

# City of Decatur FY2018 – 2019 Proposed Budget

July 30, 2018

# Budget Highlights based on Principles

- **Balanced Budget – Current Revenues  $\geq$  Current Expenditures**
- **Property Tax Rate - .703, proposed .667, 3.60¢ drop in tax rate**
  - .4966 for M&O
  - .1704 for I&S
- **Personnel**
  - **2% Salary Increases**
  - **Maintain Health Care Costs at \$10,000 per employee**
  - **Able to fund**
    - **New FTE's**
      - Deputy Fire Chief
      - Warrant Officer
      - Conference Center front of house
- **Capital Expenditures**
  - Courthouse Water Line
  - Police Vehicles (5 year note)
  - Camera for water lines
  - Chipper
- **Operating Expenditures**
  - Comprehensive Plan update
  - Municipal Issuer Software
  - OpenGov – planning and budgeting software
- **Debt**
  - No new debt
- **Fund Balance Goals**
  - GF – 25% of expenditures, budgeting \$30,000 added back to fund balance
  - WF – 25% of expenses
  - Debt Service – one year payment

# PROPERTY TAXES

- Property Tax Rate - .667, lower than last year of .703,
  - above effective rate - .635925
  - .4966 M&O
  - .1704 I&S
- 3.60¢ drop in tax rate
- Advertise a 7.89% increase in taxes, rollback rate is 8%
- Each penny in tax rate worth \$72,000 approximately
- Remain at last year's rate of .703 would generate \$259,200 in additional revenue. Would need to advertise a 15.71% increase.

# Budget in Brief

- General Fund
  - Revenue - \$8,759,685, increase of \$580K
    - \$308,000 property tax
    - \$100,000 sales tax
    - \$50,000 fines/fees
    - \$37,500 Fire Department cost recovery program
    - \$33,000 Hotel Occupancy Tax
    - \$22,500 Interest
  - Expenditures - \$8,729,280, increase of \$586k
    - \$228,000 move Public Works salaries to GF
    - \$97,500 Deputy Fire Chief
    - \$95,000 2% salary increase
    - \$50,000 Police Warrant Officer
    - \$45,000 additional Comp Plan Funding
    - \$21,500 non-ERP financial software
    - \$20,000 Parks supplies

# Budget in Brief

- Water Fund
  - Revenue - \$4,936,121, increase of \$28k
  - Expenditure - \$4,848,808, decrease of \$144k
    - \$70,000 Courthouse square water line
    - \$80,000 camera system
    - \$35,000 transfer for chipper
    - \$20,000 salary increase
    - (\$228,000) decrease in Public Works salaries

# Water and Sewer Rates/Fee Changes

- Remove landlord/temporary deposits
- Increase 1,000 gallons of water sold at City Hall to \$15.00/1,000
- True up commercial water rates to reflect residential
- Increase to fixed water rate

	Current	FY2019 Proposed
Residential Monthly Charge	\$ 21.93	\$ 25.22
Commercial Monthly Charge < 2" meter	\$ 27.03	\$ 31.08
Commercial Monthly Charge 2" meter	\$ 81.60	\$ 93.84
Commercial Monthly Charge > 2" meter	\$ 168.30	\$ 193.55

Water Bill	FY2018	FY2019	Increase	Sewer Bill	FY2018	FY2019	% Increase
Residential				Residential			
5,000 gallons	\$ 39.82	\$ 43.11	8%	5,000 gallons	\$ 42.32	\$ 42.32	0%
10,000 gallons	\$ 64.13	\$ 67.42	5%	10,000 gallons	\$ 62.12	\$ 62.12	0%
Commercial				Commercial			
50,000 gallons	\$ 352.42	\$ 372.58	6%	50,000 gallons	\$ 320.75	\$ 320.75	0%
200,000 gallons	\$ 1,304.92	\$ 1,418.08	9%	200,000 gallons	\$ 1,247.75	\$ 1,247.75	0%

