

**CITY OF YPSILANTI  
GENERAL FUND DEFICIT PROJECTION**

**CURRENT SERVICE LEVELS WITHOUT CITY INCOME TAX**

<b>FISCAL YEAR</b>	<b>Adopted FYE 2006</b>	<b>Estimated FYE 2007</b>	<b>Estimated FYE 2008</b>	<b>Estimated FYE 2009</b>	<b>Estimated FYE 2010</b>	<b>Estimated FYE 2011</b>	<b>Estimated FYE 2012</b>	<b>Estimated FYE 2013</b>	<b>Estimated FYE 2014</b>
TOTAL GENERAL FUND REVENUE	13,574,406	13,674,041	13,374,227	13,597,006	13,827,384	14,048,082	14,288,788	14,535,029	14,786,934
TOTAL GENERAL FUND EXPENDITURES	13,511,028	14,033,774	14,475,758	15,141,791	15,787,413	16,482,388	17,232,609	18,044,797	18,926,626
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>63,378</b>	<b>(359,733)</b>	<b>(1,101,532)</b>	<b>(1,544,786)</b>	<b>(1,960,028)</b>	<b>(2,434,306)</b>	<b>(2,943,821)</b>	<b>(3,509,768)</b>	<b>(4,139,692)</b>

**Assumptions:**

- Inflationary Increases of 2.3% annually
- Wage Rate Increases of 3% annually (\$240,201 in FYE 2007)
- Health Care Rate Increases of 15% annually (\$108,000 in FYE 2007)
- Fringe Benefit Increases 6.4% annually (\$125,150 in FYE 2007)
- Ann Arbor Transportation Authority Increases of 10% annually (\$20,115 in FYE 2007)
- Parkview added to the tax roll in FYE 2007 (\$36,000), PILOT eliminated (\$1,450)
- Property Taxes increased by \$350,000 in FYE 2007 for Police & Fire pension millage
- Visteon personal property eliminated in FYE 2008 (\$460,000)
- State Shared Revenue frozen at current level (\$3.2M)
- Budgeted Recreation utilities & telephones in FYE 2007 and beyond (\$69,078 in FYE 2007)

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<b>FISCAL YEAR</b>	<b>Estimated FYE 2007</b>	<b>Estimated FYE 2008</b>	<b>Estimated FYE 2009</b>	<b>Estimated FYE 2010</b>	<b>Estimated FYE 2011</b>	<b>Estimated FYE 2012</b>	<b>Estimated FYE 2013</b>	<b>Estimated FYE 2014</b>
ESTIMATED NET INCOME TAX EXPECTANCY	3,882,000	4,005,000	4,132,000	4,255,960	4,383,639	4,515,148	4,650,602	4,790,120
ESTIMATED 2 MILL PROPERTY TAX ROLLBACK	(756,843)	(774,251)	(792,059)	(810,276)	(828,912)	(847,977)	(867,481)	(887,433)
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>2,765,423</b>	<b>2,129,217</b>	<b>1,795,156</b>	<b>1,485,656</b>	<b>1,120,420</b>	<b>723,350</b>	<b>273,354</b>	<b>(237,004)</b>

Potential Five Year Income Tax Period

Breakeven Point

**Assumptions:**

- 1% Resident, 0.5% Non-Resident income tax rates
- \$1,000 Exemption Level
- Closure of the Visteon plant