19,522 | \$ 18,937 | \$ 18,368 | \$ 17,817 | \$ 17,283 |
| Fines & Forfeits | \$ 13,549 | \$ (1,783) | -2.9% | -2.0% | \$ 13,112 | \$ 12,850 | \$ 12,593 | \$ 12,341 | \$ 12,094 | \$ 11,852 |
| Interest & Rents | \$ 11,867 | \$ 4,553 | 15.6% | -2.0% | \$ 11,000 | \$ 10,780 | \$ 10,564 | \$ 10,353 | \$ 10,146 | \$ 9,943 |
| Liquid Fuels Fund & Turnback | \$ 103,305 | \$ (7,374) | -1.7% | -1.5% | \$ 102,621 | \$ 101,082 | \$ 99,565 | \$ 98,072 | \$ 96,601 | \$ 95,152 |
| Intergovernmental-Other | \$ 80,169 | \$ 13,514 | 5.1% | 0.5% | \$ 84,733 | \$ 85,157 | \$ 85,582 | \$ 86,010 | \$ 86,440 | \$ 86,873 |
| Charges for Service | \$ 103,710 | \$ 49,161 | 22.5% | 0.5% | \$ 111,308 | \$ 114,500 | \$ 115,073 | \$ 115,648 | \$ 116,226 | \$ 116,807 |
| Unclassified Operating | \$ 7,885 | \$ (13,383) | -15.7% | 2.0% | \$ 568 | \$ 6,510 | \$ 6,641 | \$ 6,773 | \$ 6,909 | \$ 7,047 |
| Refund of Prior Year Expenditures | \$ 1,546 | \$ (8,567) | -21.2% | | \$ - | | | | | |
| Total | \$ 1,024,439 | \$ 96,708 | 2.4% | 1.1% | \$ 1,039,298 | \$ 1,057,155 | \$ 1,066,961 | \$ 1,077,161 | \$ 1,087,767 | \$ 1,098,789 |
| Expenditures | 2023 | Change 5 years | Annual % Change | Projected % Change | 2024 | 2025 Projected | 2026 Projected | 2027 Projected | 2028 Projected | 2029 Projected |
| General Government | \$ 160,375 | \$ 56,554 | 13.6% | 3.0% | \$ 141,406 | \$ 145,648 | \$ 150,018 | \$ 154,518 | \$ 159,154 | \$ 163,928 |
| Police | \$ 216,042 | \$ 65,182 | 10.8% | 3.0% | \$ 286,482 | \$ 295,076 | \$ 303,929 | \$ 313,047 | \$ 322,438 | \$ 332,111 |
| Fire | \$ 40,792 | \$ (11,716) | -5.6% | 1.0% | \$ 40,300 | \$ 40,703 | \$ 41,110 | \$ 41,521 | \$ 41,936 | \$ 42,356 |
| Code Enforcement & Planning and Zoning | \$ 14,719 | \$ (4,617) | -6.0% | 2.0% | \$ 15,407 | \$ 15,715 | \$ 16,029 | \$ 16,350 | \$ 16,677 | \$ 17,011 |
| Health & Human Service | \$ 7,083 | \$ (1,074) | -3.3% | 2.0% | \$ 7,225 | \$ 7,369 | \$ 7,517 | \$ 7,667 | \$ 7,820 | \$ 7,977 |
| Public Works - Highways & Streets | \$ 321,801 | \$ 23,398 | 2.0% | 3.0% | \$ 334,859 | \$ 344,905 | \$ 355,252 | \$ 365,909 | \$ 376,887 | \$ 388,193 |
| Culture & Recreation | \$ 14,850 | \$ 10,922 | 69.5% | 3.0% | \$ 2,663 | \$ 2,743 | \$ 2,825 | \$ 2,910 | \$ 2,997 | \$ 3,087 |
| Community Development | \$ 6,891 | \$ (6,347) | -12.0% | 1.5% | \$ 5,000 | \$ 5,075 | \$ 5,151 | \$ 5,228 | \$ 5,307 | \$ 5,386 |
| Debt Service | \$ 46,681 | \$ (3,319) | -1.7% | 0.0% | \$ 27,327 | \$ 35,458 | \$ 54,178 | \$ 54,178 | \$ 54,177 | \$ 54,177 |
| Employee Paid Benefits | \$ 149,611 | \$ (25,563) | -3.6% | 2.0% | \$ 146,115 | \$ 149,037 | \$ 152,018 | \$ 155,058 | \$ 158,160 | \$ 161,323 |
| Insurance | \$ 22,970 | \$ 7,997 | 13.4% | 6.0% | \$ 19,586 | \$ 20,761 | \$ 22,007 | \$ 23,327 | \$ 24,727 | \$ 26,210 |
| Other Expenditures | \$ 165 | \$ 165 | NA | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | \$ 1,001,980 | \$ 111,582 | 3.1% | 3.4% | \$ 1,026,370 | \$ 1,062,491 | \$ 1,110,033 | \$ 1,139,714 | \$ 1,170,280 | \$ 1,201,760 |
| Surplus=(Deficit) | | | | | \$ 12,928 | \$ (5,336) | \$ (43,073) | \$ (62,553) | \$ (82,513) | \$ (102,971) |
| Cumulative Surplus=(Deficit) | | | | | | \$ 7,592 | \$ (35,481) | \$ (98,034) | \$ (180,547) | \$ (283,517) |

PROJECTIONS FINDINGS

- Total revenue is expected to increase slightly by 1.1% annually
- Expenditures are estimated to increase by 3.4% annually
- If no changes are made, projections suggest annual deficits and a cumulative deficit of \$280k by 2029

KEY FINDINGS OF FINANCIAL REVIEW

- Three warning signs in Revenues
- Two warning signs in Expenditures
- Structural deficit of .7% over 2019 – 2023 period
- Projections indicate that without changes, deficits are likely within 2 to 5 years.

Emergency Recommendations from Financial Review Steps 1, 2, 3

- Make minor adjustments to revenue and expenditures now to avoid future deficits
 - Given inflation impacts, consider adjusting the Real Estate Tax Rate to support long-term financial stability.
 - Develop policies now about how to use the reserve fund
 - Work with the auditor to organize the budget categories to establish consistently
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QUESTIONS/COMMENTS