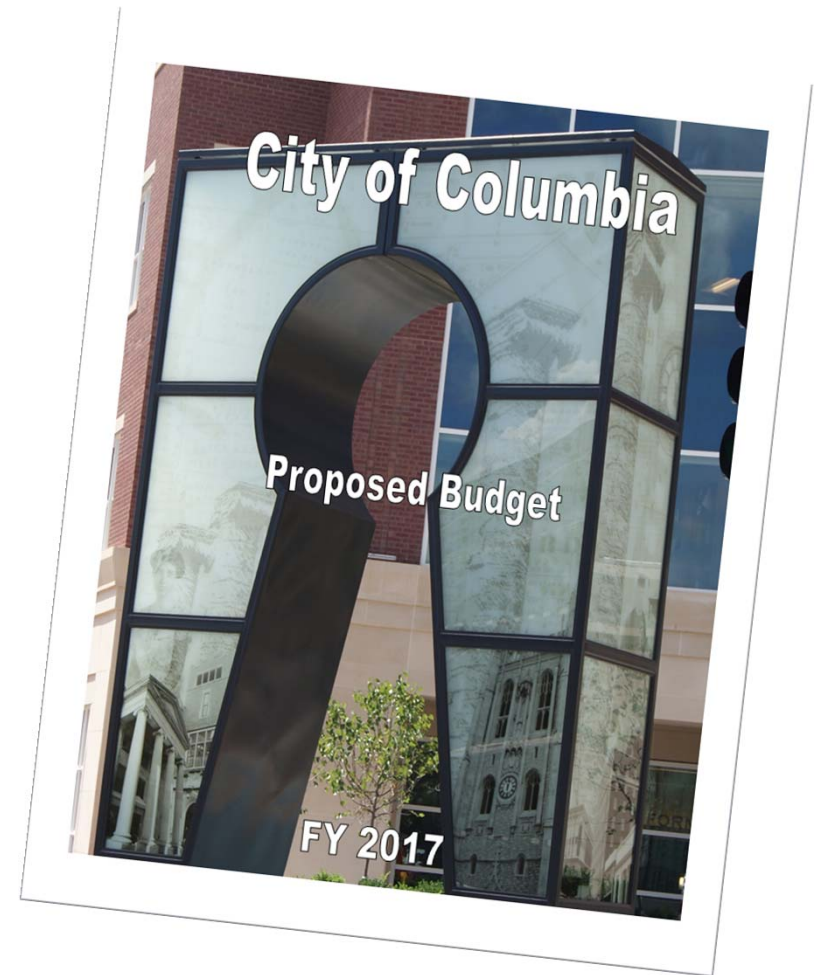


# FY 2017 Budget City Manager Overview



# Big Picture

- **\$440,902,994 Total Estimated Spending**

*Departments outside of the General Fund are allowed to save up funds for several years and then spend down cash in one year for capital projects*

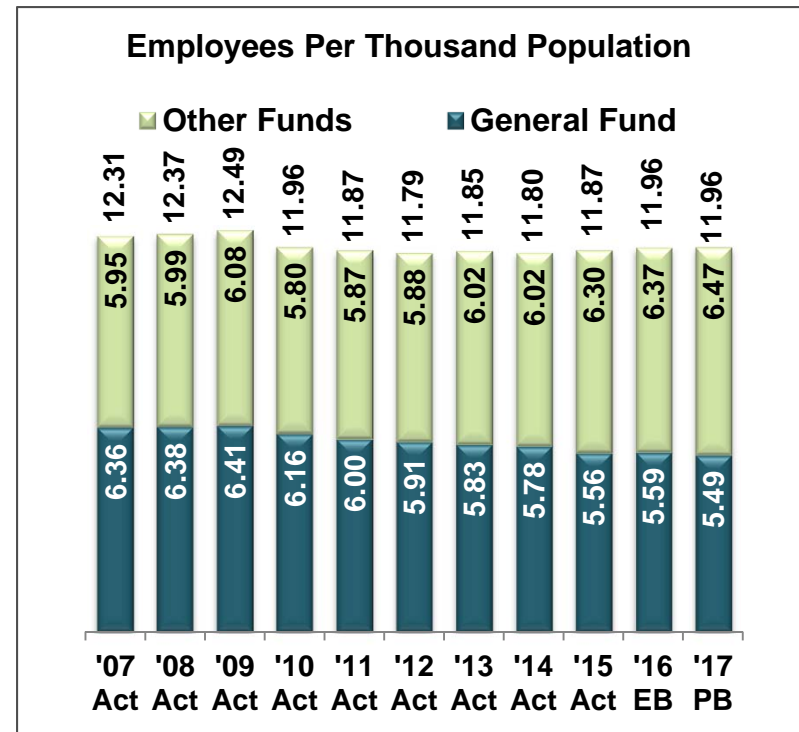
- **\$419,958,053 Total Estimated Revenues**

- **27 FTE Net Positions Added**

- **1,481.40 Total City Permanent Employees**

- **11.96 Employees Per Thousand Population**

*Same as last year*



# Challenges for Our Community in FY 2017

- **Historically Low Sales Tax Growth**

*1% vs. 3% budgeted last year*

- **Rising Healthcare Costs and Affordable Care Act**

- *Pharmaceuticals costs have skyrocketed*
- *Claims up more than \$1 million*
- *Health Insurance offered to employees averaging 30 hours per week*

