

City of St. Charles FY18-19 Budget



Public Hearing Presentation

April 2, 2018

Highlights of 2018-2019 Budget:

***** Budget proposes minimal use of reserves *****

- \$212,000 to finance capital program

No new taxes or tax increases proposed

Municipal Gasoline Tax not included - future implementation?

- Future Council consideration

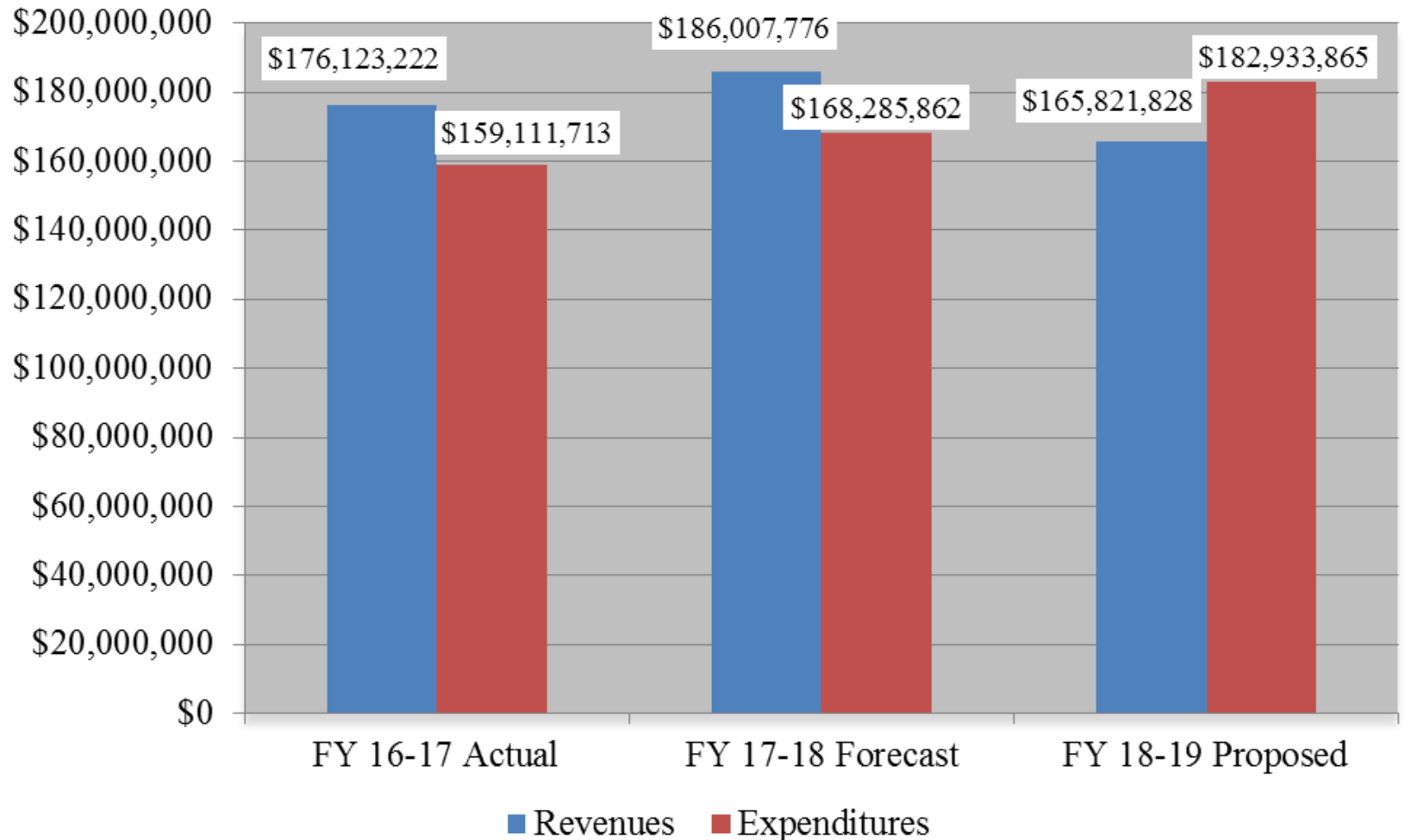
Minor utility rate adjustments proposed

Existing general revenue streams beginning to show stressors:

