



CITY OF SOUTH BEND, INDIANA

2018 ADOPTED BUDGET



Pete Buttigieg, Mayor
Jennifer Hockenhull, City Controller

Report prepared by City of South Bend Department of Administration and Finance



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

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**City of South Bend
Indiana**

For the Fiscal Year Beginning

January 1, 2017

Christopher P. Morill

Executive Director/CEO

Table of Contents

<u>Transmittal Letter</u>	1-4
<u>Quick Facts</u>	5
<u>Introduction and Overview</u>	6-25
Mayor’s 2018 Priorities and Issues	7-10
Short-Term Organizational Factors	11-12
Administrative Strategic Goals and Strategies	13-16
Budget Overview.....	17-23
Budget Brief.....	24-25
<u>Financial Structure, Policy, and Process</u>	26-49
Organization Chart	27
Fund Description & Fund Structure	28-33
Financial Organizational Chart.....	34
Department/Fund Relationship	35-36
Financial Policies	37-46
Budget Process	47-49
<u>Financial Summaries</u>	50-65
Consolidated Financial Schedules.....	51-53
Revenue & Expenditure Summary	54
Changes in Fund Balance Summary	55-56
Revenues.....	57-65
<u>Capital and Debt</u>	66-79
Capital Expenditures.....	67-68
Five-Year Capital Improvement Plan Summary and Detail Schedules.....	69-75
Debt.....	76-79
<u>Personnel Summaries</u>	80-83
<u>Departmental Information</u>	84-238
101-0101 Mayor's Office.....	85-86
101-0201 City Clerk	87-88
101-0301 Common Council	89-90
101-0302 WNIT Contract.....	91

101-0401	Administration and Finance	92-94
101-0404	Morris Performing Arts Center	95-96
101-0405	Palais Royale	97-98
101-0501	Legal Department	99-100
101-0602	Engineering.....	101-102
101-0801	Police	103-105
101-0901	Fire	106-108
101-1008	Human Rights	109-110
102	Rainy Day Fund.....	111
201	Parks & Recreation	112-115
202	Motor Vehicle Highway	116-118
203	Recreation Non-Reverting.....	119-120
209	Studebaker/Oliver Revitalizing Grants	121
210	Economic Development State Grants.....	122
211	Department of Community Investment (DCI) Operation Fund.....	123-125
212	Department of Community Investment (DCI) Grants.....	126
216	Police State Seizures	127
217	Gift, Donation, Bequest.....	128
218	Police Curfew Violations	129
219	Unsafe Building.....	130-131
220	Law Enforcement Continuing Education	132
221	Landlord Registration.....	133
222	Central Services	134-136
224	Central Services Capital.....	137
226	Liability Insurance.....	138-139
227	Loss Recovery Fund	140
249	Public Safety LOIT.....	141
251	Local Roads & Streets	142
257	LOIT Special Distribution.....	143
258	Human Rights- Federal Grants.....	144
265	Local Road & Bridge Grant	145
273	Morris PAC/Palais Royale Marketing.....	146

274	Morris PAC/Self-Promotion	147
278	Police Take Home Vehicle	148
279	IT/Innovation/311 Call Center	149-151
280	Police Block Grants	152
281	Economic Development Commission Revenue Bonds.....	153
287	Emergency Medical Services (EMS) Capital.....	154
288	Emergency Medical Services (EMS) Operating	155-156
289	HAZMAT	157
291	Indiana River Rescue	158
292	Police Grants	159
294	Regional Police Academy.....	160
295	C.O.P.S. M.O.R.E. Grant	161
299	Police Federal Drug Enforcement	162
313	Hall of Fame Debt Service	163
315	Airport 2003 Debt Reserve	164
317	Coveleski Debt Service Reserve.....	165
324	TIF Revenue - River West Development Area	166
328	SBCDA 2003 Debt Reserve	167
377	Professional Sports Development	168
401	Coveleski Stadium Capital	169
403	Zoo Endowment.....	170
404	County Option Income Tax (COIT)	171
405	Park Non-Reverting Capital	172
406	Cumulative Capital Development	173
407	Cumulative Capital Improvement	174
408	Economic Development Income Tax (EDIT).....	175
410	Urban Development Action Grant.....	176
412	Major Moves Construction.....	177
416	Morris Performing Arts Center Capital	178
422	TIF- West Washington District	179
425	TIF- Leighton Plaza (Redevelop. Retail).....	180
429	TIF- River East Development Area (Northeast District).....	181

430	TIF- Southside Development Area #1.....	182
433	Redevelopment General.....	183
435	TIF- Douglas Road.....	184
436	TIF- River East Residential (Northeast District)	185
439	Certified Technology Park.....	186
450	Palais Royale Historic Preservation.....	187
454	Airport Urban Enterprise Zone.....	188
471	2017 Parks Bond.....	189
600	Consolidated Building Fund.....	190-194
601	Parking Garages	195
610	Solid Waste Operations.....	196-197
611	Solid Waste Capital	198
620	Water Works Operations	199-201
622	Water Works Depreciation (Capital).....	202
624	Water Works Customer Deposit	203
625	Water Works Sinking (Debt Service)	204
626	Water Works Bond Reserve	205
629	Water Works Debt Reserve O&M.....	206
640	Sewer Insurance	207
641	Sewage Works Operations.....	208-210
642	Sewage Works Depreciation (Capital).....	211
643	Sewage Works O&M Reserve.....	212
649	Sewage Sinking (Debt Service).....	213
653	Sewage Debt Service Reserve.....	214
655	Project ReLeaf	215
661	Sewer Bond 2012	216
670	Century Center Operating	217-218
671	Century Center Capital.....	219
672	Century Center Energy Conservation Debt Service.....	220
677	Hall of Fame Capital.....	221
701	Fire Pension	222
702	Police Pension	223

705	Police K-9 Unit.....	224
711	Self-Funded Employee Benefits	225
713	Unemployment Compensation.....	226
714	Parental Leave.....	227
730	City Cemetery Trust.....	228
750	Equipment/Vehicle Leasing.....	229
751	Parks Bond Capital	230
752	South Bend Redevelopment Authority.....	231
753	Smart Streets Bond Capital.....	232
754	Industrial Revolving Fund	233
755	South Bend Building Corporation.....	234
756	Smart Streets Debt Service	235
757	Parks Bond Debt Service	236
759	Eddy Street Commons Capital.....	237
760	Eddy Street Commons Debt Service	238

<u>Glossary</u>	239-243
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CITY OF SOUTH BEND PETE BUTTIGIEG, MAYOR
DEPARTMENT OF ADMINISTRATION AND FINANCE

October 23, 2017

The Honorable Pete Buttigieg, Mayor of the City of South Bend
Members of the City of South Bend Common Council
Residents of the City of South Bend

RE: 2018 Adopted Budget

Enclosed please find the adopted budget for the **City of South Bend, Indiana** (the "City") for the year beginning **January 1, 2018**. The 2018 Adopted Budget is a sound and responsible fiscal plan that will enable the City to serve the interests of residents and visitors by providing the resources necessary to provide essential services including police protection, fire protection, water & sewer services, highway & street maintenance, and general government. The City's General Fund budget is balanced for 2018 and there is strategic spending in certain capital funds to provide funding for infrastructure and economic development projects.

The City's budgeting process is an open and lengthy process and allows for significant input from the Common Council, residents and other interested stakeholders at multiple times during the year. On May 15th, 2017, we held a Public Forum on the Budget prior to the Budget Kickoff in order to hear residents' concerns and requests. The Budget Kickoff meeting occurred on May 31, 2017 with final adoption of the budget by the Common Council and Mayor on October 23, 2017. The City budget must be adopted by November 1st as per Indiana State law.

A summary of short-term organizational factors, strategic goals & strategies, priorities & issues and budget overview is included following this transmittal letter.

GENERAL INFORMATION

The City of South Bend is the county seat of St. Joseph County, Indiana, and is the fourth largest city in the state. The City of South Bend's 2010 U.S. Bureau of the Census population was 101,168. Accordingly, South Bend is classified as a "City of the Second Class" under Indiana statutes (cities with a population of 35,000 to 250,000). Population estimates in 2016 suggest that the city experienced its largest one-year increase in nearly a quarter-century, pointing the way to further growth before the 2020 census. The City of South Bend operates with a mayor as chief executive and a nine-member City Common Council composed of six members elected from districts and three members elected at-large. The City of South Bend has a bond rating of AA with Standards & Poors, one of the highest bond ratings for any city in the State of Indiana.

The City provides a full range of traditional general governmental services to its residents. These services include police and fire protection; sanitation services; the construction and maintenance of highways, streets and infrastructure; recreational activities and cultural events. In addition to general governmental activities, the City exercises oversight over the South Bend Water Works, the South Bend Wastewater Treatment Facility, the Century Center Convention Center, the Morris Performing Arts Center, the Studebaker National Museum, the City of South Bend Redevelopment Commission and Authority, and several downtown parking facilities.

Location

St. Joseph County lies within the heartland of the manufacturing belt and metropolitan regions of the Upper Midwest and Canada. The City of South Bend is located in the north central part of Indiana, ten miles south of the Michigan state line, and is commonly known to be within the South Bend/Elkhart region. The region is a vibrant and diverse area with a strong economy based on a mix of health care, agricultural, service, manufacturing, education and other commercial and tourism industries. This diverse economic mix creates varied employment opportunities for the area's residents while providing insulation via diversification from future economic downturns.

The city is approximately 90 miles east of Chicago and 140 miles north of Indianapolis. Accessibility to transportation, including Interstate 80/90, an international airport (which is the second busiest in the State of Indiana) and the South Shore Line has supported economic growth within the community. Proximity to Chicago, the largest rail and intermodal (rail/truck/ocean/inland waterway) transfer point in the country, is a significant advantage to the City of South Bend as is proximity to the University of Notre Dame with its scenic campus located adjacent to the city limits.

