EXPLAINING THE GAP

City spending is outpacing the growth in revenue. In Fiscal 2017, the City is projecting revenue of \$1.7B coupled with spending of \$1.8B to maintain current service levels. The projected budget gap is \$75M.

The City must adopt a balanced budget.

PROJECTED REVENUE

\$25M 1.5% INCREASE IN REVENUE



Slow income growth & Stock Market decline



Home values have declined



Fewer visitors staying at City hotels

Planned Growth



General inflation of 2% for all non-personnel spending



\$16M

2% Cost of living increase for all employees



\$9M

Debt service payments on Capital projects

Investments



To support new recreation and health facilities



\$4M

Provide all City residents with a 64-gallon, tight-lid trash can



\$4M

To maintain the City's free bus system—the Charm City Circulator



\$7M

To support the Police Body Worn Camera Program

Extraordinary Inflation



31% Increase in prescription drug costs



\$2N

Increase in cost of materials and supplies for street paving



\$15M

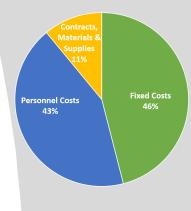
Increase in pension costs

PROJECTED EXPENDITURES

\$100M

5.9% INCREASE IN SPENDING

General Fund Budget



Fixed costs (eg. retiree benefits, debt service, school funding) limit the City's options in reducing the budget.





