

FY 2020 Budget Discussion #2

February 18, 2019

FY 2020 Budget

Highlights

Total Budgets:

- ▶ City Wide: \$221.6M (Increase of \$11.5M / 5.5% over FY 2019)
- ▶ General Fund: \$105.8M (Increase of \$1.6M / 1.5% over FY 2019)

Other Highlights:

- ▶ Capital Projects: \$39.1M (Increase of \$12.5M / 47% over FY 2019)
- ▶ GF Fund Balance: +\$20.0M (2020 Projection - Pending FY 2019 Surplus)
- ▶ Cash for Equipment: \$1.9M (General Fund = \$504K)

FY 2020 Major Tax Revenue Summary

Revenue Source	2019 Budget	2020 Proposed	Dollar Change	Percent Change	Notes
Property Tax Levy	24,914,988	25,559,774	644,786	2.59%	Increase in Levy of 273K and TIF of 370K
Home Rule Sales Tax	22,700,000	23,215,500	515,500	2.27%	Increase due to FY 2019 trends
State Sales Tax	14,708,347	14,472,000	(236,347)	-1.61%	Decrease due to FY 2019 trends and FY19 budget adjustment
Income Tax	7,250,000	7,411,707	161,707	2.23%	Increase due to trends - assumed economic improvements
Utility Tax	6,630,000	6,465,000	(165,000)	-2.49%	Decrease primarily due to Telecomm trends
Food & Beverage Tax	4,230,000	4,300,000	70,000	1.65%	Increase due to FY 2019 trends
Local Motor Fuel Tax	2,340,000	2,315,000	(25,000)	-1.07%	Essentially kept flat
Local Use Tax	1,900,000	2,100,000	200,000	10.53%	Increase due to trends - assumed due to Internet Sales Tax
Franchise Tax	2,100,000	2,008,130	(91,870)	-4.37%	Decrease related to FY 2019 budget adjustment
Hotel & Motel Tax	1,700,000	1,600,000	(100,000)	-5.88%	Decrease due to trends - assumed less business travel to BN
TOTAL MAJOR REVENUES	88,473,335	89,447,111	973,776	1.10%	

FY 2020 General Fund Budget - Revenues

Revenues	2019 Budget	2020 Proposed	Dollar Change	Percent Change	Notes
Use of Fund Balance	314,110	1,075,448	761,338	242.4%	Increase in BCPA 775K and Utility Pension Reserve 300K
Taxes	85,590,420	86,086,390	495,970	0.6%	Increase in Levy and Home Rule
Licenses	444,000	492,691	48,691	11.0%	Increase in Liquor Licenses
Permits	870,351	910,525	40,174	4.6%	Increase in Building and Fire Protection
Intergov Revenue	216,952	233,965	17,013	7.8%	Increase in Grants and Town of Normal (SOAR)
Charges for Services	13,057,043	13,087,991	30,948	0.2%	Increases in BCPA, Zoo, Ambulance and Fleet (to Enterprise)
Fines & Forfeitures	814,000	783,400	(30,600)	-3.8%	Decrease in Parking Violations
Investment Income	220,425	351,125	130,700	59.3%	Increase due to rising rates
Misc Revenue	850,834	899,974	49,140	5.8%	Increase in Fire Bad Debt Recoveries, Misc other Zoo
Sale Capital Assets	18,000	31,500	13,500	75.0%	Increase due to potential Fire vehicle sales
Transfer In	1,846,374	1,877,053	30,679	1.7%	Increase in charges to other Funds = JM Scott
TOTAL REVENUE	104,242,509	105,830,062	1,587,553	1.5%	