- **Overtime Expenses Will Increase**

*Federal Government changes to Fair Labor Standards Act*

*December 1, 2016 - more employees will be eligible for overtime*



# Challenges for Our Community in FY 2017

- **Grants Ending**

- *Federal Fire grant funding for 3 Firefighters ended - will cost City \$200,000 in FY 2017*
- *Mo. Dept of Transportation - loss of STP funding of \$350,000 per year for street capital projects*

- **No General Fund Savings from FY 2015**

*Low revenue growth*



# Goals Guiding the Creation of the FY 2017 Budget

- **Live Within Our Means** - *Keep the General Fund balanced*
- **Avoid Laying Off Any Permanent Employees**
- **Provide Employees a Modest Raise**
- **Achieve Progress on the City Council's Strategic Plan Goals**



# How We Are Keeping the General Fund Budget Balanced for FY 2017

- **No Fleet Replacement in FY 2017**  
*\$1.1 Million Deferred*
- **Continued 45-Day Hiring Delay Started in FY 2016**  
*\$200,000*
- **Refinanced Debt on City Hall**  
*\$260,707 Annually*
- **Departmental Budget Cuts**  
*\$1 Million*



# How We Are Keeping the General Fund Budget Balanced for FY 2017

- **Close the City's Most Expensive Health Insurance Plan to New Enrollees**
- **Add Very Few Additional Positions in the General Fund**
  - *3 Police Officers*
  - *Entrepreneur Coordinator Position in Economic Development - Budget Neutral (funds available from moving Airport under the purview of Economic Development)*



# Other Important Considerations

- **Propositions 1 and 2**

*August 2, 2016 ballot*

- *Proposition 1 - Increase Lodging Tax 1% (from 4% to 5%) to help fund new Airport terminal*
- *Proposition 2 - Continue charging sales tax on vehicles purchased outside the state of Missouri*

- **Strong Bond Ratings**

*Remain steady at AA*

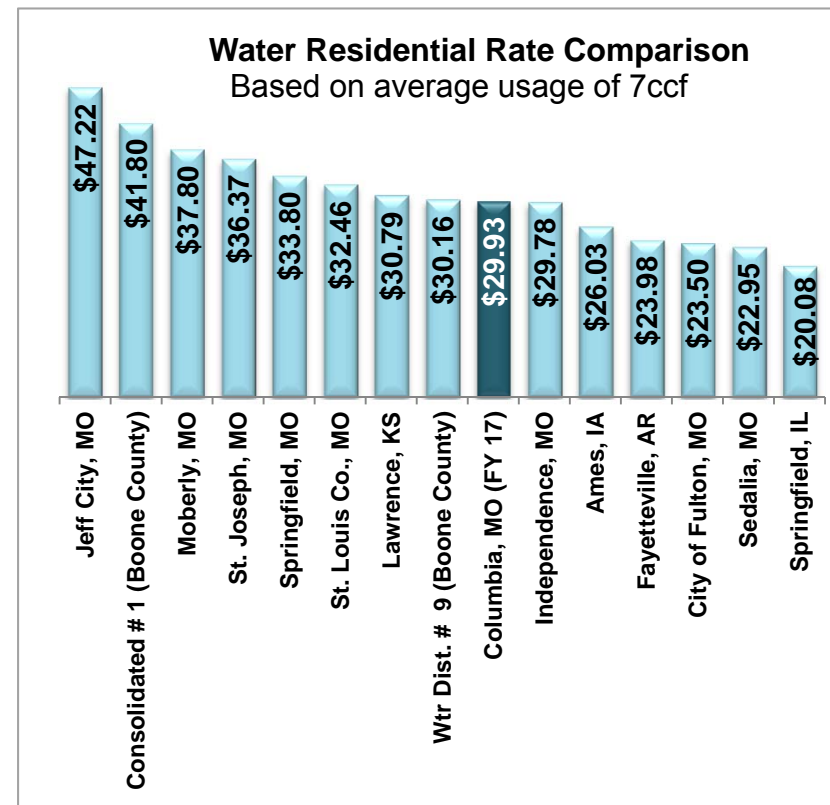
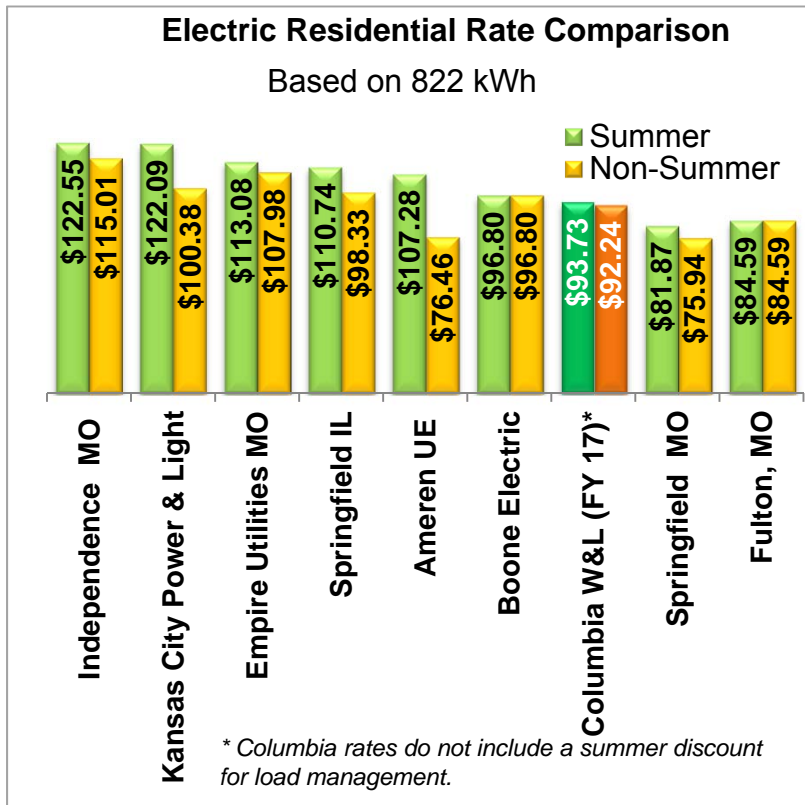