St. Joseph County / South Bend - Economic Conditions and Outlook

St. Joseph County, with its 2010 U.S. Bureau of the Census population of 266,931, boasts a strong history of manufacturing which continues today. The service industry and retail trade have also flourished, creating a balance that serves the community well. The County experienced a net growth in population of 28,317 (11.8% increase) between 1960 and 2010. After experiencing a reduction of 2.6% during 1969 to 1983, at which time the entire Midwest was at the depth of its economic restructuring and recess, the County's population increased 4.0% between 1983 and 1990 and another 7.5% between 1990 and 2000. The population of St. Joseph County has remained fairly flat during the past decade increasing by only 1,372 residents from 2000 to 2010.

The estimated labor force in St. Joseph County is 133,809 workers (2016, STATS Indiana, using data from the Indiana Department of Workforce Development). The workers are typical of the Midwest: well-trained with a strong work ethic. Approximately 87.7% of the area's adult population are high school graduates or higher (as compared to the national average of approximately 75%) with an estimated 28.2% with a Bachelor's Degree or higher. There are ten colleges, universities and technical schools within South Bend and the surrounding area including the University of Notre Dame; Indiana University South Bend; Bethel College; Saint Mary's College; Purdue University College of Technology at South Bend; Holy Cross College; Trine University South Bend; American National University; Indiana Technical Institute; and Ivy Tech Community College. As of November 2017, St. Joseph County is experiencing an unemployment rate of 3.6%, which is slightly higher than the State of Indiana unemployment rate of 3.4%. The unemployment rate in St. Joseph County is somewhat similar to that of its surrounding counties—Elkhart (2.5%), LaPorte (4.2%), and Marshall (3.0%) in Indiana and Cass (4.3%) and Berrien (4.5%) in Michigan (as of November 2017).

Health and education lead the employment statistics for St. Joseph County. The largest employers in St. Joseph County as of December 2015 (2016 information not yet published) were as follows: University of Notre Dame (5,802); Beacon Health Systems (4,683); South Bend Community School Corporation (3,615); St. Joseph Health System (2,626); Indiana University – South Bend (1,277); City of South Bend (1,139); St. Joseph County (1,068); AM General (800); Honeywell Aerospace (700); and Press Ganey (694). (South Bend Region Economic Development Report, December 2015)

The cost of living continues to be one of the greatest advantages of living in this community. The housing costs in South Bend are well below the national and regional averages. Per a report compiled by the National Association of Realtors in the third quarter of 2017, the median sales price for a single family home in the South Bend-Mishawaka Statistical Area was \$132,900 as compared to a median sales price of \$255,600 in Chicago and \$173,700 in Indianapolis. The national median sales price is \$254,000.

South Bend History and Amenities

In 1820, Pierre Navarre of the American Fur Trading Company was the first settler in the area to become later known as South Bend. South Bend has continued to progress in its growth since 1842 when Father Edward Sorin named his rustic log chapel “Notre Dame du Lac” and began to teach the local Indians. Today the chapel has grown into the University of Notre Dame. In 1852, H.C. Studebaker started the industry of making wagons and horse-drawn buggies that evolved into the manufacturing of the Studebaker automobile. It made the name Studebaker synonymous with the area of South Bend and its major employer until its closure in 1963.

Another industrial firm that would later become the area’s largest began in 1923 when Vincent Bendix began manufacturing automotive brakes. In 1929, the company became the Bendix Aviation Corporation, and now, as Honeywell (formerly AlliedSignal Inc.), is a leading manufacturer of automotive and aerospace products. The Singer Sewing Company and the Oliver Chilled Plow Works were other important companies during the early history of South Bend.

In the 1840s and 1850s, many South Bend residents were secretly involved in helping fugitive slaves escape from the South through the Underground Railroad. Many residents of South Bend and St. Joseph County offered their homes, barns and businesses up as “stations” or safe places in which runaways could eat and rest as they made their way North. Most notable among local Underground Railroad conductors was James Washington, a well-known and well-respected free Black in South Bend. Mr. Washington was a barber who, along with Mr. Sawyer, collected money from local citizens to fund the Underground Railroad.

Special attractions within the South Bend area include the Olympic-class East Race Waterway and the East Bank area; the renovated Morris Performing Arts Center, which provides for the Broadway Theater League, the South Bend Symphony Orchestra with the Chamber and Pops Orchestras, and the Southold Dance Theater and Patchwork Dance Company; the award-winning South Bend Civic Theater; the Studebaker National Museum; the South Bend Museum of Art; the Snite Museum of Art at Notre Dame; the Northern Indiana Center for History; Copshaholm/The Oliver Mansion; Century Center; Potawatomi Zoo; the Morris Conservatory/Muessel-Ellison Tropical Gardens; Healthworks! Kids Museum; the Farmers’ Market; and the Byers Softball Complex. The Four Winds Field Baseball Stadium is a 5,600-seat facility which opened in 1987 and is rated among the best in minor league baseball. The stadium is home to the South Bend Cubs, a minor league team affiliated with the Chicago Cubs.

FINANCIAL, BUDGETARY AND PROPERTY TAX CONTROLS

The City’s management team is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls. In accordance with Indiana statutes, the City maintains budgetary controls integrated within the accounting system. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget (prepared on a cash basis) which is adopted by the Common Council or Redevelopment Commission (depending on the fund) and then reviewed and approved by the State of Indiana Department of Local Government and Finance (DLGF). Activities of the general fund, special revenue funds, capital project funds, enterprise funds, internal service funds, pension trust funds and debt service funds are included in the annual budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by major budget classification within funds. The Mayor and Common Council may transfer appropriations from one major budget classification to

another within a department by ordinance as long as the total appropriations for that fund are not exceeded. Additional appropriations in excess of the original budget must be approved by the Mayor and Common Council and are also submitted to the DLGF for either approval or acknowledgement (depending on the fund). Additional appropriations for funds approved by the Redevelopment Commission do not require DLGF approval. The deadline for adoption of the annual budget is November 1. The city's fiscal year begins on January 1.

Property Tax Controls. In addition to budgetary and other controls established by Indiana statute, the City must operate within specific and rigid controls governing the amount of property tax it may levy. The property tax control program, which began in 1973, limits the amount of property tax that may be levied by each unit of government in its legally budgeted funds. The total amount of property tax levied by the unit may increase by the six year average annual growth in Indiana personal non-farm income, as calculated by the U.S. Bureau of Economic Analysis, with a 6% maximum.

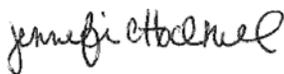
During March 2008, the State of Indiana General Assembly enacted property tax reform legislation which made significant changes in the property tax system by capping the amount of property taxes at 1% of gross assessed value for residential homesteads, 2% for agricultural/rental properties and 3% for all other real and personal property. This legislation was phased in over a two year period beginning in 2009. The loss of revenue to the City due to this legislation has been significant but has been overcome by cost savings and the adoption of local option income taxes to in order to continue providing essential City services, including police and fire protection.

Acknowledgments

The preparation of the 2018 Adopted Budget was made possible by the dedicated service of the departmental fiscal officers and the staff of the Department of Administration and Finance. Each departmental fiscal officer and member of Administration and Finance has our sincere appreciation for the contributions made towards the preparation of this report.

In closing, without the leadership and support of Mayor Pete Buttigieg, City Department Heads, and members of the City of South Bend Common Council, preparation of this budget would not have been possible.

Sincerely,



Jennifer C. Hockenull, CPA
City Controller

Front Cover Photo by: Sam Lima

Quick Facts about South Bend

Year of Incorporation	1865
Mayor	Pete Buttigieg
Number of Council Members.....	9
Population (2010 census).....	101,168
Budgeted Full-time Employees (12/31/2018).....	1,116
2018 Budgeted City Fund Revenues.....	\$290,053,391
2018 Budgeted City Fund Expenses.....	\$343,021,104
2018 Budgeted Redevelopment Commission Controlled Fund Revenues	\$34,129,232
2018 Budgeted Redevelopment Commission Controlled Fund Expenditures.....	\$44,189,739
Largest Employer.....	University of Notre Dame (5,802 employees)
Gross Assessed Property Tax Value (3/1/2017).....	\$5,061,070,610
Bond Rating (Standard & Poors)	AA

Local Colleges:

- The University of Notre Dame
- Indiana University - South Bend
- Bethel College
- Saint Mary's College
- Holy Cross College
- Trine University - South Bend
- Ivy Tech Community College - South Bend
- Indiana Technical Institute

Attractions:

- Morris Performing Arts Center
- Century Center
- South Bend Cubs
- River Lights Plaza
- East Race Waterway
- Potawatomi Zoo
- Palais Royale
- Studebaker National Museum
- The History Museum
- Blackthorn Golf Course

Introduction and Overview

Mayor's 2018 Priorities and Issues

There are five areas of concentration that became or remained budget priorities for 2018.

Public Safety

Public Safety is the foundation of all the City's efforts to build South Bend. Through the targeted and creative use of available resources, the City is working to provide quality police, fire and emergency medical services for the community. The Group Violence Initiative, now in its 4th year, is emblematic of the city's commitment to 21st Century policing practices. The Police department has committed to promote transparency and accountability by releasing data and sharing information on their recently-launched Transparency Portal. Specialized diversity training and targeted recruitment will expand officers' skill set and competencies, strengthening the Police Department's relationship with the community and enhancing the effectiveness of the department in keeping South Bend safe. The City's Fire Department is rated one of the best in the state. With a Class 2 ISO rating, the department is considered to have an "exemplary ability to respond to fires." The Fire Department operates the nationally-recognized Indiana River Rescue School, and provided training to the New York City Fire Department in 2017, following Hurricane Sandy. The department has leveraged its state of the art training facility and recruitment efforts to bolster the skills of its members, and as a means to hire and retain a diverse and high achieving workforce.