# Budget in Brief

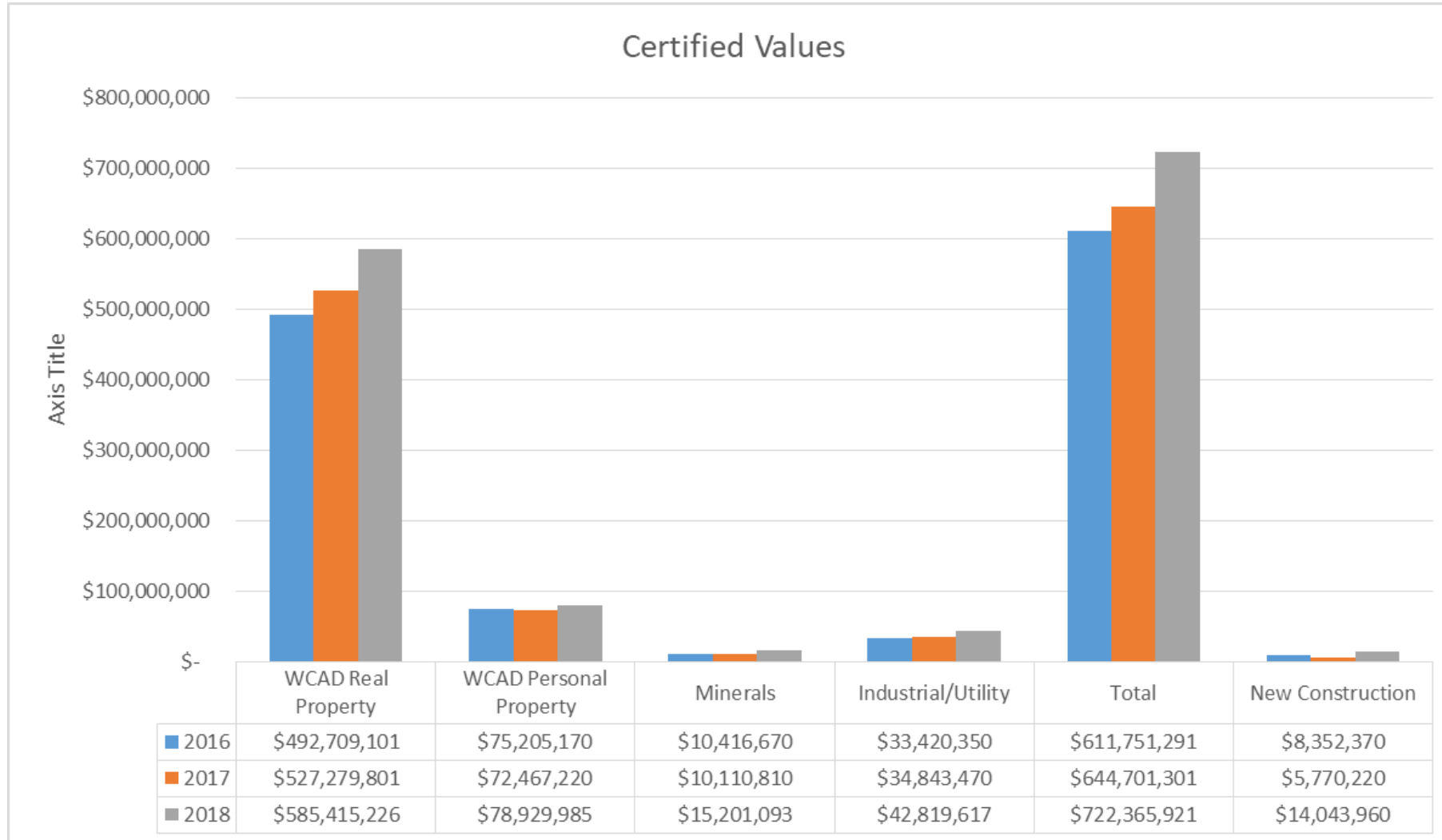
- Airport Fund
  - Revenue - \$126,500
  - Expenditures - \$160,037
- HOT Fund
  - Revenue – \$425,000
  - Expenditures - \$424,900
- Conference Center
  - Revenues - \$935,000
  - Expenditures - \$933,594
- Main Street
  - Revenues - \$146,010
  - Expenditures - \$145,766

# Meeting Schedule

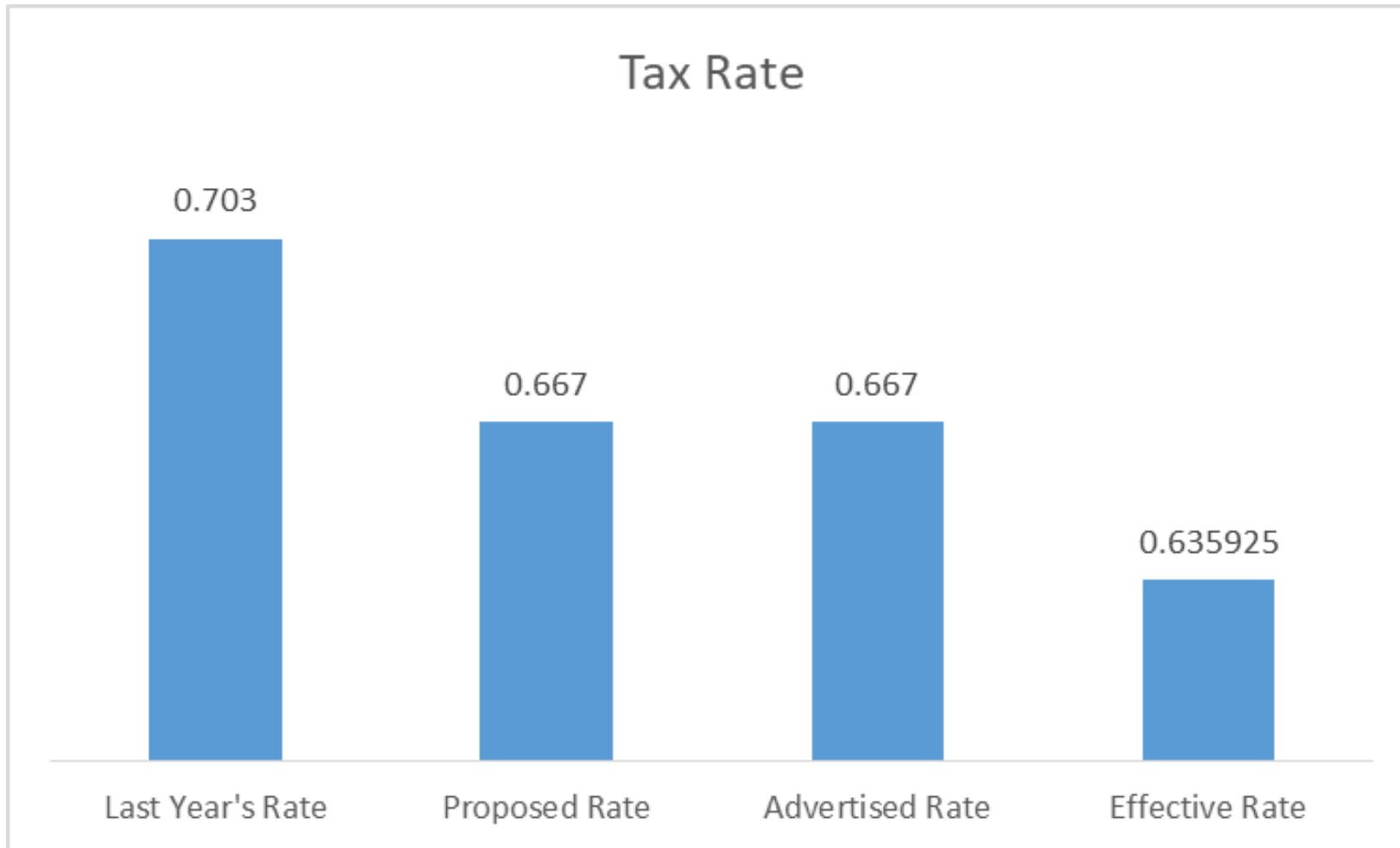
- 4/9 – Budget Committee
- 4/16 – Budget Committee
- 4/20 – Budget Instructions to the Departments
- 5/25 – Budgets back from Departments
- 6/13 – Budget Committee & Dept Head Meetings
- 6/20 – Budget Committee & Dept Head Meetings
- 6/27 – Budget Committee & Dept Head Meetings
- 7/25 – Receive Certified Roll
- 7/30 – Proposed Budget to Council