- State Revenue reduction \$450,000
 - LGDF (Income Tax: 10% reduction)
 - 2% Administrative Fee added to Home Rule Sales Tax
- Challenges of the “frozen” tax levy (9 years)
 - Taxes from growth and new property lower tax rate, they do not increase revenue
 - \$12 million levy in 2009 = \$13.8 million in 2017 if increased by CPI annually

The City Budget

Summary of All Funds (Excludes Transfers)



City of St Charles



General Fund

General Fund Highlights

Balanced Operations

Future challenges meeting capital obligations

Revenues continue to increase - slowly

Expenditures continue at low levels historically

Outpacing revenues in future? – Capital

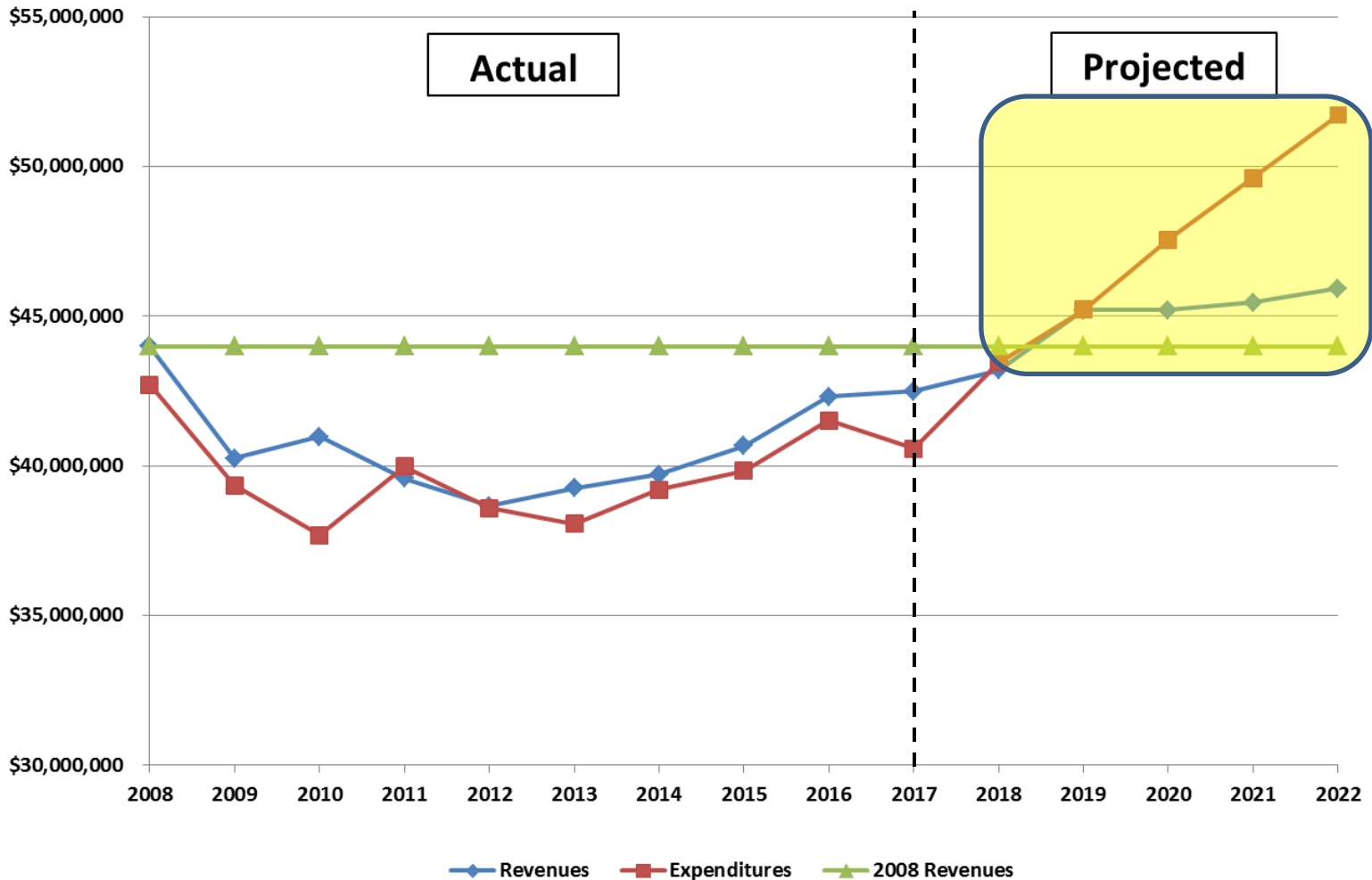


The General Fund

	Forecast <u>FY 2017-2018</u>	Proposed <u>FY2018-2019</u>
Revenue	\$ 43,202,734	\$ 44,592,294
Operating Expenditures	<u>43,445,470</u>	<u>45,182,687</u>
Surplus/(Deficit)	\$ (242,736)	\$ (590,393)
Other Financing Sources	<u>-</u>	<u>591,096</u>
Operating Surplus/(Deficit)	\$ (242,736)	\$ 703
Reserve Use - Capital	<u>\$ -</u>	<u>\$ (3,212,500)</u>
Change in Reserve Level	<u>\$ (242,736)</u>	<u>\$ (3,211,797)</u>
End of Year Reserves	<u><u>\$ 17,772,387</u></u>	<u><u>\$ 14,560,590</u></u>
Reserve Percentage	41%	32%



General Fund Revenues and Expenditures FY 2008 through FY 2022



2008-2017 amounts are from the City's Comprehensive Annual Financial Report for the fiscal year ended April 30 as indicated.

2018 amounts based on January, 2018 projections

City of St Charles



Utility Funds

Where we are currently:

Positive Financial Performance

- Rate structure changes enacted over time
 - Operating deficits essentially eliminated
 - RESERVES IN POSITIVE POSITION – ALL 3 UTILITIES
- 3.17% Combined Impact FY 2018-2019
- Lowest cost in Tri-Cities
- Rate Study Underway – anticipated completion summer 2018