FY 2020 General Fund Budget - Expenses

Expenditures	2019 Budget	2020 Proposed	Dollar Change	Percent Change	Notes
Salaries	40,661,455	41,276,718	615,263	1.5%	Increase in general salaries
Benefits	11,534,981	10,640,054	(894,928)	-7.8%	Decrease in IMRF and Health Insurance
Contractuals	13,702,119	14,082,519	380,400	2.8%	Increase in Repairs and Maintenance
Commodities	7,493,052	7,951,337	458,284	6.1%	Increases in fuel, concrete, asphalt etc.
Capital Expenditures	-	1,279,261	1,279,261	0.0%	BCPA 775K; Equipment 500K (cash paid)
Principal Expense	2,359,231	2,302,267	(56,964)	-2.4%	Decrease due to moving Frontier Lot payment to Bond Fund
Interest Expense	290,797	304,837	14,040	4.8%	Increase due to lease rates increasing
Other Intergov Exp	15,044,790	15,566,752	521,962	3.5%	Increase in Public Safety Pensions
Other Expenditures	3,754,647	3,923,910	169,263	4.5%	Increase in Ambulance Bad Debt
Transfer Out	9,401,436	8,502,408	(899,028)	-9.6%	Reduced Capital Improvement transfers
TOTAL EXPENSE	104,242,509	105,830,062	1,587,553	1.5%	

FY 2020 City Wide Budget - Revenues

Revenues	2019 Budget	2020 Proposed	Dollar Change	Percent Change	Notes
Use of Fund Balance	17,293,834	21,319,742	4,025,908	23.3%	Increase due to Projects in MFT and Water
Taxes	94,206,335	95,239,111	1,032,776	1.1%	Increase in Levy and Home Rule
Licenses	479,000	532,691	53,691	11.2%	Increase in Liquor Licenses
Permits	876,193	927,525	51,332	5.9%	Increase in Building and Fire Protection
Intergov Revenue	4,916,558	12,442,115	7,525,557	153.1%	Increase related to Locust-Colton CSO project
Charges for Services	68,938,476	67,736,987	(1,201,489)	-1.7%	Decrease due to FY2019 budget adjs in Ins. Funds
Fines & Forfeitures	1,621,689	1,578,900	(42,789)	-2.6%	Decrease in Parking Violations
Investment Income	1,129,545	1,631,661	502,116	44.5%	Increase due to rising rates
Misc Revenue	2,236,634	2,289,078	52,443	2.3%	Increase in Fire Bad Debt Recoveries, Misc other Zoo
Sale Capital Assets	19,000	51,500	32,500	171.1%	Increase due to potential Fire vehicle sales
Capital Lease Proceeds	5,176,807	5,631,935	455,128	8.8%	Increase related to Police radio replacement
Transfer In	13,223,782	12,254,164	(969,618)	-7.3%	Decrease related to Capital Improvement Fund
TOTAL REVENUE	210,117,855	221,635,408	11,517,554	5.5%	

FY 2020 City Wide Budget - Expenses

Expenditures	2019 Budget	2020 Proposed	Dollar Change	Percent Change	Notes
Salaries	53,962,130	54,792,146	830,016	1.5%	Increase in General Salaries
Benefits	16,357,144	14,987,746	(1,369,399)	-8.4%	Decrease in IMRF and Health Insurance
Contractuals	48,187,556	46,374,712	(1,812,844)	-3.8%	Decrease due to FY19 budget adjs in Ins. Funds, Redux BN Adv.
Commodities	15,641,757	16,212,459	570,702	3.6%	Increase in fuel, meters etc.
Capital Expenditures	28,817,037	43,005,736	14,188,699	49.2%	Increase in Capital Projects of \$12.5M + Cash for Equipment
Principal Expense	10,633,030	9,796,896	(836,134)	-7.9%	Decrease due to payoff of 2011 Bond Issue
Interest Expense	2,611,866	2,414,272	(197,593)	-7.6%	Decrease due to payoff of 2011 Bond Issue
Other Intergov Exp	15,079,890	15,616,752	536,862	3.6%	Increase in Public Safety Pensions
Other Expenditures	5,603,662	6,180,525	576,863	10.3%	Increase related to JM Scott Trust activity
Transfer Out	13,223,782	12,254,164	(969,618)	-7.3%	Decrease in Capital Improvement Fund transfer
TOTAL EXPENSE	210,117,855	221,635,408	11,517,554	5.5%	

