

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% |

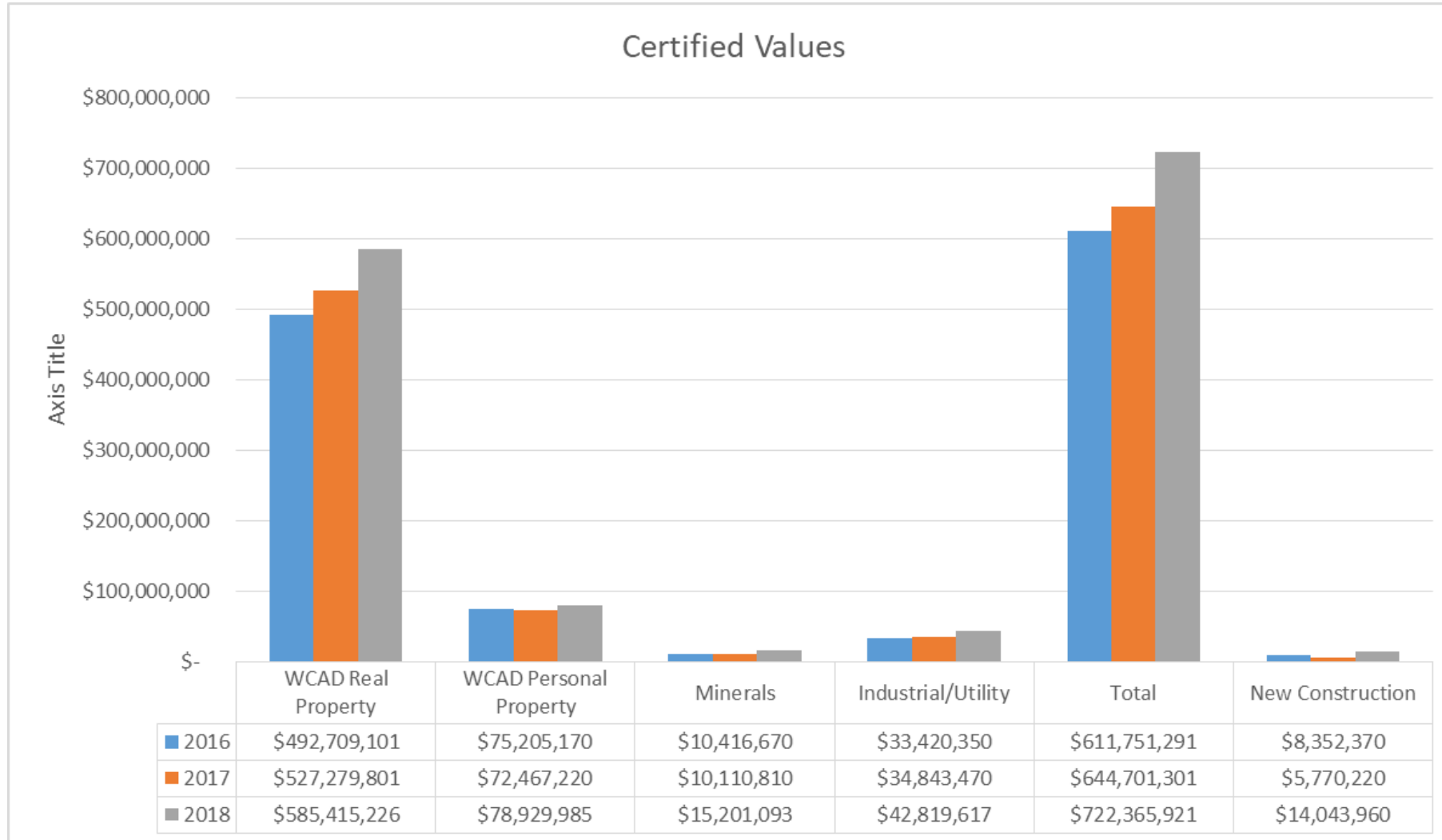
Budget in Brief