# Residential Utility Rate Changes

## Average Residential Total Utility Rate Impact \$3.59 per month

*Electric (2% operating rate increase) Water (2% operating rate increase)*  
*\$1.67 per month average impact \$0.55 per month average impact*



# Residential Utility Rate Changes

## Average Residential Total Utility Rate Impact \$3.59 per month

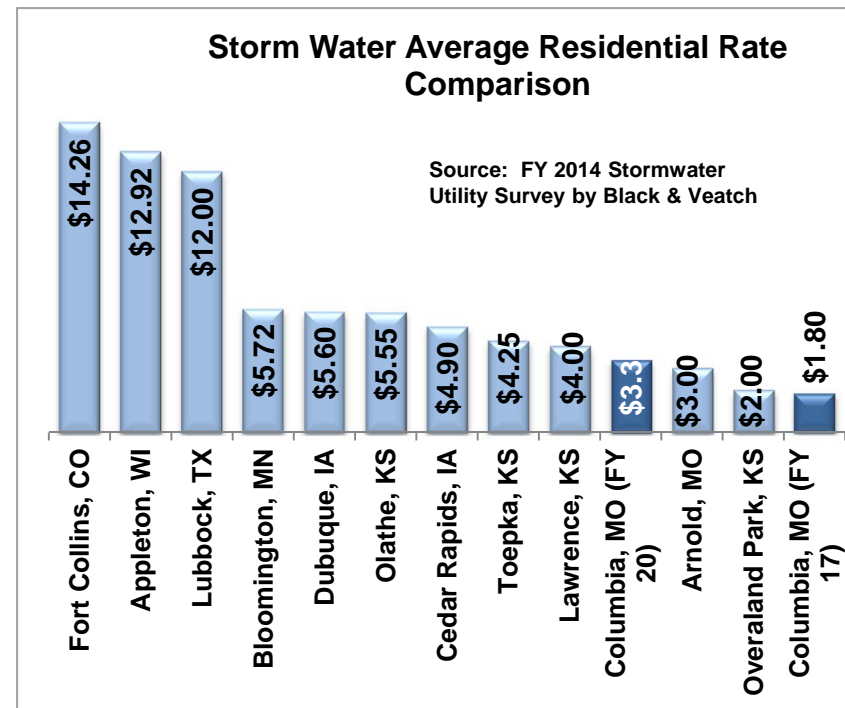
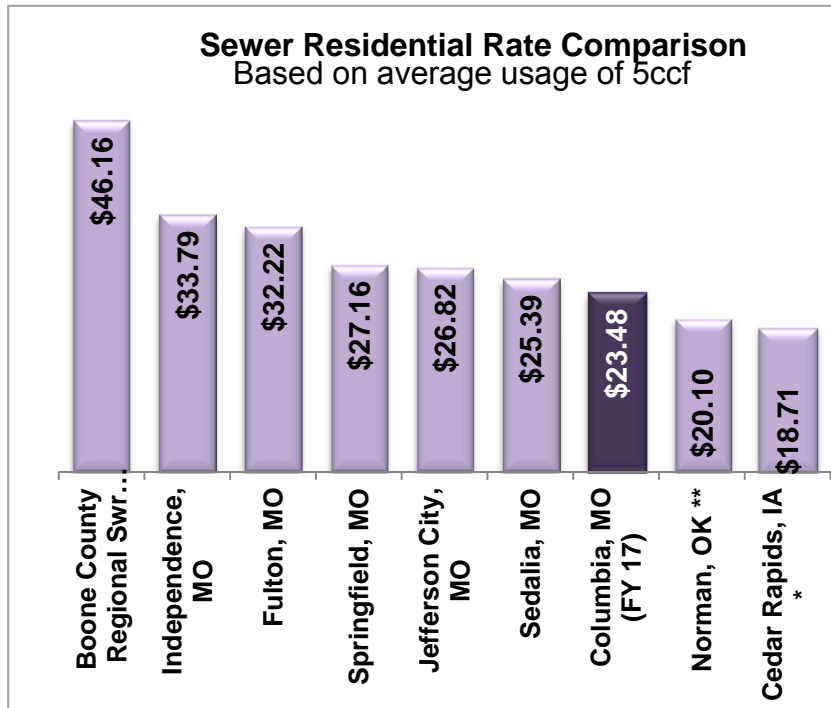
*Sewer (4% voter-approved and 1% operating rate increase)*

