



City of Decatur

City Council Meeting of November 20, 2017 Council Study Session 2018 Proposed Budget



***City of Decatur
2018 Proposed Budget
Council Meeting of November 20, 2017***

Opening remarks:

- ***Staff approach to 2018 budget***
- ***Fiscal year 2017***



***City of Decatur
2018 Proposed Budget
Council Meeting of November 20, 2017***

Achieving Council Goals & Objectives

- ***Community revitalization***
- ***Economic development***
- ***Organizational operations***
- ***Infrastructure***



***City of Decatur
2018 Proposed Budget
Council Meeting of November 20, 2017***

2017 General Fund Year in Review

- ***Revenue shortfall in 1 - 2% range (\$1.0 million)***
- ***Expense control in 2 – 3 % range (\$1.5 million)***
- ***Projected surplus in range of \$0.9 million***



***City of Decatur
2018 Proposed Budget
Council Meeting of November 20, 2017***

2018 Highlights of City Wide Budget

- ***Budget proposal for expenditures of \$175,313,000, net of transfers, increase of 1.5% versus 2017 budget***
- ***Includes all special revenue funds, TIF redevelopment funds, capital and debt service funds, internal service, enterprise funds, and trust & agency funds***
- ***Refer to page 5 in the budget briefing binder***



City of Decatur 2018 Proposed Budget Council Meeting of November 20, 2017

2018 Highlights of General Fund Budget

- ***Revenues of \$64.8 million***
- ***Expenditures of \$68.0 million***
- ***Deficit of \$3.2 million***

- ***Economically sensitive revenues flat or declining***
- ***Projected revenue decline of 3%***

- ***Expenditures in line with inflation, wage & otherwise***
- ***Staffing reduced 26 heads (Comm Center 24, 2 reorg)***



City of Decatur 2018 Proposed Budget Council Meeting of November 20, 2017

2018 Budget Planned Deficit \$3.2 million

- ***Police labor contract retroactive wages (\$1.25 million)***
- ***State budget impact on revenue (\$1.45 million)***
 - ***10% income tax distribution reduction (\$1.05 million)***
 - ***2% local sales tax collection fee (\$0.2 million)***
 - ***PPRT distribution reduction (\$0.2 million)***
- ***City deficit (\$0.5 million)***



City of Decatur 2018 Proposed Budget Council Meeting of November 20, 2017

Entities Fund by the City

| | |
|--|---------------------|
| <i>• Celebration security & clean-up</i> | <i>\$70k</i> |
| <i>• County Fair security</i> | <i>12k</i> |
| <i>• Community Investment Corp (CICD)</i> | <i>70k</i> |
| <i>• Convention & Visitors Bureau (CVB)</i> | <i>240k</i> |
| <i>• Symetra golf sponsorship</i> | <i>20k</i> |
| <i>• Economic Development Corp (EDC)</i> | <i>60k</i> |
| <i>• Senior Center</i> | <i>71k</i> |
| <i>• Sister City</i> | <i>7k</i> |
| <i>• CONO</i> | <i>5k</i> |



***City of Decatur
2018 Proposed Budget
Council Meeting of November 20, 2017***

Revenue Opportunities

- ***Utility tax (4.25%, each additional 0.25% yields \$275k)***
- ***City licensing & fees***



City of Decatur 2018 Proposed Budget Council Meeting of November 20, 2017

Utility Tax Comparison (Gas & electric)

- ***Decatur*** ***4.25%***
- ***Bloomington*** ***3.75%***
- ***Champaign*** ***5.00%***
- ***Normal*** ***5.00%***
- ***Peoria*** ***5.00%***
- ***Urbana*** ***5.00%***



City of Decatur 2018 Proposed Budget Council Meeting of November 20, 2017

Comparative General Fund Expense Per Capita

Decatur 2018 budget data; other city(s) 2016/2017 data



***City of Decatur
2018 Proposed Budget
Council Meeting of November 20, 2017***

Questions & Comments