

City of Geneva FY 2016-17 Proposed Budget



“The purpose of the City of Geneva is to advance our well-being and quality of life by honoring our heritage and cultivating a dynamic, engaged, diverse and sustainable community.”

Geneva Strategic Plan



- ✓ **“Wants vs Needs”**
- ✓ **“Managing the Challenges”**
- ✓ **“Good Governance”**
- ✓ **“Living Within Our Means”**
- ✓ **“Fiscal Stability”**
- ✓ **“Responsible and Realistic”**
- ✓ **“The New Normal”**



- **2009-Reduced GF more than 20%**
- **GF reserve balance**
 - **2009 11% (*41 operating days*)**
 - **City policy = minimum of 90 operating days or 25% of the fund**
 - **Proposed FY 2017 23% (84 operating days)**
 - **\$4,025,330**
- **Maintained Aa2 Bond Rating**
 - **Reduced overall debt by 40%**



**TODAY
TOMORROW
TOGETHER**



TODAY

- **Unfunded mandates**
- **Loss of LGDF**
- **Do more with less**



TOMORROW

- Long range planning
- High ratings
- Strategic planning model



TOGETHER

“Coming together is a beginning; Keeping together is progress; Working together is success”

Henry Ford



Today-Tomorrow-Together

- **Analytical not Emotional**
- **Conservative Revenue Projections**
- **Advances Strategic Goals of the City**
- **Assumptions are Modest**
- **Expenditure Standards = ZERO %
Increase**



Budget Schedule

November 6, 2015	Strategic Planning Workshop; Prioritization of FY 2016-17 Goals and Objectives	City Council (CC), SPAC Chairman, and Senior Management Staff (SMS)
November 30, 2015	Strategic Planning Workshop Follow Up Meeting	CC & SMS
December 7, 2015	Approval of Prioritized FY2016-17 Goals	City Council Meeting
Week of December 20, 2015	Provide Budget Schedule and Standards to Department Heads	City Administrator (CA)
Week of January 3, 2016	FY 2016-17 CA's Office and Mental Health Board operating budget using 2016-17 Budget Standards	CA
Week of January 10, 2016	FY 2016-17 Legislative operating budget using 2016-17 Budget Standards	CA
Week of January 17, 2016	FY 2016-17 Miscellaneous, Economic Development, SSA # 1, TIF, Engineering, and Police operating budgets using 2016-17 Budget Standards	CA, Finance Manager (FM), and Department Heads (DH) Meet



Budget Schedule

Week of January 24, 2016	FY 2016-17 Community Development and Administrative Services operating budgets using 2016-17 Budget Standards	CA, FM, and DH
Week of January 31, 2016	FY 2016-17 Water/Wastewater and Electric operating budgets using 2016-17 Budget Standards	CA, FM, and DH
Week of February 7, 2016	FY 2016-17 Capital Improvement Meetings and Department Goals	CA, FM, and DH
Weeks of February 14 & 21 2016	Draft operating & capital budget review by CA & follow up meetings with Department Heads as needed	CA, FM, and DH
Week of February 28, 2016	Finalize draft budgets in New World, prepare presentation & report to CC	CA, FM, and DH
Monday, March 7, 2016	Present FY 2016-17 Miscellaneous, GF, Electric, Water Operating & Capital Budgets	CC Meeting
Monday, March 14, 2016	Recommend Public Hearing for FY 2016-17 Budget	COW Meeting
Monday, April 4, 2016	Public Hearing for FY 2016-17 Budget	Public Hearing at 6:55 p.m.
Monday, April 4, 2016	Consider FY 2016-17 Budget Resolution	CC Meeting at 7:00 p.m.



Today-Tomorrow-Together

Significant Changes

- **Places for Eating Tax (2% or \$300,000)**
- **Police and Fire Pension increases of 19% and 22% respectively.**
- **Tri-com fee for City Administrator and Administrative Services Departments staff time**
- **No transfer to SSA #1 from General Fund (\$90,000)**
- **Hotel/Motel Tax Grant Program**
- **Funding for wastewater plant upgrade via IEPA loan**
- **Vehicle purchases using proceeds from the sale of City surplus**
- **SSA #32 On Brentwood's Pond**
- **Refuse rate increase to \$4.30, a \$.25 or 6% increase**



Today-Tomorrow-Together

Current Taxes on Sales

Town	HR/NHR Sales Tax	Alcohol/Liquor Tax	Total Combined
Geneva	0.5%	0.0%	0.5%
St. Charles	1.0%	2.0%	3.0%
Batavia	1.0%	2.0%	3.0%

Proposed Taxes on Sales

Town	HR/NHR Sales Tax	Alcohol/Liquor Tax	Places for Eating/Food and Beverage Tax	Total Combined
Geneva	0.5%	0.0%	2.0%	2.5%
St. Charles	1.0%	2.0%	0.0%	3.0%
Batavia	1.0%	2.0%	0.0%	3.0%



Today-Tomorrow-Together

- **GENERAL FUND = \$17,583,880**
- **ELECTRIC FUND = \$45,182,975**
(\$2.6 Capital)
- **WATER/WASTEWATER FUND = \$12,725,300**
(\$3.1 Capital)



Today-Tomorrow-Together

FUND	2016 AMENDED BUDGET	2017 PROPOSED BUDGET
General Fund (1)	\$16,761,677	\$17,583,880
Special Revenue Funds (22)	\$5,761,199	\$5,266,660
Debt Service Fund (1)	\$1,907,725	\$1,975,175
Capital Projects Funds (5)	\$6,487,179	\$4,153,280
Enterprise Funds (5)	\$58,383,271	\$59,180,045
Internal Service Funds (2)	\$909,416	\$730,745
Trust & Agency Funds (2)	\$3,435,660	\$3,690,225
<i>Total Across All Funds (38)</i>	\$93,032,631	\$92,580,010



General Fund Budget Summary

GENERAL FUND	2014 Actual Amount	2015 Actual Amount	2016 Amended Budget	2017 Proposed Budget
Total Revenues	15,546,553	15,835,561	17,045,077	17,583,880
Total Expenditures	15,748,601	16,333,865	16,761,677	17,583,880
Surplus/Deficit	(202,048)	(498,304)	283,400	0



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Special Service Area Funds

SSA # 1 – Downtown Business District	\$212,440
SSA # 4 – Randall Square	\$28,950
SSA # 5 – Williamsburg	\$23,250
SSA # 7 – Blackberry	\$11,865
SSA # 9 – Geneva Knolls	\$3,165
SSA # 11 – Eagle Brook	\$55,600
SSA # 16 – Fisher Farms	\$154,165
SSA # 18 – Wildwood	\$1,535
SSA # 23 – Sunset Meadows	\$1,120
SSA # 26 – Westhaven	\$13,825
SSA #30 – On Brentwood's Pond	\$3,000



Today-Tomorrow-Together

Special Revenue Funds	
Motor Fuel Tax	\$557,075
Cultural Arts Commission	\$49,795
SPAC	\$14,935
Beautification Committee	\$12,900
Tourism	\$271,775
Tri-Com	\$3,453,640
Mental Health	\$293,175
Restricted Police Fines	\$21,155
Public, Educational, Government TV (PEG)	\$36,640
Foreign Fire Insurance Board	\$46,655



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Debt Service Fund

Debt Service

\$1,975,175

Enterprise Funds

Refuse

\$559,190

Cemetery

\$62,700

Commuter Parking

\$649,885

Electric

\$45,182,975

Water

\$12,725,300



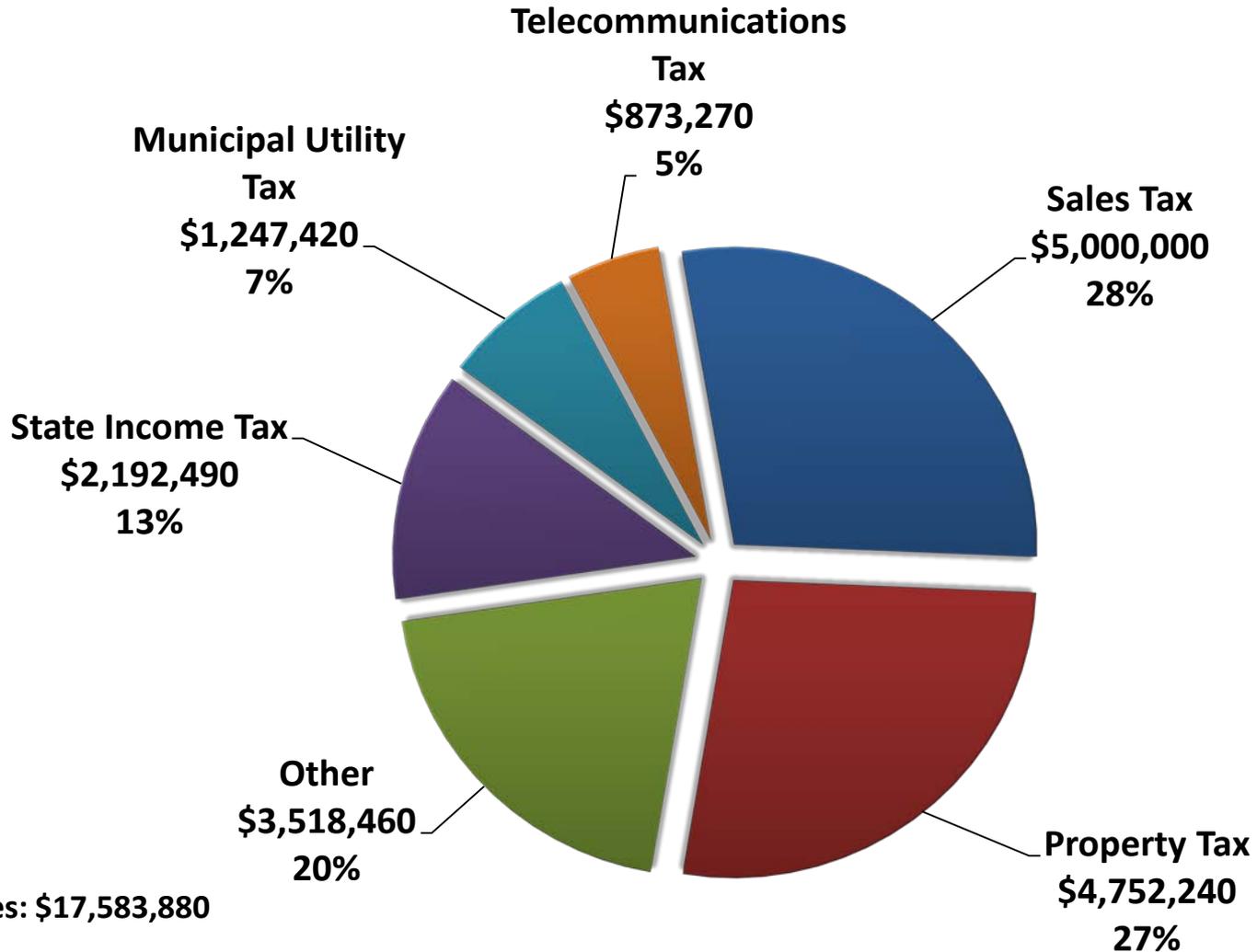
FY 2016-17 GF Revenues

REVENUES	FY 2017	% OF BUDGET
Sales Tax	\$5,000,000	29%
Property Tax	\$4,752,240	27%
State Income Tax	\$2,192,490	13%
Municipal Utility Tax	\$1,247,420	7%
Telecommunications Tax	\$873,270	5%
Licenses, Permits	\$545,640	3%
Places for Eating Tax	\$300,000	1.7%
Auto, Games, Township Fire Tax	\$76,300	0.4%
Local Use Tax	\$505,130	3%
Replacement Tax	\$95,000	0.5%
Reimbursements, Grants	\$89,105	0.4%
Service Fees & Other Revenues	\$1,705,185	9%
Fines	\$202,100	1%
TOTAL REVENUES:	\$17,583,880	100%

