



City of Fort Wayne 2017 Civil City Budget

Mayor Tom Henry

September 27, 2016

Fort Wayne under Mayor Henry's leadership



- Positive momentum/excitement in Fort Wayne
- Unprecedented investment in the community
- Commitment to enhancing neighborhoods
- Focus on quality of life amenities
- Meeting the needs of residents and businesses
- Leader in job and business growth
- Moving Fort Wayne forward in the right direction



2017 Budget Highlights

- Commitment to Public Safety
 - ✓ 28 new recruits – Police Department
- Neighborhood street and sidewalk projects
 - ✓ \$23.8 million
- Projects in City Parks
 - ✓ \$10 million bond
 - ✓ \$7.7 million in Parks capital spending
- Assessed Value growth of 2%

One of the best run cities in the country



- Dedicated employees doing more
- Careful financial planning for current & future years as we continue to deal with legislative changes from the State
- Constant monitoring of expenses
- Positioned to continue delivery of high quality services to our residents that they have come to expect & deserve

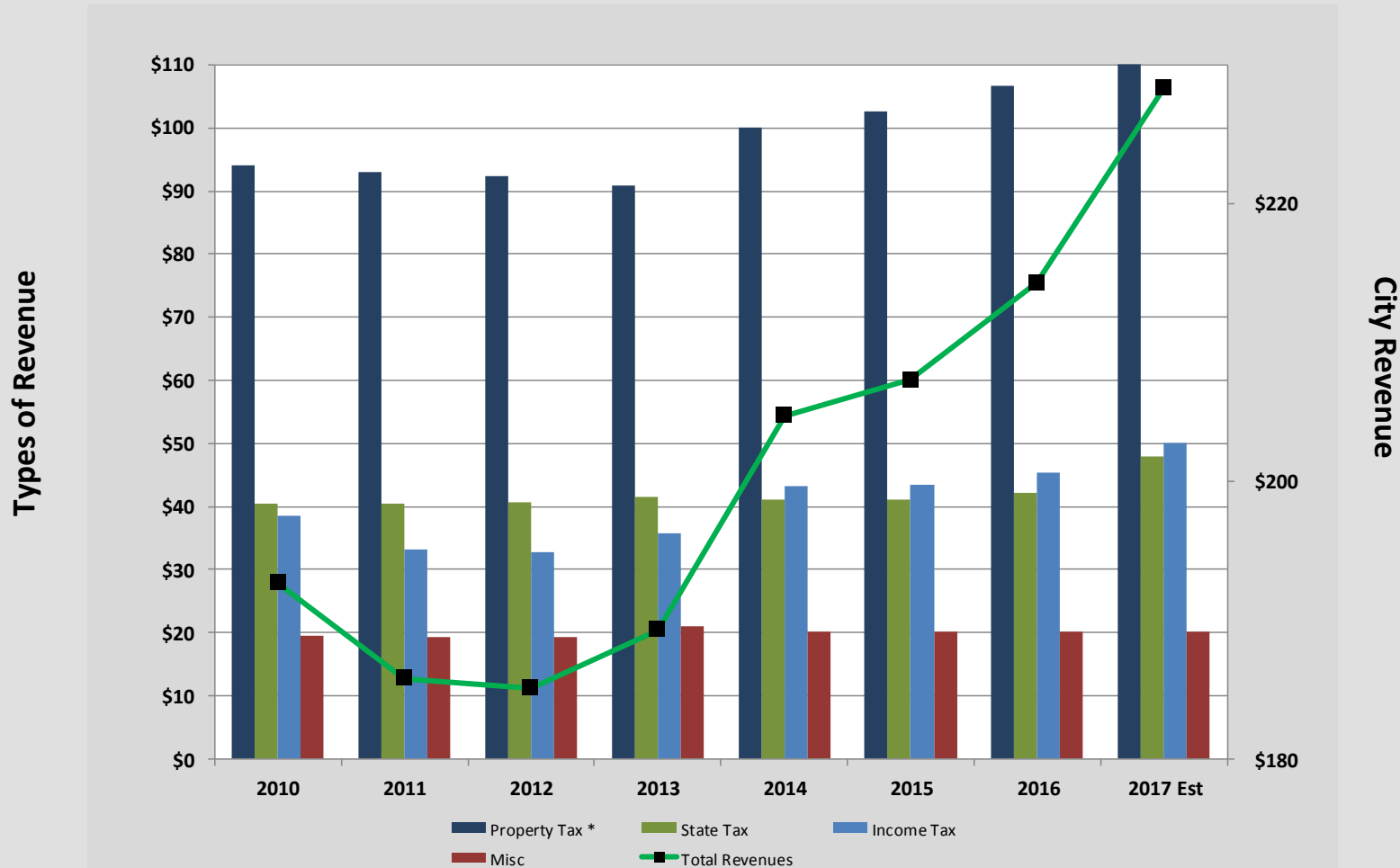
Allen County 1% Property Tax Relief Analysis (all taxing units)