*\$1.10 per month average impact*

*Storm Water*

*(25% voter-approved rate increase)*

*\$0.27 per month average impact*



\* First two CCFs are included in the base charge

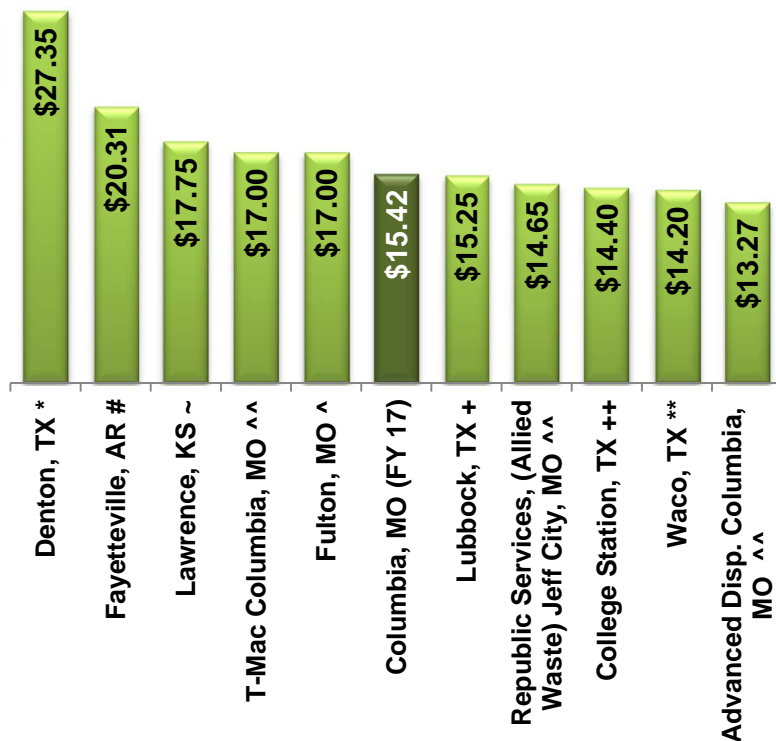
\*\* Users are billed eighty (80) percent of the average monthly water billed during the previous December, January and February into the sanitary sewer system for treatment



# Residential Utility Rate Changes

## Solid Waste - No residential rate increase

Solid Waste Residential Rate Comparison



\* Includes trash cart and 1 recycle cart

+ No recycling or yard waste options available.

\*\* Includes 3 containers for trash, yard waste, and recycling.

++ \$14.40 base fee, \$10.10 for additional cart for recycling and yard waste. Includes 3 containers for trash, yard waste and recycling

^ \$17 base fee for one can, \$17 for each additional can. Services include weekly pick-up of recycling and yard waste; addl. \$1 for recycling container

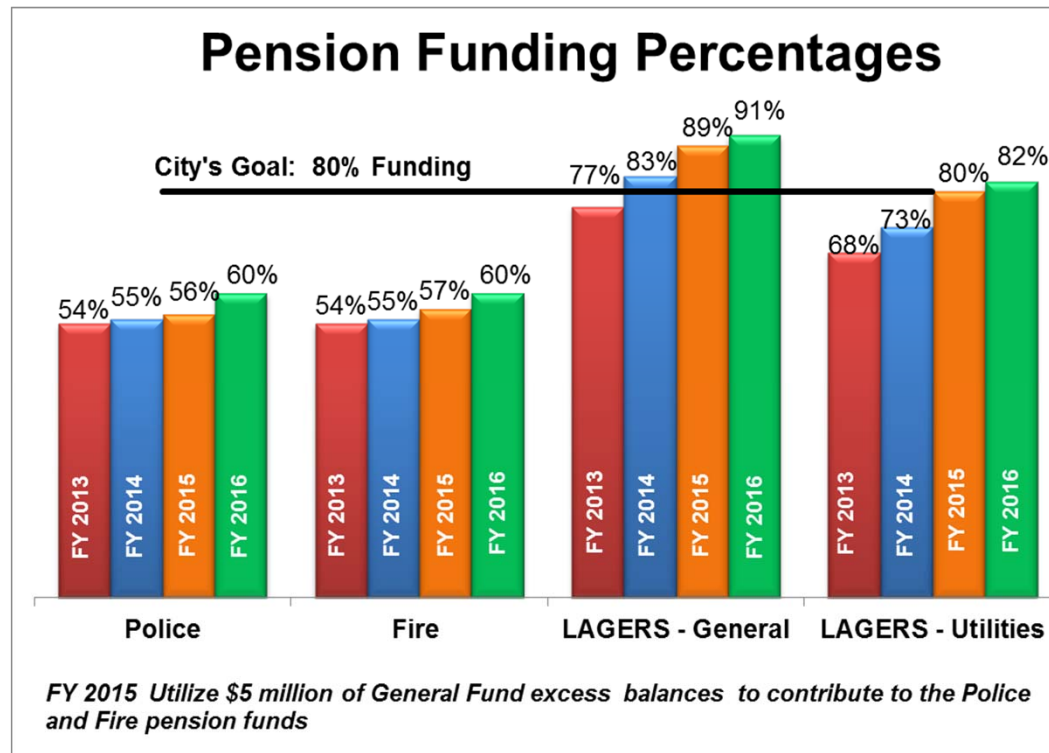
^^ No yard waste option available

# Pay-as-you throw system with varying base cart size & price. Additional per bag charge

~ For standard 65 gallon cart. Separate yard waste service. Curbside recycling is bi-weekly