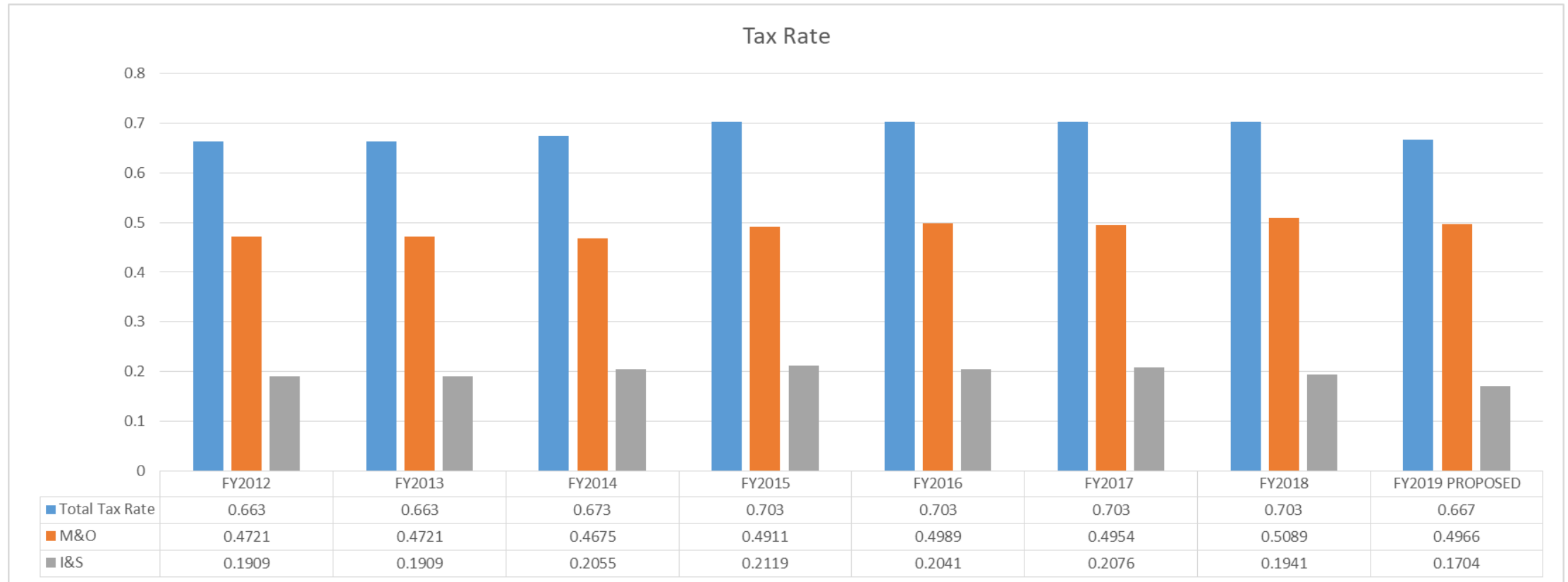
# Certified Values



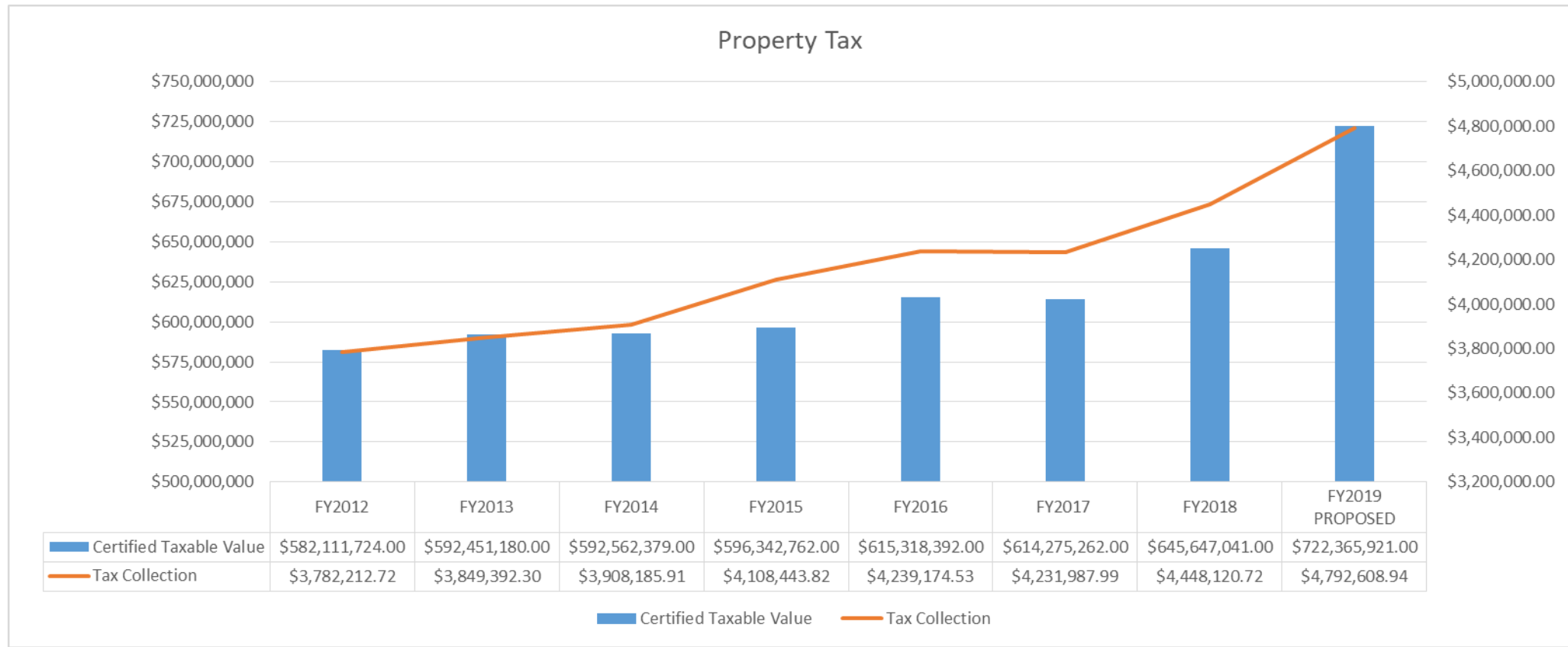
