

City of St. Charles FY19-20 Budget



Public Hearing Presentation
April 1, 2019

Highlights of 2019-2020 Budget:

*****Budget is Balanced, No New Taxes *****

Includes full year of recent revenue changes enacted

Alcohol Tax

Hotel Tax

Local Fuel Tax

Property Tax

Capital Program

Minimal Staffing changes proposed

Minor utility rate adjustments are proposed

— 2.45% combined



- City financial position and operations are strong
- Challenges
 - State Revenue reduction \$280,000
 - LGDF (Income Tax: 5% reduction)
 - 2% Administrative Fee added to Home Rule Sales Tax
 - Challenges of the “frozen” tax levy (9 years)
 - \$12 million levy in 2009 = \$14.137 million in 2018 if increased by CPI annually
 - \$10.450 million in cumulative forgone revenue since 2009



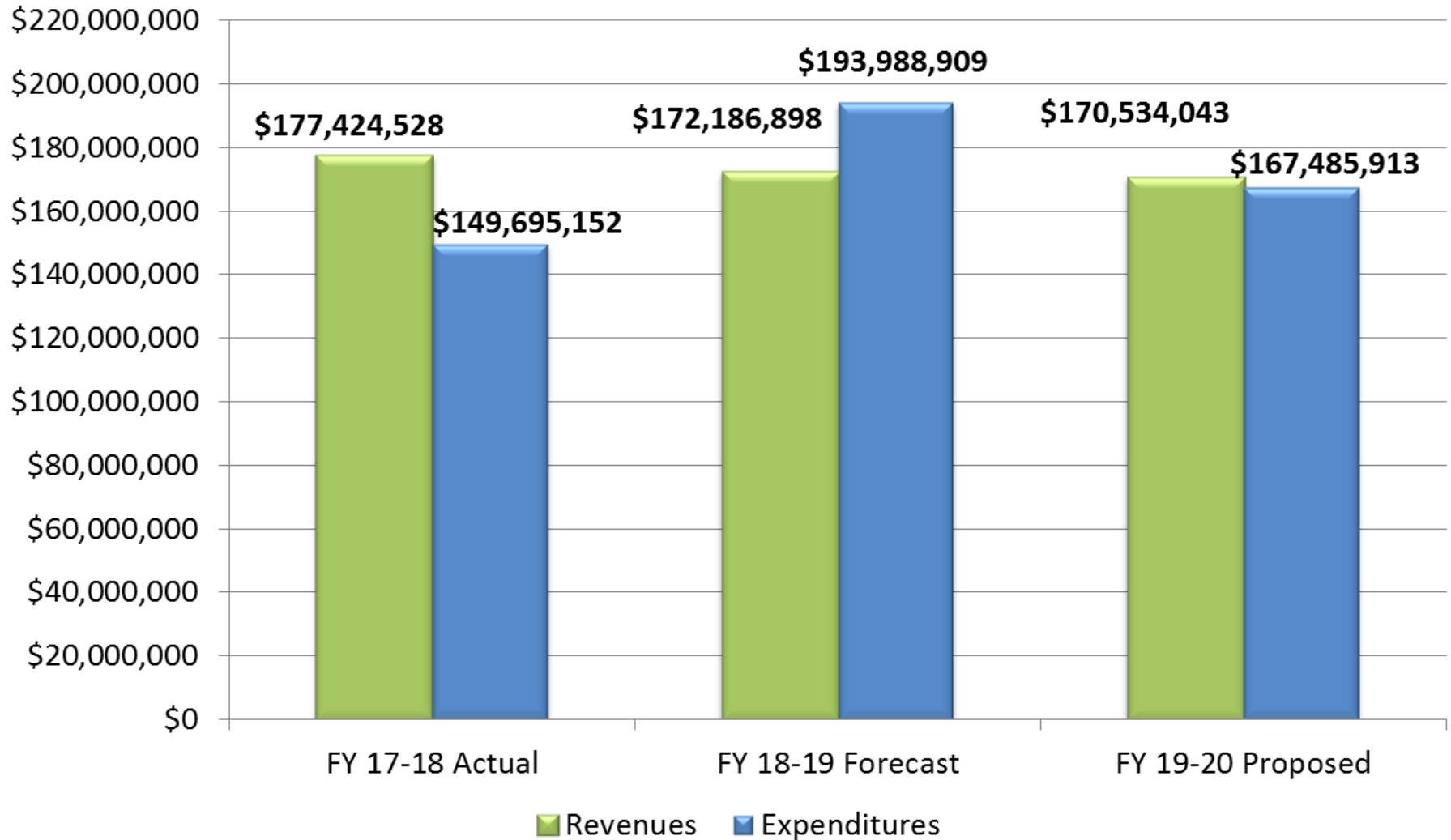
Utility Funds

- Continued sound financial operations
- \$116 million in Capital Projects identified over next 4 years
 - System Maintenance
 - Regulatory Compliance
 - Provide additional system capacity for growth and redevelopment



The City Budget

Summary of All Funds (Excludes Transfers)