- 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

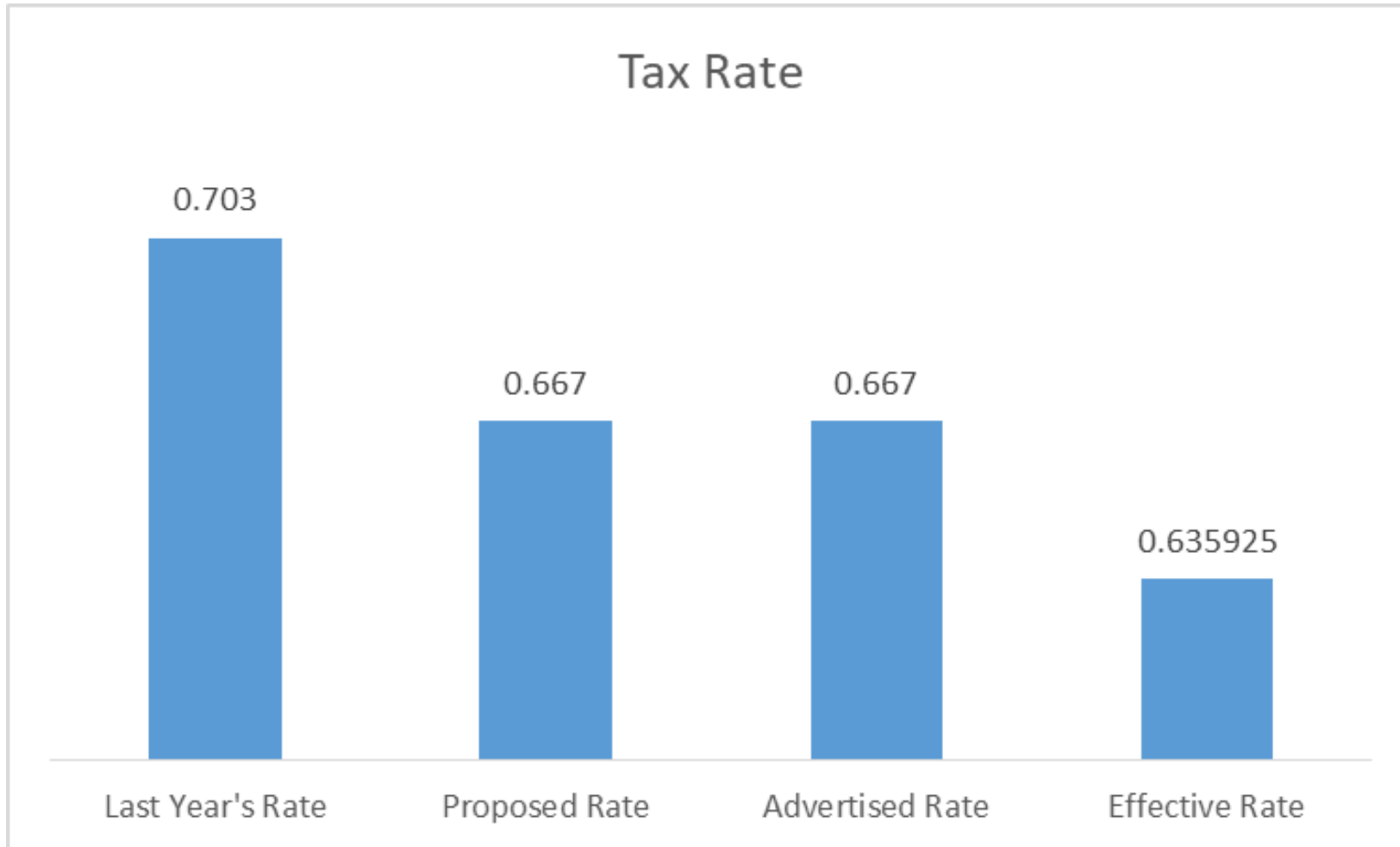
Meeting Schedule

