

FY2021 City Budget



City Council Budget Meeting – June 8, 2020

General Fund Revenues

▶ Source of Funds	FY21 Projected
▶ Real property	\$54,518,000 (based on constant rate)
▶ Personal property	\$ 2,435,000
▶ Penalties & Interest	\$ 100,000
▶ Licenses & Permits	\$ 2,764,600
▶ Fines and Forfeitures	\$ 300,000
▶ Interest, Rent, Other	\$ 1,568,000
▶ Intergovernmental	\$12,471,000
▶ Charges for Services	\$ 5,341,000
▶ Other Revenues	\$ 3,262,200
TOTAL	\$ 82,759,800



General Fund Expenditures by Dept.

▶ Department	FY21 Projected
▶ City Council, Law, & Mayor	\$ 3,497,400
▶ Human Resources	\$ 995,100
▶ Mgmt Info Systems	\$ 2,031,200
▶ Finance (incl. nonalloc.)	\$18,360,050
▶ Planning & Zoning	\$ 4,344,400
▶ OEP	\$ -
▶ Police	\$21,853,200
▶ Fire	\$20,899,500
▶ OEM	\$ 463,800
▶ Public Works	\$ 8,210,200
▶ Rec & Parks	\$ 5,612,600
▶ TOTAL	\$ 86,267,450



GF Expenditures by Category

▶ Expenditure Type	FY21 Projected
▶ Salaries & Benefits	\$59,242,400 (68.7%)
▶ Contract Services	\$ 8,379,100
▶ Supplies & Other	\$ 1,959,800
▶ Capital Outlay	\$ 1,226,000
▶ Debt Service	\$ 7,860,000
▶ Community Grants	\$ 429,700
▶ Self Insurance	\$ 2,015,000
▶ OPEB	\$ 1,309,300
▶ Interfund Transfers	\$ 3,055,650
▶ Contingencies & Other	\$ 790,000
▶ TOTAL	\$ 86,267,450



General Fund FY2021 Budget Totals

▶ General Fund Revenue	\$ 82,759,800
▶ Fund Balance appropriated:	
▶ Capital Reserve Fund for pay-go capital projects	\$ 1,707,850
▶ One-time Uses Fund for nonrecurring expenses	\$ 1,326,000
▶ Budget Stabilization Fund for recurring expenses	<u>\$ 473,800*</u>
▶ Total Revenue and Appropriated Fund Balance	\$86,267,450
▶ General Fund Appropriations (expenditures)	<u>\$86,267,450</u>
▶ Difference	\$ 0

***Includes \$233,000 GF structural deficit and \$240,800 transfer to Transportation.**



Proposed Reductions to General Fund

▶ Reductions	Amount
▶ Reduce contribution to Fleet Ops and Replacement Funds	\$828,400
▶ Reduce contribution to Self Insurance Fund	\$300,000
▶ Remove funding for two School Resource Officers	\$310,000
▶ Eliminate City contribution to 401 (a) Plan	\$160,000
▶ Remove Funding for Grant Writer in Mayor's Office	\$ 42,700
▶ Remove funding for tree planting in Planning & Zoning	\$ 50,000
▶ Reduce planned increase in OPEB funding	\$ 25,000
▶ Add 2% personnel turnover allowance in the departments	\$572,890
▶ Anticipated savings from retiree & employee 65 and over benefit plan	\$365,700
▶ Rec & Park, OEM, HR, P&Z and Law reductions	\$ 93,000
▶ DPW reductions	\$145,700
▶ MIT reductions	\$102,000
▶ Finance Department reductions	\$ 34,000
▶ Fire Department reductions	\$ 50,000
▶ Police Department reductions	\$ 50,000
▶ Defer COLA for all City employees from July 1, 2020 to January 1, 2021	<u>\$689,000</u>
TOTAL	\$3,818,390

Note: These reductions were already removed from the projected expenditures in the Mayor's Budget.



Proposed COLA Deferral Savings

▶ Employee Group	Estimated COLA Savings*
▶ IAFF Local 1926 - Fire	\$193,300
▶ UFCW Local 400 - Police	\$ 78,200
▶ AFSCME 3162	\$ 32,700
▶ AFSCME 3406	\$ 44,800
▶ Nonrepresented and Management employees	<u>\$340,000</u>
▶ TOTAL	\$689,000

*These estimated savings are from a 6-month deferment of COLA implementation. The COLA will be 1.5% for UFCW Local 400 personnel, and 3% for all other City employees.