(Some revenues are not distributed or collected evenly throughout the year)



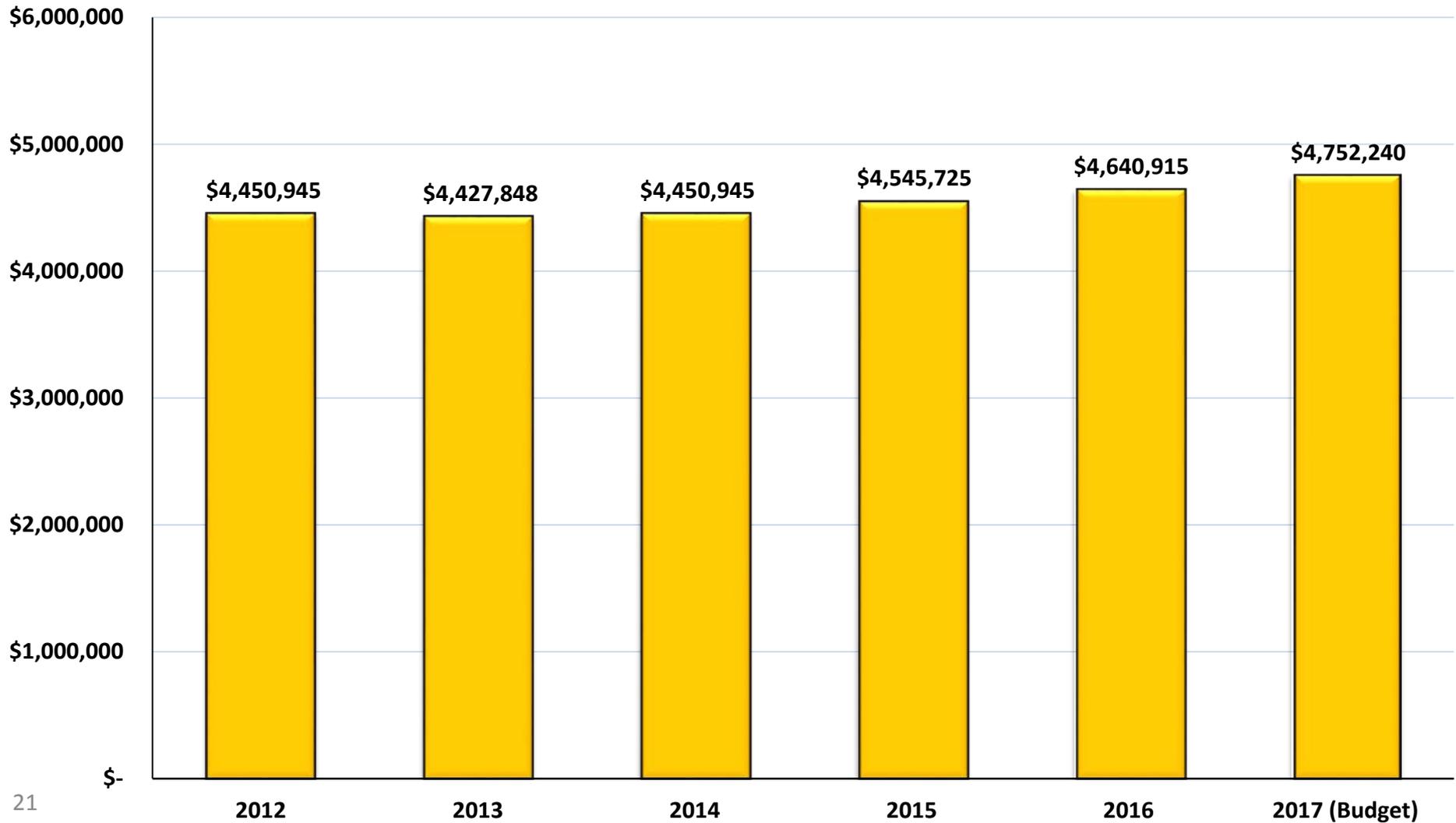
FY 2016-17 GF Revenues



Total Revenues: \$17,583,880



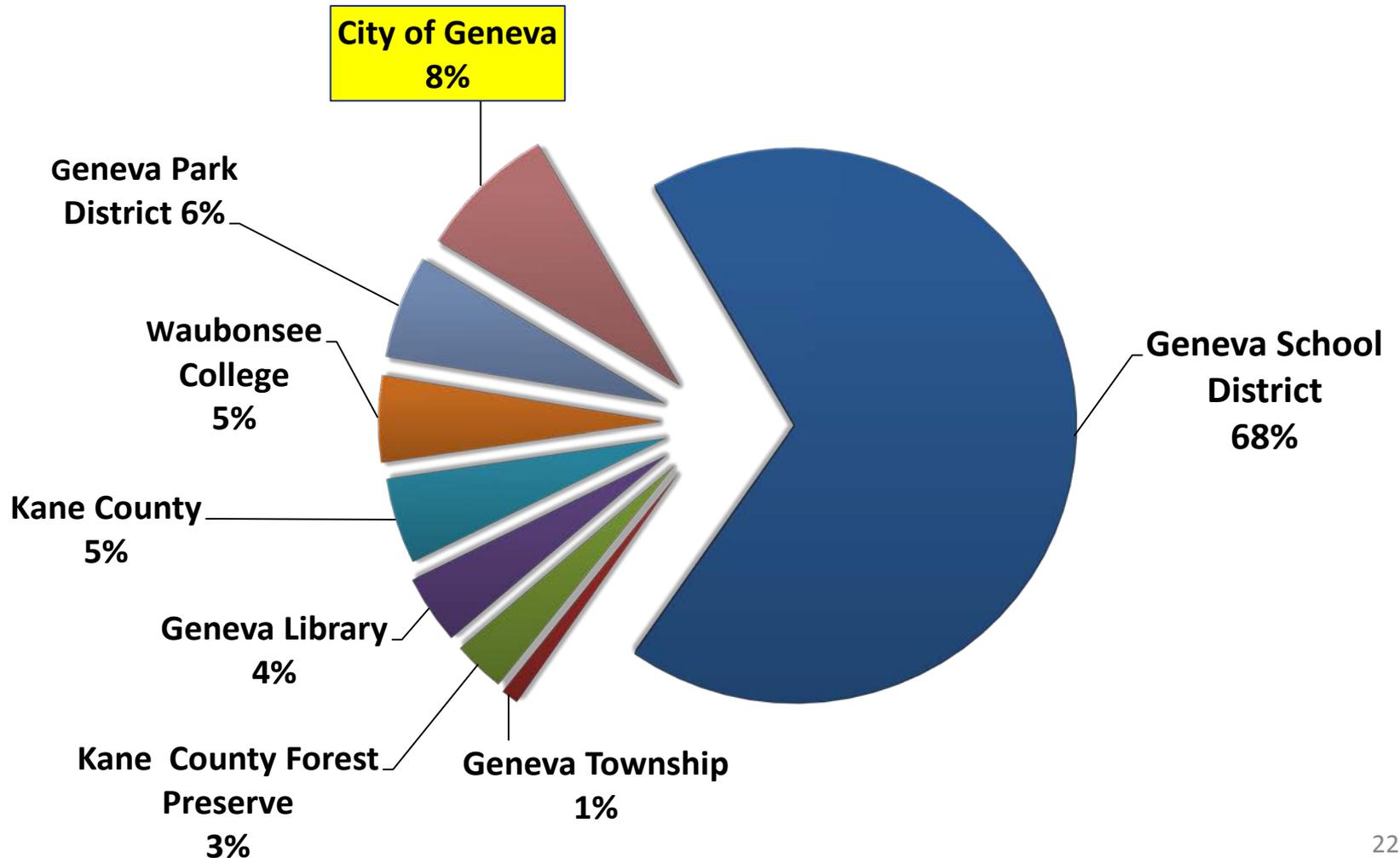
GF Property Tax Revenues





Property Tax

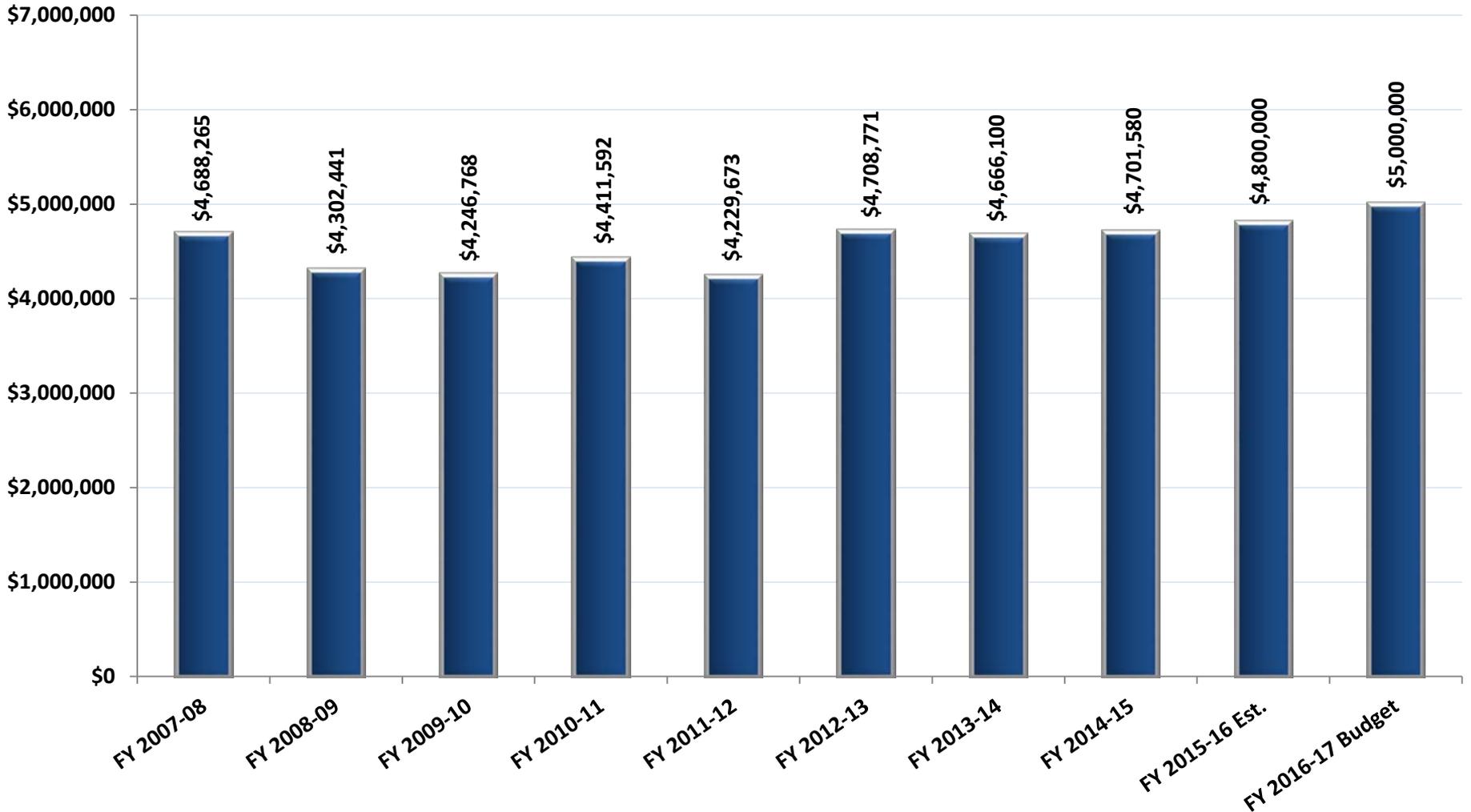
Typical Property Tax Bill for a Geneva Resident in 2016
(excluding SSAs)