- 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

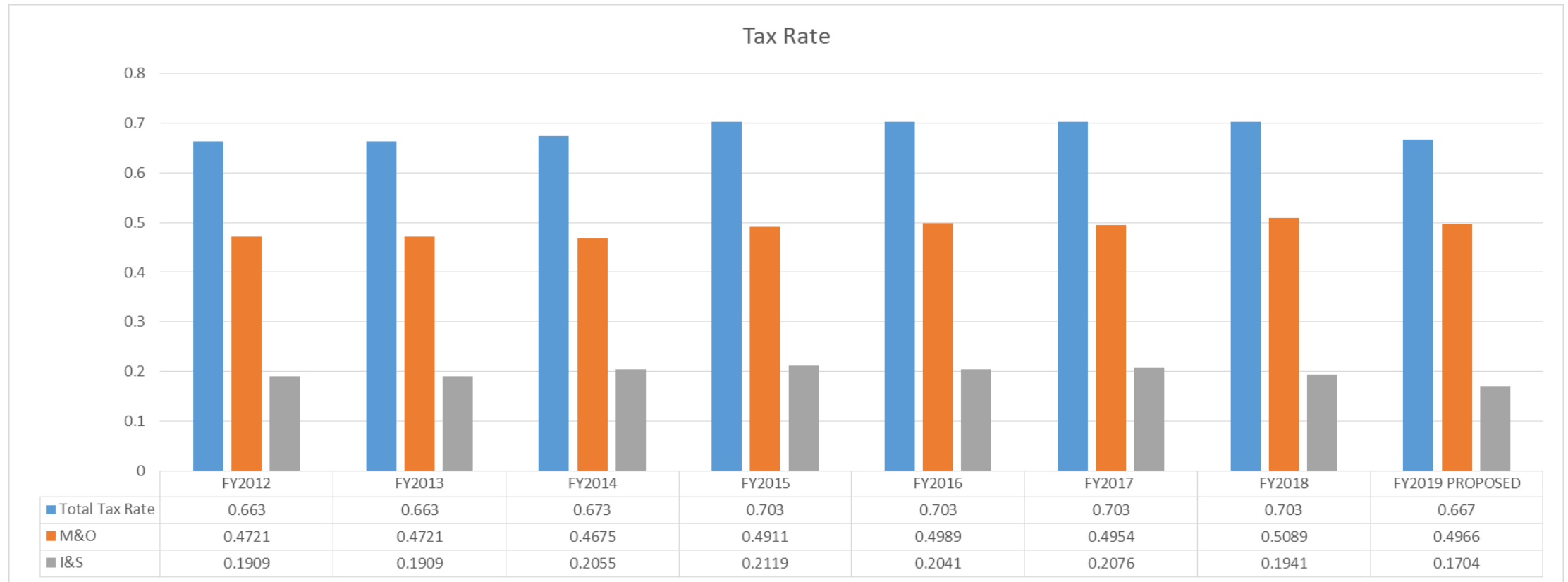
Certified Values