# Pension Funding Progress



- **LAGERS plans are above 80% funding level**
- **Police and Fire Pensions making progress**
  - *In FY 2015 utilized \$5 million of General Fund excess balance for contribution to Police and Fire Pensions*
  - *Police increased from 56% to 60%*
  - *Fire pension increased from 57% to 60%*



# Other Important Considerations

- **Continued Sales Tax Erosion Due to Online Sales**

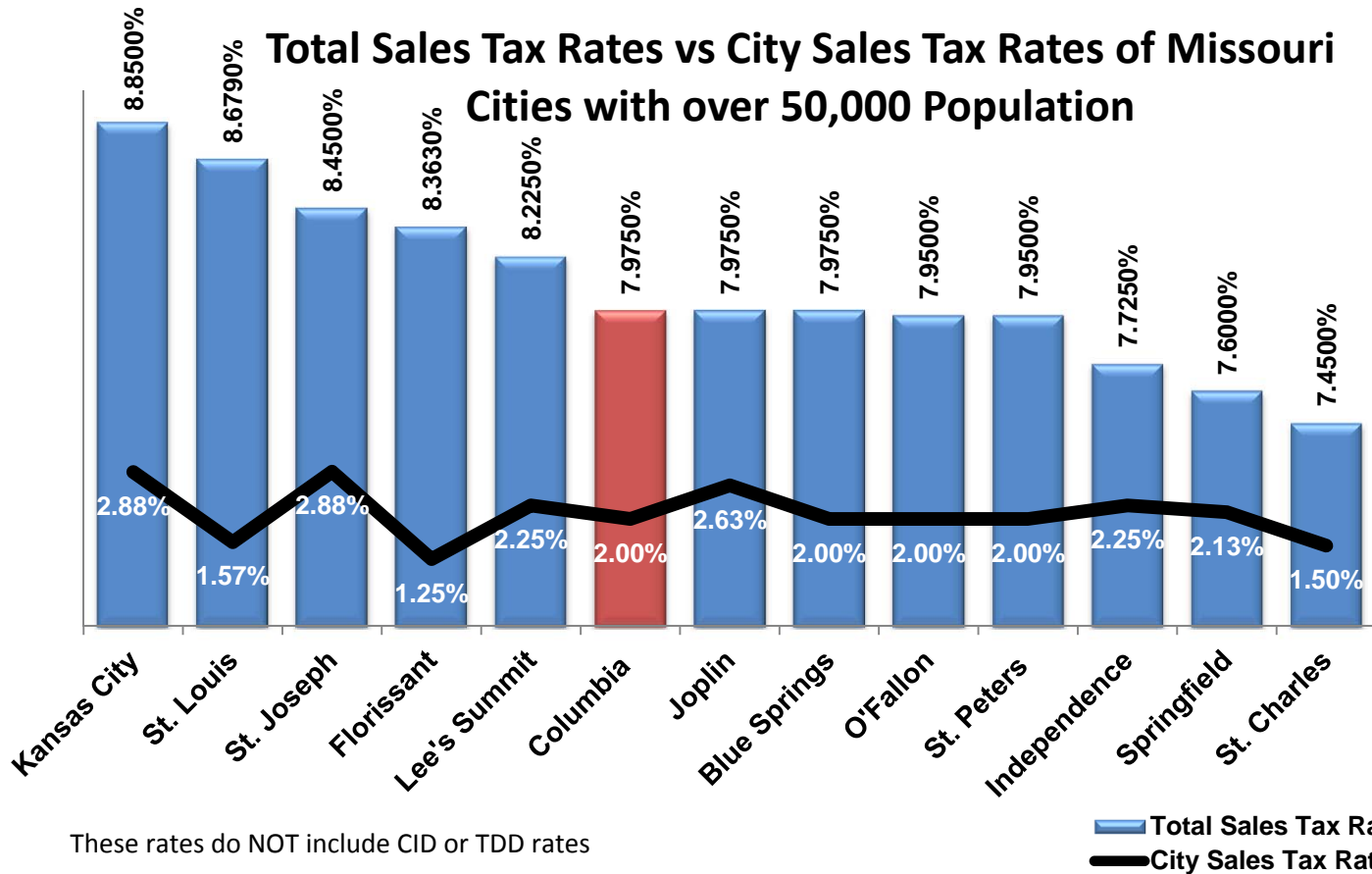
*Sales Taxes pay for:*

- *Police*
- *Road and Sidewalk Repair*
- *Bus System*
- *Airport*
- *Parks and Recreation*
- *Fire*
- *Nearly everything else outside of City Utilities*