Plan B - No COLA Deferral Savings

▶ Eliminate Transfer to Transportation due to Transit CARES Funding	
▶ GF Savings	(\$240,800)
▶ Eliminate COLA Deferral Savings	
▶ GF Additional Expenditures	<u>\$689,000</u>
▶ Balance	\$448,200

Alternate Plan

▶ Personnel Turnover Allowance in Departments	
▶ 2% Allowance in original list of cuts	\$ 572,890
▶ Additional Turnover Allowance to balance	<u>\$ 448,200</u>
▶ TOTAL	\$1,021,090



General Fund Position Vacancies

ACCOUNTING ASSOC I
SENIOR BUYER
MIT ADMINISTRATIVE SUPPORT ANALYST
MIT SPECIALIST
POLICE CAPTAIN
POLICE SERGEANT
POLICE OFFICER 1/C
POLICE OFFICER 1/C
POLICE OFFICER 1/C
POLICE OFFICER 1/C
POLICE OFFICER 1/C
POLICE OFFICER 1/C
POLICE OFFICER 1/C
POLICE COMM OPER 1
POLICE PLANNING ANALYST
POLICE ID SPECIALIST
POLICE ID SPECIALIST
PROF STANDARDS DIR
I.T. PROJECT MANAGER
PROJECT COORDINATOR / MCIN MANAGER
TRAFFIC ENGINEER
PW MAINT WORKER I
EQUIPMENT OPERATOR I
EQUIP OPERATOR II
PW MAINT WORKER I



Fund Balances

▶ General Fund	FY19 Actual	FY20 Projected
▶ Unassigned	\$14,338,668	\$16,443,961
▶ Budget Stabilization Fund	\$ 3,071,439	\$ 3,071,439
▶ Capital Reserve Fund	\$ 4,686,903	\$ 2,343,903
▶ Assigned for One-Time Uses	<u>\$ 2,383,539</u>	<u>\$ 1,862,539</u>
▶ TOTAL	\$ 24,480,549	\$ 23,721,842

Note: In FY19 Actual, Unassigned GF Balance is 15.5% of revenue, and BSF is 3.3%. For FY20 Projected, Unassigned GF Balance is 18.1% of revenue, and BSF is 3.4%.



Constant Rate vs Yield - Property Tax

Comparison of Constant Yield Tax Rate to Actual Tax Rate Per \$100 of Assessed Value			
Fiscal Year	Adopted Tax Rate	Constant Yield Rate	Adopted Rate More/(Less) Constant Yield Rate
FY2007	0.5300	0.4970	0.0330
FY2008	0.5300	0.4740	0.0560
FY2009	0.5300	0.4760	0.0540
FY2010	0.5300	0.5300	0.0000
FY2011	0.5300	0.5179	0.0121
FY2012	0.5600	0.5149	0.0451
FY2013	0.6400	0.6377	0.0023
FY2014	0.6500	0.6504	(0.0004)
FY2015	0.6490	0.6494	(0.0004)
FY2016	0.6490	0.6410	0.0080
FY2017	0.6490	0.6287	0.0203
FY2018	0.6490	0.6270	0.0220
FY2019	0.7380	0.6430	0.0950
FY2020	0.7380	0.7228	0.0152
FY2021	0.7380	0.7165	0.0215



Constant Rate – Impact on residents

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▶ FY20 Home Value	FY20 Tax	FY21 Tax	Tax Increase
▶ \$100,000	\$ 738	\$ 760	\$ 22
▶ \$250,000	\$1,845	\$1,900	\$ 55
▶ \$500,000	\$3,690	\$3,800	\$110
▶ \$650,000	\$4,797	\$4,940	\$143
▶ \$800,000	\$5,904	\$6,080	\$176
▶ \$1,000,000	\$7,380	\$7,600	\$220

Based on constant rate of \$0.7380 per \$100 of assessed value and 3% increase in assessed value.



Structural Deficit

▶ Mayor's Budget

- ▶ Structural Deficit \$233,000
- ▶ Will be covered with funds from the Budget Stabilization Fund

▶ Constant Yield Rate for Property Tax

- ▶ Additional Structural Deficit \$1,500,000

▶ Options for Deficit

- ▶ Use Fund Balance – The Budget Stabilization fund would be drawn down from \$3,071,439 to \$1,097,639.
- ▶ Reduce expenditures – Would need savings in Personnel Salary & Benefits
 - ▶ Full Year COLA Deferment – Requires Agreement with Unions (Savings: \$1.378M)
 - ▶ Deferment of Step Increases – Requires Agreement with Unions (Savings: \$1.04M)
 - ▶ Furloughs (reduced work hours) – Requires Agreement with Unions
 - ▶ Layoffs (reduction in force) – Does not require Union agreements



Budget Execution in FY2021

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- ▶ Monthly update of the revenue and expenditure projections based on COVID status
- ▶ Commitment to develop a list of potential budget actions to address deteriorating budget situation, if needed
- ▶ Bi-monthly updates to Finance Committee and/or City Council of budget status