Sales Tax Revenues

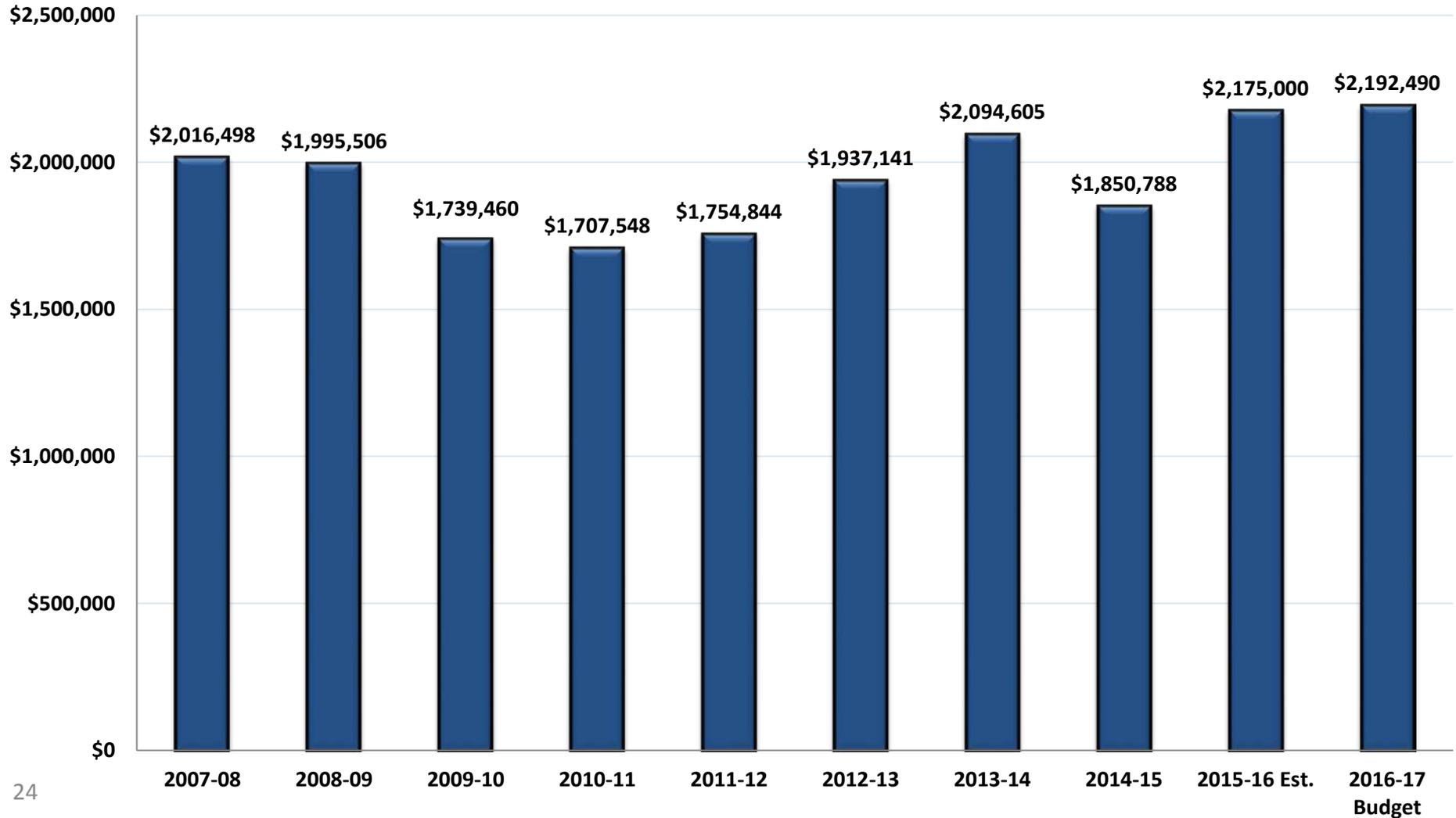
FY 2007-08 Through FY 2016-17





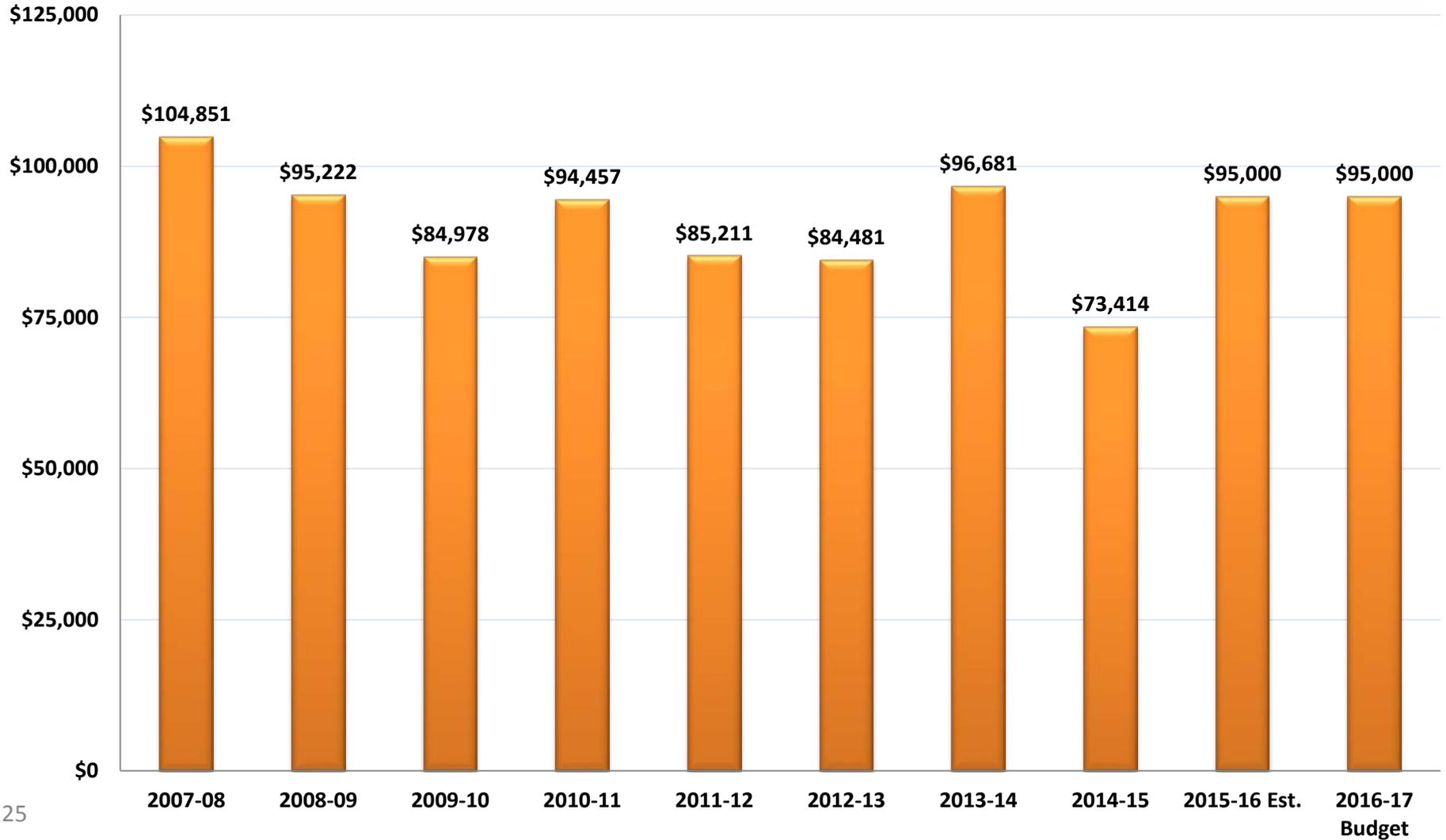
Income Tax Revenues

FY 2007-08 Through 2016-17



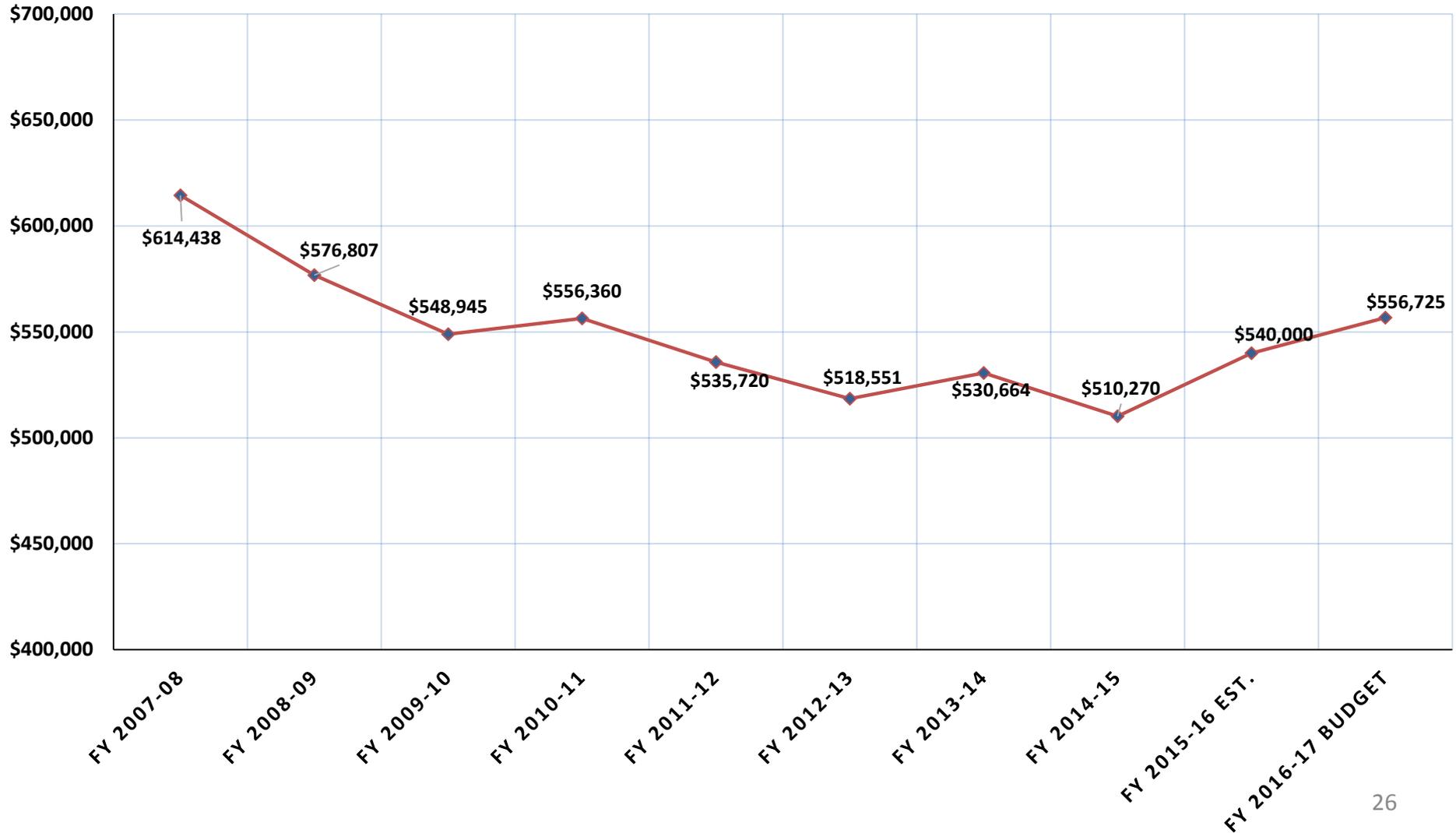


Personal Property Replacement Tax Revenues FY 2007-08 Through 2016-17





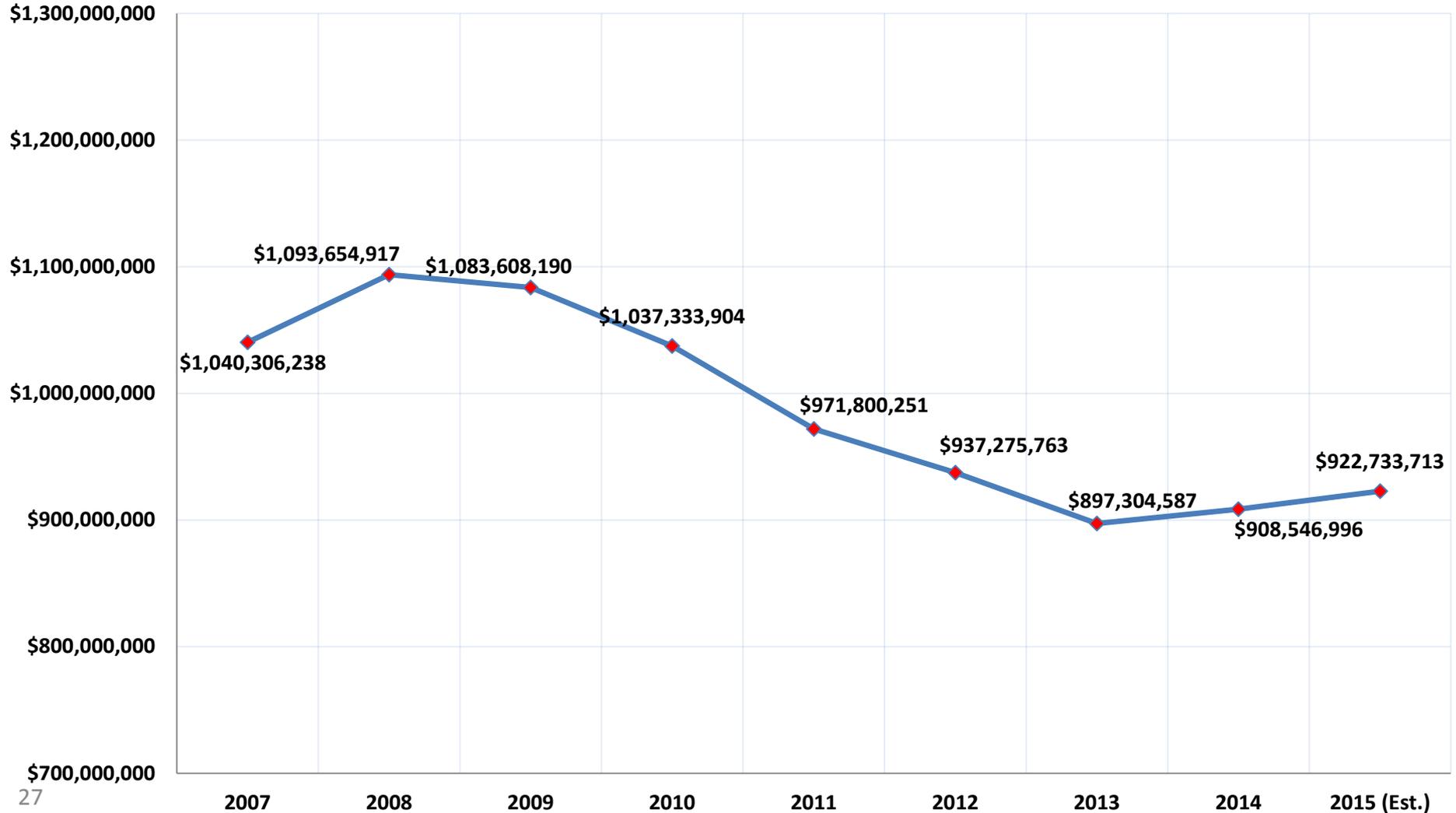
Motor Fuel Tax Revenues FY 2007-08 Through FY 2016-17