Township	Received Property Tax Relief	2016 (in millions)
Perry	95.3%	\$ 3.1
Aboite	87.1%	\$ 5.8
St. Joe	52.0%	\$ 4.4
Washington	47.8%	\$ 1.5
Wayne	12.9%	<u>\$ 1.1</u>
Total Fort Wayne		\$ 15.9
Outside Fort Wayne		<u>\$ 1.0</u>
Total 1% Property Tax Relief		\$ 16.9

Total Homesteads – Fort Wayne	61,941
# of Homesteads receiving circuit breaker credits - Fort Wayne	27,095
% of Homesteads receiving circuit breaker credits - Fort Wayne	43.7%

City Revenue Analysis (in millions)

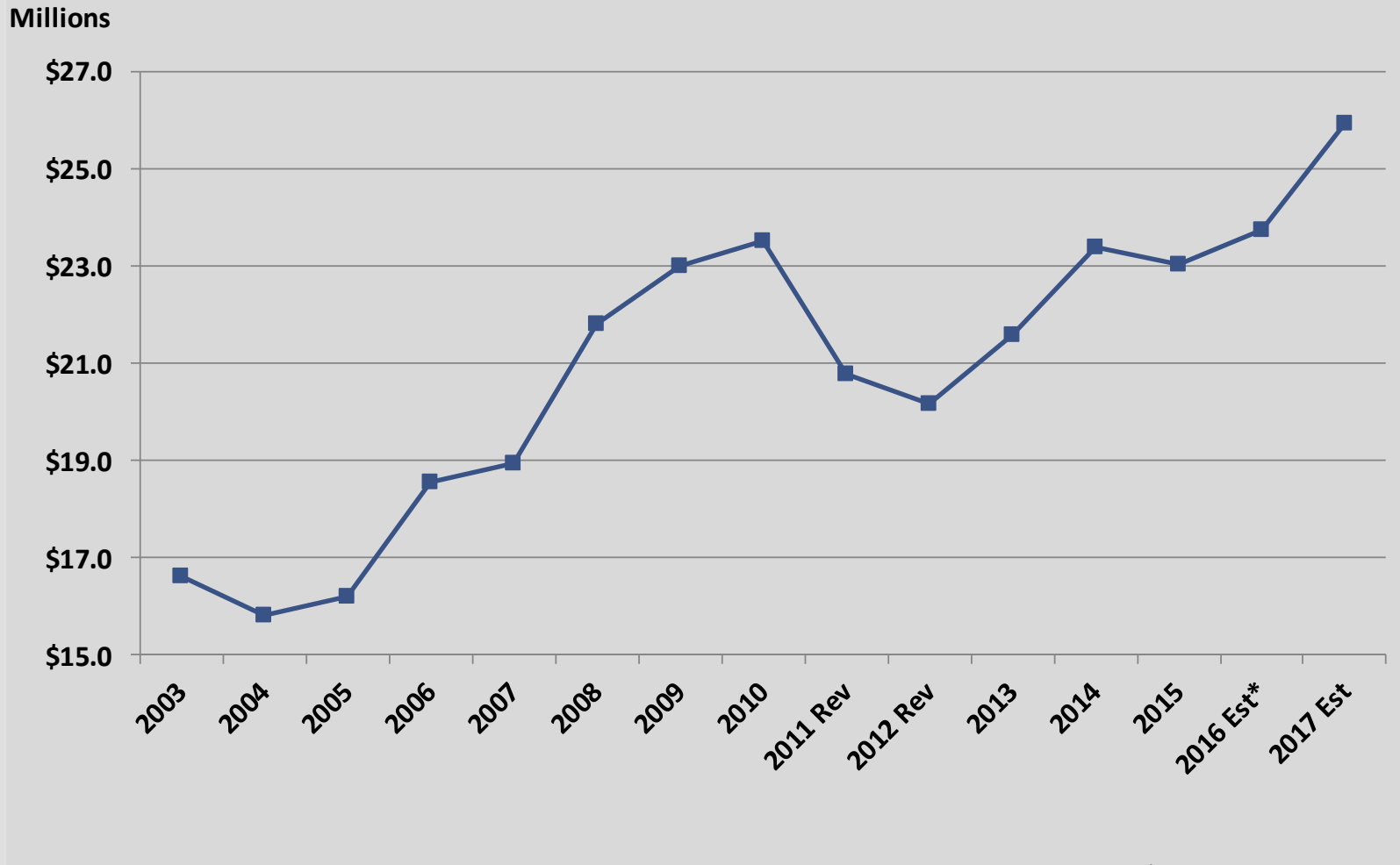


*Property Tax Levy Net of Circuit Breaker

2016 does not include Special LOIT or INDOT matching funds

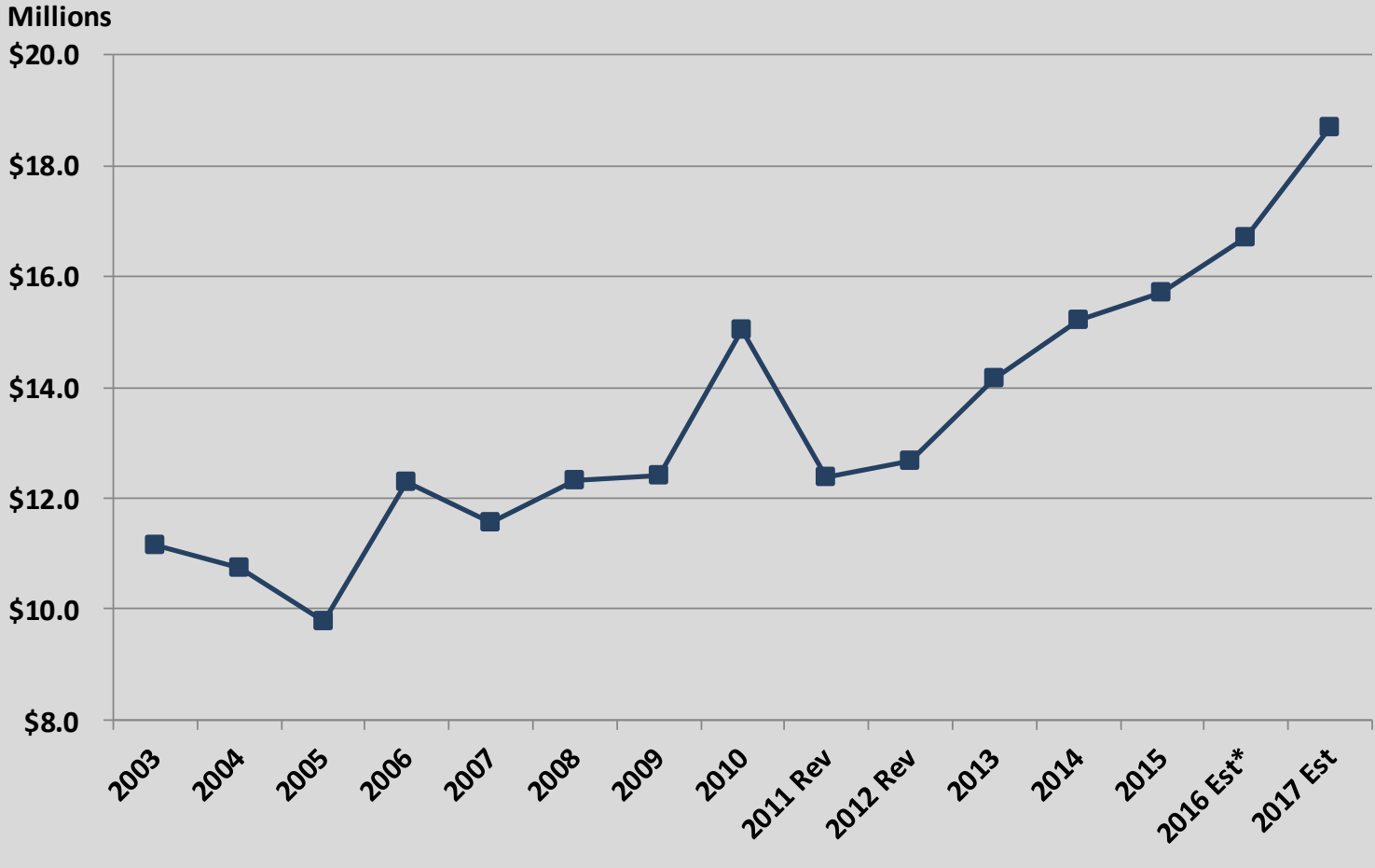
2017 includes Municipal Wheel/Surtax and \$1m in INDOT matching funds

