

2020 Proposed Operating Budget

City of Eau Claire
10/8/2019

FUN!

MEANINGFUL

SAFE

FUNCTIONAL

BUILDING A GREAT CITY

2020 Operating Budget Overview



- New or Enhanced Programs/Services/
Staffing in Proposed Budget:
 - Neighborhood Groups (\$200 each)
 - Expanded In-Person Absentee Voting Hours
 - Promotion of Census
 - Haymarket Plaza Fountain
 - Fully Funds Economic Development

2020 Operating Budget

Overview



- Aerial Flight Data (in partnership with Eau Claire County)
- Reclassify Assessor to Deputy City Assessor
- Reclassify Division Chief to Deputy Fire Chief
- Add Associate Planner (July 1 start)
 - Creates staff capacity for affordable housing and neighborhood engagement
- Add IT Application Specialist (April 1 start)

2020 Operating Budget Overview



- Unfunded Requests:
 - IT Positions (2)
 - Firefighter Paramedics (2)
 - Community Services Personnel (4)
 - Police Officers (4)
 - Police Overtime (\$70,300)
 - Engineering (1)

2020 Operating Budget

Overview

- Comprehensive Plan Consultant
- National Community Survey
- Various equipment and software requests totaling \$493,000



2020 Operating Budget

Budget Challenges



- Prepare a budget that complies with State imposed levy and expenditure limits and City Council policies on budget and fund balance
- Provide competitive wages and benefits to recruit and retain a highly skilled work force
- Continue to provide the high-quality services that make Eau Claire a functional and safe community in which to live and work
- Develop and implement programs/services that contribute to making Eau Claire more meaningful and fun.

2020 Operating Budget Overview



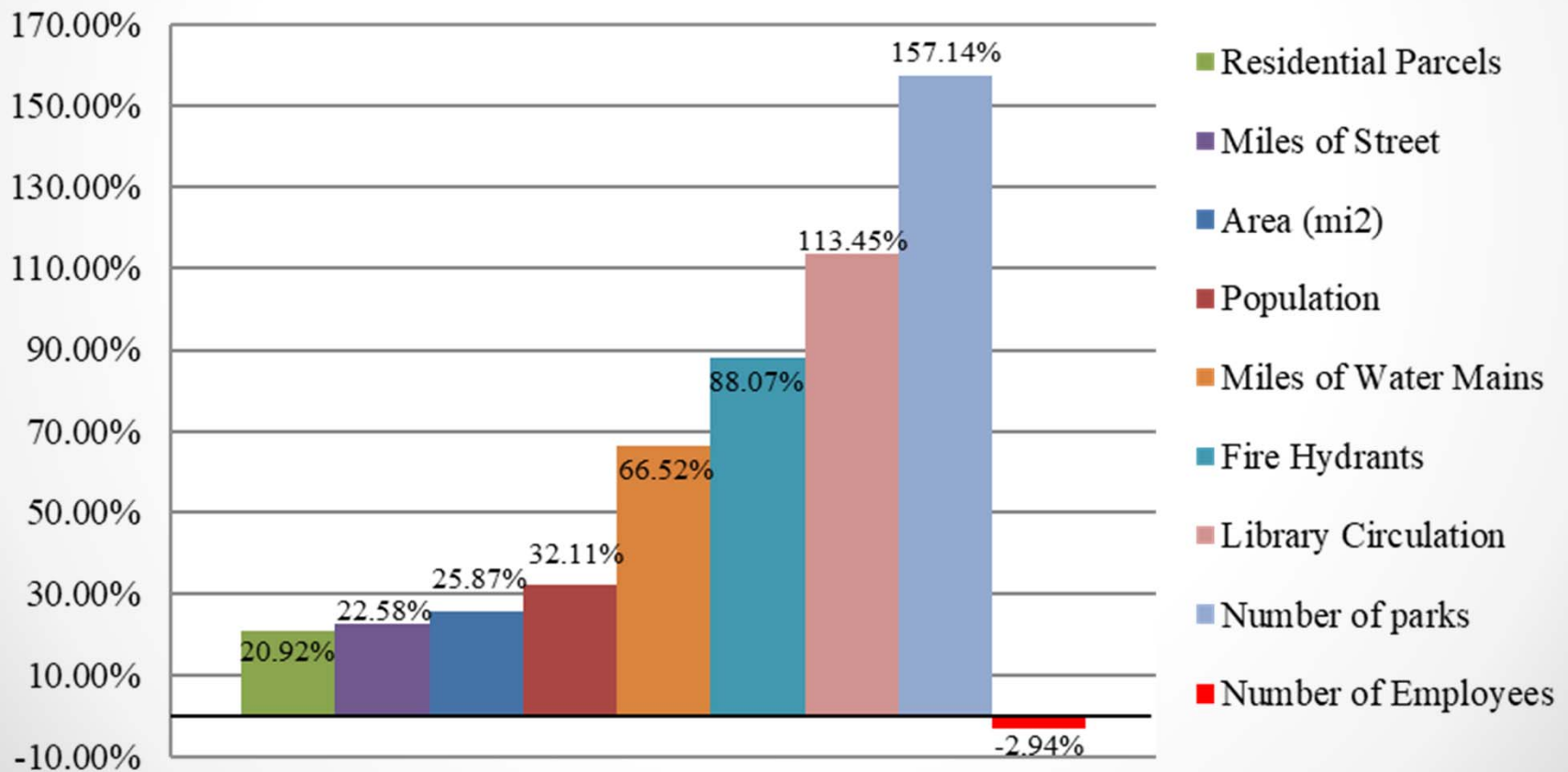
- Status Quo is not sustainable
- Revenues not matching service needs/demands
- Substantial growth in the community
- Challenged to maintain basic services
- Currently making it work, but not sustainable long term