**The erosion of sales tax per capita amounts  
to \$10 Million every year**



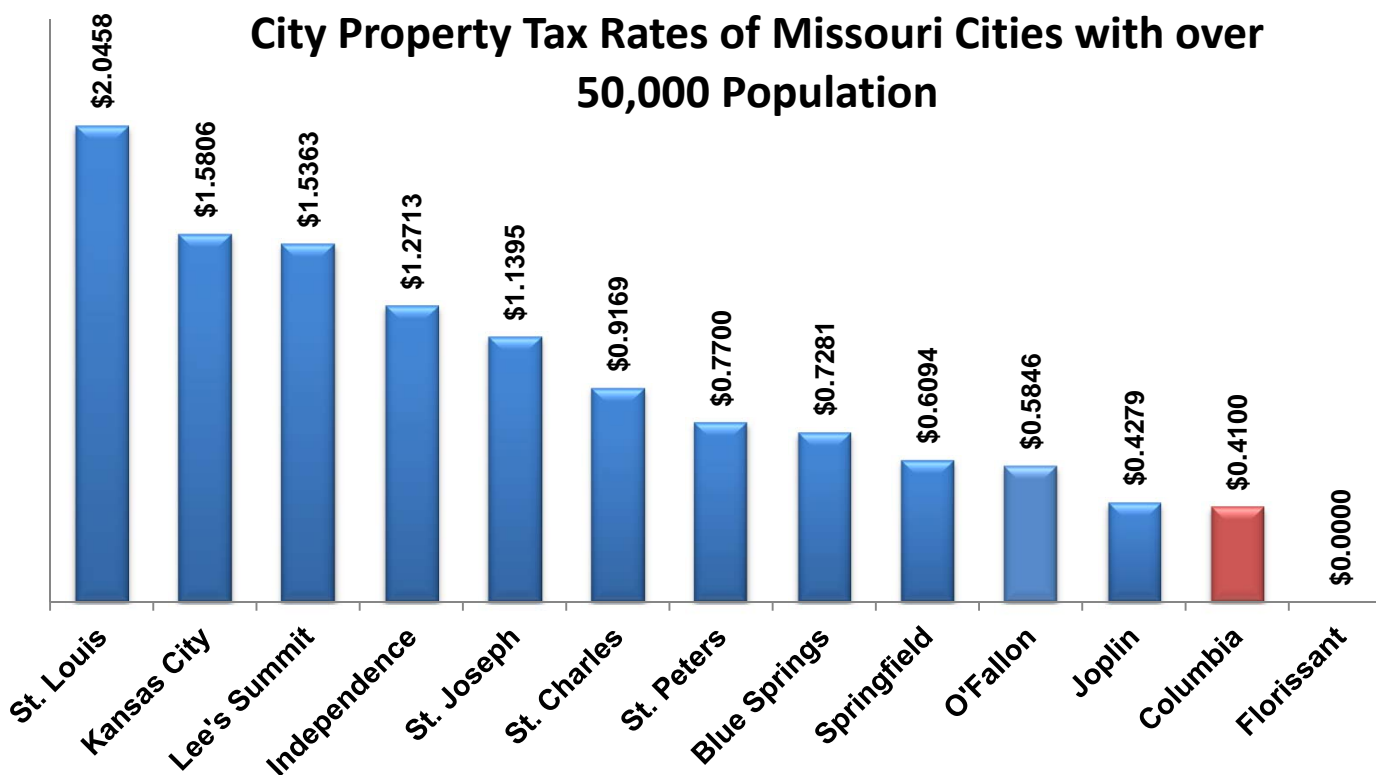
# Sales Tax Rate Comparison



|                 | <u>Population</u> |
|-----------------|-------------------|
| Kansas City     | 475,378           |
| St. Louis       | 315,685           |
| Springfield     | 166,810           |
| <b>Columbia</b> | <b>119,108</b>    |
| Independence    | 117,255           |
| Lee's Summit    | 95,094            |
| O'Fallon        | 85,040            |
| St. Joseph      | 76,596            |
| St. Charles     | 68,796            |
| St. Peters      | 56,971            |
| Blue Springs    | 54,148            |
| Florissant      | 52,268            |
| Joplin          | 51,818            |

**The City's Sales Tax Rate has remained at 2% since 2001**

# City Property Tax Rate Comparison



|                 | <u>Population</u> |
|-----------------|-------------------|
| Kansas City     | 475,378           |
| St. Louis       | 315,685           |
| Springfield     | 166,810           |
| <b>Columbia</b> | <b>119,108</b>    |
| Independence    | 117,255           |
| Lee's Summit    | 95,094            |
| O'Fallon        | 85,040            |
| St. Joseph      | 76,596            |
| St. Charles     | 68,796            |
| St. Peters      | 56,971            |
| Blue Springs    | 54,148            |
| Florissant      | 52,268            |
| Joplin          | 51,818            |

These rates do NOT include school district, library (if run by entity other than the City), county, ambulance

**The City's Property Tax Rate has remained at \$0.41 since 1998**

# Implementing the Strategic Plan in an Austere Year





## Strategic Priority: Economy - Jobs that Support Families

- **Economic Development - Continued Funding for Innovation Hub**  
*- collaborative co-work space which helps entrepreneurs start a business, and established businesses to grow*
- **Widen Opportunities for Minority and Women-Owned Businesses** *- reducing barriers for DBE businesses*
- **Mechatronics Certificate and Degree Program**  
*- partnership for locally targeted advanced job training*