City of St Charles



General Fund

General Fund Highlights

Balanced Operations

Revenues continue to increase - slowly

Expenditures continue at relatively low levels

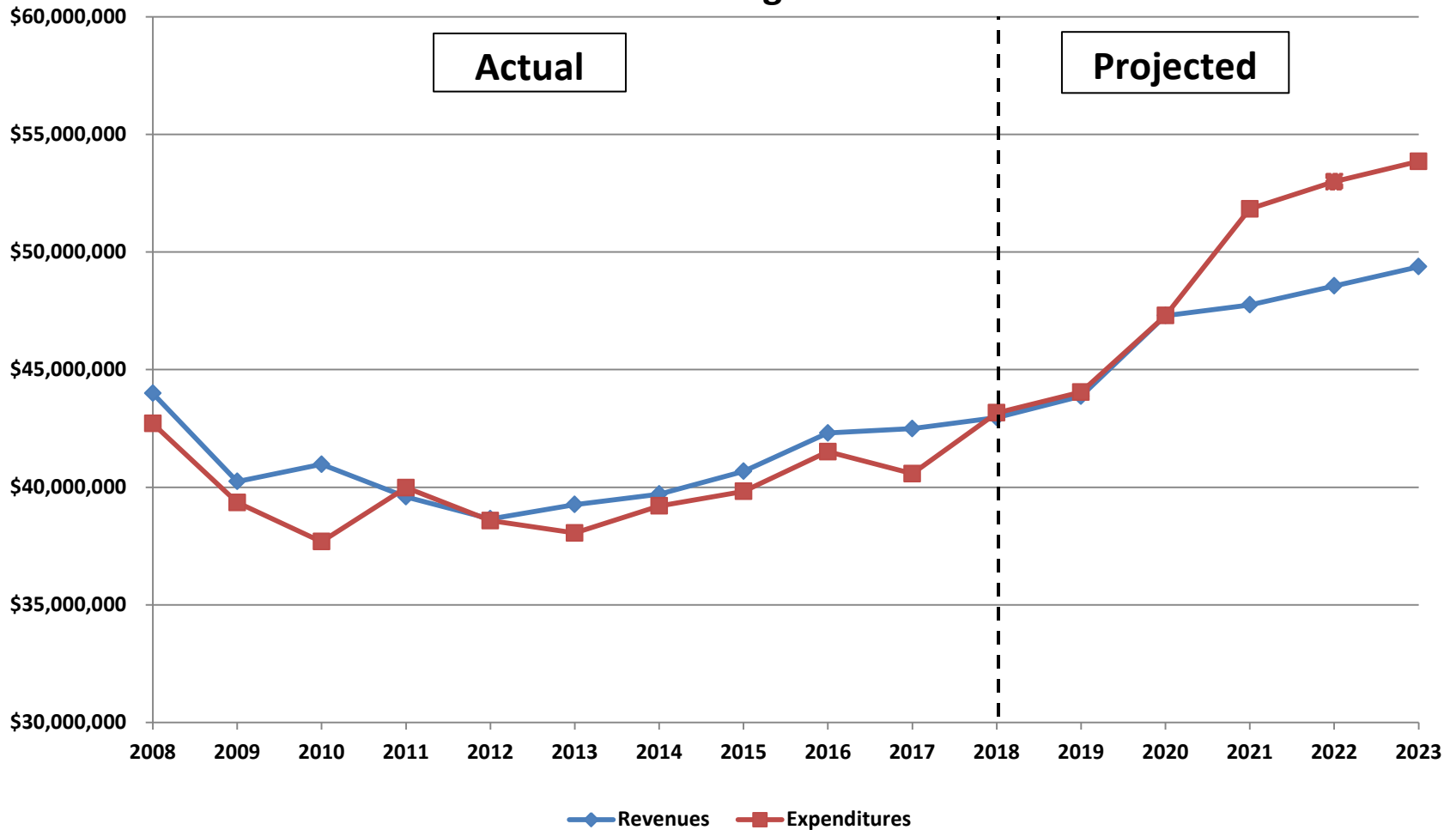
Outpacing revenues in future? – Capital

Additional Debt Service expense

– Police Facility and 7th Ave Creek



General Fund Revenues and Expenditures FY 2008 through FY 2023



2008-2018 amounts are from the City's Comprehensive Annual Financial Report for the fiscal year ended April 30 as indicated.