2020 Operating Budget

1980 – 2018 Operating Indicators



Percent Change of Operating Indicators: 1980 - 2018



2020 Operating Budget

1996 – 2018 Operating Inputs



- After adjusting for inflation, between 1996 and 2018 the General Fund budget increased at a rate of .77% per year.
 - General Fund w/o Public Safety = $-.13\%$ /year
 - Public Safety = 1.53% /year

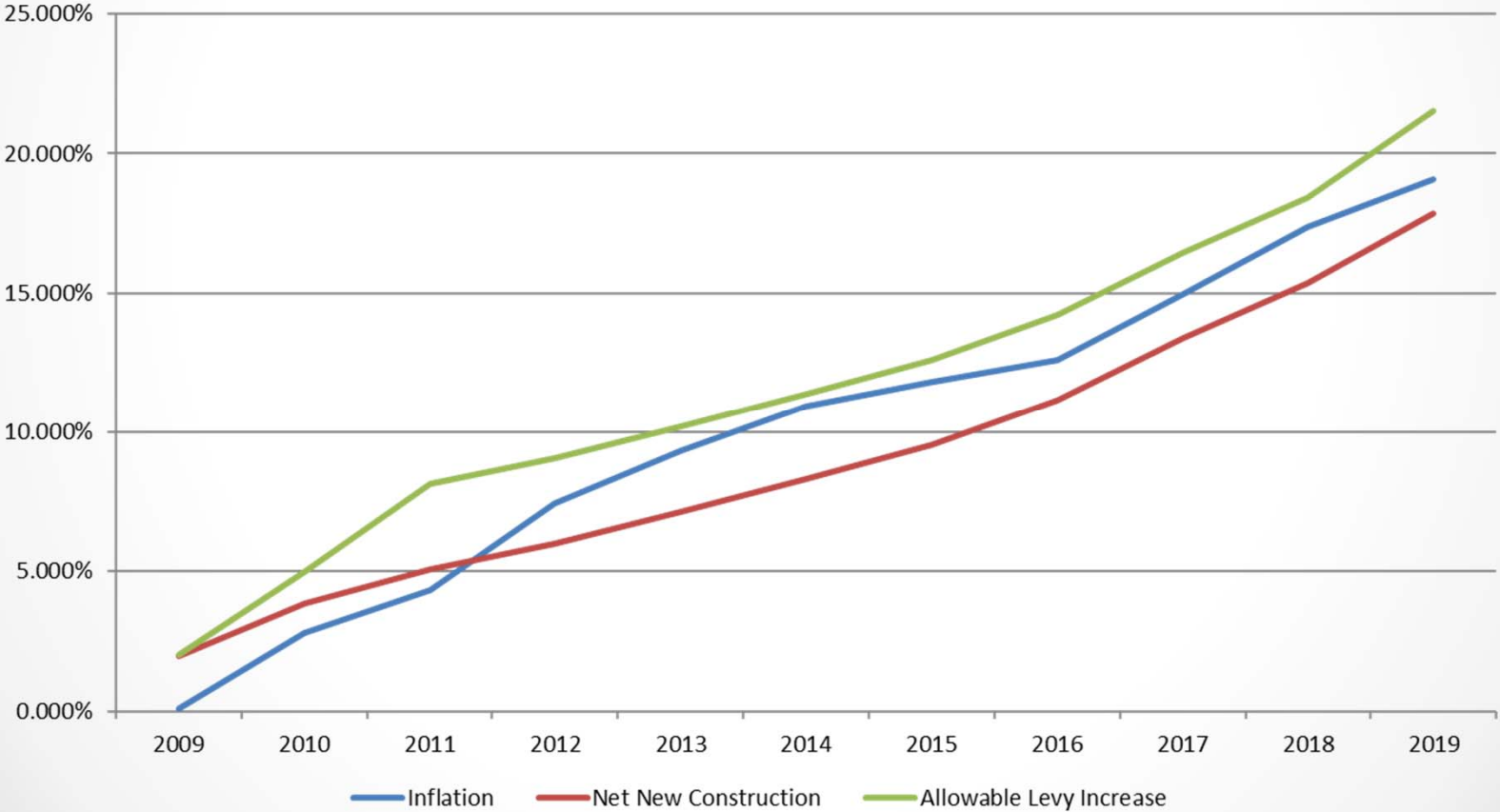
2020 Operating Budget

Levy Limit

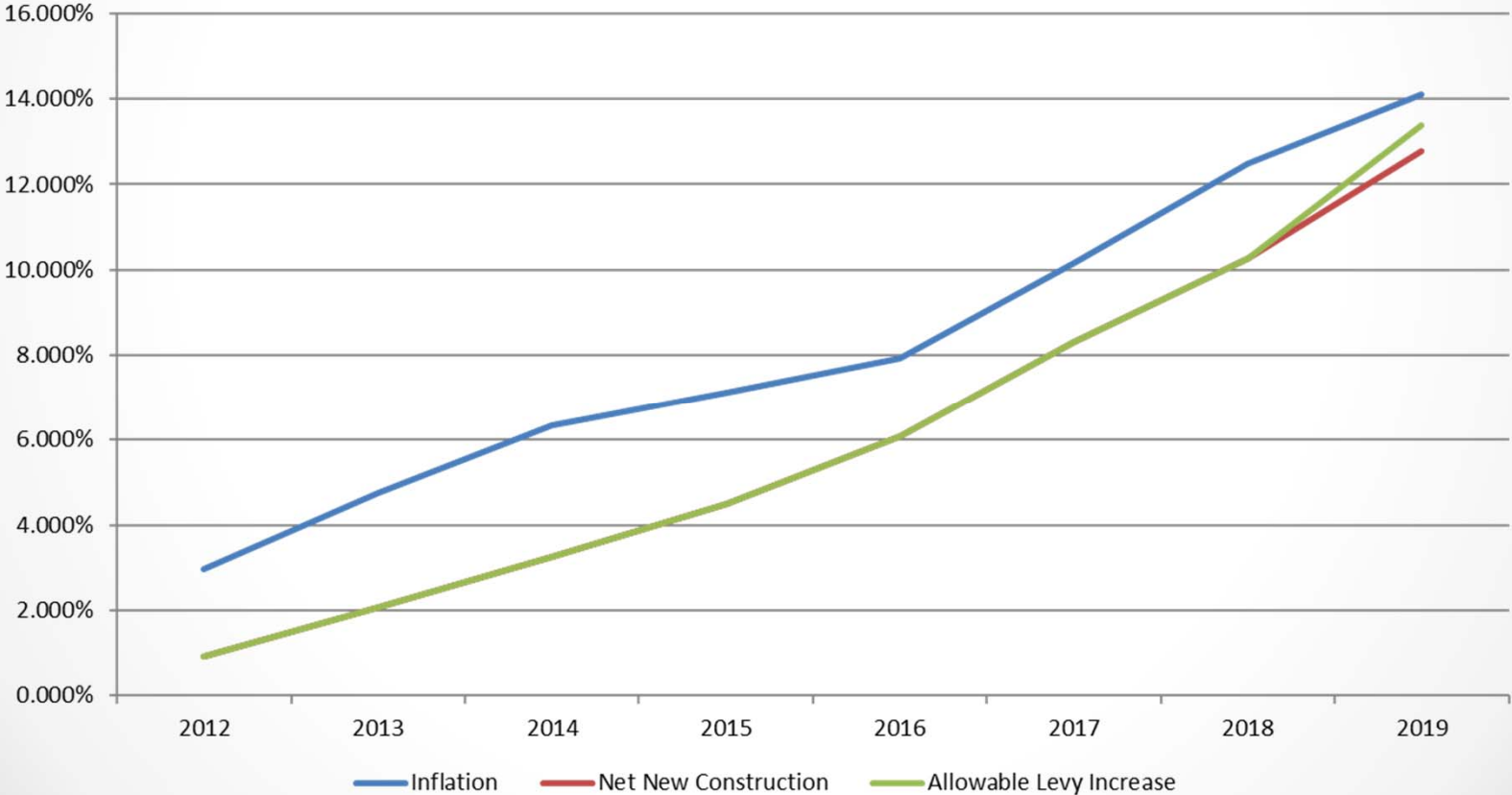


- Increase in Tax Levy limited to Net New Construction
- Net New Construction for 2018 was 1.89%
- Allowable levy increase for 2020 = 1.89%, or \$678,000
 - City - \$585,000
 - Library – \$56,100
 - Health - \$36,900

2020 Operating Budget Levy Limit



2020 Operating Budget Levy Limit



2020 Operating Budget

Budget Assumptions



- Wage increase of 1.25% on 1/1/2020 and 1.25% on 7/1/2020
- Step increases as provided in Pay Plan
- Health Insurance increase of 4%

2020 Operating Budget

Key Characteristics – General Fund



Assessed Value	+	\$80,280,900	1.48%
Equalized Value	+	270,589,800	4.96%
Net New Construction	+	102,829,200	1.89%
Property Tax Levy			
Operations	+	848,900	3.06%
Debt Service	+	<u>332,300</u>	<u>3.52%</u>
Total Tax Levy		1,181,200	3.18%
Non-Property Tax Revenue	+	<u>875,300</u>	<u>3.06%</u>