FY 2020 Capital Projects

General Fund

Capital Improvement Fund

Fire: Station #3 Kitchen Remodel	\$ 65,000
Facilities: Unforeseen Major Facility Repairs	\$ 200,000
Facilities: Space & Security Modifications	\$ 595,000
Parks: BCPA tuck-pointing and masonry repairs	\$ 65,000
Parks: Route 66 Bike Path-Sect 5-Shirley to Funk's Grove - Construction	\$ 205,500
Parks: Clearwater Park Playground	\$ 90,000
Parks: DeBrazza's Monkey Exhibit (Grant Funded)	\$ 600,000
Public Works: Streets, Alley & Sidewalks Programs	\$ 5,000,000
Public Works: Fleet Facilities Study	\$ 50,000
Total Capital Improvement Fund Projects:	\$ 6,870,500

BCPA Creativity Center-Roof and HVAC (Donations Funded)	\$ 775,000
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FY 2020 Capital Projects

Enterprise Funds

Water Fund

Pipeline Rd - Division E - Pressure Valve Control Stations - Construction	\$ 2,500,000
Locust Colton CSO Elimination & Water Main Replacement	\$ 2,410,000
SCADA Master Plan - Construction	\$ 2,000,000
Hamilton Tank Rehabilitation - Construction	\$ 1,500,000
Other Misc Projects	\$ 2,389,900
Total Water Fund Projects:	\$ 10,799,900

Sewer Fund

Mutli-Year Sewer and Manhole Lining Program	\$ 2,000,000
Locust Colton CSO Elimination & Water Main Replacement	\$ 1,585,000
Other Misc Projects	\$ 800,000
Total Sewer Fund Projects:	\$ 4,385,000

Storm Water Fund

Locust Colton CSO Elimination & Water Main Replacement	\$ 1,585,000
Other Misc Projects	\$ 100,000
Total Storm Water Fund Projects:	\$ 1,685,000

FY 2020 Capital Projects

Enterprise Fund Continued - and Other Funds

Enterprise Fund - Arena

Lighting Improvements (Bowl & Aisle stairways)	\$	325,000
Arena Arc Flash	\$	200,000
Total Arena Fund Projects:	\$	525,000

Motor Fuel Tax Fund

Fox Creek Road Bridge & Road Improvements: Danbury to Beich Road	\$	7,380,000
Hamilton Road Phase II Land (Bunn - Commerce)	\$	4,500,000
GE Road @ Keaton Place Traffic Signals and NB Turn Lane	\$	1,300,000
Other Misc Projects	\$	800,000
Total Motor Fuel Tax Projects:	\$	13,980,000

Drug Enforcement Funds

Police Firing Range Lodge Building Repurpose	\$	125,000
Total Drug Enforcement Projects:	\$	125,000

FY 2020 Budget

Economic Entity Contributions (Current FY 2019)

	<u>Bloomington</u>	<u>Normal</u>
▶ Economic Development Council	\$100,000	\$100,000
▶ Bloomington-Normal Advantage	\$125,000	\$0
▶ Convention & Visitors Bureau	\$475,000	\$109,000

FY 2020 Budget

Consideration of Funding Streams for NEW Multi Year Capital Projects

- ▶ Local Motor Fuel Tax - one cent equates to \$575K per year
(To be pledged / dedicated to concrete and asphalt projects)
- ▶ Video Gaming Terminal Fee - \$500 equates to \$125K per year

FY 2020 Budget

Next Steps

- ▶ Review Economic Entity Contributions
- ▶ Review Potential Capital Improvement Projects - & Potential New Funding Sources
- ▶ Remaining FY 2020 Budget Schedule:
 - ▶ Proposed Budget Presentation: February 25, 2019
 - ▶ Proposed Budget Public Hearing: March 11, 2019
 - ▶ Final Budget Adoption: April 8, 2019