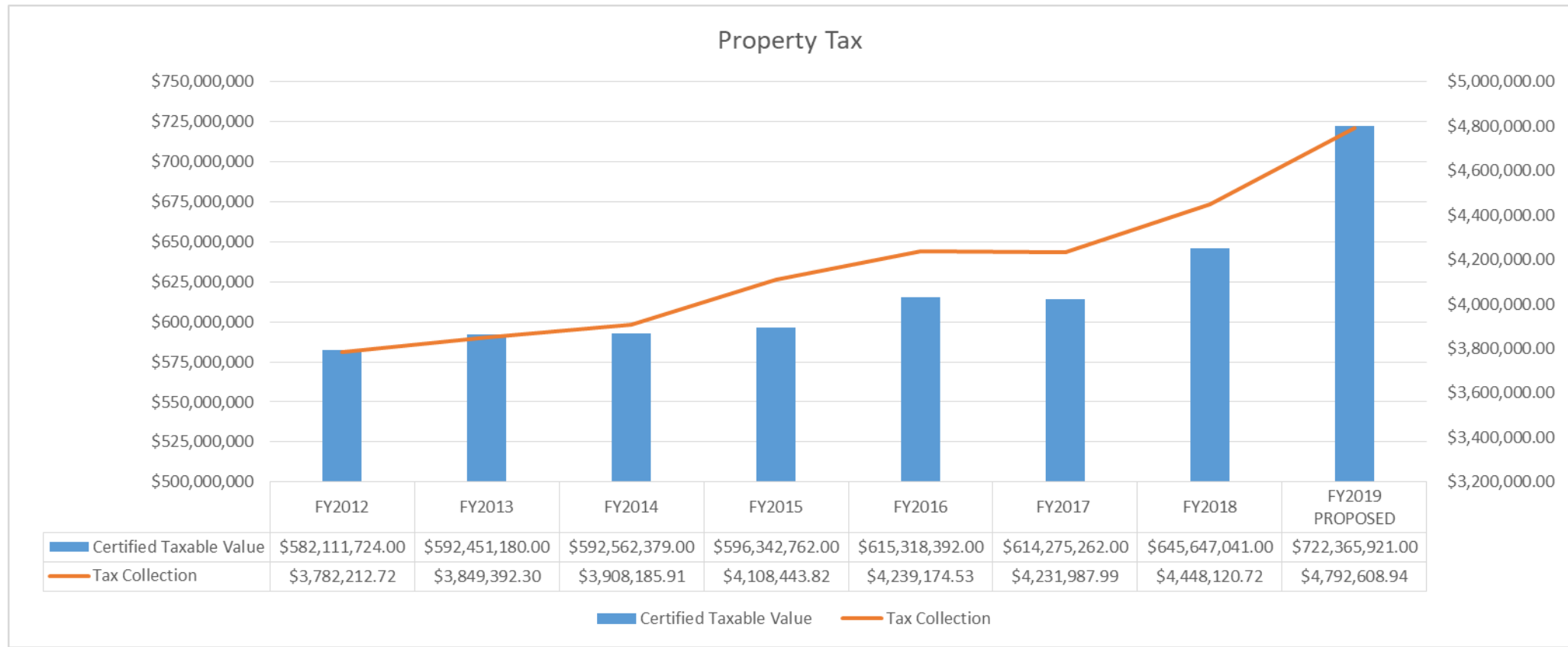
Proposed Tax Rate



Property Tax Rate



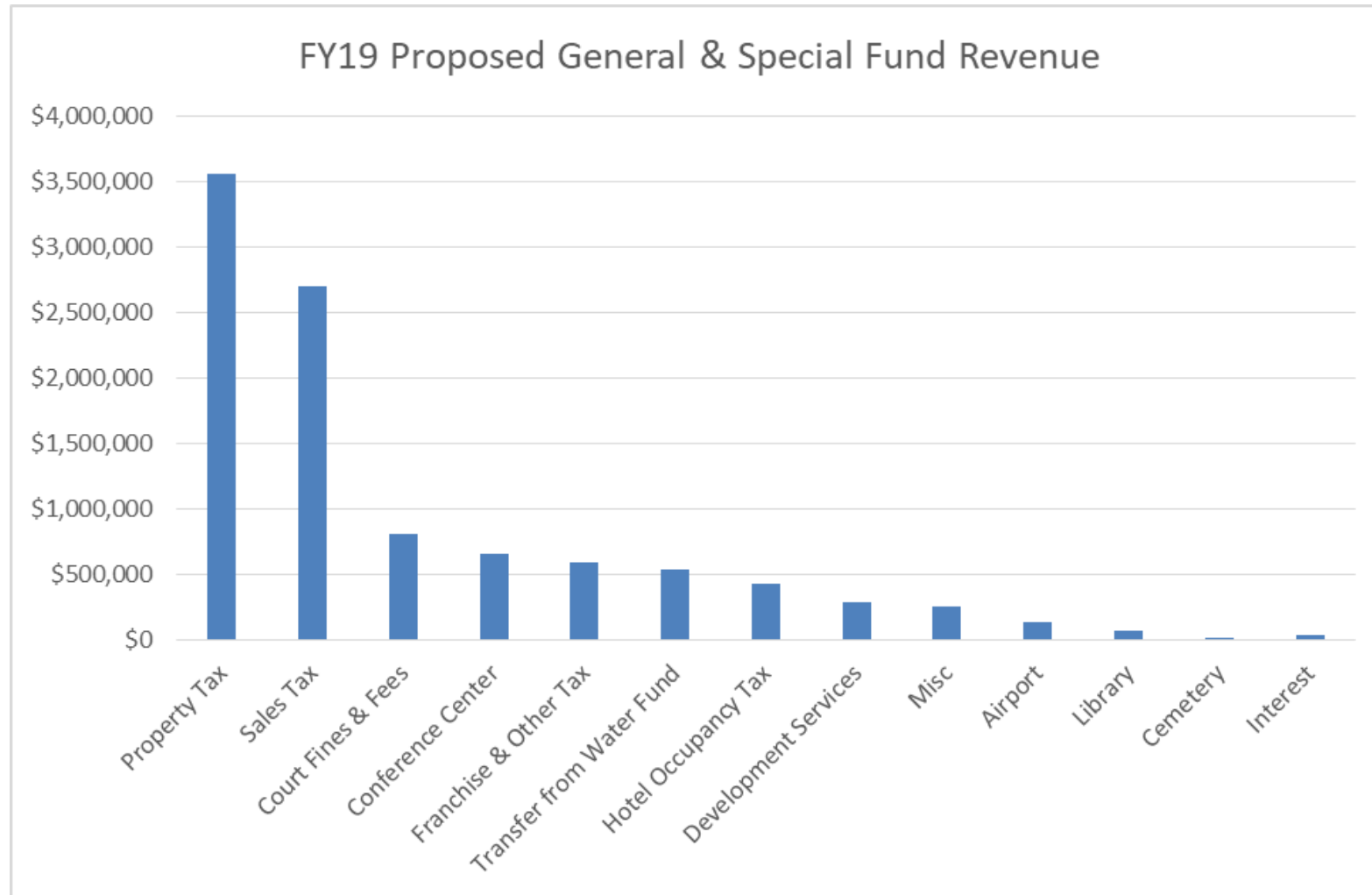