Local Income Tax (LIT) – Economic Development Distribution to City (formerly CEDIT)



*2016 Est does NOT include the Special LOIT Distribution (CEDIT portion) of \$3,152,192

Local Income Tax (LIT) – Certified Shares Distribution to City (formerly COIT)



*2016 Est does NOT include the Special LOIT Distribution (COIT portion) of \$5,136,758

PT Supported Balanced Budget

including PS LOIT (in millions)



Revenue:	
Property Tax	130.5
*Circuit Breaker (est.)	(20.5)
Public Safety LOIT	5.4
COIT	18.7
Miscellaneous	<u>26.5</u>
Total Revenue	\$ 160.6
Expenses:	
Payroll	118.5
Supplies	5.3
Services	28.3
Capital	0.5
Capital Infrastructure and Parks	<u>5.6</u>
Total Expenses	\$ 158.2
Increase in Cash Reserves	\$ 2.4

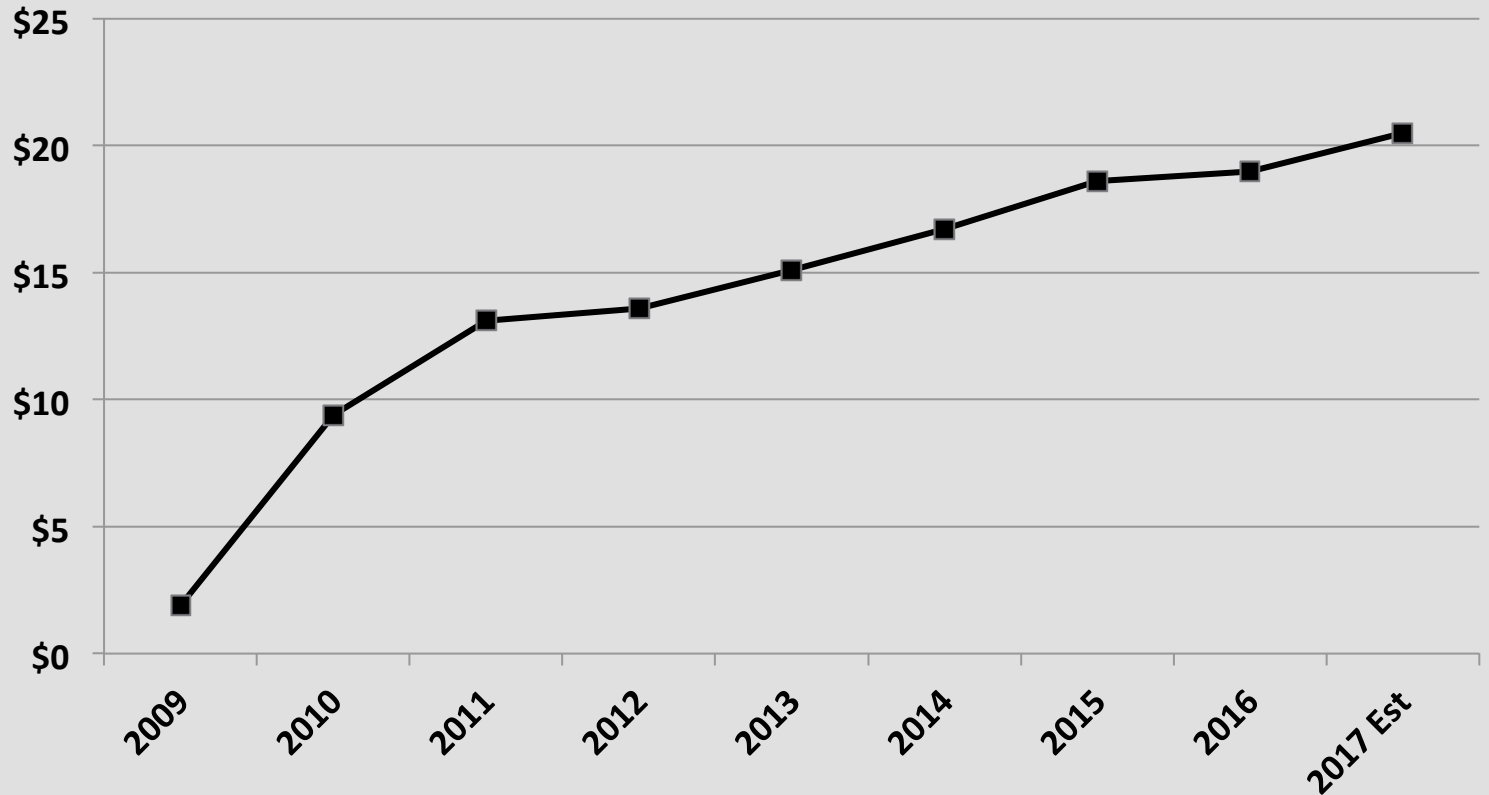
*Circuit Breaker amount is unknown until March-April, 2017

Property Tax Cap Legislation changed everything