## Strategic Priority: Economy - Jobs that Support Families

- **CARE Program - Continue Funding of \$493,474**

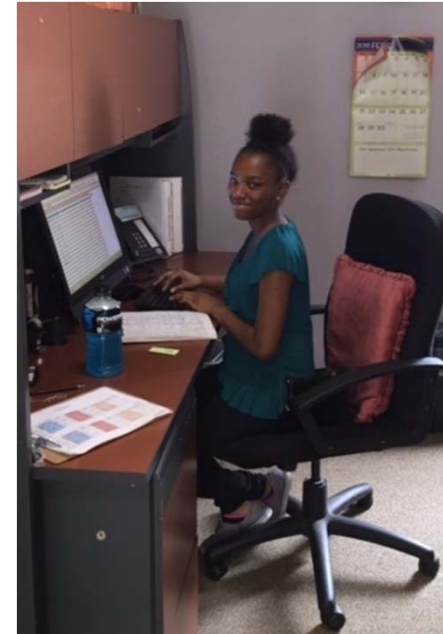
*Establish 3 two-year apprenticeships for CARE graduates from our strategic plan neighborhoods*

- **Columbia Regional Airport -**

*In August, asking voters to approve 1% increase to lodging tax (from 4% to 5%) to help fund the new airport terminal project*



Used double-wide used for baggage claim.



C.A.R.E. program provides apprenticeships for young adults.



## Strategic Priority: Social Equity - Improving the Odds for Success

- **Continue Funding for Glenn Cobbins and Judy Hubbard** - *Door to door assessments*
- **Continued Funding for Dr. Carl Kenney, Jr.** - *Identify the services our residents truly want and need*
- **Community Events** - *Increase sense of neighborhood in our three strategic plan areas*



## Strategic Priority: Social Equity - Improving the Odds for Success

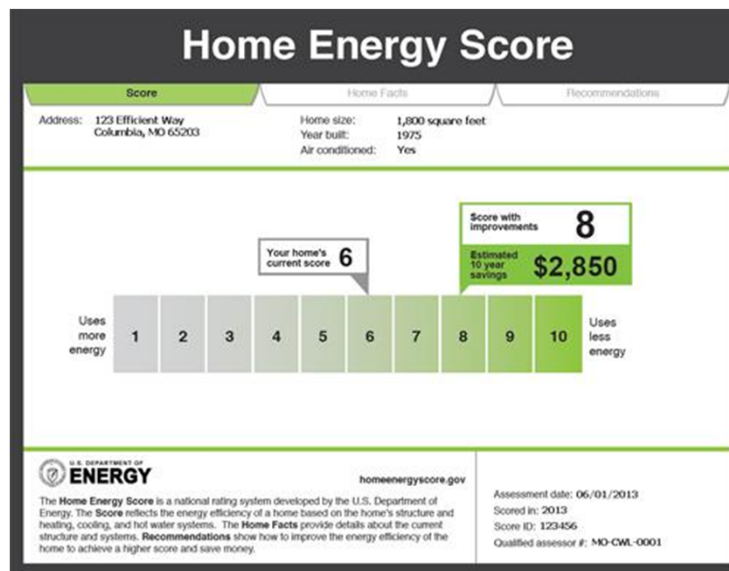
- **Continue Social Service Funding of \$893,556**  
*- for emergency shelter, youth development Programs, Job Skills, and Substance Abuse Treatment*
  
- **Continue Summer Lunch Program at Douglass Park for Kids -**  
*Continue Partnership with Voluntary Action Center and Columbia Public Schools*



## Strategic Priority: Social Equity - Improving the Odds for Success

- **Increase Sustainability Efforts in Plan Neighborhoods**

*Help people who struggle with very high utility bills*



- **CAT (Columbia Access Television)**

*- FY 2017 funding of \$25,000*





## Strategic Priority: Public Safety - Safe Wherever You Live, Work, Learn and Play

- **Public Safety Funding**

*Over \$40 million of the \$60 Million in Discretionary Funding goes to Public Safety*

- **Community Policing**

*\$700,000 investment*

- **Add 3 Police Officers**

*to keep up with the population growth*



## Strategic Priority: Public Safety - Safe Wherever You Live, Work, Learn and Play

- **Decentralizing Community Access to Police Services**

- *Boone Community Center Substation - Central Neighborhood*
- *North Side Police Station - Design in FY 2017*
- *Ward 3/East Neighborhood Substation - Lease*

- **Accreditation**

*Fire and Police working towards this in FY 2017*



## Strategic Priority: Infrastructure - Connecting the Community

- **Passage of 5 Infrastructure ballots in the past two years** (Parks, Electric, Water, Storm Water, and Streets and Sidewalks)
- **Electric**
  - Transmission line to connect Perche Creek Substation
  - Construct Mill Creek Substation
  - Clean up More's Lake
- **Sewer**
  - 80% focus on maintenance of our existing system (sewer lining)
  - Flat Branch Relief Sewer Projects



Flat Branch Sewer Relief Project



More's Lake





## Strategic Priority: Infrastructure - Connecting the Community

- **Water**
  - Meter replacements
  - Relocating water mains in concert with road projects
- **Solid Waste**
  - Creation of Landfill Cell #6
  - Landfill wetlands to keep runoff from entering Hinkson Creek



## Strategic Priority: Infrastructure - Connecting the Community

### ● Parks

- Construction of sports field house using \$1 million contribution from Convention and Visitors Bureau
- Continue work on Clark Lane West Hinkson Pedway
- Increase green space through 60-acre Gates Park addition