Total Revenue	+	2,056,500	3.13%

2020 Operating Budget

Key Characteristics – General Fund



Operating Expenses	+	\$1,730,400	3.07%
Capital Transfer	-	2,229,650	40.19%
Debt Service	+	<u>332,300</u>	<u>3.52%</u>
Total General Fund Expenditures	-	\$166,950	0.23%
Gross Tax Rate	+	\$0.135	1.68%
Taxes on “Average” Home	+	23.47	1.68%

2020 Operating Budget

Property Tax Breakdown



	2020	
	<u>Annual</u>	<u>Monthly</u>
Police	360.59	30.05
Fire	240.20	20.02
Debt Service	184.83	15.40
General Government	158.40	13.20
Parks	72.33	6.03
Library	68.76	5.73
Street Maintenance	61.95	5.16
Health Department	36.65	3.05
Snow & Ice Control	35.90	2.99
Engineering	35.68	2.97
Non-Departmental	36.73	3.06

2020 Operating Budget

Property Tax Breakdown



	2020	
	<u>Annual</u>	<u>Monthly</u>
Signs, Signals & Lighting	23.36	1.95
Transit	22.39	1.87
Buildings & Grounds	16.33	1.36
Forestry	14.91	1.24
Recreation	11.24	0.94
Economic Development	5.98	0.50
Hobbs	4.94	0.41
Cemetery Maintenance	4.68	0.39
Fairfax Pool	2.16	0.18
Total/Year	<u>1,398.01</u>	<u>116.50</u>

2020 Operating Budget Calendar



October 8th – City Council Work Session #1 – Budget Presentation

October 15th – City Council Work Session #2 – Strategic Plan & Workload Indicators

October 21st – Public Hearing on the City Managers 2020 Proposed Operating Budget

October 22nd – City Council Work Session #3 – Continuation of Work Session #2, City Council questions on 2020 Proposed Budget, and Council discussion of possible amendments

October 29th – City Council Work Session – If needed

November 11th – Public Hearing on 2020 Proposed Operating Budget

November 12th – City Council action on 2020 Proposed Operating Budget

November 26th – City Council action on levy

2020 Operating Budget Amendment Process



- Proposed amendments should be discussed with City Manager or Finance Director no later than Friday, October 25th
 - Identify programmatic area(s) that are a lower funding priority – we are at levy maximum
 - Identify Councilmember who will be second
- Department Director(s) will identify options to decrease budget to fund amendment
- Options will be shared with Councilmembers

2020 Operating Budget Amendment Process



- Council may discuss possible amendments during Work Session #3 on October 22nd
- **Proposed Amendments and Funding due No Later than Friday, November 1st at 5:00 pm**
- Staff will prepare motion and coversheet for review by Councilmembers and inclusion in agenda packet
- Copies of Motion will be placed at Council-member's seat for adoption meeting (November 12th)



- Questions?