<u>Year</u>	<u>Net Assessed Value (in billions)</u>	<u>Tax Rate (per \$100 AV)</u>	<u>City Council Approved Certified Levy (in millions)</u>	<u>Effect of Circuit Breaker (in millions)</u>	<u>Actual Levy to be Collected (in millions)</u>
2007	\$ 9.824	\$ 1.0195	\$ 99.4	-	\$ 99.4
2008	\$ 10.074	\$ 0.9941	\$ 99.4	-	\$ 99.4
2009	\$ 8.712	\$ 1.1515	\$ 99.5	\$ 1.9	\$ 97.6
2010	\$ 8.515	\$ 1.2238	\$ 103.4	\$ 9.4	\$ 94.0
2011	\$ 8.128	\$ 1.3149	\$ 106.0	\$ 13.1	\$ 92.9
2012	\$ 8.062	\$ 1.3274	\$ 106.0	\$ 13.6	\$ 92.4
2013	\$ 7.984	\$ 1.3411	\$ 106.0	\$ 15.1	\$ 90.9
2014	\$ 8.008	\$ 1.4716	\$ 116.7	\$ 16.7	\$100.0
2015	\$ 8.093	\$ 1.5106	\$ 121.2	\$ 18.6	\$102.6
2016	\$ 8.273	\$ 1.5312	\$ 125.7	\$ 18.9	\$106.8
2017 Est	\$ 8.442	\$ 1.5580	\$ 130.5	\$ 20.5	\$110.0

Circuit Breaker Effect (in millions)



Property tax relief and revenue loss to City estimated to be \$128 million since property tax caps became law.