# Proposed Tax Rate



# Property Tax Rate



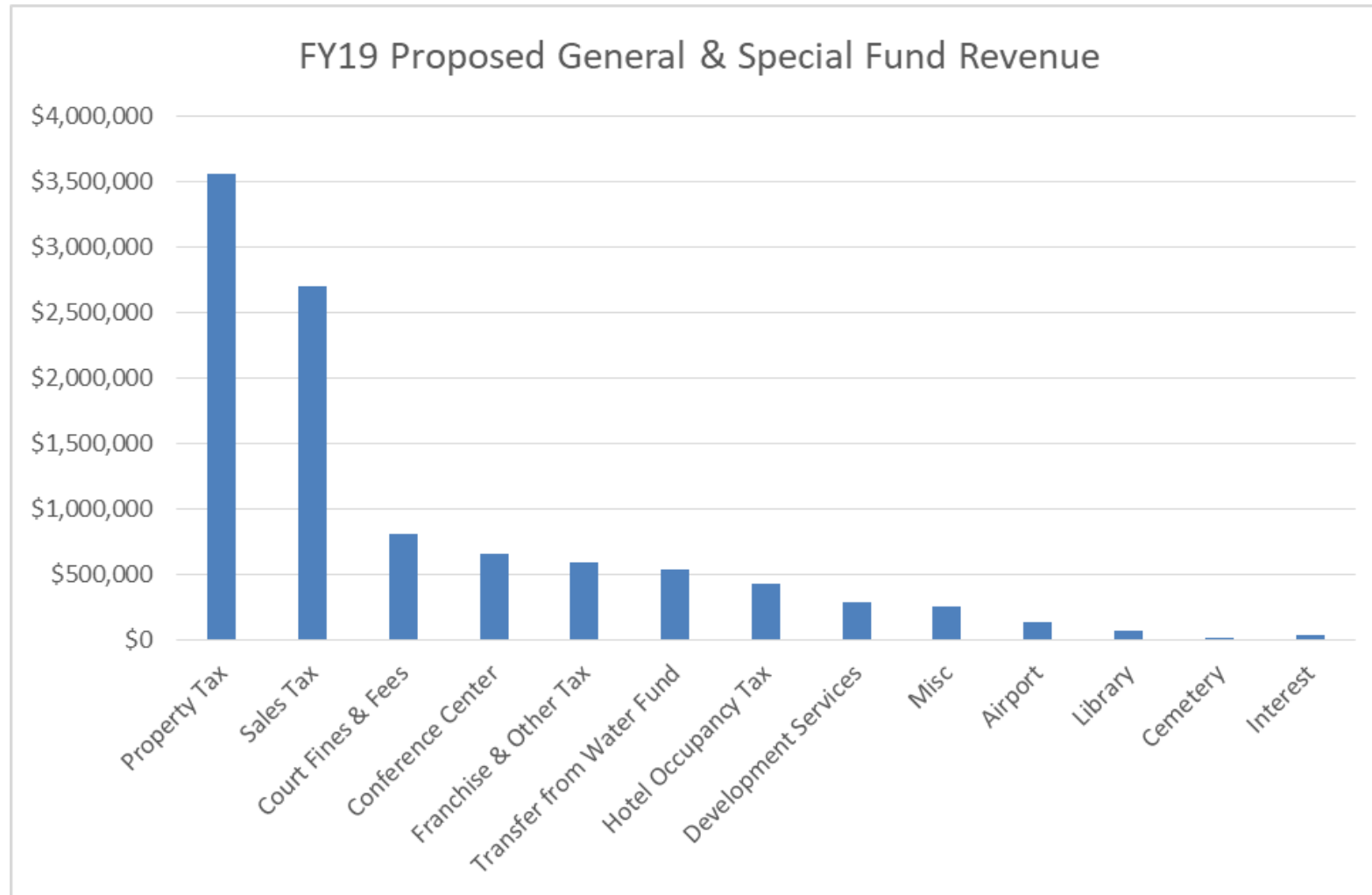
# Property Tax



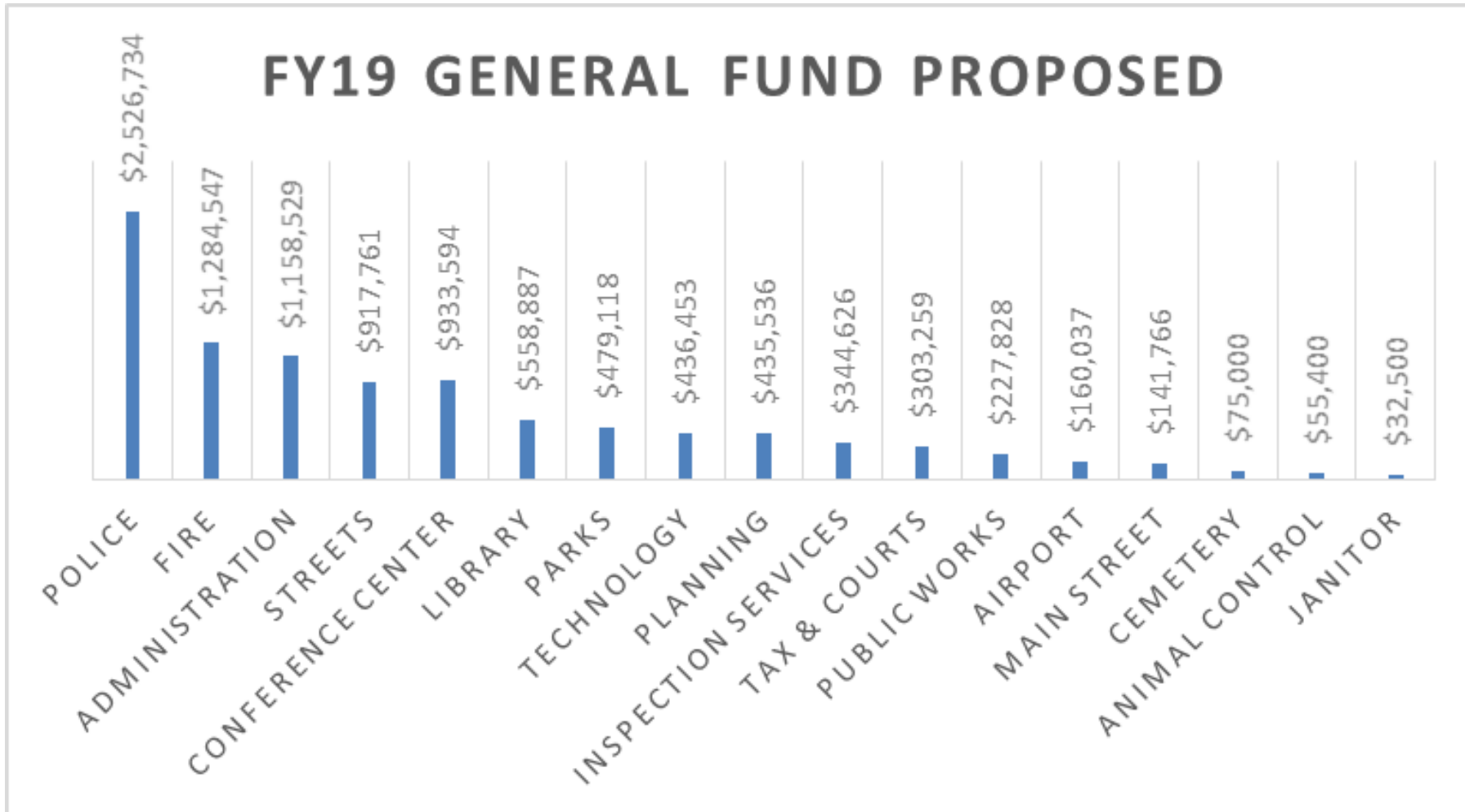