Inclusive Economic Development

Local government plays a key role in economic development. By providing adequate infrastructure and offering targeted assistance, the City can stimulate private investment, creating and expanding business opportunities and jobs. The City's policies encourage new start-up businesses, strengthen existing business, attract new jobs, increase assessed value and emphasize direct investment in hard-to-develop areas. The City has taken numerous publically owned lots and buildings and put them back into private ownership. As a result we've helped existing businesses to expand and relocate while creating new jobs and newly improved places of employment. We have also empowered local developers and entrepreneurs to see downtown South Bend as a great place to create new residential spaces that bring more people to the heart of our City. Roughly half of the 700 new downtown residential units announced last year are built and occupied, with work progressing on exciting new developments across the city. The new Aloft hotel reopened the city's tallest building in 2017 as work on other new hotel properties near completion. All of this activity has spurred the regional economy, with over \$200 million in private investment since the beginning of 2017 that will support a projected 700 jobs. Unemployment levels have dropped below 4%.

In addition to attracting private investment, the City has focused on strengthening the capacity of local workers and small businesses to become part of South Bend's economic success. Through the Pathways workforce development program, the City partners with WorkOne to provide specialized job training and placement assistance to local workers. This program is seeing increased focus and resources year over year to meet demand and drive more success directly for our residents. The City makes strategic deployment of property resources to maintain a diverse and popular downtown dining and retail sector. The City continues to explore ways of assisting local, minority and women-owned businesses to diversify the ranks of small local business owners, position them for growth, sustainability, fiscal soundness and make the process of doing business with the City as a contractor more equitable and transparent.

The City has led by example in establishing and accelerating a commitment to increasing the minimum wage for employees (raised to \$10.10 in the 2017 budget, a \$2.85 increase over the Indiana minimum wage of \$7.25). Investing in City workers grows the City's reputation as an employer of choice in the region, increasing our ability to attract and retain talent while also stimulating spending and commerce in South Bend. Through continued and expanded partnership with anchor institutions in the region, including local universities, hospitals and nonprofits, the City will work to fairly and sustainably distribute the dividends of South Bend's economic growth.

South Bend's partnership with the Regional Development Authority has fostered collaboration in working groups for talent, workforce, entrepreneurship, industry growth and diversity and inclusion. In addition to \$42 million in regional cities funding that has gone to 26 projects throughout South Bend/Elkhart Region, the team has unified to grow the regional economy by improving wages and livability and attract and grow the best industries and workers.

Neighborhoods

Safe, robust and attractive neighborhoods are a cornerstone of inclusive economic development. The City will make investments to fund or leverage state and federal funding for housing assistance, development and home ownership programs, neighborhood public works and parks, neighborhood development for social services and organizations, and public safety initiatives. Committing these resources will help us maintain, improve and support strong neighborhood development.

The City is funding major programs to renovate the former Studebaker Corridor area and other parts of the City. A key portion of the Western Avenue corridor saw big improvements via a streetscape project in 2017, an activity that has been followed by increased private investment and participation in façade grants by adjacent businesses. The City, already recognized as a Bicycle Friendly Community by the League of American Bicyclists with over 72 miles of bicycle routes, welcomed hundreds of "LimeBikes" to the City in 2017. This dockless bike-sharing program has been

enthusiastically received by South Bend residents who booked a record number of rides throughout the latter half of the year. The Coal Line Trail, repurposing the former rail line connecting the University of Notre Dame's power plant, will become a greenway connecting the University with several neighborhoods. The City also made huge announcements around improvements to many of the City's parks, trails and riverfront in 2017. The significant investment and plans announced in 2017 will culminate in many new and improved recreational places and opportunities dramatically improving the quality of life for South Bend residents over years to come.

The City remains committed to maintaining and advancing progress on vacant and abandoned homes and lots through monitoring, blight prevention and reinvestment. Research, analysis and evaluation of market potential and activity will guide the City's efforts to address the optimal residential mix for new housing in South Bend neighborhoods, utilizing much of the vacant land available. As new mixed income units come on line, the City remains committed to its existing residents, with resources to address homeowner repair, lead education and abatement and safe, affordable rental housing options.

The City's sustained commitment to placemaking and economic inclusion also extends to implementing the recommendations from the Mayor's working group on homelessness. This collaborative process, including regional stakeholders, service provider experts and local businesses, will build a foundation of support for the city's most vulnerable residents and alleviate stress on neighborhoods burdened by gaps in care provision.

The City's relationship with and oversight of the housing authority remains a key priority for the administration. Partners, such as the Housing Authority, local development entities, service agencies and residents are integral to any neighborhood development process. Another essential component is communication. In 2018, the City will develop and implement a strategic neighborhood engagement and outreach strategy, collaborating with the Neighborhood Resource Connection (NRC) and local neighborhood groups to improve communication between City staff and residents and involve neighborhood groups in strategic decision-making at the City level.

Strong, attractive neighborhoods depend on a thriving school and transportation system. We are building partnerships with the South Bend Community School Corporation and other key stakeholders that will create new strategies for enhancing our formal education systems. We are also collaborating with TRANSPO to evaluate service expansions and route optimization that improves job access for transit-reliant users in the City's neighborhoods.

Investing in our community via an inclusive economic development strategy acts as a meaningful growth engine for South Bend. Investments in infrastructure such as streetscape programs are proven to drive private investment and infill of new businesses. Investments in new businesses and developments via TIF and Tax

Abatement incentives increase private investment and create real and meaningful job opportunities for our residents. Investments in Workforce Development programs present residents with opportunities to upskill themselves to meet the hiring opportunities of our growing economy. Investing in our parks and places creates a community that attracts new residents and retains our college graduates. Reinforcing our neighborhoods creates opportunities for our residents across the socioeconomic strata to own and enjoy safe, affordable homes in the community they love.

Diversity, Human Capital and Inclusion

Mayor Buttigieg issued an Executive Order in 2016 establishing an official city-wide diversity and inclusion initiative to promote equal opportunity in the city's workforce and operations. In accordance with the Diversity and Inclusion strategic plan, the City will prioritize the inclusive procurement program and small business development especially for minority and women-owned businesses, as well as tracking progress of inclusive and fair workforce recruitment, hiring, retention, development, and pay equity. The Diversity, Inclusion and Compliance officer will oversee reforms to procurement and small business contracting.

Internal Governance

In line with a commitment to good governance and making basic services easy, the City administration is pursuing a range of internal governance improvements that will increase overall efficiency and effectiveness; unlock advantage of economies of scale in maintenance, procurement and purchasing; and improve the strategic management of City departments and initiatives. A performance management program of city departments will continue to be phased in quarterly in 2018, streamlining administration and departmental priorities and enabling the close monitoring and improvement of departmental performance. City procurement and payment processing reform will eliminate redundant purchasing processes and reduce pain points for city residents and city workers. Central Services will be more closely aligned with facility and fleet management needs across the City.

Short-Term Organizational Factors

Mayoral Leadership

Mayor Pete Buttigieg, a Harvard University graduate and Rhodes Scholar, assumed office on January 1, 2012, bringing with him a group of leaders with new ideas and energy to implement transformational reform to city government. When elected at age 29, Mayor Buttigieg was the youngest chief executive of a municipality exceeding 100,000 residents in the United States. In his second term as Mayor for the City of South Bend, Mayor Pete has entered the national political scene and has been promoting the City of South Bend at the national level as a city based on best practices and innovative ideas.

City Values

The administration of Mayor Buttigieg has a single, overarching mission— **we deliver services that empower everyone to thrive**. In support of this vision, the Mayor has established three main pillars of administration policy:

1. ***Make the basics easy*** – Provide residents high quality services at the greatest value to the taxpayer, maintaining widespread confidence that the fundamentals are managed well.
2. ***Deliver Good government*** – Put residents first always, leading by example, gathering input, and transparently communicating our intentions, decisions, and actions.
3. ***Invest in people and places*** – Support residents with design, policy, and programming for a strong and inclusive economy, vibrant culture, and great public spaces.

Values

	In the administration	In the community
EXCELLENCE	For each major area of service delivery, establish South Bend as the best in the state, and/or in the top 25% nationally, measuring and reporting progress.	Establish a path for major indicators of resident well-being to reach the status of best-in-state or top-25% nationally, including the means to measure progress.
ACCOUNTABILITY	Put residents first always, offering services at the greatest value to the taxpayer, with clear and transparent indications of how the government is using public resources.	Promote a culture of civic engagement in which we hold one another to a high standard of respect, stewardship, and support for our shared community.
INNOVATION	Deliver better services more efficiently by introducing creative approaches to government operations, questioning habit and using evidence to continually improve.	Foster a culture of innovation in South Bend's social and private sectors, seeking and developing the best ideas and practices from within and beyond our city limits.
INCLUSION	Ensure the city administration, as an employer and as a purchaser, reflects the community it serves and includes diverse voices in our decision-making and actions.	Develop a community in which everyone has an equal opportunity to thrive by expanding access and participation to all, incorporating diverse voices throughout the city.
EMPOWERMENT	Establish a work environment that enables employees to contribute richly to the administration and the community, taking pride and ownership in our work.	Support the ability of all residents to live a safe, healthy, meaningful life in South Bend, contributing as they are able and benefiting from all that our community offers.

Administrative Strategic Goals and Strategies

Community and Governance Goals

During 2016, the City administration initiated a Priority Based Budgeting program and developed the following desired outcomes and how the administration defines each goal. The goal of Priority Based Budgeting is that, once we have completed the steps of listing our City programs, costing the programs and rating the programs based on the results below, we will be able to begin to look at our budget through a “new lens” to ensure our dollars are being spent on the programs that are most important to our community.