Submitted Budget Summary (in millions)

Property Tax Supported Funds w/PS LOIT



2016 Revised Budget		\$ 156.6
Public Safety:	2% Increase	1.6
	Health Insurance Increase	0.7
	Pension Savings	(0.5)
	Reduction in Overtime	(0.5)
	Increase in Staffing	1.8
	CCP (911) Savings	(0.4)
	Other	<u>0.1</u>
	Total Public Safety	\$ 2.8
Non-Public Safety:	2% Increase	0.5
	Health Insurance Increase	0.3
	Public Works Capital	(2.5)
	Other	<u>0.5</u>
	Total Non-Public Safety	\$ (1.2)
	Total Change in Budget	\$ 1.6
2017 Submitted Budget		\$ 158.2



Streets and Roads Investment (in millions)

<u>Funding Source</u>	<u>2017</u>	<u>2016</u>
CEDIT	\$ 8.5	\$ 6.0
Property Tax	-	2.5
CCDF (Cumulative Capital Development)	3.3	3.3
Community Legacy	1.0	1.0
Bond	-	10.0
Municipal Wheel/Surtax	4.8	-
Special LOIT Distribution (2016)	5.2	1.0
INDOT Matching	<u>1.0</u>	<u>1.0</u>
Total Streets and Roads Investment	\$23.8	\$24.8

Parks Capital Investment (in millions)



<u>Funding Source</u>	<u>2017</u>	<u>2016</u>
Property Tax	\$ 2.7	\$ 2.7
Bond *	<u>5.0</u>	<u>-</u>
Total Parks Capital Investment	\$ 7.7	\$ 2.7

*Assumes \$10 million bond
 - Spend \$5.0 million in 2017 and 2018

Headcount Analysis (Non-Public Safety) for the period 2008-2017



<u>Department</u>	<u>Change</u>
311 Call Center	8.0
Mayor's Office	(4.0)
Human Resources	(3.0)
Law	1.0
City Clerk	(1.5)
Parking Control	(2.5)
Community Development	(9.0)
Neighborhood Code	(3.0)
Finance & Administration	1.0
Parks & Recreation	2.0
Public Works	<u>(8.5)</u>
Total Reduction in Headcount	(19.5)

2017 Proposed Pay Grids



COMOT	Clerical	2.7%
LTC	Labor Trade Craft	2.4%
POLE	Non Union Public Safety	2.9%
PAT	Professionals	3.2%
EXE	Executives	<u>3.4%</u>
	Average Increase to Grid	2.9%