# Sales Tax



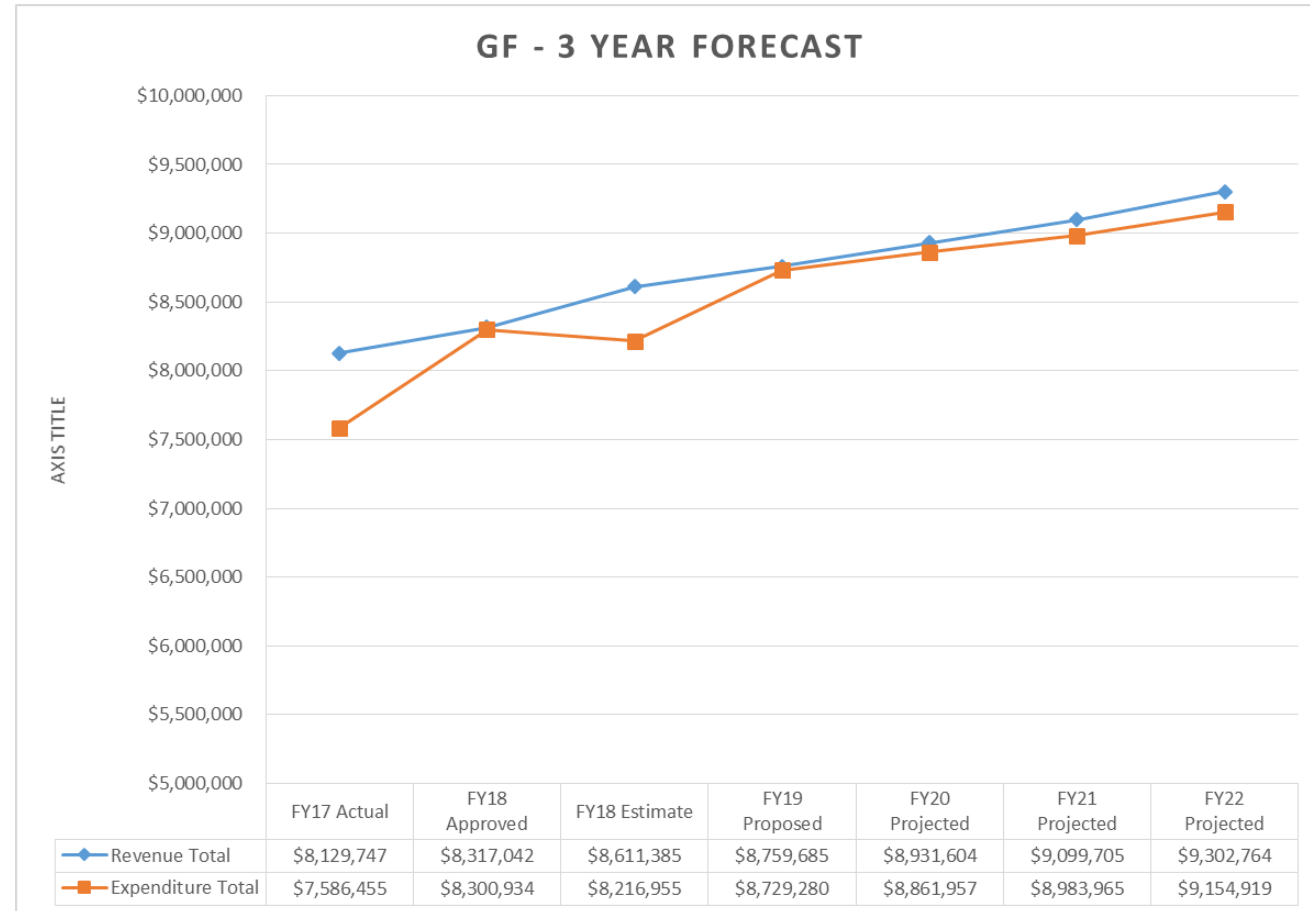
# General and Special Revenue Fund Revenues