2019 amounts based on January, 2019 projections

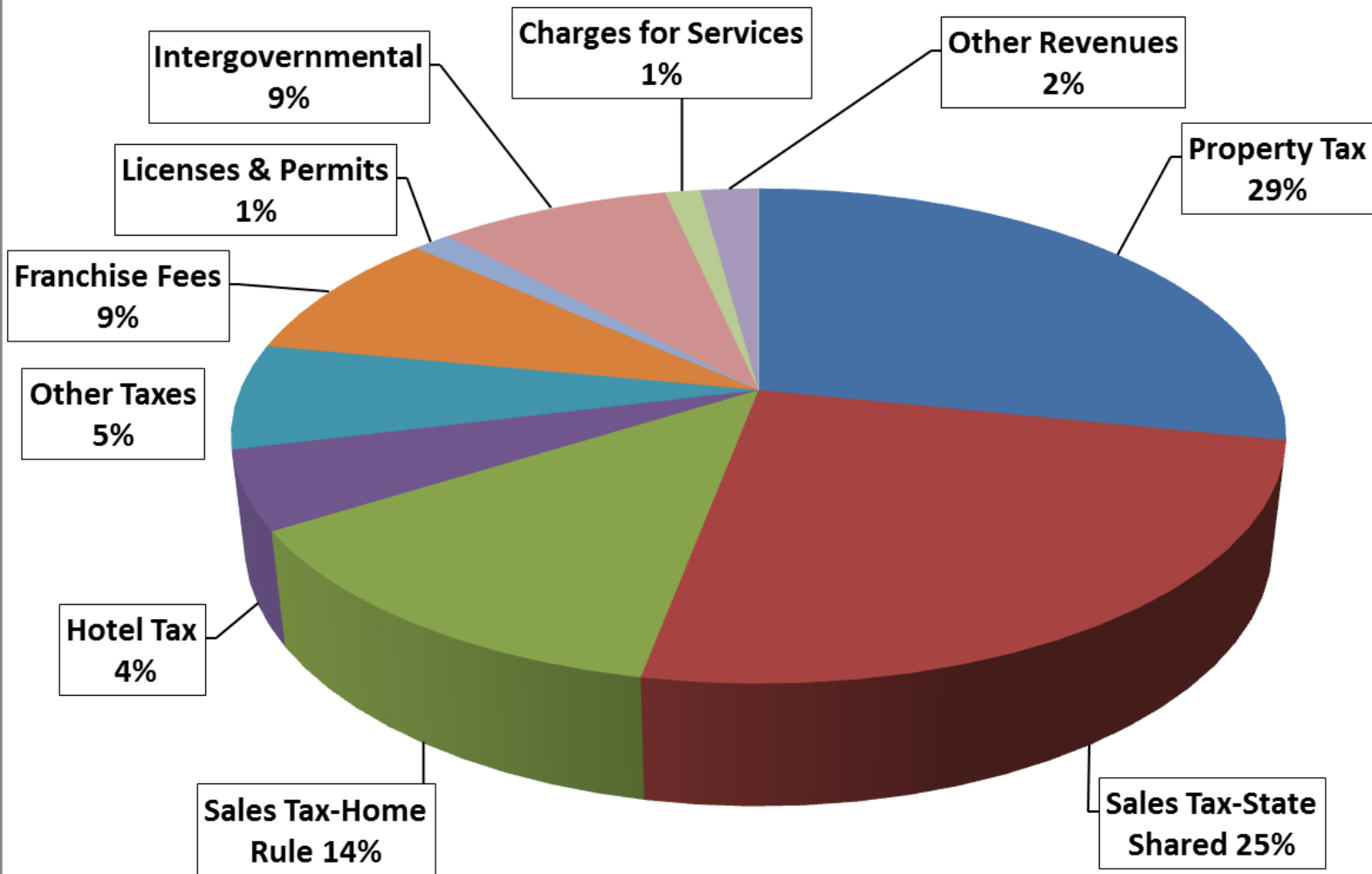
The General Fund

	Forecast 2018-2019	Proposed FY2019-2020
Revenue	\$ 43,868,009	\$ 46,975,093
Reimbursements and Transfers	\$ -	\$ 319,965
Total Revenues and Sources	\$ 43,868,009	\$ 47,295,058
Expenditures and Transfers	44,044,462	47,297,686
Surplus/(Deficit)	\$ (176,453)	\$ (2,628)
Reserve Use - Police Station	\$ (3,000,000)	\$ -
Change in Reserve Level	\$ (3,176,453)	\$ (2,628)
End of Year Reserves	\$ 14,958,013	\$ 14,955,385
Reserve Percentage	34%	32%