Information provided by Waggoner, Irwin, Scheele

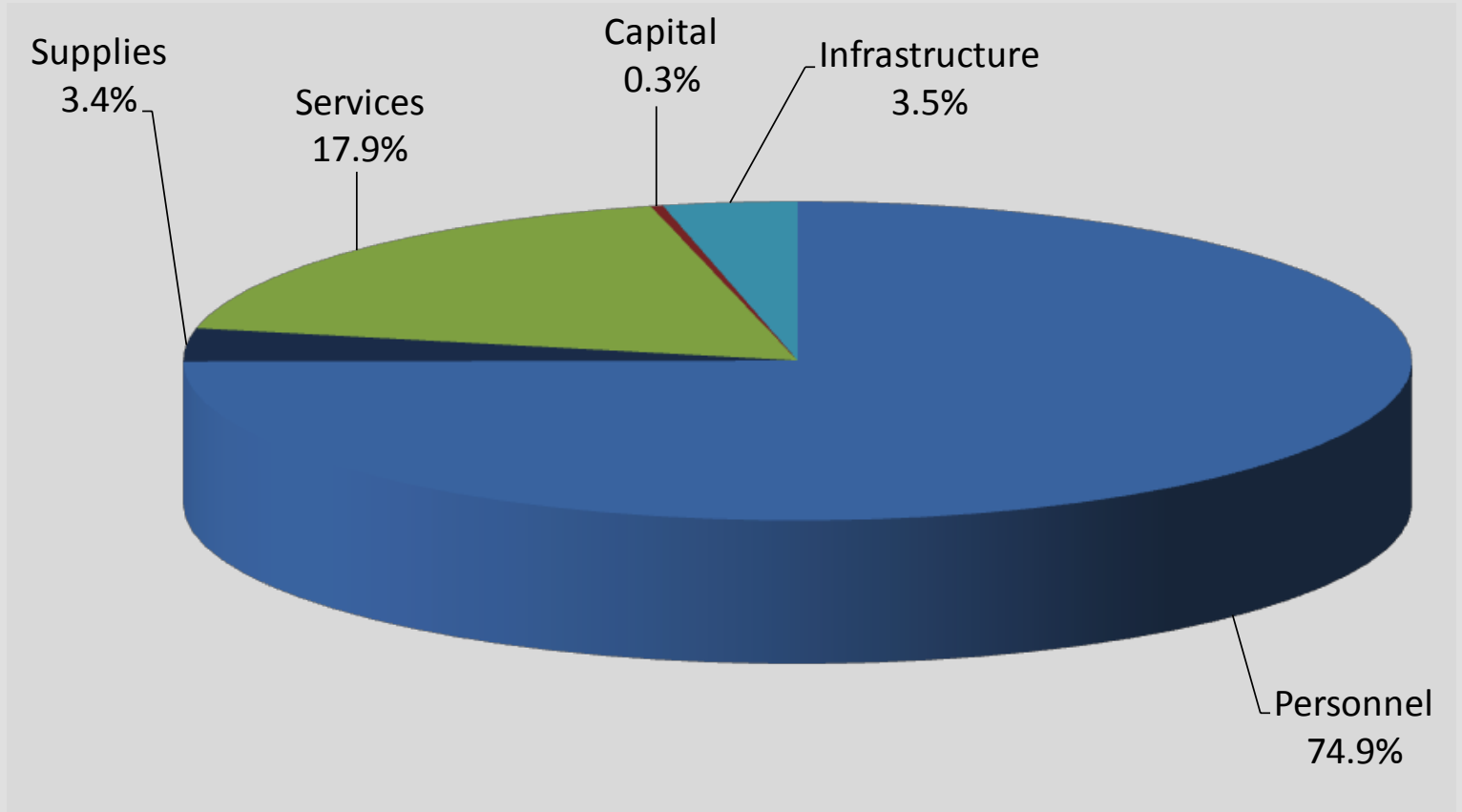


Salary Increase Analysis

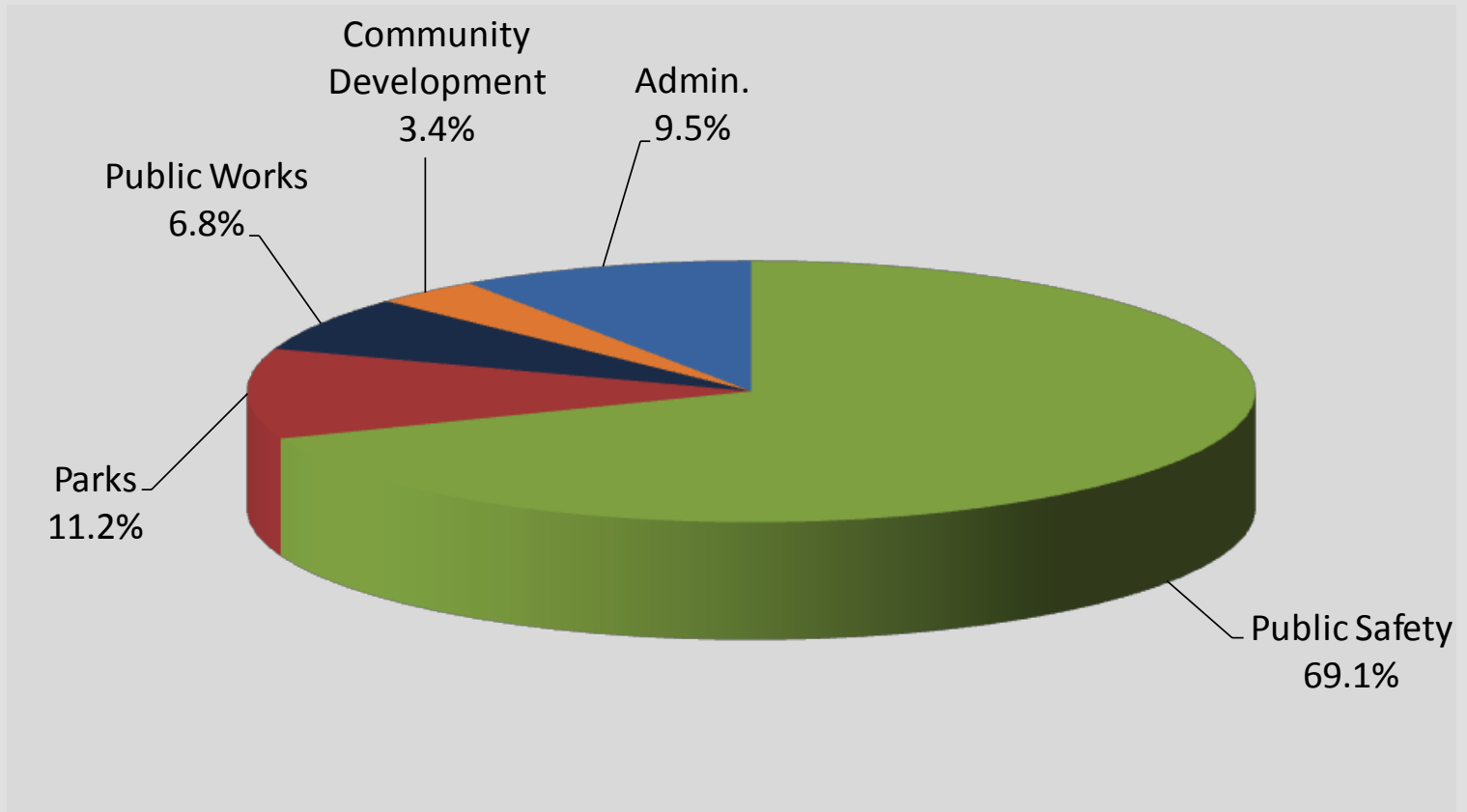
Year	State Personal Income Growth	Allen County Personal Income Growth	City of Fort Wayne Wage Increase
2009	4.0%	2.6%	0.0%
2010	3.8%	2.9%	1.0%*
2011	2.9%	2.9%	1.0%
2012	2.9%	2.7%	0.0%
2013	2.8%	2.2%	2.0%
2014	2.6%	2.5%	2.0%
2015	2.7%	2.4%	2.0%
2016	2.6%	2.0%	2.0%
2017	3.8%	2.3%	2.0%

*Unions received 1.5%

2017 Property Tax/PS LOIT Expenses by Series



2017 Property Tax/PS LOIT Expenses by Division including Infrastructure



Fiscal Notes



- Assessed Value growth 2 years in a row
- Competitive Labor Market
- Fire and Police at full TARGET staffing
- Increase cash reserves by \$5.2 million
- Levy growth of 3.8%
- Budget growth less than 1%
- Capital spending of \$23.8 million = IN TARGET
- Parks project work funded @ \$7.7 million



Questions?