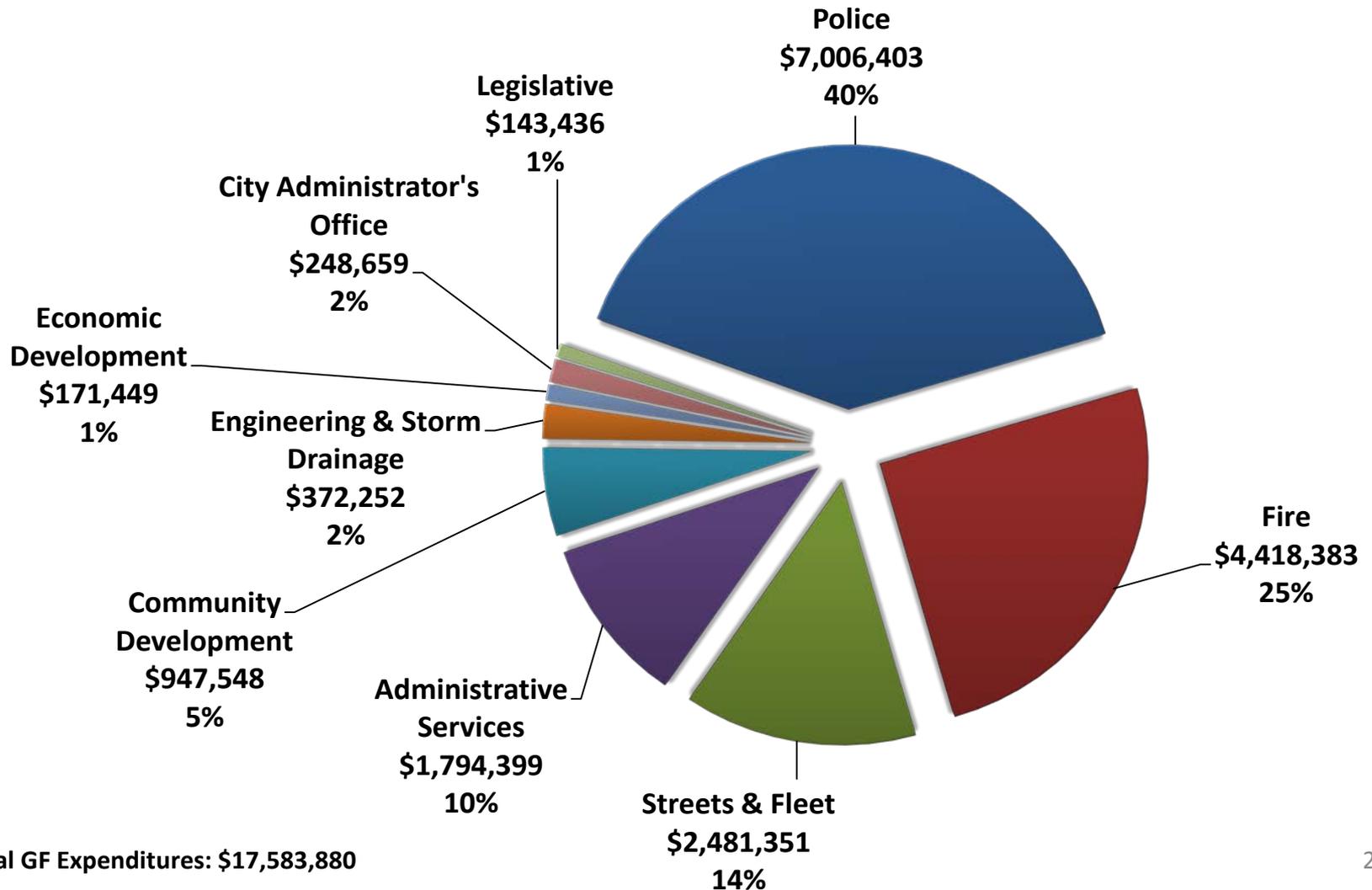
Equalized Assessed Value

Includes: Commercial, Farm, Industrial, and Residential





FY 2016-17 GF Expenditures



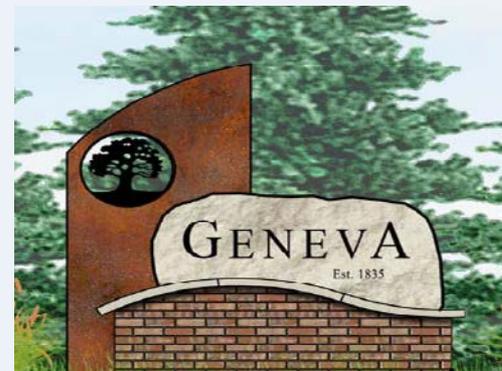


Today-Tomorrow-Together

FY 16-17 Capital Improvement Projects

Infrastructure Capital Projects Fund \$3,334,5755

- Welcome Signage
- Tree Replacements
- Street Improvement Program
- Downtown Pavilion
- Stormwater Utility Engineering





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Street Improvement Program

- Sterling Avenue
- Patten Avenue
- Simon Court
- Spruce Court
- Conant Court
- Keim Court
- Pebble Beach Court
- Harbor Town Court
- Brigham Way
- Lois Court
- Kummer Court
- James Street Alley
- May Street
- Edison Street
 - ❖ *Alternate Streets*
 - Glengarry Drive
 - Harrison Street

The above list is tentative and subject to change and lists both portions and complete streets.



Today-Tomorrow-Together

FY 16-17 Capital Improvement Projects

General Capital Projects Fund \$169,800

- City Buildings Repairs
- Station Alerting System
- Fleet Services Lift Repairs
- Vehicle Repairs



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FY 16-17 Capital Improvement Projects

Capital Equipment Fund \$322,385

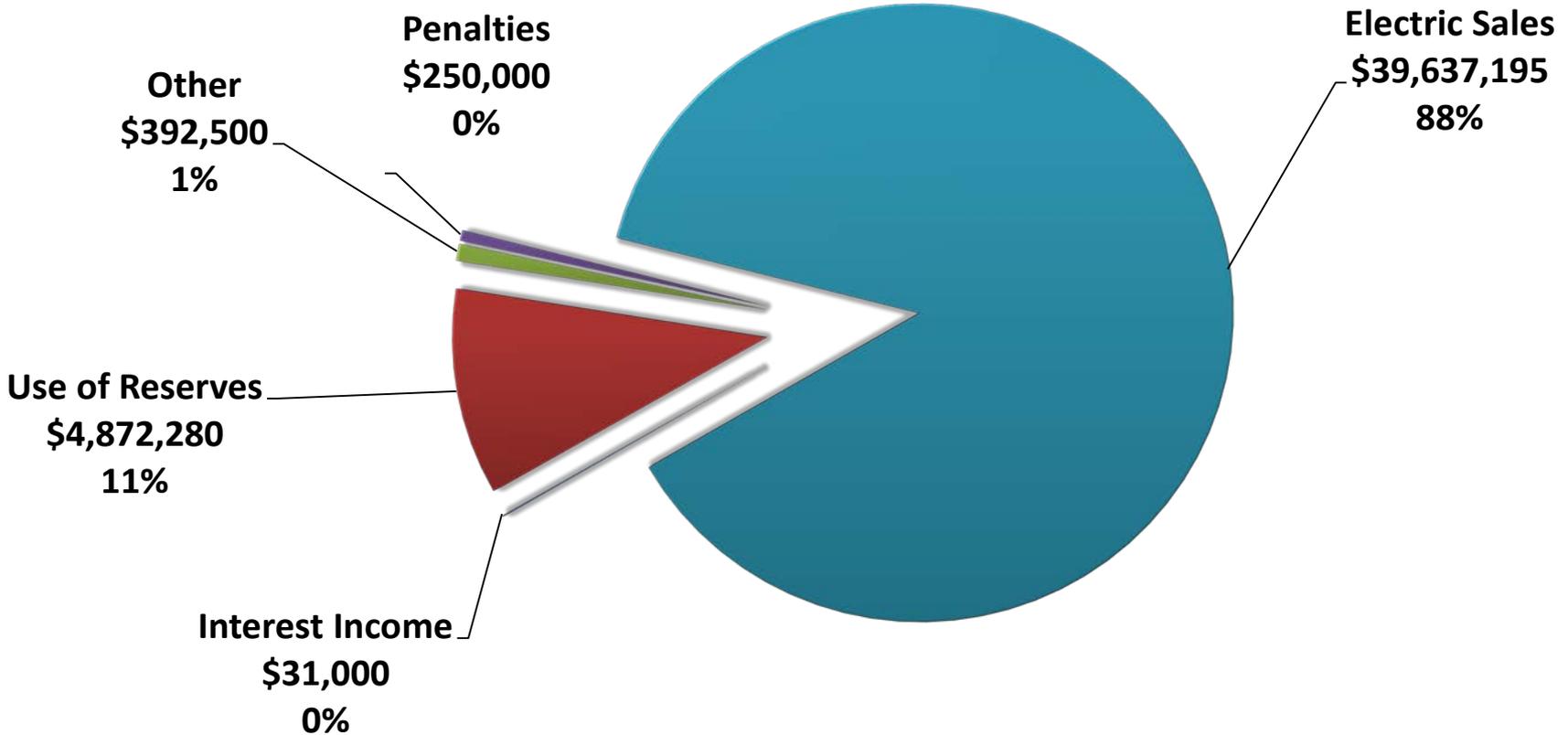
- 3 Police Cars
- Fire Administrative Vehicle
- Building Vehicle
- Streets Snow Plow