1. Safe Community for Everyone

- Ensures access to a safe, reliable and well-maintained utility system that delivers clean drinking water and effectively manages sewage treatment
- Fosters a feeling of personal safety and security by providing well-lit streets and public areas and developing an informed, engaged and empowered community that shares in the responsibility for its own well-being
- Maintains a visible, approachable public safety presence that proactively addresses community concerns and focuses on prevention intervention and safety education activities
- Offers protection from violence and harm, enforces the law, promptly responds to calls for service, and is adequately prepared and equipped for all emergency situations
- Promotes and sustains a thriving, healthy, and sufficiently regulated community with revitalized neighborhoods and commercial areas that are attractive, well-kept and free from blight
- Provides for a safe, reliable transportation network that is well-maintained, clearly marked and enhances traffic flow and mobility
- Provides for the health, education and socio-economic well-being of the community through job creation, diverse housing options and access to basic, day-to-day services

2. Strong, Inclusive Economy

- Encourages and supports the attraction, retention and expansion of a well-balanced mix of thriving business and industry that contributes to the economic sustainability of the community
- Fosters and sustains an attractive, safe and inviting place to live and work that offers quality housing options and promotes community diversity and inclusion
- Partners with the community to provide high quality employment opportunities by ensuring ready access to a skilled, educated and diverse workforce
- Promotes local business development and growth through appropriate incentives, collaborative partnerships, resource support and efficient, business-friendly processes
- Provides sufficient and well-planned transportation and utility infrastructure that enables business efficiency and investment and supports the growth of the community
- Supports and encourages a diverse balance of dining, shopping, entertainment and cultural events that meet the needs of residents and visitors alike

3. Thriving Public Spaces and Culture

- Advances cultural enrichment by encouraging and supporting the visual, performing, graphic and literary arts and promoting multi-cultural events and preserving its historical heritage
- Develops and maintains a fully integrated walking and biking trail network that connects the community and promotes a healthy lifestyle
- Preserves and enhances its parks, trails, green spaces and public spaces, ensuring they are safe, accessible, attractive, engaging and well-maintained
- Promotes and supports a variety of affordable, accessible and safe community events, entertainment opportunities and shopping and dining venues that attract and welcome residents and visitors alike
- Provides a diverse mix of affordable, secure and convenient recreational and leisure-time venues and programs that meet the interests and needs of a multi-generational community
- Sustains and invests in a visually appealing, clean, healthy and well-kept community

4. Vibrant, Welcoming Neighborhoods

- Attracts and retains homeowners by providing well-planned, attractive, diverse and livable neighborhoods, offering a variety of housing options and promoting neighborhood identity and pride
- Develops, preserves, regulates and revitalizes residential neighborhoods that are secure, well-lit, well-kept and provide easy access to daily necessities
- Develops well-maintained, clean and safe neighborhood parks, trails and open spaces that are conveniently located and offer a place for residents and families to connect
- Offers proactive solid waste management, convenient trash collection and efficient yard debris removal that preserves the health and appearance of the community
- Promotes, incentivizes and invests in redevelopment, renovation and repurposing that emphasizes blight reduction and elimination, infill development and abandoned property revitalization
- Provides for clean, well-maintained streets and sidewalks and offers safe mobility for motorists, pedestrians and cyclists alike

5. Robust and Well-Planned Infrastructure

- Continuously and proactively maintains, repairs, improves and invests in its transportation infrastructure (roads, streets and sidewalks)
- Designs, constructs and maintains a connected, accessible and safe network of indoor and outdoor walkways, bike paths and trail systems
- Plans and develops a safe, reliable and well-maintained water and wastewater utility infrastructure
- Provides access to Wi-Fi and technology infrastructure that connects all segments of the community with information and resources
- Responsively manages and efficiently operates a transportation network that offers safe travel, eases congestion, improves traffic flow and enhances maneuverability and improves accessibility
- Strategically and collaboratively plans, designs and builds a transportation and utility system that enhances sustainability, supports growth and meets the long-term needs of the community

6. Empower All Residents with Education, Mobility and Technology

- Develops and utilizes current technology to better inform, educate, engage and serve the community
- Enhances connectivity and provides ready access for all to information and resources by ensuring Wi-Fi and internet access throughout the community
- Ensures access to technical training, mentoring programs, professional development, educational resources, and life-long learning opportunities for all ages
- Offers convenient mobility and transit choices that are accessible to all, enhance community livability and ensure safe travel to any destination for motorists, pedestrians and cyclists
- Partners and collaborates with the schools to provide high quality educational opportunities and programming for its young people

7. Well-Governed and Administered City

- Be a Great Employer with Great Employees
- Provide Enduring Financial Strength
- Provide Excellent Services and Efficient Processes
- Model our Values (Excellence, Accountability, Innovation, Inclusion and Empowerment)
- Provide Robust Physical and Technological Capital Assets to Residents and Employees
- Maintain Reliable Compliance with Regulations and Well-Managed Risk
- Maintain Effective, Responsive Leadership and Communication

Budget Overview

Introduction

This summary has been prepared as a general overview to the 2018 Budget for the City of South Bend. It is hoped that it will provide City residents with a quick summary of the plans for the City for the fiscal year. The Common Council held eleven (11) public budget work sessions to review the budget. The Common Council and the Administration had very similar priorities which the 2018 budget was centered around and are listed below. The 2018 budget was adopted on October 23, 2017. Indiana State law requires that budgets be passed no later than November 1st.

2018 Administrative Priorities

1. Safe Community for Everyone
2. Strong, Inclusive Economy
3. Thriving Public Spaces
4. Vibrant, Welcoming Neighborhoods
5. Robust and Well-Planned Infrastructure
6. All Residents Empowered with Education, Mobility and Technology

2018 Council Priorities

1. Quality of Life & Neighborhoods
 - Stronger Residential Development from Community Investment (Specifically in the most challenging Districts)
 - Affordable Housing
 - Expansion of “Light Up South Bend” Initiative
 - Code Enforcement
 - Vacant and Abandoned Housing Phase Development Phase II
2. Economic Development, Job Training
3. Public Safety & Traffic Patrols
4. Parks & Recreation
5. Infrastructure (Curbs, Sidewalks, Streets, CSO)
6. City Corridors
7. Diversity in the Workforce

Total City Funds

The 2018 Revenue Budget for all City Funds total \$324,182,623. The city establishes a budget for 102 separate funds. The largest fund grouping are Utilities Funds, which provide \$83 million or 26% in funding for water and sewer operations. The second largest fund is the General Fund, which provides \$60 million or 18.5% in funding towards the majority of services available to the City residents. The General Fund and the Utility Funds will be discussed in greater detail later in this section.

The City prepares five year projections every year for the major funds (General Fund and Local Income Tax Funds – COIT, CEDIT and Public Safety LOIT). These projections are becoming increasingly important as the City of South Bend will be losing roughly \$2.4 million in property taxes in the General Fund, Cumulative Capital Development Fund and Parks Fund in 2020 due to the final cut from the Circuit Breaker tax reform in Indiana. The City continues to monitor cash reserves and other revenue options as well as reviewing our priorities with regards to the programs and services we offer through Priority Based Budgeting theory to ensure we do not fall below our cash reserve targets once the property tax revenue drops off in 2020.

Special Revenue Funds

The ***Special Revenue Funds*** use a total of \$72 million or 22% of the total City of South Bend budget. These Funds are used to account for the proceeds of earmarked revenue or financing activities requiring separate accounting because of legal or regulatory provisions. The City of South Bend has 33 Special Revenue Funds including Parks & Recreation, County Option Income Tax, Economic Development Income Tax, Motor Vehicle Highway, Public Safety Local Option Income Tax and several other smaller funds; each accounted for separately.

Parks & Recreation Fund

The *Parks & Recreation Fund* accounts for all costs associated with all park maintenance, three (3) public golf courses, an annual payment to the Potawatomi Zoo, the O'Brien Fitness Center, Charles Black Sr. Recreation Center and Martin Luther King Recreation Center and all other park and recreation costs.

At nearly \$50 million, the South Bend Venues, Parks and Arts Department within the City will be undertaking the largest investment in park history in between 2018 and 2022. This is a chance for the city to address the entire park system with a combination of bond funds, TIF dollars and outside partnerships and contributions. Included in the projects are a new community center, ice rink, river walk improvements and many other park enhancements through just about every neighborhood. This plan was designed with a great deal of community input and will be a great improvement to our City.

County Option Income Tax (COIT) Fund

The *County Option Income Tax (COIT) Fund* is used to pay debt service, certain organization grants and operational subsidies, capital expenditures, and other uses as deemed necessary by Mayor and Council. The 2018 budget includes the following to be paid from COIT:

- Infrastructure (curbs, sidewalks, corridors) \$1,500,000
- Electricity for streetlights and traffic signals \$1,650,000
- Neighborhood Engagement \$1,353,584
- Police Vehicle Leases, Fuel and Repairs \$2,255,000

Local Income Taxes which fund this account are estimated to increase by approximately 4.3% over the prior year. This increase is due to the improvement in the local economy. We do not anticipate this to be a trend going forward, therefore, our revenue projections beyond 2018 only include an estimated 2% increase. This funding source changes very quickly with economic changes therefore, we chose to stay conservative year to year.

Economic Development Income Tax (EDIT) Fund

The *Economic Development Income Tax (EDIT) Fund* is used to pay debt service, economic development projects, capital expenditures benefiting economic development, street department operations, grants/subsidies code enforcement and animal control and general infrastructure maintenance.

Local Option Income Taxes which fund this account are estimated to increase by approximately 2.8% over the prior year. Our revenue projections beyond 2018 include an estimated 2% increase.

Motor Vehicle Highway Fund

The *Motor Vehicle Highway Fund* collects gasoline taxes and local wheel taxes and uses them for the repairs and maintenance of City streets, street lights and signals. This fund also provides for the removal of snow and ice, responds to emergencies and facilities recovery, provides the City with infrastructure asset management, and the administration of the ReLeaf program, a leaf pick-up program for the residents of South Bend.

Refer to Revenue section for further discussion on increase in revenues in this fund.

Public Safety Local Option Income Tax (LOIT) Fund

The *Public Safety Local Option Income Tax* funds the salaries and benefits of 78 sworn police officers and firefighters. The number of police and firefighters covered through

this fund varies year to year based on revenue projections, salary increases and increases in the cost of benefits.

Local Option Income Taxes which fund this account are estimated to increase by approximately 2.2% over the prior year. Our revenue projections beyond 2018 include an estimated 2% increase.

Capital Project Funds

The ***Capital Project Funds*** total \$46.8 million or 12% of the Total City Budget. The Capital Project Funds revenue are comprised mainly of levied property taxes, principal and interest repayment and other sources.