Property Tax



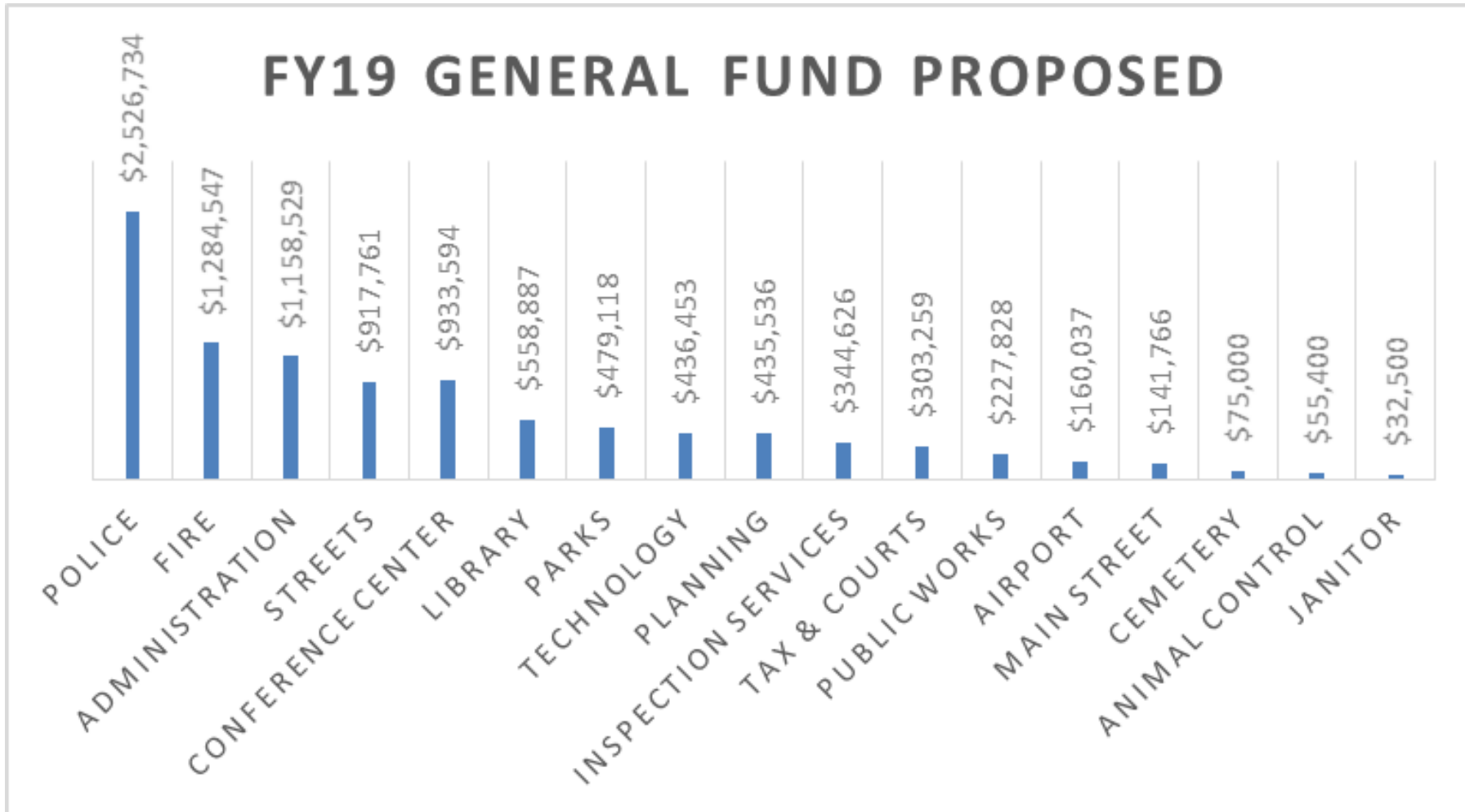
Sales Tax



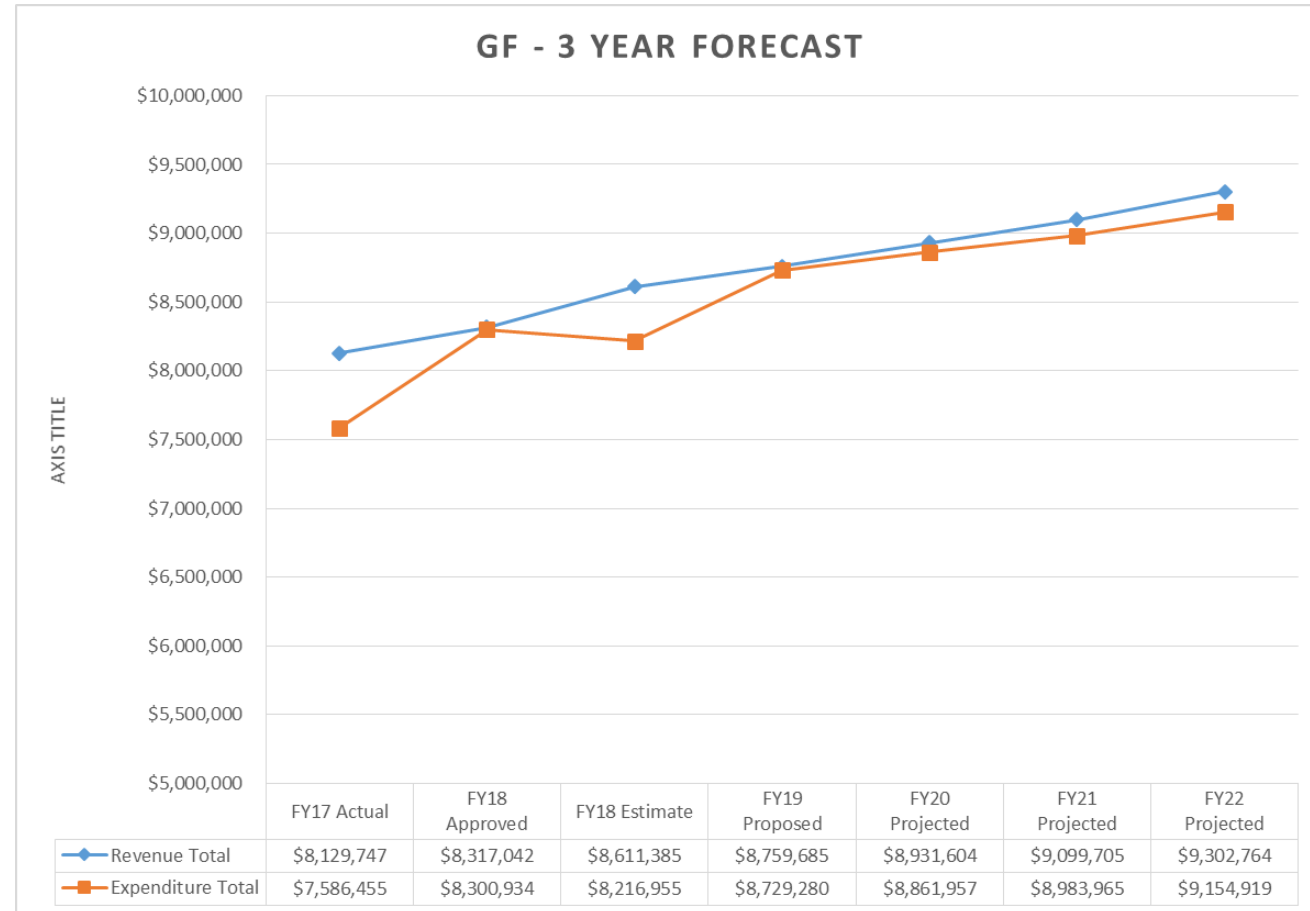