Electric Fund Revenues

FY 2016-17

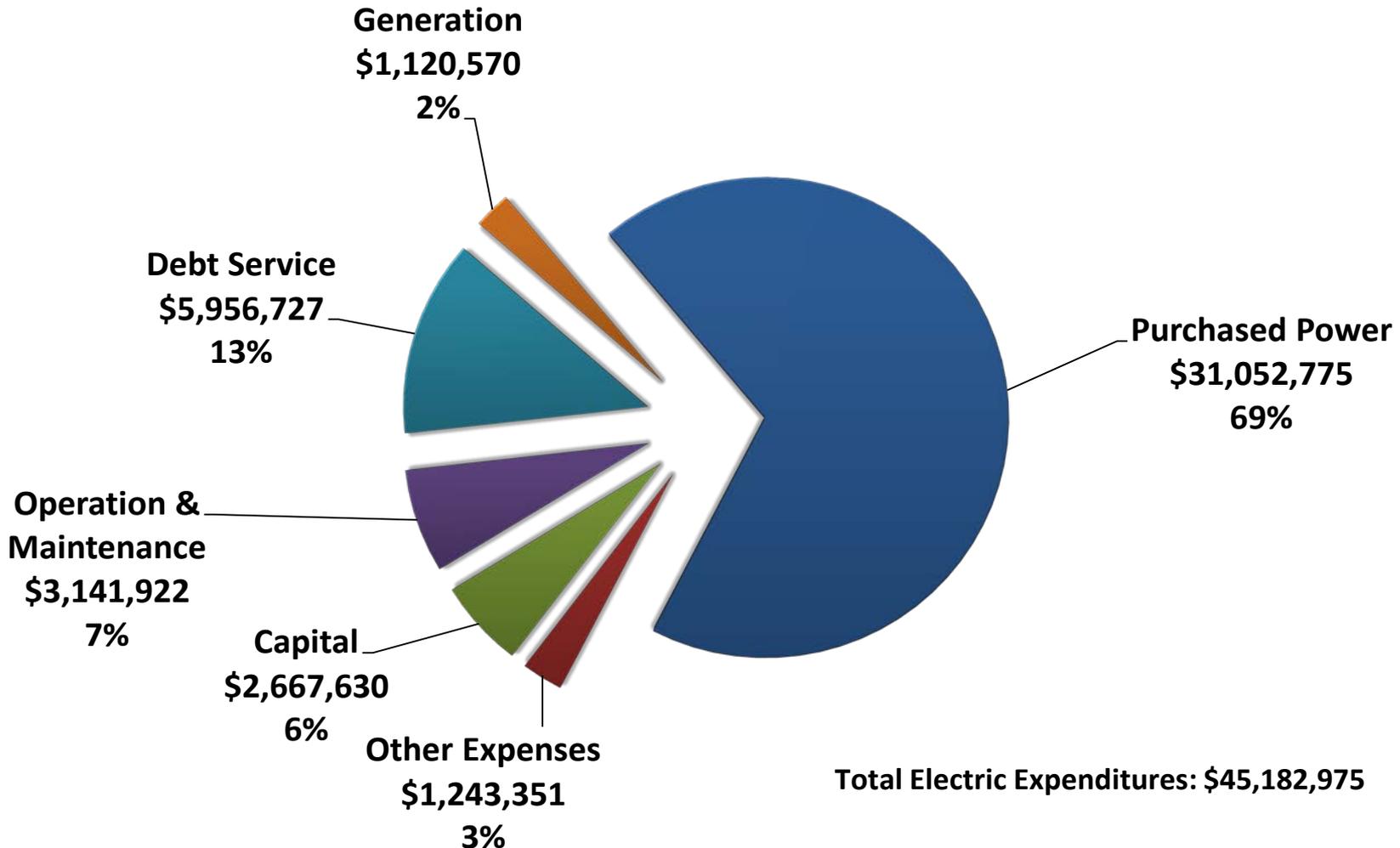


Total Electric Revenues: \$45,182,975



Electric Fund Expenditures

FY 2016-17





Today-Tomorrow-Together

Electric Capital

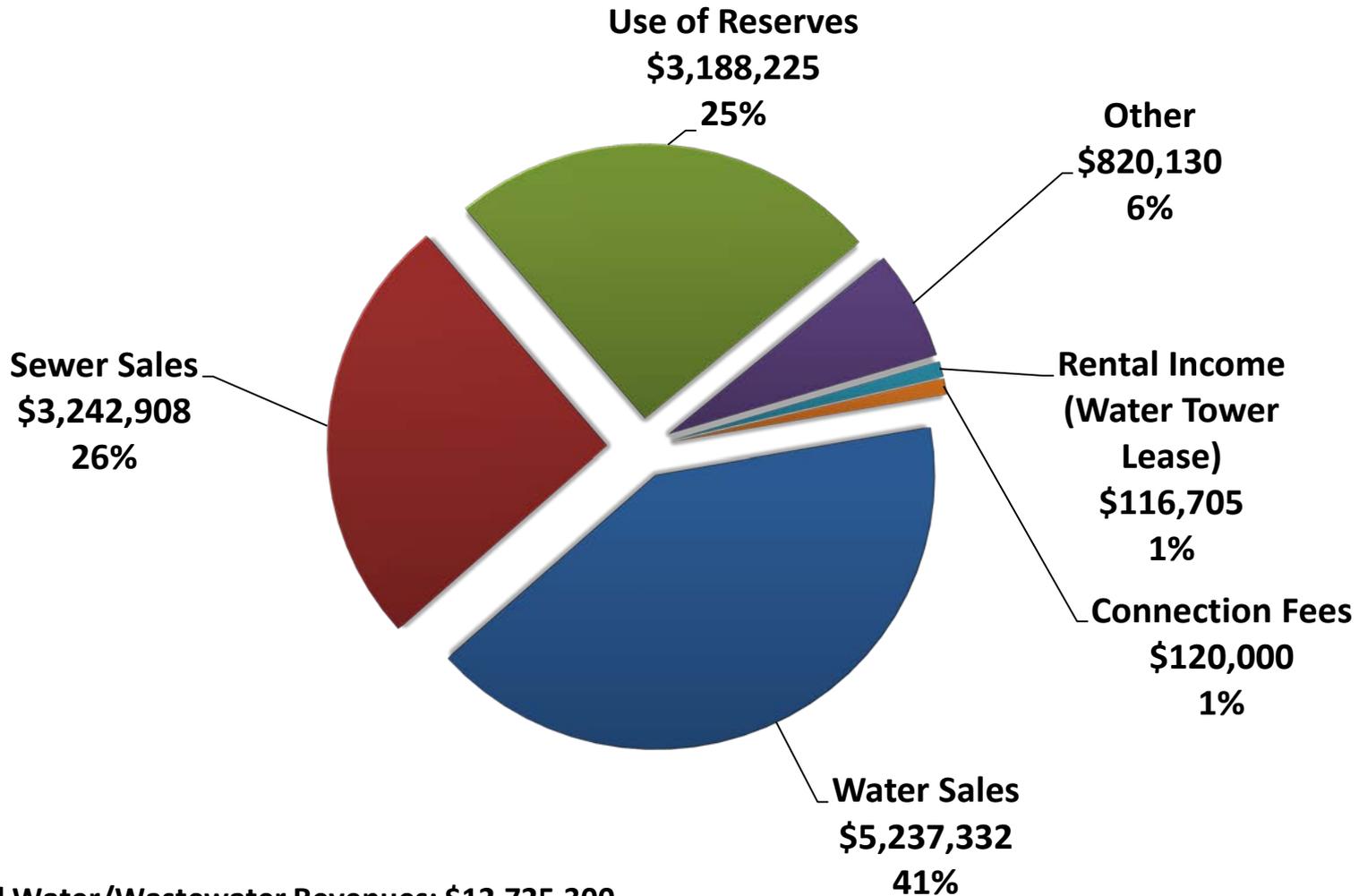
- **Geneva Generation Facility Upgrades & Maintenance**
- **Meter Replacements**
- **Overhead/Underground Cable Replacement**
- **Vehicle Replacements**
- **Southeast Side Substation**





Water/Wastewater Fund Revenues