Below are notable projects for these funds:

- Major Parks Improvements including new community center and ice rink
- Parking Garage Maintenance
- Street and Overpass Improvements
- Various repairs to the Morris Performing Arts Center
- Replacement Capital - City Vehicles and Equipment

Redevelopment Commission Controlled Funds

The ***Redevelopment Commission Controlled Funds*** total \$44.1 million or 11.4% of the total City budget, and consists mainly of various Tax Increment Financing (TIF) Districts and the Certified Technology Park. The Redevelopment Commission Controlled Funds pay for debt service as well as other TIF approved expenditures which help attract and retain business in the areas.

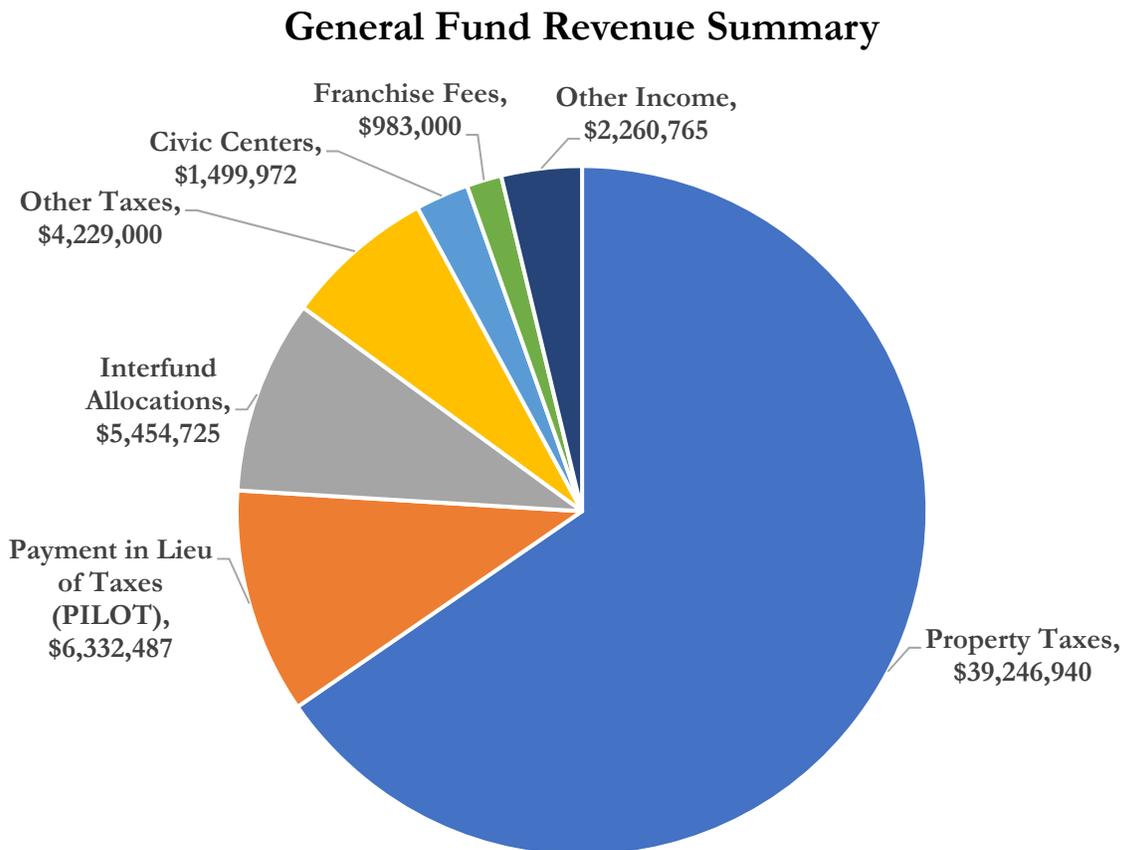
Several notable projects for the Redevelopment Commission Controlled Funds included in the 2018 budget include:

- City Cemetery Improvements
- Street Improvements as required within the Districts
- Completion of Smart Streets two-way conversion project
- Phase II of the Eddy Street Commons mixed use development near the University of Notre Dame
- Other projects relating to attracting and retaining new business as the need arises

General Fund

Total General Fund revenue is estimated at \$60 million for 2018. The General Fund derives its revenue from a variety of sources as the following graph illustrates. The largest source is from property taxes. The City's property tax revenues will provide nearly \$39.2 million or 65% of the General Fund budget. It is estimated that the property tax revenues will increase approximately 1% over 2017 for FY 2018. Property taxes tend to remain relatively flat in South Bend and therefore, the budgets are prepared in a conservative manner. However, many steps are being taken at the County level to improve the assessments of parcels throughout the County as well as improvement in overall property values. Therefore, it would appear reasonable to believe that property tax receipts in 2018 would be higher than budgeted.

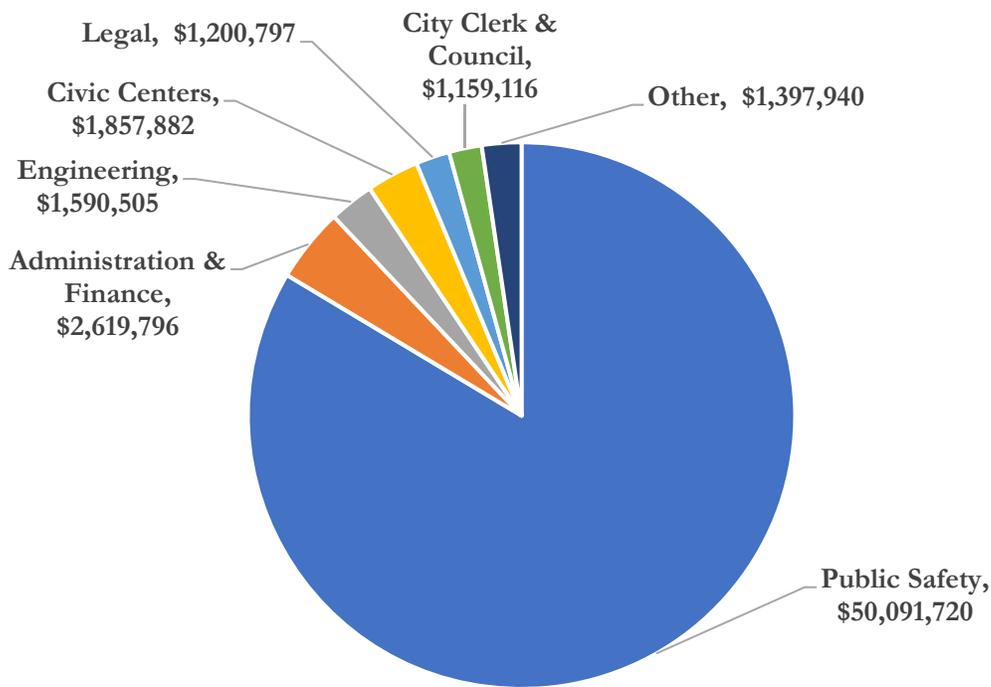
To lessen the burden and reliance on property taxes, the General Fund also realizes revenue from a variety of smaller sources: Payment In Lieu of Tax (PILOT) 11%, Allocation of Administrative Expenses Paid by Other Funds 9%, Other Taxes 7%, Rental and Other Income from Morris Performing Arts Center and Palais Royale Ballroom 2%, Franchise Fees from AT&T and cable TV 2%, and other Miscellaneous Revenues 4%.



The budget is balanced with a small surplus expected. Therefore, the General Fund cash balance is expected to be \$33,850,252 or 56.5% of operating expenditures at December 31, 2018.

The \$59,917,756 General Fund expenditure budget is broken down into 12 separate departments. The 2018 adopted budget is decreasing by \$232,549 from the 2017 year-end projection but increasing by 14.2% from 2016 actual expenditures. A majority of the decrease in budget costs is due to the decrease in charges to public safety for employee health insurance costs. The City's health insurance costs remained relatively flat in 2018 and therefore, it was determined that a decrease in cost to the departments was warranted for one year.

General Fund Expenditure Summary



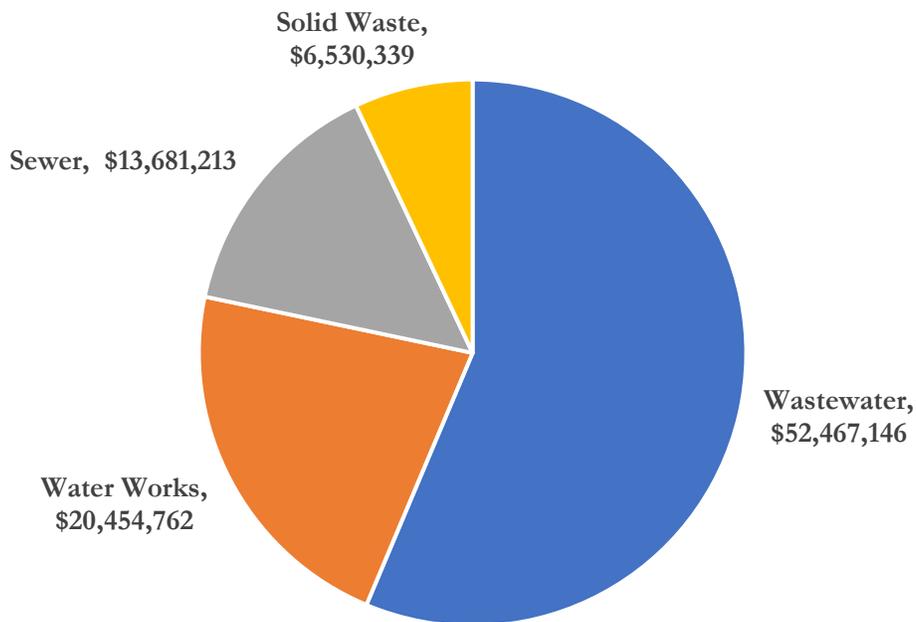
Utility Funds

The Utility Funds are Enterprise Funds used to account for all of the City's Water, Sewer and Solid Waste operations, including the acquisition of capital assets and any related debt service. The funds are financed primarily by a user charge for the provision of that service. The City of South Bend provides water, sewer and solid waste services to its residents and portions of several surrounding townships within St. Joseph County.