The Vineyard 43 acres with 15 acre lake



## Strategic Priority: Infrastructure - Connecting the Community

- **Streets and Sidewalks**

- Widening Project - Nifong from Providence to Forum
- Intersection Improvement - Forum and Green Meadows
- Oakland Gravel Road Sidewalk - Blue Ridge to Edris



Roadway Improvements in South Columbia





## Strategic Priority: Infrastructure - Connecting the Community

- **Public Transit**

- Building Bus Shelters
- Replacing 5 Diesel Buses with New, Leased, Electric Buses
- Distribution of Bus Passes in Central, North, and East neighborhoods to introduce more residents to COMO Connect
- Create 5 Full-Time Drivers by Reducing Temporary Budget



# Strategic Priority: Infrastructure - Connecting the Community

## ● Parking

- 6th and Cherry Garage Major Maintenance
- Council Amendment to create Neighborhood Enforcement Program to alleviate parking congestion in neighborhoods surrounding downtown
- Replacing a significant number of obsolete parking meters
- Looking to expand Pay-by-App Only parking spaces
- Evaluating gate arm systems for garages to make it easier to pay for parking in the garages



## Strategic Priority: Infrastructure - Connecting the Community

- **Storm Water**

- Continue focusing efforts to alleviate flooding throughout the city



## Strategic Priority: Operational Excellence

- **City Employees are Engaged and Excel at Customer Service**
  - 72% Employee Engagement
  - Overall Citizen Satisfaction with Quality of Customer Service in 70% range for several years
  
- **Accreditation**
  - Public Works has been accredited since 2001 - longest in Missouri
  - Other Accredited Departments: Water, Sewer, Storm Water, Solid Waste, Community Development, Convention and Visitors Bureau, Columbia/Boone County Department of Public Health and Human Services
  - Focus on Police and Fire Accreditation in FY 2017





## Strategic Priority: Operational Excellence

- **Recognizing and Eliminating Bias**

- Public Health and Human Services is coordinating learning opportunities for departments
- 140 City Employees to Attend Building Inclusive Communities Training
- 140 City Managers and Supervisors to Attend Diversity Awareness Partnership workshop on diversity and inclusion
- All sworn Columbia Police Officers will complete training relating to racial profiling and fair and impartial policing



Building Inclusive Communities Workshop



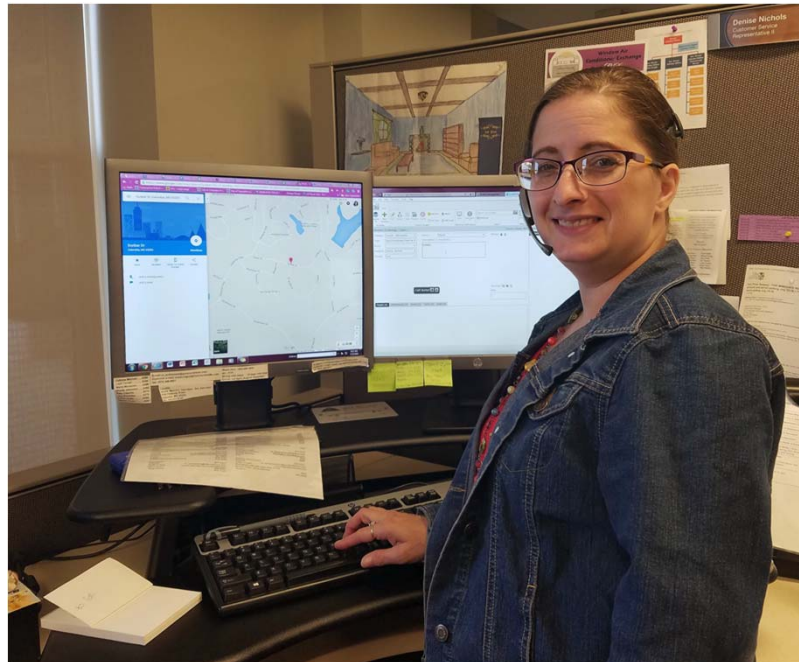


## Strategic Priority: Operational Excellence

- **Contact Center**

- Reduced the number of phone numbers from 154 to 70
- Accelerating the Full Launch of the Contact Center

➔ **(573) 874-CITY** ➔



## Strategic Priority: Operational Excellence

- **Centralizing PIOs and GIS**
  - Allows for back-up of positions across departments and mentoring
- **Changing Our Approach on Mechanical, Plumbing, and Electric Licensing**
  - Make our process faster and provide better service
  - Dissolve the three trade boards
  - Allow for licensing through administrative staff
  - Appeals to be handled by the Building Construction Codes Commission
- **Pay and Benefit Changes**
  - \$0.25 per hour across-the-board pay increase (Fire \$0.1786 per hour)
  - Annual physicals for Fire and begin providing biennial physicals to all CDL positions
  - 13.8% increase in Health Insurance Costs



# Where to find the Budget

**On the Web** - [CoMo.gov](http://CoMo.gov)  
(under the Financial Reports section)

**Printed Copy** - available for review at City Hall  
in the City Clerk's Office (2nd floor)  
or in the Finance Department (5th floor)

## Remaining Public Budget Sessions

- **Tuesday, September 6th** - Public hearing during regular City Council meeting
- **Monday, September 19th** - Public hearing during regular City Council meeting