FY 2016-17

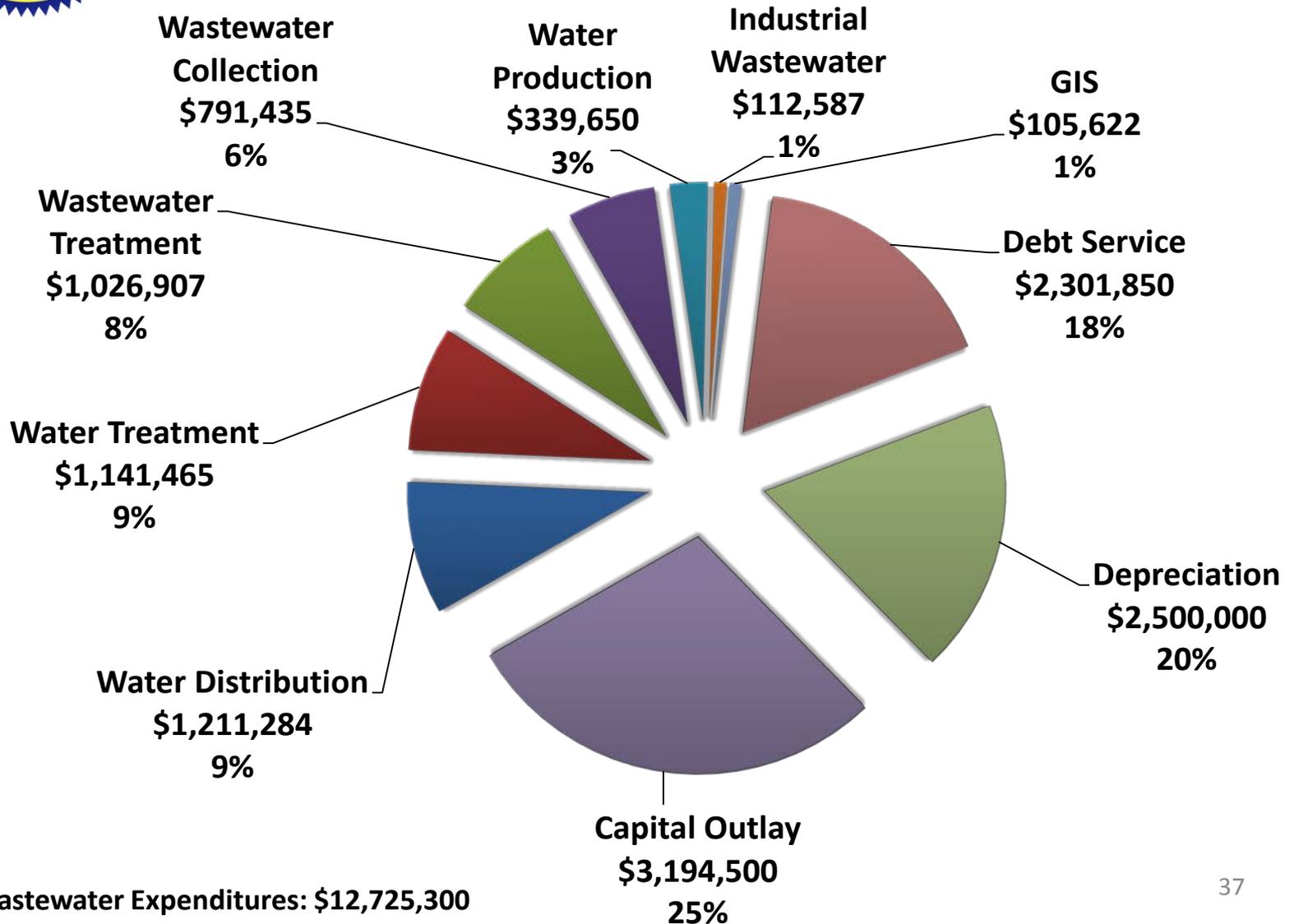


Total Water/Wastewater Revenues: \$12,725,300



Water/Wastewater Fund Expenditures

FY 2016-17





Today-Tomorrow-Together

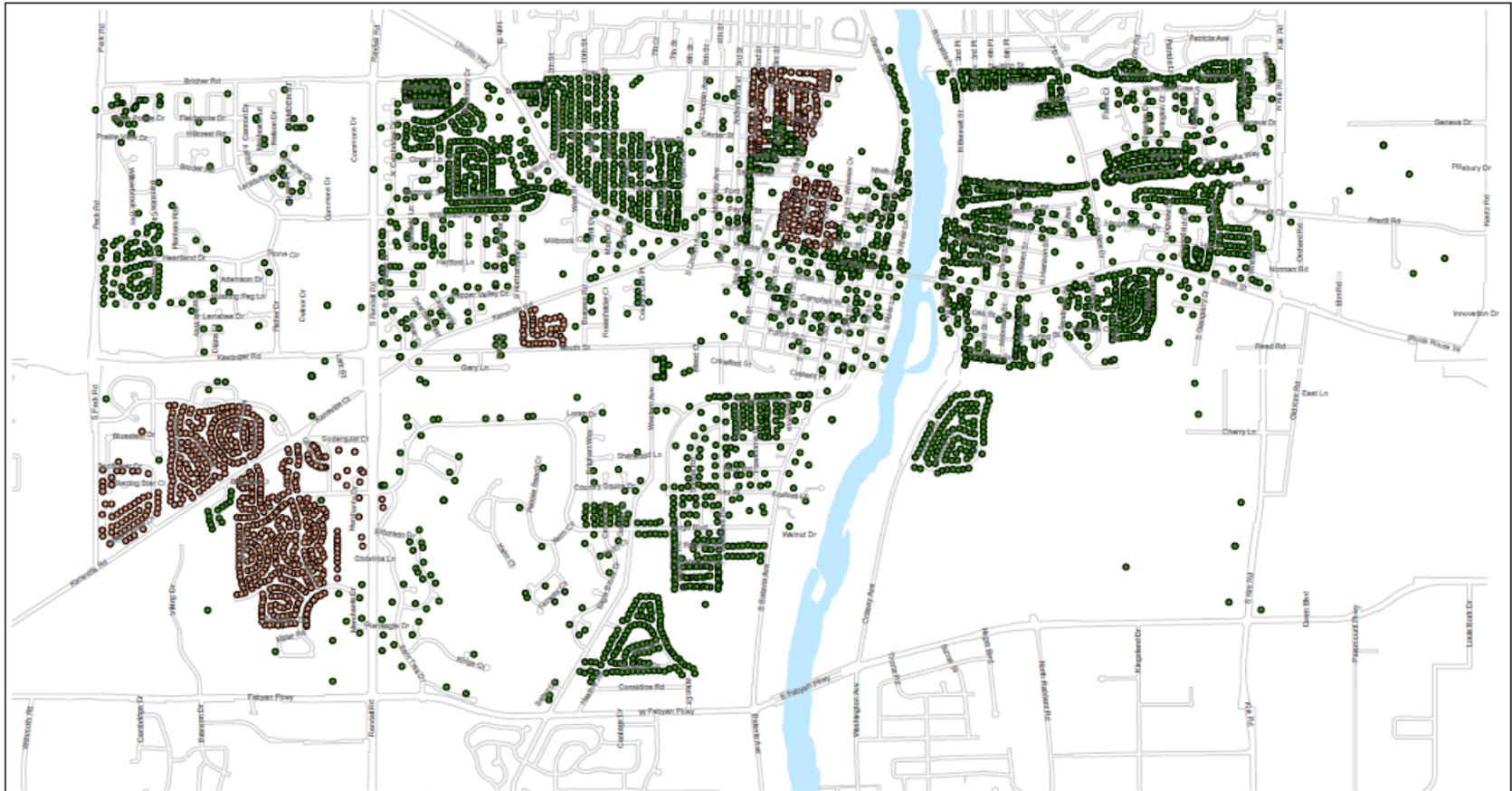
Water Capital

- **River Lane Watermain Replacement**
- **Water Meter Replacements**
- **Generator (Well #9)**
- **Wastewater Treatment Plant Upgrades**
- **Membranes for Water Plant**
- **Sanitary Sewer Rehabilitation**