The 2018 Utility Funds revenue budget totals \$83,391,465 or 26% of the total City Budget. Planned revenue/contributions will increase approximately 7.8% from 2017 projections. This increase is due mainly to the anticipated water rate increase. The overall fees for Water are projected to increase by approximately 8% over 2017 fees. The fees for Project ReLeaf and other funds are not budgeted to increase during 2018.

Overall utility expenditures, including operations, capital, and debt service, are expected to remain at the same levels in 2018. The increases in normal operating expenditures from 2017 to 2018 were offset by the decrease in capital costs.

Utility Funds Expenditure Summary



Budget In Brief

Each year the City Controller provides to the Common Council a Budget In Brief document which outlines the highlights for the budget. This Budget In Brief was presented to the Common Council on the day of the Public Hearing. The Council Members often use this document when discussing the budget with residents during the budget process. While all of these items were not passed in the final version of the budget, this document listed our goals for the final budget.



2018 Budget Summary and Discussion

Introduction

The 2018 Budget aligns administration, council and resident priorities. Through early engagement with Councilmembers, the administration and residents, we were able to better understand the needs of the residents and businesses in South Bend. The budget reflects broad input and will enable the City to continue delivering services that empower everyone to thrive.

Budget Overview

The General Fund and Local Income Tax Funds (COIT 404, EDIT 408, and Public Safety LOIT 249) are budgeted to balance in 2018. A balanced budget in these funds will help maintain our AA S&P Bond rating, which saves taxpayer dollars through very low interest rates on bonds, leases and other financing options for capital investments.

Some capital funds, for which the sole purpose is to fund various capital projects, are being used as a cash source for budget priorities. Other spend-downs are in funds where cash has accumulated over time above the targeted reserve level (Code Enforcement, Community Investment and Parks).

Property tax receipts are projected to remain roughly flat before an estimated 5% reduction in 2020 due to the final phase of the state circuit breaker law going into effect. The City continues to work with the County Assessor's office to ensure property taxes are fair and consistent across our community.

The projected Local Income Taxes (LIT) increased by roughly 3.3% over 2017. While this increase reflects growth in income, we cannot count on this increased revenue over the long term because income tax receipts are volatile and heavily dependent on the overall economy.

The City's share of PSAP costs have increased by 24% over 2017, which includes funding for added personnel in the consolidated 911 center. Also, additional Medicaid reimbursements of Emergency Medical Services (EMS) are expected to be phased out, reducing estimated revenue by an estimated \$2.2 million starting in 2019.

Budget Highlights

The following items are highlights for the 2018 budget:

- Vibrant Neighborhoods:
 - \$200,000 included in the budget for Light Up South Bend neighborhood lighting project
 - Approximately \$600,000 budgeted for Vacant & Abandoned and other Neighborhood Improvement programs
 - Curb & Sidewalk Program budget at \$1.5M
 - \$1.3 million for new neighborhood development program (new construction and rehab)
- Public Safety:
 - The *Director of Public Safety* will be responsible for facilitating day-to-day administration of police and fire; including identifying efficiencies and guiding policy.
- Health & Human Services:
 - Lead abatement and housing safety inspection programs (\$480,000)
 - Expanded access to treatment for substance use and overdose (\$74,500)
 - Early Childhood Education Quality pilot (\$100,000)
 - Permanent Supportive Housing funding (\$100,000) and funding for a Gateway Shelter (\$1.5 million) to assist with rapid re-housing solutions for chronic homelessness
- Capital Investments:
 - \$1.17 million investments in water capital projects and \$8.4 million in wastewater projects
 - \$1.3 million in EMS and Fire Capital investments
- Quality of Place:
 - \$13.8 million Parks and \$10.6 million TIF bond for My SB Parks and Trails
- Business Development:
 - \$529,000 for small business and workforce development programing
 - \$400,000 to reseed Façade Grants Program

- Supporting the City Workforce and Departmental Effectiveness:
 - All non-bargaining positions maximum salary caps have been increased by a minimum of 2% in the salary ordinance. Individuals' actual salary increases will be based upon individual performance.
 - Parental Leave Program will be implemented in 2018 to give new parents additional flexibility and time to bond with their new child, adjust to their new family situation, and balance their professional obligations.

Budget Changes

While most of the significant accounting changes within the 2017 budget increased transparency and accounted for more accurately reflected true cost of each city service, the 2018 budget includes the following accounting change:

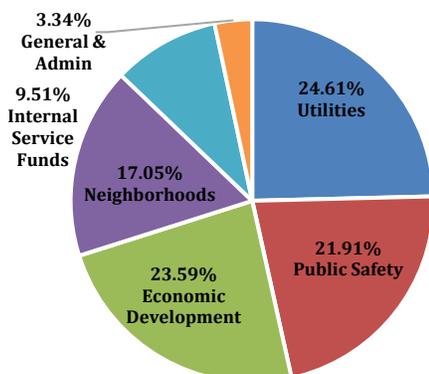
- All technology costs are now included in the IT budget and then allocated back across departments. While allocations line items may show an increase, overall technology costs are stable.

The 2018 budget incorporates organizational changes to promote more efficient and effective city services, particularly through centralization and specialization of services among previously fragmented units:

- *Central Services and Purchasing* enables the City to provide more efficient, transparent purchasing practices and improve usage of Central Services. A more strategic purchasing plan and purchasing coordination will ensure the City includes long term sustainability when making decisions. This department will also be responsible for facilities management with the goal of working with Centralized Building and Grounds Maintenance in 2019.

The Administration also continues to shift some permissible capital and related expenditures (i.e. professional services, debt service, etc.) from the general and income tax funds to TIF funds.

2018 Expenditure Budget Breakdown



Looking Ahead to 2020 Fiscal Curb

Looking ahead to the 2020 Fiscal Curb, the projected property taxes fall by approximately \$2.4 million in the General Fund and Parks & Recreation Fund.

If nothing changed from current funding patterns, the City would be required to tap reserves to a level that would likely lower the city's AA bond rating. There are a few options to stay ahead of this curb including, but not limited to:

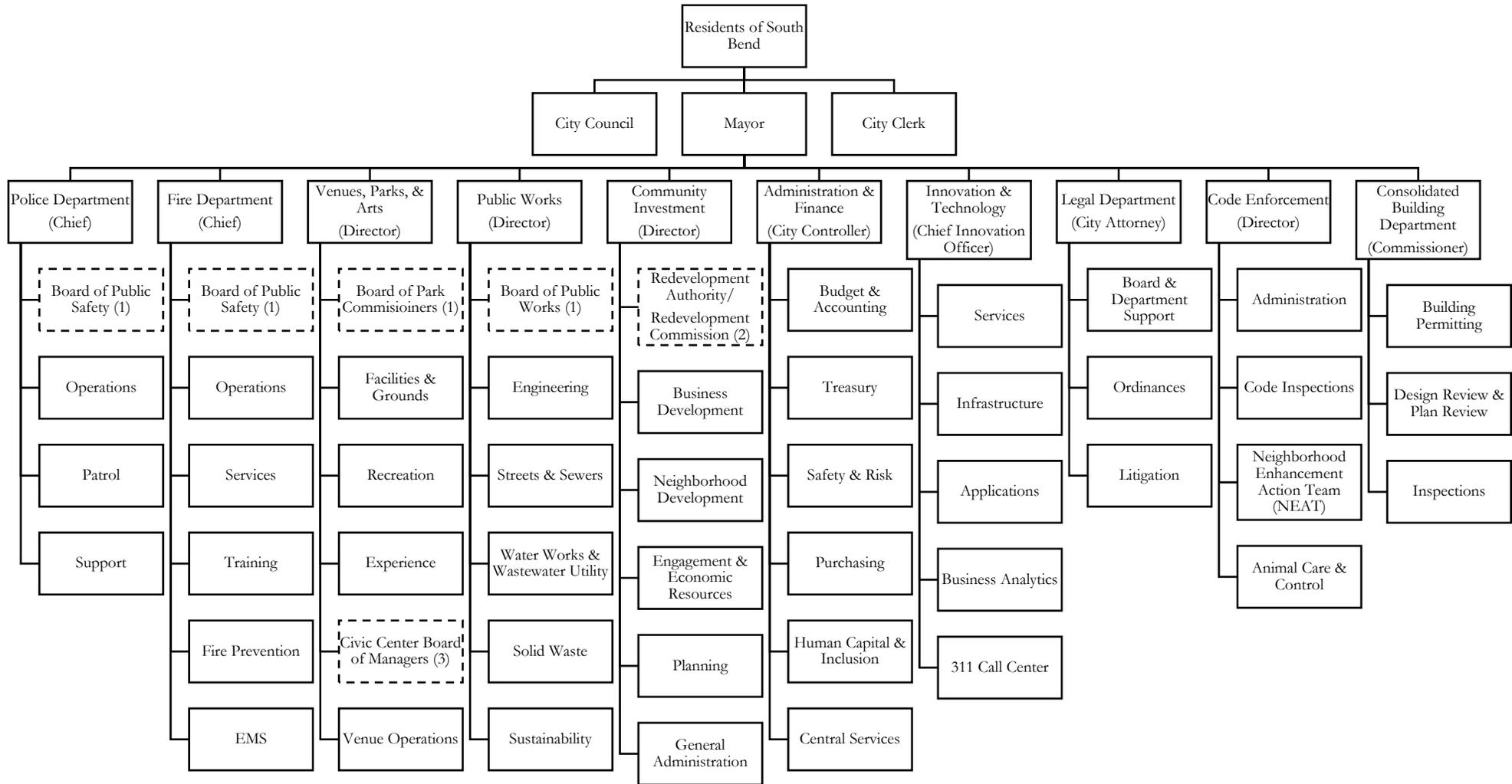
- Continue to work with the County to ensure property taxes accurately reflect market conditions and everyone is paying their fair share.
- Decreasing the number of City positions (e.g. a 2.5% reduction of full-time equivalents in the general and LOIT funds would save about \$1.5 million from 18 positions.) This can be done by reviewing positions as they become vacant against the Priority Based Budgeting programs to ensure we are only replacing essential positions which help us meet our results.
- Maximize efficiency in our departments to tighten operational costs throughout the City (e.g. 1% cut would yield about \$600,000 of savings in the general fund alone.)
- Control the cost of healthcare, currently \$16,200 per employee. We have taken steps in 2017 including the implementation of innovative tools and partners to curb spending, which seem to be paying off as the increase for 2018 is only budgeted at 4%. However, there is still work to be done.
- Consider new revenue options to offset the fiscal curb and growing structural deficit.