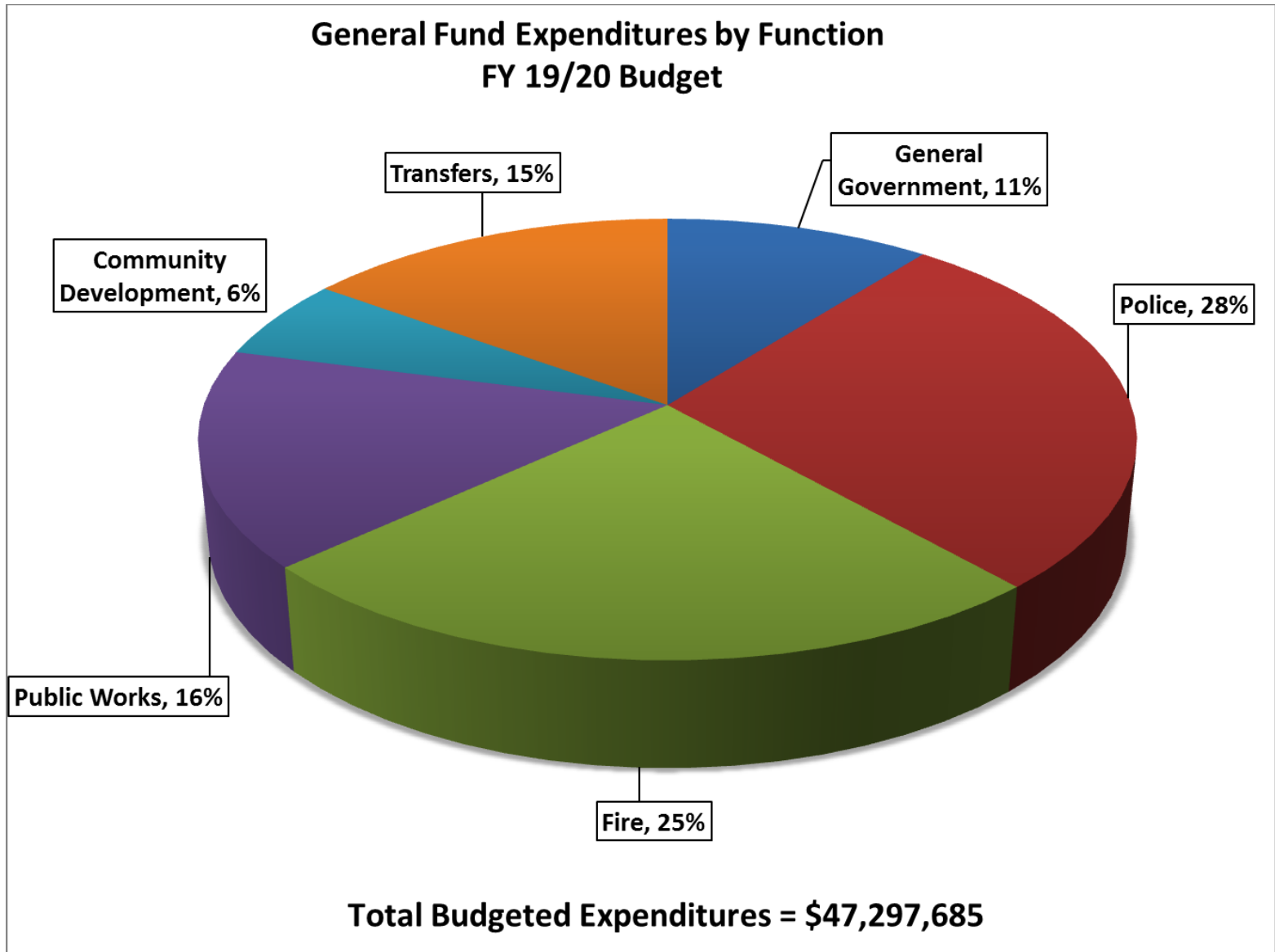


General Fund Revenues FY 2019-2020

General Fund Revenues FY 19/20 Budget



General Fund Expenditures FY 2019-2020



City of St Charles



Utility Funds

Where we are currently:

Positive Financial Performance

- Operating deficits essentially eliminated
- Healthy Reserves
- 2.45% Combined Impact FY 2019-2020
- Significant Capital Projects Proposed – Mainly Water and Wastewater
 - Future Regulatory Compliance
 - Capacity for growth and redevelopment

Utility Funds - Combined

	<u>2018-2019</u>	<u>2019-2020</u>
Operating Revenue	\$ 80,548,225	\$ 82,845,494
Operating Expenses	<u>(71,137,423)</u>	<u>(76,811,650)</u>
Operating Surplus	\$ 9,410,802	\$ 6,033,844
Capital:		
Debt Issuances	\$ 10,020,069	\$ 6,819,037
Replacement Funds	802,927	857,246
Capital Expenses	<u>(22,951,807)</u>	<u>(13,723,811)</u>
