



2019 PROPOSED BUDGET DISCUSSION

11.19.18



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- Staff Approach Budget Based on Council Feedback
 - No appetite for tax/tax levy increases & balanced budget if possible (Manager said 3 years in 2015).
- Austere Budget - no “extras” but lots of work still gets done.
- Bridge to better future while structural changes made.



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2018 Budget: \$3.2 Million Deficit

- Est. Police Retroactive Wages (\$1.25 million)
- State Budget Impact (\$1.45 million)
- City Deficit (\$500,000)



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2019 Budget: Balanced With Flat Tax Levy

- General Fund Revenues/Expenditures: \$68 Million
- Total Expenditures: \$219,692,438 (includes all special revenue funds, TIF redevelopment funds, capital and debt service funds, internal service, enterprise funds, and trust & agency funds)
- Tax Levy: \$13,877,000



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SAVINGS/REVENUE MEASURES

- 39 Current Vacant Positions- Strategic Hiring in 2019
- Opportunities to do some things differently?
- 19 Positions Unfunded - \$1.49 Million in Savings
- Electricity/Natural Gas/Johnson Controls Savings: \$243,716
- Underspending of Budget



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Demolitions/Community Revitalization

\$2,970,260 Budgeted for 2019 (outside of other expenditures)

- Demolitions: \$922,394
- Residential Rehab: \$542,866
- Education Training (Skill Development): \$100,000
- Homebuyer Program: \$100,000
- Trustee Lot Purchase: \$54,075
- Other Revitalization (as per plan): \$945,925

**\$400,000 in Newly Accessible
Federal Funding**



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Demolitions/Community Revitalization

- Summary on P. 108 of Budget Binder
- 9 Demolitions to be bid soon with 29 Bid/Begun by End of year & 50 by February 2019
- Trustee Lot Agenda Item - December 3, 2018



2019 PROPOSED BUDGET INFRASTRUCTURE



More Than \$28 Million 2019 Work Scheduled



- Local MFT Street Work - \$1.5 Million
- Brush College Road Overpass - \$8 Million
- Water Main Replacement - \$4 Million
- Fulton/32nd St. Storm Water Improvements - \$800,000
- Mound Road Bridge Work - \$2 Million
- McKinley Sewer - \$7.9 Million



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Other Items

Biking and Walkability Study Part of DUATS Budget

Metrics Software

Economic Development Consulting



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2020 Revenue/Structural Considerations

- Utility Tax: Currently 4.25% - \$300k per .25% increase to 5%
- Property Tax
- LED Upgrade for 10,000 Ameren Street Lights
- Intergovernmental Contracts Review
- Annexations (Currently 438 parcels possible)
- Downtown Parking
- Library Building Occupation
- Intergovernmental Efficiencies (Joint School, City, Park District, Macon Co.)



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Future Actions

Nov. 20: Draft Budget Posted to Web Site

Week of Nov. 26: Public Session

December 3: Tax Levy Public Hearing/Further Discussion/
Budget & Tax Levy Vote*

Vote could be held Dec. 17 if further discussion needed.