More Information

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 Phone: 574-235-9822

<https://www.southbendin.gov/government/division/finance>

Financial Structure, Policy, and Process



- (1) Board Members include Mayoral Appointments
- (2) Board Members include Mayoral and Council Appointments for Redevelopment Commission, Mayoral Appointment for Redevelopment Authority
- (3) Board Members include 5 mayoral appointees and 4 council appointees

Fund Descriptions & Fund Structure

MAJOR GOVERNMENTAL FUNDS

General Fund	To account for general government operations of the municipality, including the Mayor's Office, City Clerk, Common Council, Legal Department, Administration & Finance, Morris Performing Arts Center, Palais Royal Ballroom, Police and Fire Departments and Human Rights. Financing is provided by property taxes as well as other smaller taxes and some user fees.
Parks & Recreation	To account for general operations and capital needs of the Parks and Recreation Department. Financing is provided by property taxes and user fees.
Public Safety Local Option Income Tax (LOIT)	To account for 0.25% public safety LOIT effective as of 2009. Funds are used only to cover the cost of salaries for sworn police and firefighters.
County Option Income Tax (COIT)	To account for 0.6% local option income tax effective as of 2009. Funds are used to items such as debt service payments, certain organizations grants and operational subsidies, capital expenditures and other uses as deemed by the Mayor and Council.
County Economic Development Income Tax (CEDIT/EDIT)	To account for 0.4% local option income tax effective as of 2009. Funds are used to items such as debt service payments, economic development, capital expenditures benefiting economic development street operations and other uses as deemed by the Mayor and Council.
Tax Increment Financing (TIF) – River West	To account for 0.4% local option income tax effective as of 2009. Funds are used to items such as debt service payments, economic development, capital expenditures benefiting economic development street operations and other uses as deemed by the Mayor and Council.

MAJOR ENTERPRISE FUNDS

Waterworks Utility	To account for the operating and capital costs associated with the Waterworks Utility. Financing is provided by user fees. Bonds are often take out for major project.
Wastewater Utility	To account for the operating and capital costs associated with the Wastewater (Sewage) Utility. Financing is provided by user fees. Bonds are often take out for major project.
Century Center	To account for the operations and capital needs of the Century Center Convention Center. Financing is provided through the County collection of Hotel/Motel Tax as well as user fees.
Emergency Medical Services	To account for purchases of necessary equipment for the Fire Department and Emergency Medical Services Department. Financing is provided by ambulance fees.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Rainy Day	To account for unused and unencumbered funds that are transferred from a fund that has a tax levy. Revenues in this fund also include special distributions of county option income tax (COIT) and county economic development income tax (CEDIT).
Motor Vehicle Highway	To account for street construction and the operations of the street maintenance department. Financing is provided by state motor vehicle highway distributions.
Recreation Non-Reverting	To account for fees and related expenses from park department activities.
Studebaker/Oliver Revitalization Grants	To account for expenditures related to the Studebaker and Oliver revitalization projects. Financing is provided by federal and state grants and loans from other organizations.
Economic Development State Grants	To account for expenditures related to projects promoting economic development. Financing is provided by state grants and loan payments. Expenditures include grants and related expenses.
DCI Operating	To account for the operating expenditures related to the South Bend Department of Community Investment (DCI). Financing will be provided by revenues received from charges for services, other revenue sources, and from fund transfers.
DCI Grants	To account for revenues received from the U.S. Department of Housing and Urban Development related to community improvement projects.
Police State Seizure	To account for law enforcement expenditures financed by the authorized state or local agencies' sale of confiscated property.
Gifts, Donations & Bequests	To account for donations, gifts, or bequeaths for purposes designated by the donor.
Unsafe Building	To receive fines and fees related to Indiana's Unsafe Building law and account for the expenses incurred for board-ups, demolitions, ordinance violation abatements, and other related services.
Juvenile Positive Assistance	To account for monies received from penalties paid for curfew violations. Expenditures include Drug Abuse Resistance Education and Juvenile Aid Bureau.
Law Enforcement Continuing Education	To account for police fees collected to finance police officers' continuing education, training, and supplies and equipment.
Landlord Registration	To account for the revenues and expenditures related to the Landlord Registration ordinance enacted by the Common Council.
Loss Recovery	To account for compensatory or exemplary damage payments from third parties arising from loss or damage to City tangible or intangible property.
Local Road and Street	To account for operation and maintenance of local and arterial road and street systems. Financing is provided by state gasoline tax distributions.
Local Option Income Tax (LOIT) Special Distribution	To account for a one-time, special distribution of local income taxes from the State of Indiana for the purpose of infrastructure expenditures.
Human Rights -Federal	To account for expenditures to prevent discrimination and to promote human rights. Financing is provided by federal grants.
Local Road & Bridge Grant	To account for the receipt of the Community Crossings grant and matching revenue and for the payment of expenditures on eligible projects.

Morris and Palais Marketing	To account for marketing and promotion expenditures financed by sponsorship solicitations and donations.
Morris PAC Self-Promotion	To account for earnings on self-promoted events.
Police Block Grants	To account for federal grants which provide financing for police activities.
Economic Development Commission	To account for administrative expenditures of the Economic Development Commission. Financing is provided by fees from businesses applying for Economic Development Revenue Bonds.
Hazmat	To account for monies generated by the South Bend Fire Department's response to hazardous materials incidents. Funds are used to purchase, repair, or replace hazmat equipment, or for training and supplies.
Indiana River Rescue	To account for expenditures related to river rescue training. Financing is provided by registration fees.
Police Grants	To account for federal grants which provide financing for police activities.
Regional Police Academy	To account for revenues (tuition) and expenditures (seminars, travel, lectures, and career days) related to the advancement of present and future police officers.
COPS MORE Grant	To account for a grant which provides financing for police activities. The Community-Oriented Policing Services (COPS) Office of the Department of Justice offers grants through the Making Officer Redeployment Effective (MORE) program.
Federal Drug Enforcement	To account for expenditures for drug enforcement. Financing is provided by distributions from the authorized federal agencies' confiscated property sale.
Urban Development Action Grant (UDAG)	To account for economic development expenditures which are financed by federal grants and loan repayments.
Leaf Collection and Removal (Project ReLeaf)	To account for the expenditures of a program to remove leaves from the City each fall. Financing is provided by a monthly service fee charged to all City residents.
Police K-9 Unit	To account for donations for development and maintenance of the K-9 unit.

Debt Service Funds

College Football Hall of Fame Debt Service	To accumulate monies for the payment of Redevelopment Authority bonds issued to refinance bonds issued for construction of the College Football Hall of Fame. Financing is to be provided by an annual property tax levy.
Airport 2003 Debt Reserve	To accumulate monies as a reserve for the payment of Redevelopment Authority bonds for the airport taxable project.
Coveleski Bond Debt Service Reserve	To accumulate monies as a reserve for the payment of the Coveleski Stadium recovery zone economic development bonds. Financing for debt payments is to be provided by professional sports and convention development area taxes (PSCDA) and county option income tax revenues if PSCDA revenues are insufficient.
SBCDA 2003 Debt Reserve	To accumulate monies as a reserve for the payment of Redevelopment Authority bonds for the Palais Royale project.
South Bend Building Corp.	To accumulate monies received as debt service payments from the City and pass them through to trustee banks and bondholders.

Parks Bond Debt Service	To accumulate monies as a reserve for the payment of the 2015 Parks & Recreation Bond debt service payments.
Eddy Street Commons Debt Service	To accumulate monies received as debt service payments from the City and pass them through to trustee banks and bondholders.
Redevelopment Authority Debt Service	To accumulate monies for the payment of Redevelopment Authority bonds issued to refinance bonds issued for construction of a parking garage facility, bonds issued for central development area land acquisition and construction of public improvements, bonds issued to purchase the Palais Royale, bonds issued to refinance bonds issued for construction of Century Center improvements, and bonds issued to refinance bonds issued for renovations to the Morris Performing Art Center.
Industrial Revolving Fund (IRF)	To report and administer loan funds for small businesses that is governed by a separate Board of Directors which contracts with the City's Community Investment Department for administration services.
Smart Streets Debt Service	To accumulate monies as a reserve for the payment of Smart Streets Bonds related to the conversion of one-way to two-way streets.
Eddy Street Commons Debt Service - Phase II	To accumulate monies as a reserve for the payment of the 2017 Eddy Street Commons Phase II Bond debt service payments.

Capital Projects Funds

Professional Sports Development	To account for Hotel/Motel Tax and Professional Sports Development Tax revenues dedicated towards the College Football Hall of Fame. Based on an agreement with the National Football Foundation (NFF), the City pays the NFF to assist with the operation and capital costs.
Coveleski Stadium Capital	To account for expenditures related to the maintenance and improvement of the baseball stadium. Financing is provided by a rental paid by the semi-pro baseball team.
Zoo Endowment	To account for construction projects at the City's zoo. Financing is provided by gifts and donations.
Park Non-Reverting Capital	To account for specific revenues used to finance capital improvements at the City parks.
Cumulative Capital Development (CCD)	To account for expenditures relating to the purchase or lease of capital improvements in the City. Financing is provided by a specific property tax levy.
Cumulative Capital Improvement (CCI)	To account for state cigarette tax distributions used for improvement projects.
Major Moves Construction	To account for state distributions used for road construction and other uses authorized by Indiana statute.
Morris Performing Arts Center Capital	To accumulate monies for major repairs and capital improvements to the Morris Civic Auditorium. Financing is provided by a surcharge on ticket sales for events held at the auditorium.
Palais Royale Historic Preservation	To account for expenditures financed by a two percent fee charged for all Palais Royale services.
Equipment/Vehicle Leasing	To account for proceeds from capital lease-purchase agreements used to finance major equipment needs of the City.
2017 Parks Bond	To account for the expenditures of bond funds relating to the 2017 Parks & Recreation Bond planned capital projects.