City of St Charles

Impact of Increases to "Typical" Residential Customer (Average Monthly)

Based on 5/1/2018 Rates:

Yardwaste Fee	\$	0.09	
Refuse Sticker		0.15	(Estimated)
Electric Fund		1.90	
Water Fund		1.38	
Wastewater Fund		<u>3.54</u>	
Total Monthly Impact	\$	<u><u>7.05</u></u>	

Utility Comparison

City of St. Charles Annual Comparison of Utility Charges - Typical Residential Customer February 2018

	<u>St. Charles</u>	<u>Geneva</u>	<u>Batavia</u>	<u>Naperville</u>	<u>Com Ed</u>
Electric	\$ 1,394.04	\$ 1,253.57	\$ 1,406.75	\$ 1,377.71	\$ 1,290.67
Water	501.35	974.19	597.28	934.83	501.35
Wastewater	791.75	571.62	683.47	427.00	791.75
Total Annual Charges	<u>\$ 2,687.14</u>	<u>\$ 2,799.38</u>	<u>\$ 2,687.50</u>	<u>\$ 2,739.54</u>	<u>\$ 2,583.77</u>

Date of Rates:

Electric	5/1/2018	7/1/2014	5/1/2015	1/1/2018	1/1/2018
Water/Sewer	5/1/2018	5/1/2018	1/1/2018	1/1/2018	5/1/2018

¹ These figures listed the same as St. Charles to show annual costs for utilities, if City was served by Com Ed.



City of St Charles



Capital Projects and Staffing

Significant Capital Improvements

- Police Facility Construction
- Active River Development Initiation
- Rehabilitation of George's Sports building
- First St Phase III Streetscaping Improvements
- Roadway Improvements
- Technology Enhancements
- Utility Improvements

Staffing

Staffing is essentially consistent with FY 2017-2018 Budget

- Approximately 270 FTE
- 1 new FTE Proposed
 - Electric Lineman

Process

- Questions and Public Comment this evening
- Finalize direction
- Consideration of approval - April 16 City Council meeting
- Fiscal Year 2018-2019 begins May 1

Summer 2018:

- Discussion of revenue and funding sources for future fiscal years





Heritage. Community. Service. Opportunity.

Questions & Public Comment