Capital Surplus/(Deficit)	<u>\$ (12,128,811)</u>	<u>\$ (6,047,528)</u>
Surplus/(Deficit)	<u>\$ (2,718,009)</u>	<u>\$ (13,684)</u>
End of Year Cash Balance	<u><u>\$ 28,082,817</u></u>	<u><u>\$ 28,069,133</u></u>
Annual Billings for "Average"		
Residential Customer	\$ 2,717.94	\$ 2,784.46
Change	\$ 82.54	\$ 66.52
Percentage Change	3.17%	2.45%

Utility Comparison

City of St. Charles

Annual Comparison of Utility Charges - Typical Residential Customer February 2019

	<u>St. Charles</u>	<u>Geneva</u>	<u>Batavia</u>	<u>Naperville</u>	<u>Com Ed</u>
Electric	\$ 1,389.32	\$ 1,247.52	\$ 1,406.75	\$ 1,339.91	\$ 1,280.74
Water	569.58	995.03	611.74	954.76	569.58
Wastewater	830.46	571.62	710.32	648.98	830.46
Total Annual Charges	<u>\$ 2,789.36</u>	<u>\$ 2,814.17</u>	<u>\$ 2,728.81</u>	<u>\$ 2,943.65</u>	<u>\$ 2,680.78</u>