General and Special Revenue Fund Revenues



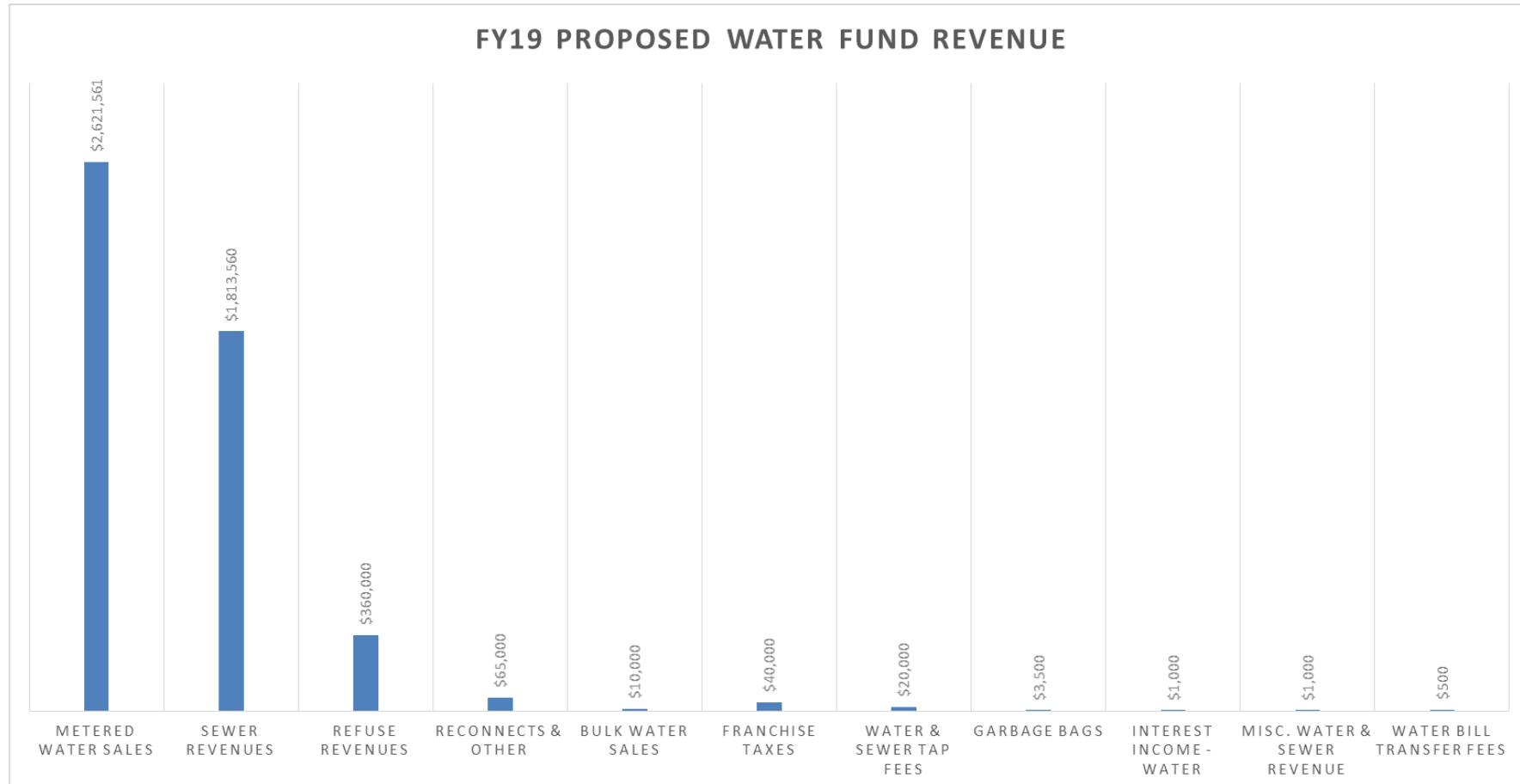
General and Special Revenue Fund Expenditures