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Water and Electric Meter Route



Not to Scale

Legend

- 2016 - 2017 Meter change out plan
- Completed or in progress

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City of Geneva, Illinois
Engineering Division
M.A. 3/7/2016



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Today-Tomorrow-Together

Workforce Planning

(Geneva Strategic Plan)

Vision 5: Manage City resources and assets to effectively and efficiently deliver core services, provide for capital investment, and meet community needs and desires.



Today-Tomorrow-Together

Workforce Planning

(Geneva Strategic Plan)

Goal J: Work to maintain adequate staffing levels required to continue to provide all core services within service quality standards and expectations.

Goal K: Maintain a standard of excellence for city personnel through retention and recruitment policies and practices.

Goal R: Adopt and fund an effective succession planning process.



Today-Tomorrow-Together

Workforce Planning

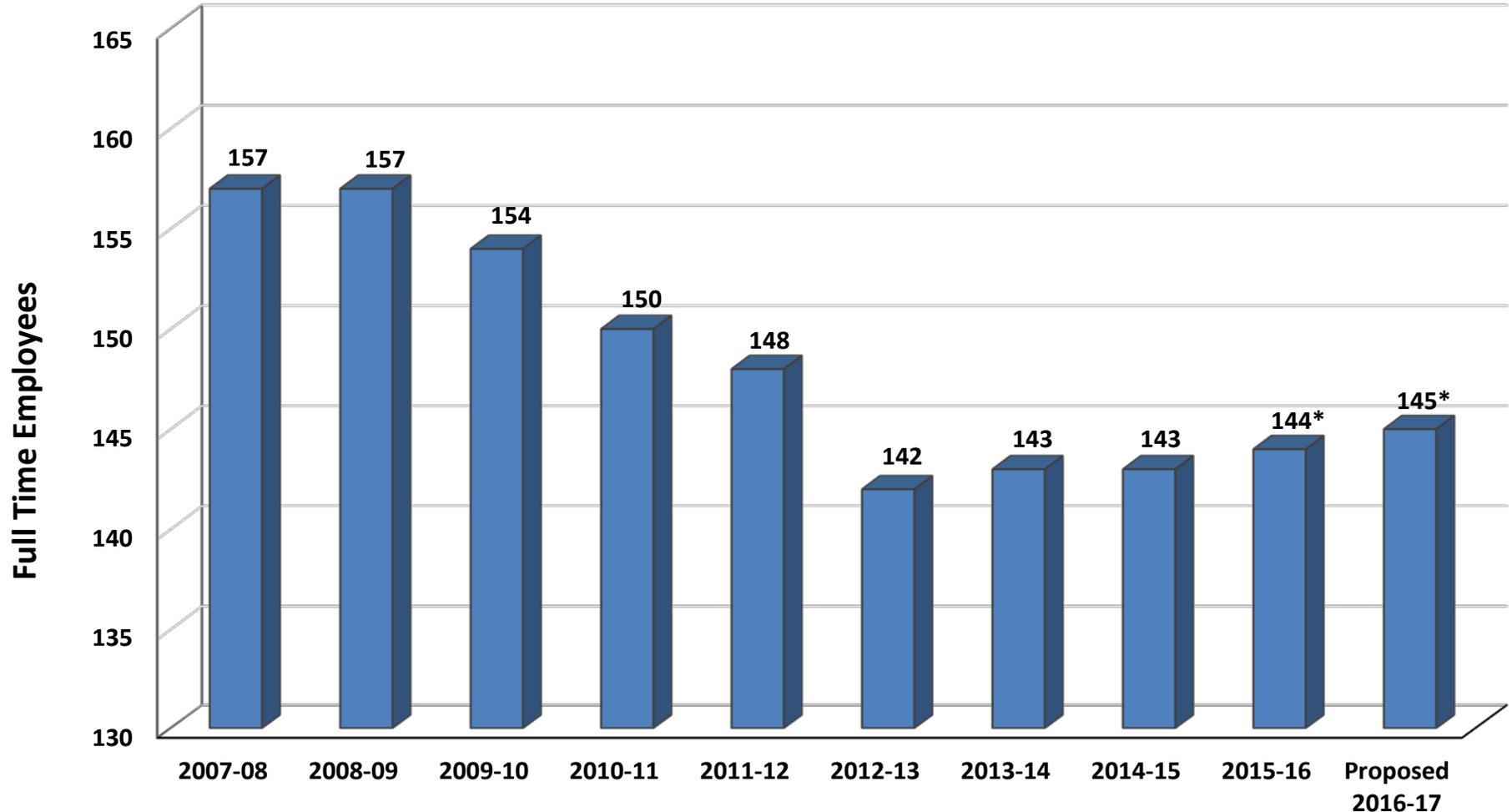
Expenditure Reduction Strategies

- Voluntary Furlough Program
- Reduction in non-emergency overtime
- No education reimbursement
- Limited professional development



Full Time Employees

FY 2007-08 through Proposed 2016-17



*added Electric Apprentice position in FY16 and FY17



Today-Tomorrow-Together

Workforce Planning

- **FY 08 = 157 FT employees; 19% union**
- **FY 17 = 145 FT employees; 46% union**
- **Fund allocations evaluated annually**
- **City Council adopted formal compensation system**
 - **Every year: annual market survey of 25 comparable communities (18 responses)**
 - **Every 5 years: comprehensive wage and benefit survey (conducted this year)**



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Workforce Planning

- **Comparable Communities' market adjustment – 2.38%**
- **Comparable Communities' merit adjustment – 2.43%**
- **Comparable Communities' overall adjustment – 2.92%**
- **Wages for private sector up 2.5% in 2015**
- **Union Increases**
 - **IBEW (Electric) – 2%**
 - **IBEW (Street/Fleet) – 2.25%**
 - **FOP (Police) – 2.5% (avg. 4% incl. equity and step)**



Today-Tomorrow-Together

Workforce Planning

Proposed Non-Union Compensation Plan for FY 17

- Applied principles adopted in formal compensation plan
 - ✓ External comparability (ranges and positions)
 - ✓ Internal comparability (individual positions)
 - ✓ Merit Guide

Merit Guide	Below Midpoint – Midpoint	Above Midpoint – Maximum	Above Maximum
Rating	% Award	% Award	% Award
Exceeds Standards (2.51 – 3.0)	= market + 1% merit	= 2% merit	= 2% lump sum
Meets Standards (1.76 – 2.50)	= market	= 1% merit	= 1% lump sum
Fails to Meet Standards (1 – 1.75)	0%	0%	0%



Today-Tomorrow-Together

Workforce Planning (FT)

- **Proposed Non-Union Compensation Plan implementation impact on budgets**
 - General Fund = ~(\$26,000)
 - Electric Fund = ~\$9,000
 - Water/Wastewater Fund = ~(\$1,800)
 - Miscellaneous Funds = ~\$11,000
- **Total Impact = ~(\$7,800)**



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Workforce Planning (FT)

- **Contractual Union increases impact on budgets**
 - **General Fund = ~\$65,000 (Excluding Fire)**
 - **Electric Fund = \$21,000 (Excluding new apprentice position)**



Today-Tomorrow-Together

Full-time base wages are what % of the General Fund budget?

45% = \$7,978,848*

Benefits are what % of the General Fund budget?

8% = \$1,523,375

What % did wages and benefits increase over budgeted FY 2016-17?

