

## Fiscal Improvement Plan

(Required for municipalities submitting fiscal performance plans)

**Instructions:** Please list below all the local actions for each goal included in the **narrative section of your FIP**, and quantify all your performance measures. A template for this narrative is available.

**IMPORTANT NOTE ON USING THESE SAMPLES:** This workbook shows an example of the 2007-2008 (FY 2008) FIP, which is the one that your city sent in LAST YEAR. We have shown the corresponding FIP and FAR here for demonstration purpose only.

		Net Fiscal Impact / Financial Performance Measures				Non-Financial Performance Measures				Action Falls Into the Following Category:				Included in Multi-year Plan	
		2008	2009	2010	2011	2008	2009	2010	2011	Manage-ment	Operat-ing	Shared Services	Other	Yes	No
<b>Total Net Fiscal Effect of Changes</b>		\$1,020,000	\$2,983,100	\$4,436,027	\$4,422,259										
<i>Changes not already assumed in projections</i>		750,000	2,000,000	3,500,000	3,500,000										
<b>Goal #1: Expand Property Tax Base</b>															
<i>Action 1</i>	Return Properties to the tax roll	500,000	1,000,000	1,000,000	1,000,000	100 parcels	200 parcels	200 parcels	200 parcels	X					
<i>Action 2</i>	Economic development: Waterfront redevelopmen	NA	NA	NA	NA	NA	NA	NA	NA				X		
<i>Action 3</i>	Economic development: Big box store												X		
	Police officers hired	(40,000)	(81,600)	(124,864)	(169,859)	1 FTE	2 FTEs	3 FTEs	4 FTEs					X	
	Cruisers purchased	(30,000)	0	(30,000)	0	1st cruiser	---	2nd cruiser	---					X	
	Complete infrastructure	(150,000)	0	0	0	Road Extension	---	---	---					X	
	Estimated benefit to property tax receipts	250,000	500,000	500,000	500,000	---	---	---	---						X
	Estimated benefit to sales tax receipts	500,000	1,500,000	3,000,000	3,000,000	---	---	---	---						X
<b>Goal #2: Reduce personal service expenditures in public safety</b>															
<i>Action 1</i>	Reduce overtime expenses through better managemen									X					
	Purchase and install management software	(20,000)	0	0	0	Install complete	---	---	---					X	
	Reduction in overtime	0	25,000	50,000	50,000	---	500 hours	1000 hours	1000 hours					X	
<b>Goal #3: Explore opportunities to cut costs through shared services</b>															
<i>Action 1</i>	Contract with County for Civil Service funcion														
	Reduction in local staff	20,000	50,000	51,500	53,045	1 FTE	2 FTEs	2 FTEs	2 FTEs					X	
	County contract for services	(10,000)	(10,300)	(10,609)	(10,927)	Contract	Contract	Contract	Contract						
<i>Action 2</i>	Explore highway maintenance sharing with County	NA	NA	NA	NA	NA	NA	NA	NA						

## Fiscal Accountability Report

(Required for municipalities submitting fiscal performance plans)

**Instructions:** Beginning in FY 2009, this spreadsheet may be used to supplement the FAR narrative. Please list local actions that contributed to the city's fiscal stability in the prior year as well as any investments made in that year with increased AIM funding. (AIM increases may be used to minimize service reductions, invest in technology or economic development, or to minimize property taxes.)

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		2008				AIM \$\$ Used	Action Falls into Following Category:		
		Performance Measure		(Cost)/Benefit		to Fund	Management	Operational	Shared
		Anticipated	Realized	Anticipate	Realized	Action	Improvement	Efficiency	Service
Total AIM increase (starting with FY 2008)						300,000			
Expand Property Tax Base									
Return properties to the tax roll	100 parcels	95 parcels	500,000	450,000			X	X	
Economic development: Waterfront redevelopment	NA	NA	NA	NA					
Economic development: Big box store									
Police officers hired	1 FTE	(deferred)	(40,000)	---					
Cruisers purchased	1st cruiser	(deferred)	(30,000)	---					
Complete infrastructure	Road Extension	Road Extension	(150,000)	(150,000)		(150,000)			
Estimated benefit to property tax receipts	---	---	250,000	0					
Estimated benefit to sales tax receipts	---	---	500,000	0					
Reduce personal service expenditures in public safety									
Reduce overtime expenses through better management							X		
Purchase and install management software	Software	Software	(20,000)	(25,000)		(25,000)			
Reduction in overtime	---	125 Hours	0	6,250					
Explore opportunities to cut costs through shared services									
Contract with County for Civil Service function								X	X
Reduction in local staff	1 FTE	1 FTE	20,000	20,000					
County contract for services	Contract	Contract	(10,000)	(10,000)		(10,000)			
Explore highway maintenance sharing with County	NA	NA	NA	NA				X	X
Reduce Property Tax Increases (remainder)						(\$115,000)			

## **Sample Fiscal Accountability Report Narrative for 2008-09 and Subsequent Years**

- **Return properties to the tax roll.** As a part of an effort to bring city-owned and managed properties back to the tax rolls, the City planned to reduce the number of tax delinquent properties by 20 percent altogether in 2008 and 2009. There were an estimated 1,000 such properties. It was planned to return 100 properties to the tax rolls in 2008 for a property tax benefit of \$500,000. Only 95 properties were actually returned to the tax rolls in 2008, and the realized property tax benefit was \$450,000.
- **Economic development: Waterfront redevelopment.** The City is continuing to identify properties along the Bluewater River that are suitable for development, possible developers and available State and federal grants. We plan for this development to begin within the next three years.
- **Economic development: Big box store.** We are proceeding with the plan to develop City land east of Barrack Road for a big box retail store. In 2008 the City incurred cost associated with this development for the completion of the extension of Barrack Road. The hiring of an additional police officer and the purchase of an additional police cruiser was deferred to 2009, since the store's planned September 2008 opening has been delayed until January 2009. We expect to see a return on these investments beginning in 2009, with net annual benefits from property and sales taxes of about \$2,000,000, increasing to \$3,500,000 in 2010 and subsequent years.
- **Reduce personal service expenditures in public safety.** The City has invested in management software in order to reduce overtime expenditures in the police and fire departments. The purchase and installation of the software cost \$5,000 more than was anticipated in the original plan. We have also instituted periodic management meetings in order to plan staffing needs. This investment has had returns even more quickly than planned for, with a reduction in 2008 of 125 overtime hours, saving \$6,250. The reduction in overtime should increase to 500 hours (\$25,000) in 2009, and 1,000 hours (\$50,000) thereafter.
- **Explore opportunities to cut costs through shared services.**
  - Starting in January 2008, we contracted with the County to provide our Civil Service function. This contract cost the City \$10,000 in 2008, and will be adjusted for inflation in each ensuing year. One City employee has been transferred to the County for a savings of \$20,000 annually. Another City employee, who is currently managing the transition, will be retiring in 2009 and will not be replaced, which will result in additional savings.
  - The City continues to have discussions with the County on a potential highway maintenance agreement.