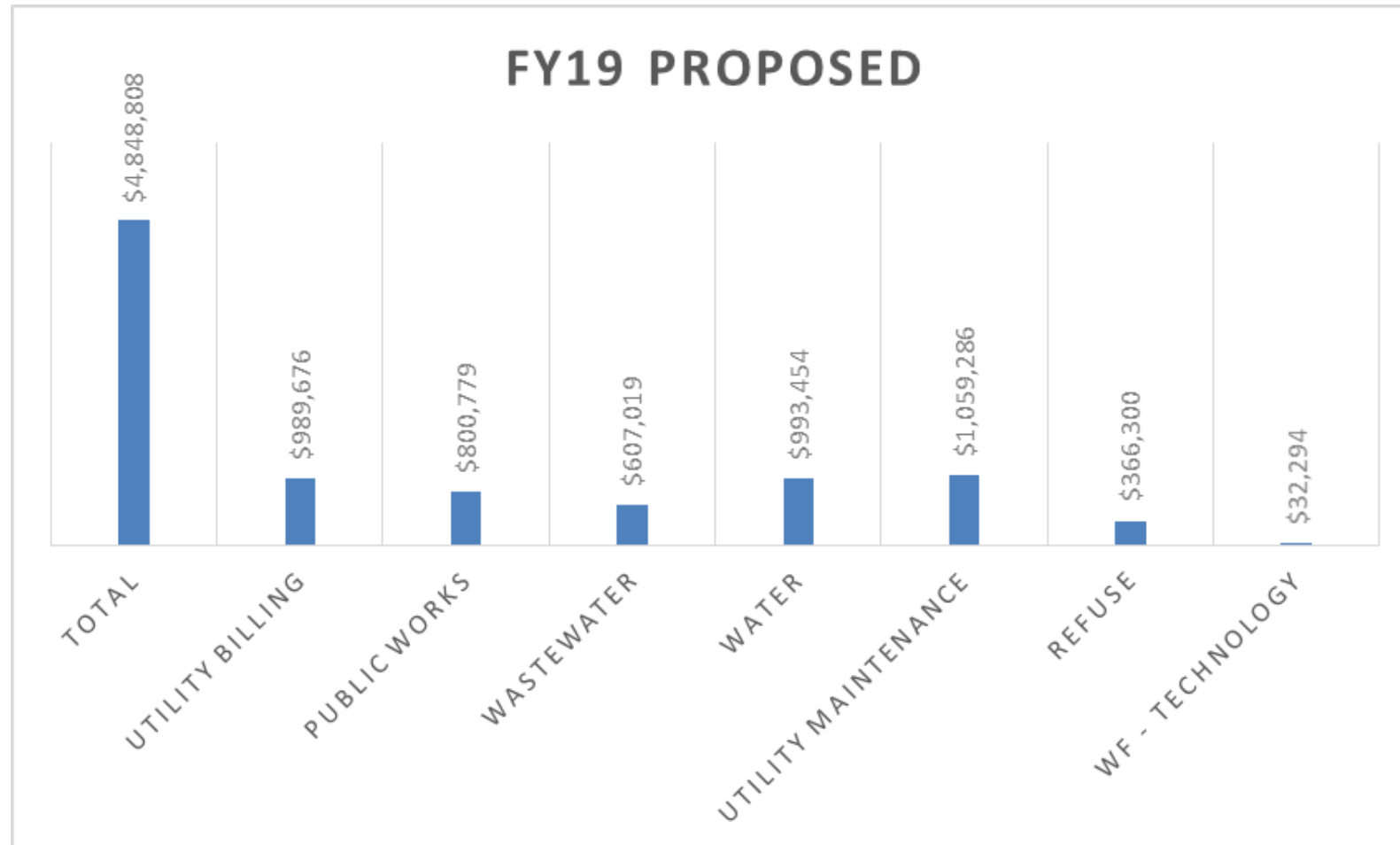
3 Year Forecast



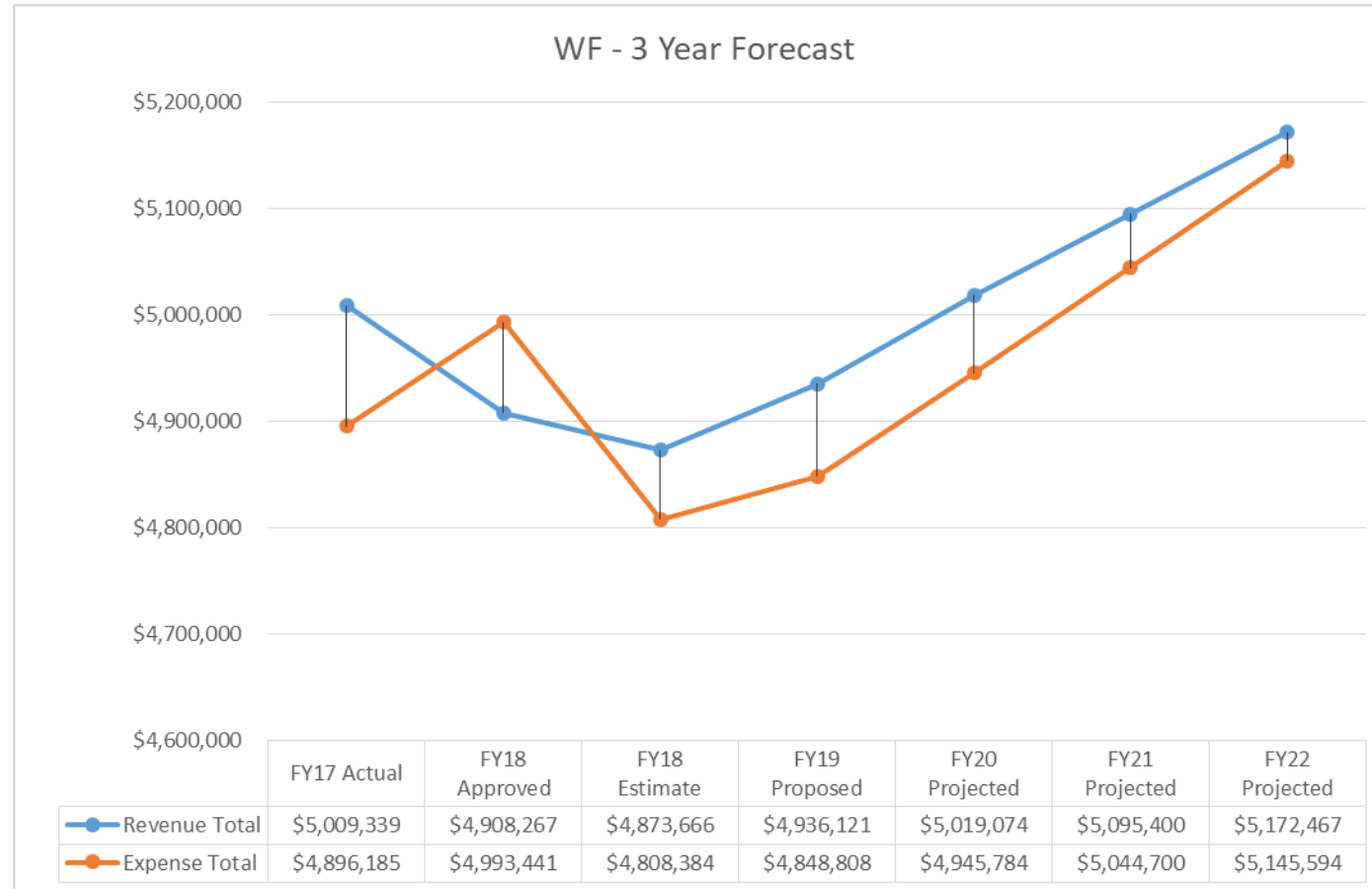
Water Fund Revenues



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 13th @ 6:00 pm
 - Monday, August 27th @ 6:00 pm
 - Propose Budget Hearing
 - Monday, August 27th @ 6:00 pm

Next Steps continued

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

Questions