City of St Charles

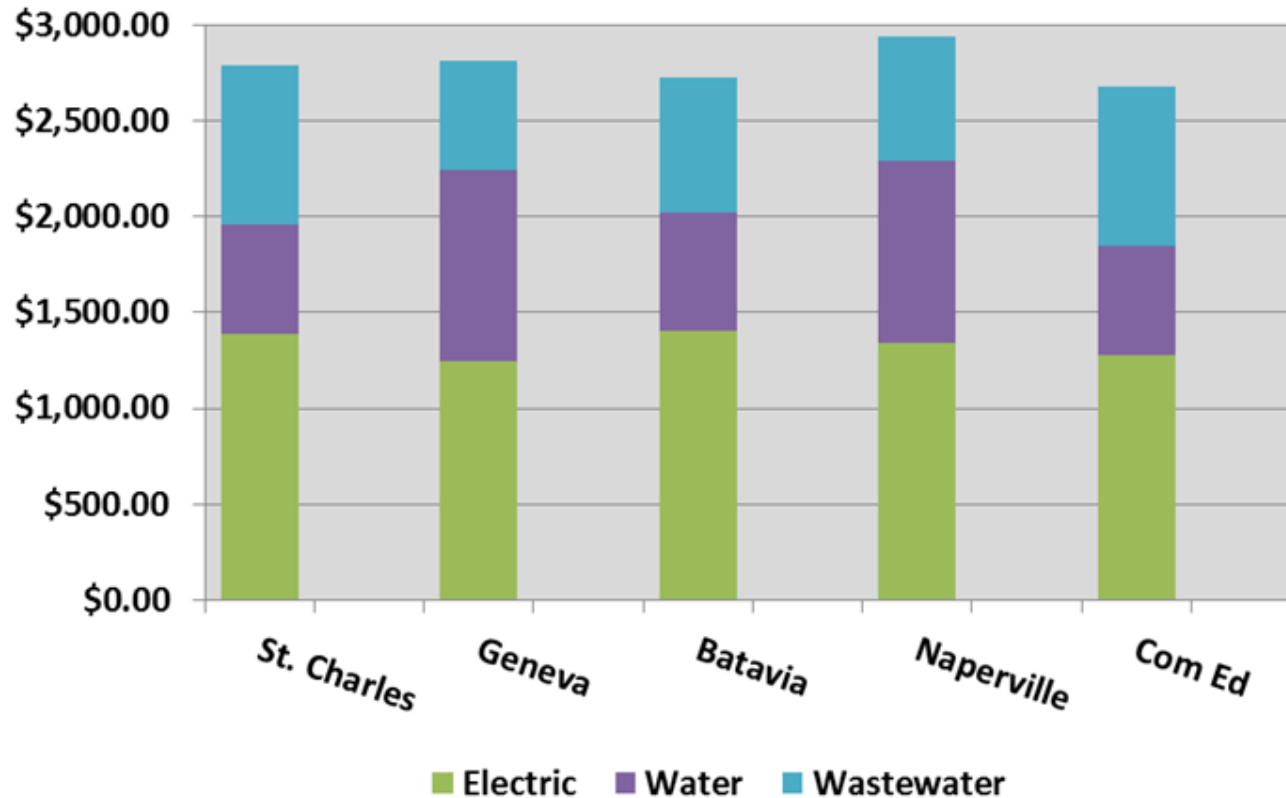
Monthly Impact to "Typical" Residential Customer Based on 6/1/2019 Rates

Yardwaste Fee	\$ (0.11)
Refuse Sticker	0.15
Electric Fund	(0.84)
Water Fund	3.17
Wastewater Fund	<u>3.21</u>
 Total Monthly Impact	 <u>\$ 5.58</u>



City of St Charles

Average Annual Utility Charges



City of St Charles



Capital Projects and Staffing

Significant Capital Improvements

- Completion of Police Facility Construction
 - Fall, 2019
- Technology Enhancements
- 7th Avenue Creek Phase I
- Rehabilitation-George's Sports
- LED Streetlight Retrofit Project
- Resurfacing and Reconstruction
- Pavement Rejuvenation Program



Staffing



Approximately 273 FTE City Wide

- 2 School Resource Officers (August)
- 2 New officers Patrol Division (September)
- Safety Manager
- Intern in City Administrator's Office (PT)



CITY OF
ST. CHARLES

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Conclusion

Continued strong financial performance

- Operations structurally sound

Challenges

- State fiscal crisis and revenue reduction
- Infrastructure and capital needs continue to apply pressure to funding streams

Continued vigilance essential

Process

- Questions and Public Comment this evening
- Consideration of approval - April 15 City Council meeting
- Fiscal Year 2019-2020 begins May 1





Questions & Public Comment