2.8% = \$255,320*



Today-Tomorrow-Together

**Total pension benefits
are what % of the General Fund budget?**

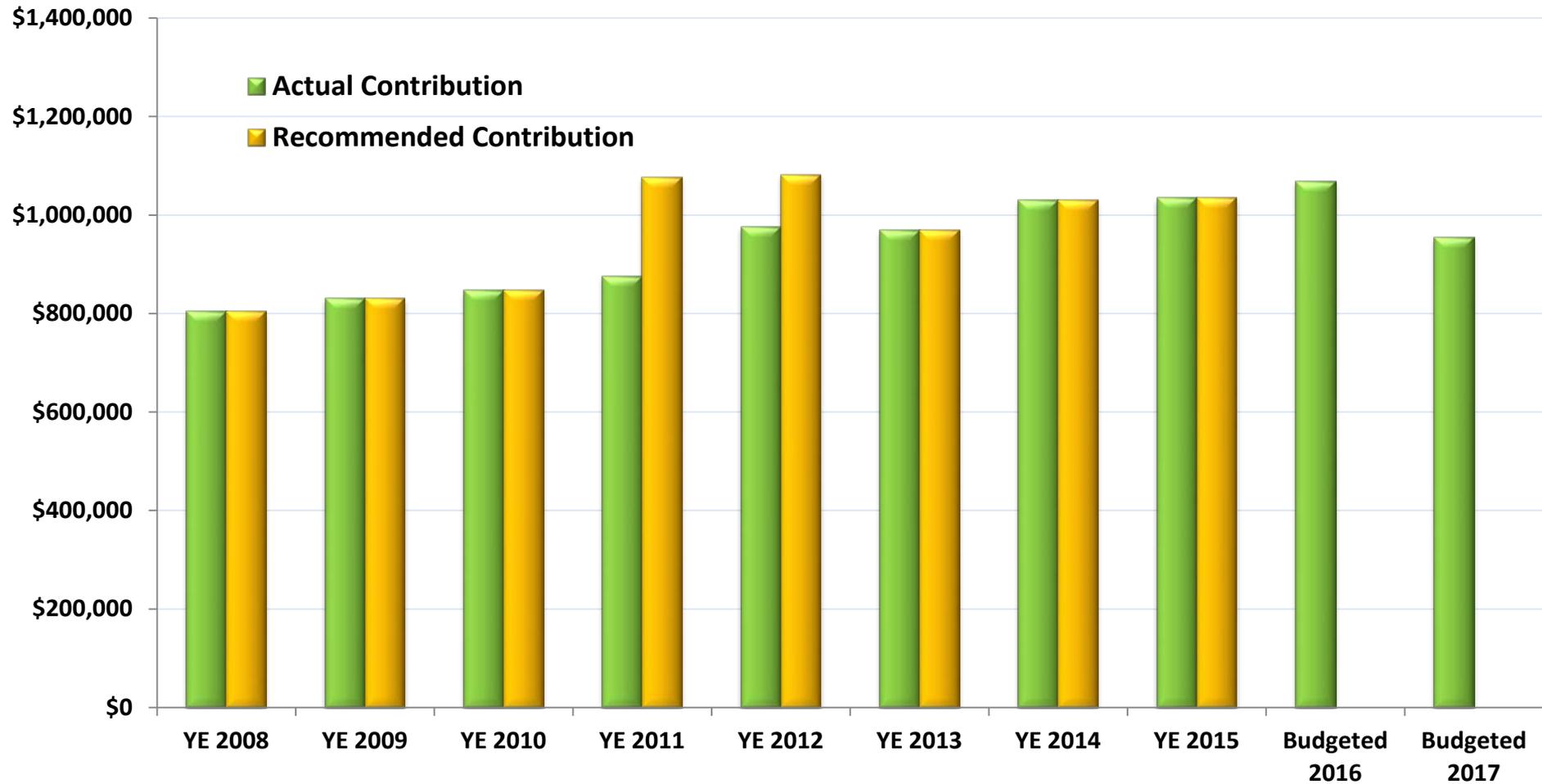
12%

**Police & Fire = 10% or \$1,800,710
(56 employees)**

**IMRF = 2% or \$330,575
(67 employees)**

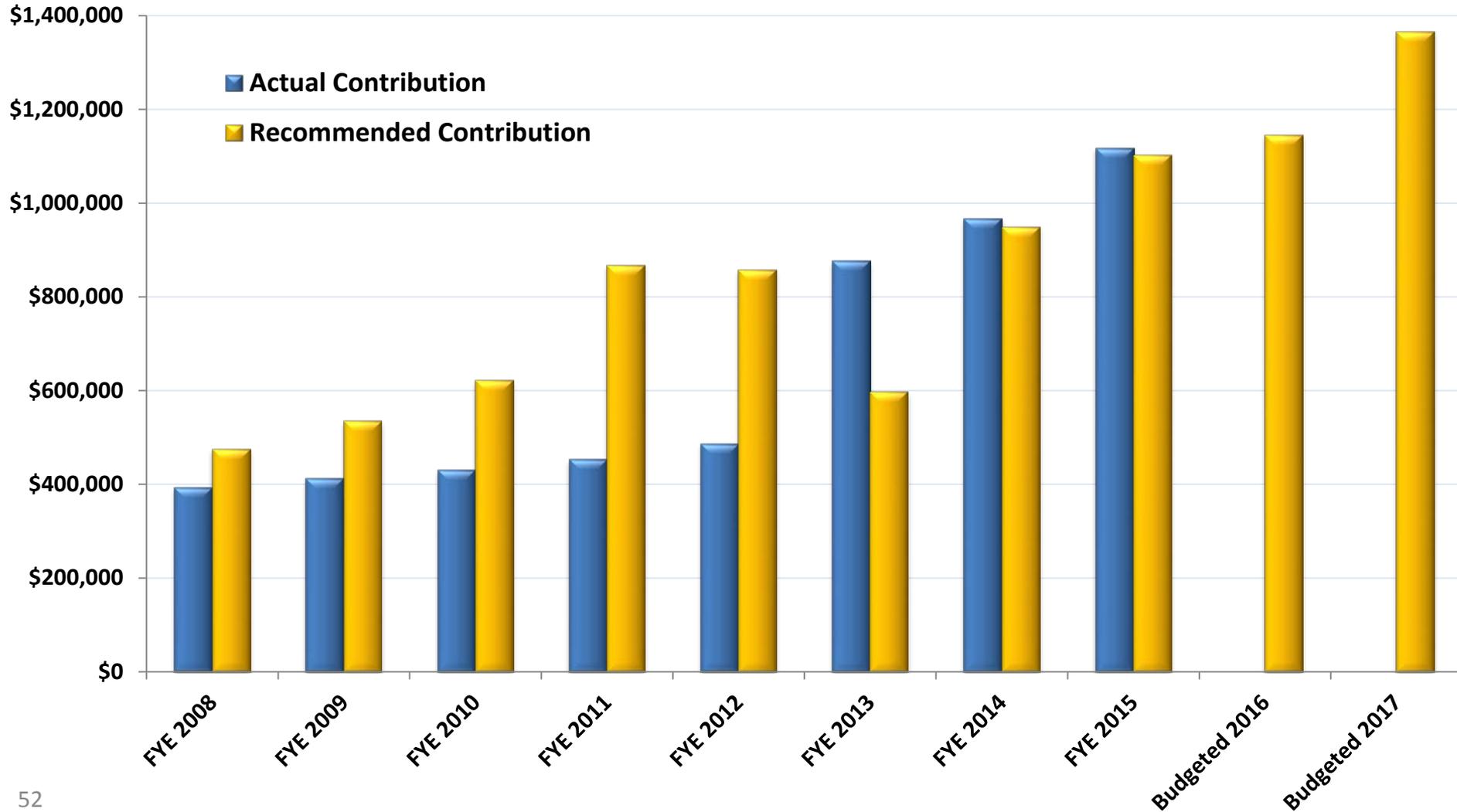


City Contributions to IMRF Pension Fund



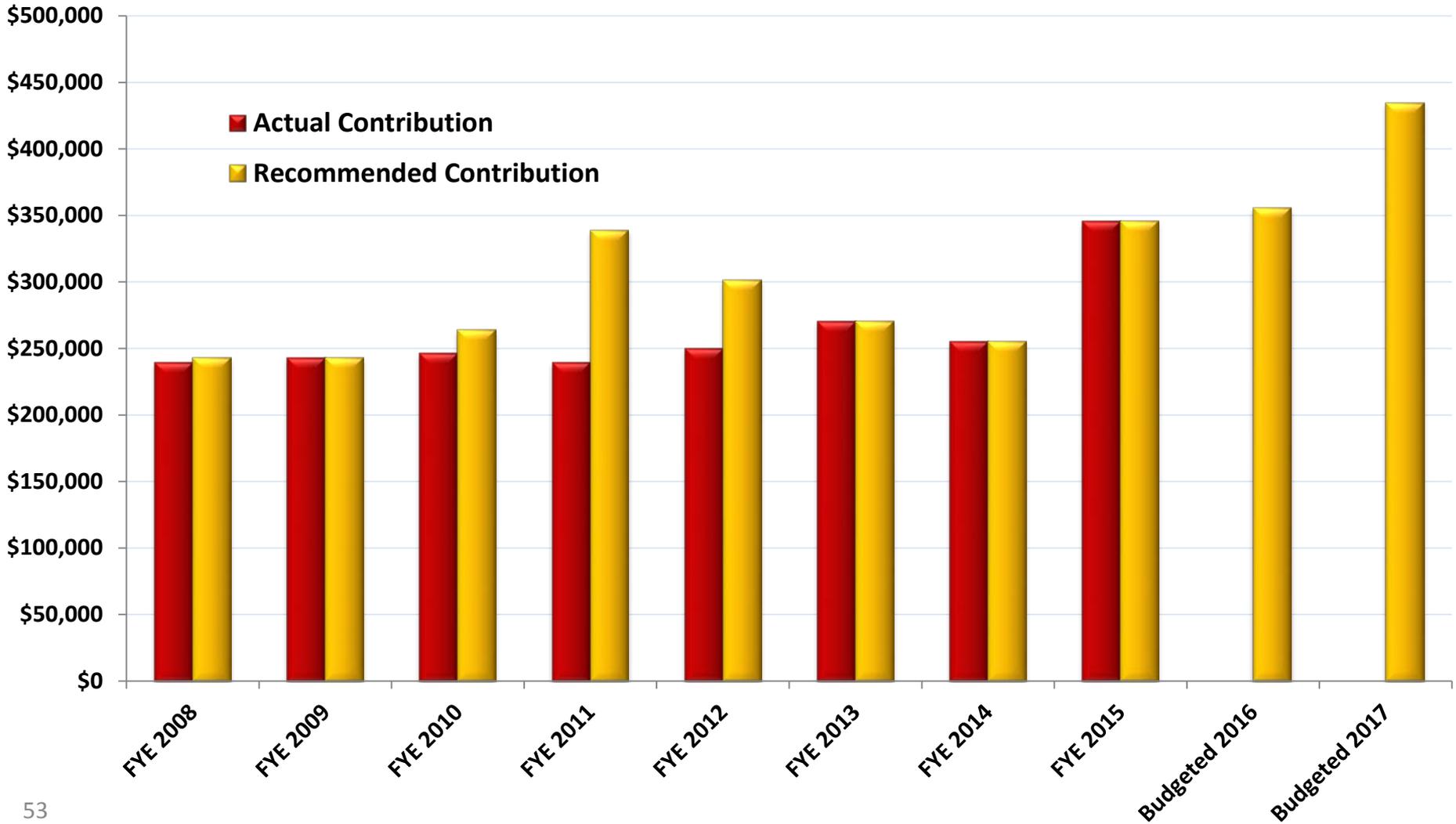


City Contributions to Police Pension Fund





City Contributions to Fire Pension Fund





Today-Tomorrow-Together

- **Contingency Plans**
- **Adjustments**
- **Council Direction**
- **Reductions**



Today-Tomorrow-Together

- **Goal of balancing resources against the demand for services, programs & projects.**
- **Enhanced revenue streams will allow us to continue operating in the black**



Today-Tomorrow-Together

- **Financial plan**
- **Business strategy**
- **Blueprint**
- **Changed as needed**



**Today
Tomorrow
Together**