# General and Special Revenue Fund Expenditures

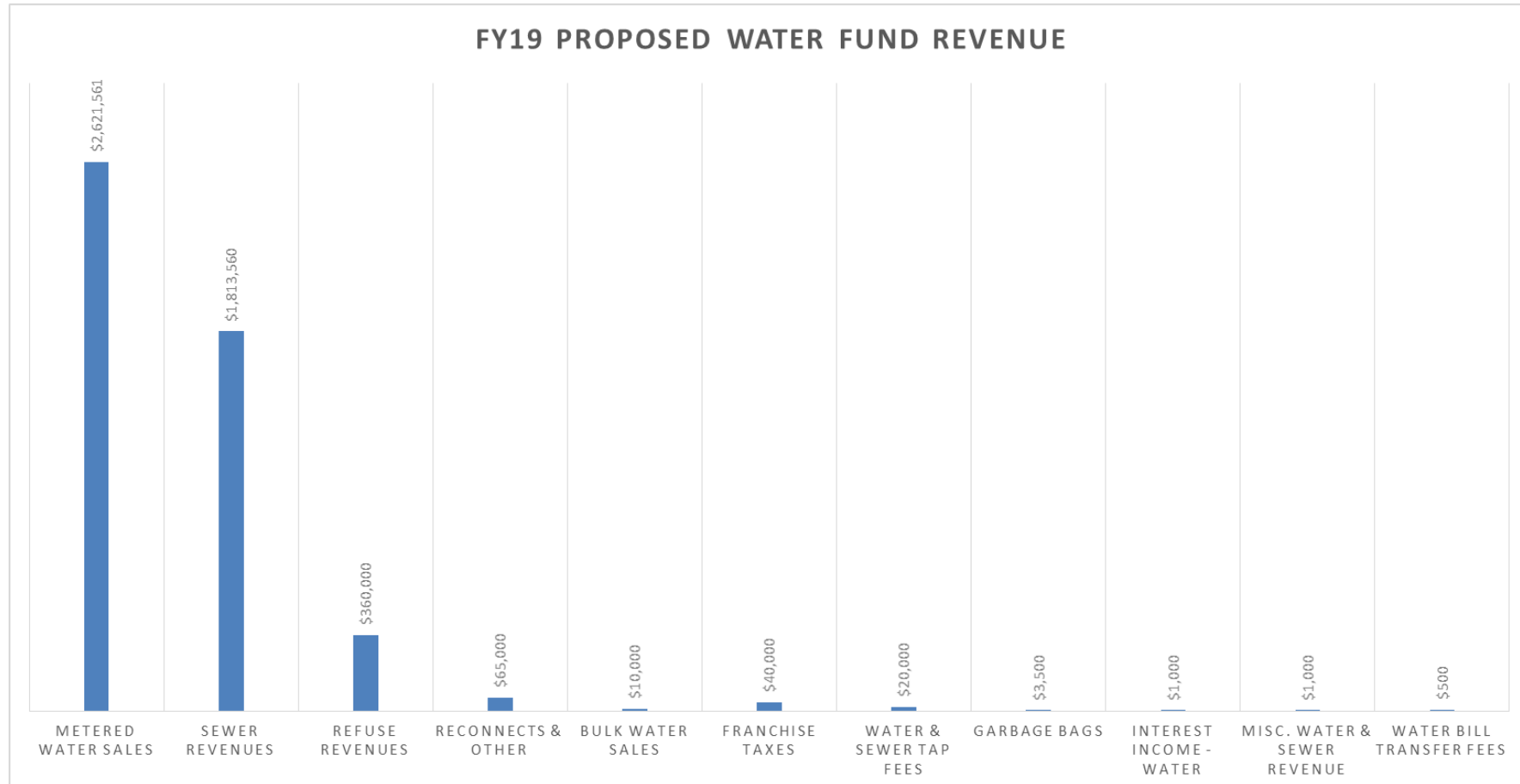


# 3 Year Forecast

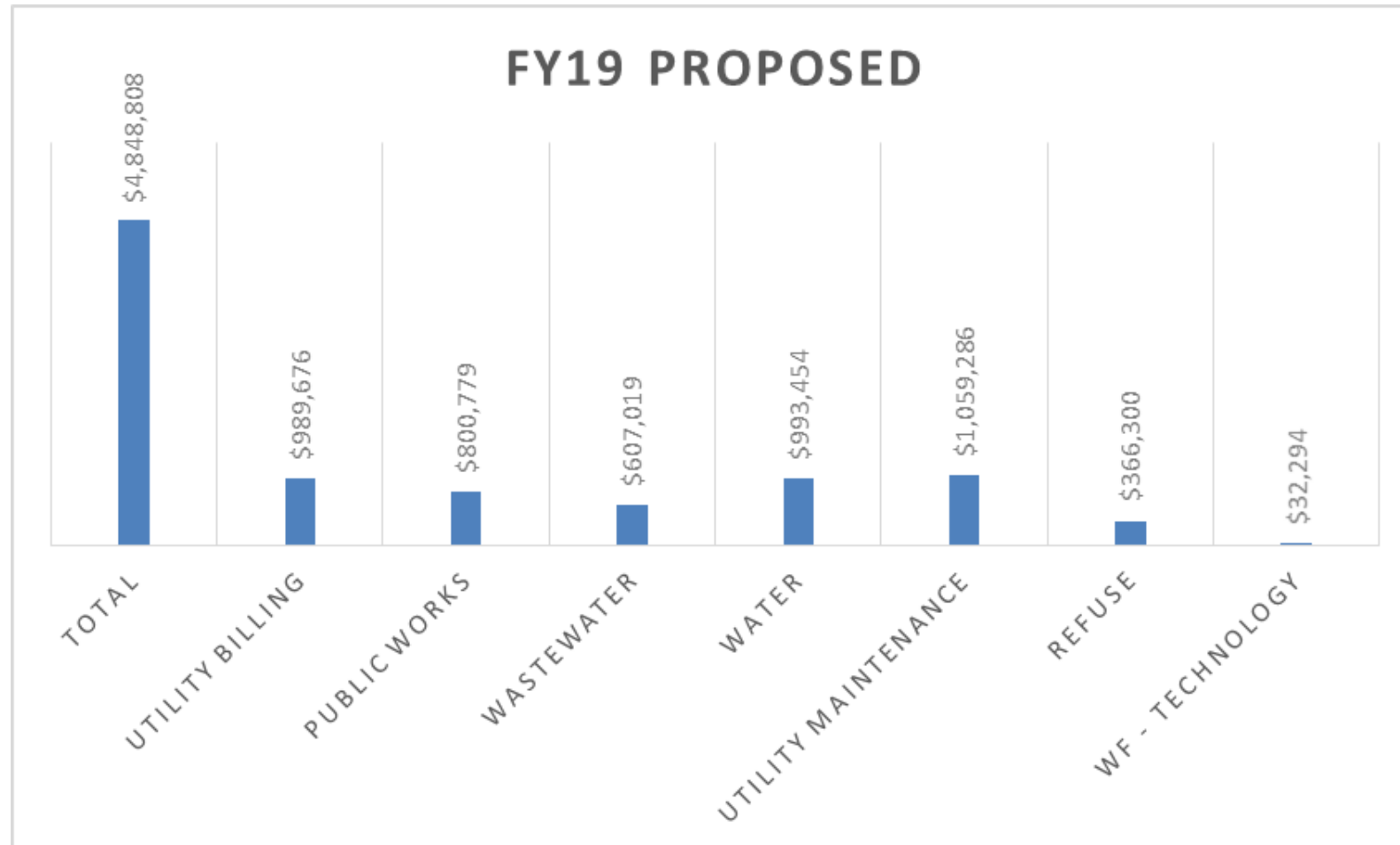




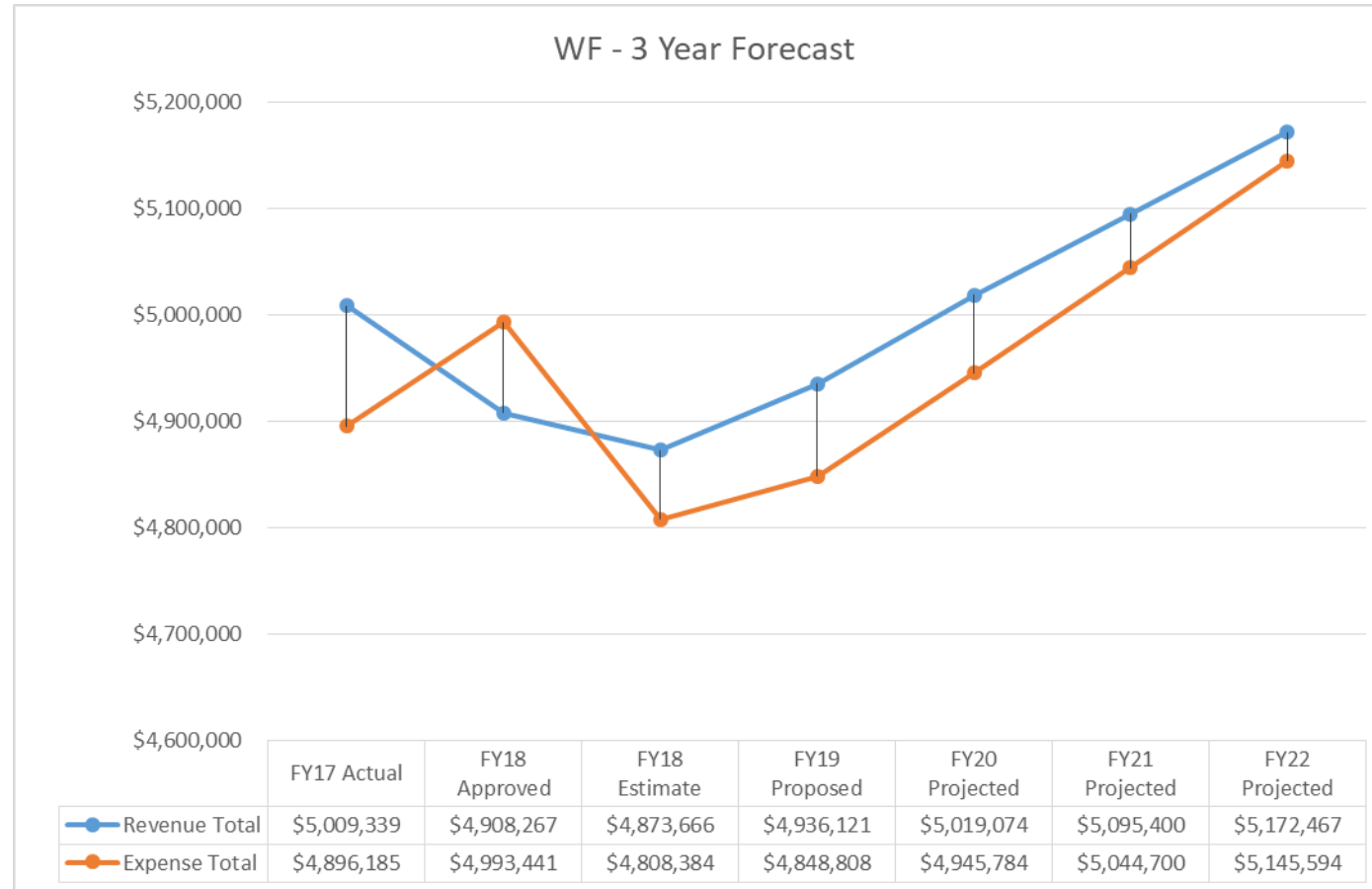
# Water Fund Revenues



# Water Fund Expenditures



# 3 Year Forecast



# Other

- Debt Service Fund
- Fund 4
  - Grants
  - Special Revenues
- Fund 9
  - Impact Fees

# Next Steps

- Monday 7/30 –
  - Propose Tax Rate
    - Record vote if above effective rate
  - Propose Tax Rate Hearings
    - Monday, August 13<sup>th</sup> @ 6:00 pm
    - Monday, August 27<sup>th</sup> @ 6:00 pm
  - Propose Budget Hearing
    - Monday, August 27<sup>th</sup> @ 6:00 pm

# Next Steps continued

- Monday 8/13
  - 1<sup>st</sup> tax rate hearing
- Monday 8/27
  - 2<sup>nd</sup> tax rate hearing
  - Only budget hearing
  - 1<sup>st</sup> reading of budget ordinance
  - 1<sup>st</sup> reading of tax rate ordinance
- Monday 9/10
  - 2<sup>nd</sup> reading of budget ordinance
  - 2<sup>nd</sup> reading of tax rate ordinance

# Questions