Hall of Fame Capital	To account for capital expenditures for the College Football Hall of Fame. Financing was provided by a transfer from the City's Professional Sports Development Fund. This fund also accounts for the advance from the General Fund which may be repaid from future operating surpluses.
Parks Bond Capital	To account for capital expenditures in the City parks with funding provided by a Building Corporation bond.
Smart Street Bond Capital	To account for capital expenditures in connection with the conversion of one-way streets to two-way streets in the downtown area. Funding is provided by a Redevelopment Authority bond.
Eddy Street Commons Capital	To account for the expenditures of the bond proceeds from to be spent on Phase II of the mixed-use development near the University of Notre Dame.
Tax Incremental Financing (TIF) – West Washington	To account for expenditures for public improvement projects in the West Washington Economic Development Area. Financing is provided by property tax proceeds in excess of those attributable to the assessed value of the property in the district before redevelopment.
Tax Incremental Financing (TIF) – Leighton Plaza	To account for expenditures for public improvement projects in the Leighton Plaza tax incremental district. Financing is provided by property tax proceeds in excess of those attributable to the assessed value of the property in the district before redevelopment.
Tax Incremental Financing (TIF) – River East Development	To account for expenditures for improvements in the northeast development tax incremental district. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment. During TIF consolidation in 2015, this fund was renamed. It was formerly known as the TIF Northeast Development Fund.
Tax Incremental Financing (TIF) No. 1 – Southside Development	To account for expenditures for improvements in the Southside development tax incremental district no. 1. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment.
Tax Incremental Financing (TIF) No. 3 – Southside Development	To account for expenditures for improvements in the Southside development tax incremental district no. 3. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment.
Tax Incremental Financing (TIF) – Douglas Road	To account for expenditures for improvements in the Douglas Road development tax incremental district. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment.
Tax Incremental Financing (TIF) – River East Residential	To account for expenditures for improvements in the Northeast Neighborhood Residential development tax incremental district. Financing is provided by property tax proceeds in excess of those attributable to the assessed valuation of the property in the district before redevelopment. During TIF consolidation in 2015, this fund was renamed. It was formerly known as the TIF Northeast Residential Fund.
Redevelopment General	To account for eligible redevelopment activities in the Studebaker Corridor financed by proceeds from land sales or leases.
Certified Technology Park	To account for expenditures related to acquisition, improvements, construction and maintenance of public facilities, debt service and other permitted uses under I.C. 36-7-32-23 in connection with a certified technology park. Financing is provided by property tax proceeds, state gross retail and uses taxes, and other revenues.

Airport Urban Enterprise Zone To account expenditures for improvements in the Zone area, financed by property taxes on qualifying properties in the Zone.

NON-MAJOR ENTERPRISE FUNDS

Consolidated Building To account for the operation of the consolidated St. Joseph County/ South Bend Building Department and the City's Code Enforcement Department.

Parking Garage To account for the operation and maintenance of the City's parking garages.

Solid Waste To account for the provision of solid waste services.

INTERNAL SERVICE FUNDS

Liability Insurance Premium Reserve To account for expenses related to maintaining the City's self-funded liability insurance including administrative costs, claims and premiums. Funding is provided by assessments to certain other City funds.

Self-Funded Employee Benefits To account for employer and employees' contributions for a medical insurance plan.

Central Services To account for expenses related to fuel, vehicle repairs and various supplies provided to City departments on a cost-reimbursement basis.

Police Take Home Vehicle To account for expenses associated with claims arising from use of program vehicles occurring while officers are not on duty. Funding is provided by officers participating in the program.

Unemployment Compensation Insurance To account for payment of unemployment claims to the Indiana Department of Workforce Development. Financing is provided by allocating costs to user departments to cover the estimated costs of claims.

Parental Leave To account for expenses related to the City's Parental Leave Program which provides additional paid time off for employees for the child or adoption of a child. Financing is provided by allocating costs to user departments to cover the estimated costs of the program.

Innovation/
Information Technology/
311 Call Center To account for expenses associated with the 311 Call Center and Department of Innovation & Technology. The Call Center is a customer service support center where residents and business can receive personal assistance with City-related questions and non-emergency services. The IT Dept provides technical services to the various departments within the City. Funding is provided by the departments which benefit from the call center and the IT Dept.

FIDUCIARY FUNDS

Pension Trust Funds

1925 Police Pension To account for the provision of retirement and disability benefits to police officers hired prior to May 1, 1977. Financing is provided by mandatory contributions by active members, and state pension relief distributions.

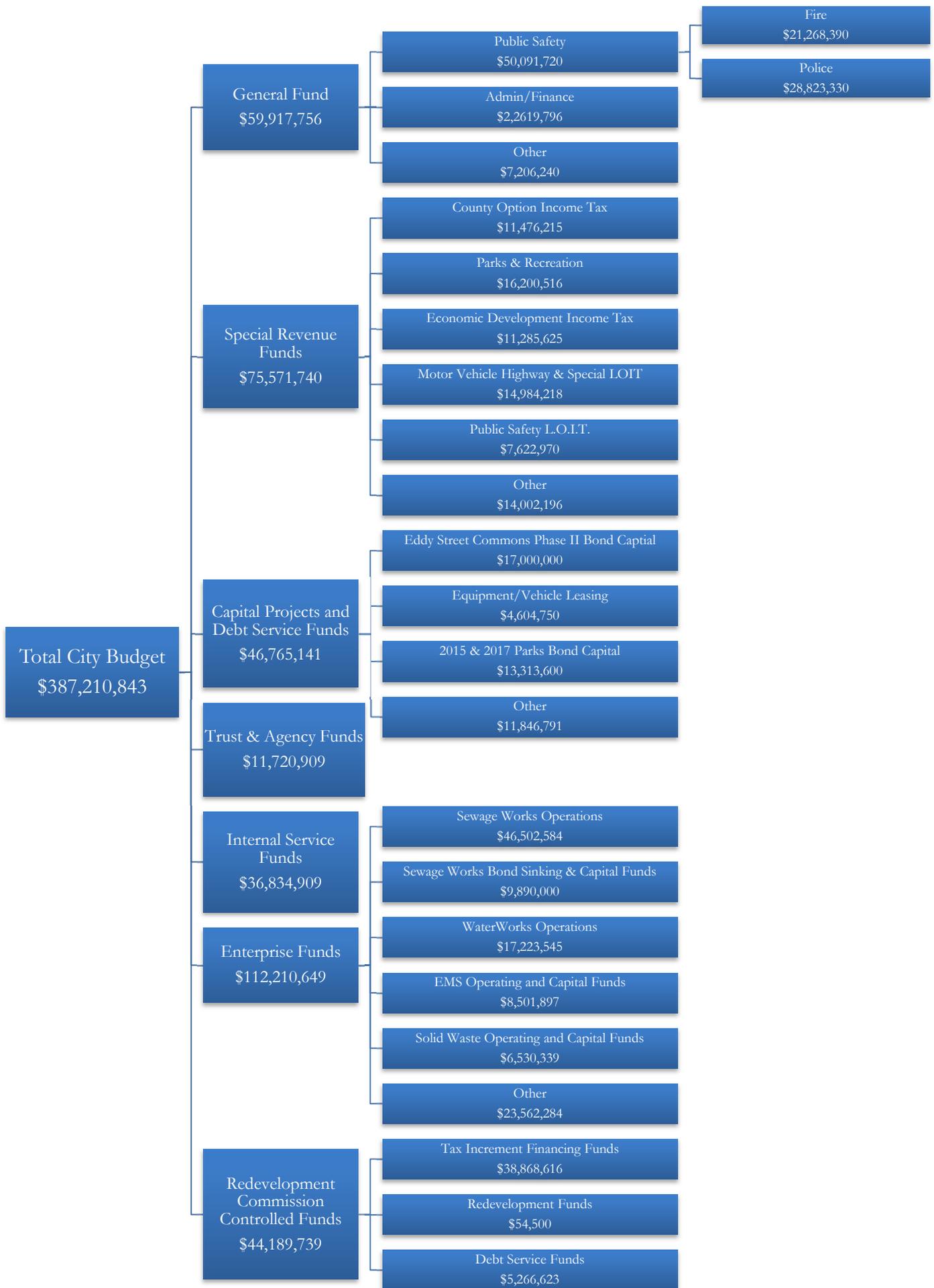
1937 Firefighters' Pension To account for the provision of retirement and disability benefits to firefighters hired prior to May 1, 1977. Financing is provided by mandatory contributions by active members and state pension relief distributions.

Private Purpose Trust Fund

City Cemetery To account for expenditures specifically for the City Cemetery. Funding is provided by the sale of cemetery plots and burial expenses.

Financial Organization Chart

City of South Bend 2018 Adopted Budget



Department Fund Relationship

Fund Number	Fund Name	General Government	Public Safety	Public Works	Economic Development	Code & Animal Control	Culture & Recreation	Highways & Streets	Enterprise Funds	Internal Service	Pension Funds
City Controlled Funds											
General Fund											
101-0101	MAYOR	X									
101-0201	CITY CLERK	X									
101-0301	COMMON COUNCIL	X									
101-0302	WNIT CONTRACT	X									
101-0401	ADMINISTRATION & FINANCE	X									
101-0404	MORRIS PERFORMING ARTS CENTER				X		X				
101-0405	PALAIS ROYALE BALLROOM				X		X				
101-0501	LEGAL DEPARTMENT	X									
101-0602	ENGINEERING			X	X			X			
101-0801	POLICE DEPARTMENT		X								
101-0901	FIRE DEPARTMENT		X								
101-1008	HUMAN RIGHTS	X									
Special Revenue Funds											
102	RAINY DAY FUND	X									
103	EXCESS LEVY	X									
201	PARKS & RECREATION						X				
202	MOTOR VEHICLE HIGHWAY							X			
203	RECREATION - NONREVERTING						X				
209	STUDEBAKER/OLIVER REVERTING GRANTS				X						
210	ECONOMIC DEVELOPMENT STATE GRANTS				X						
211	COMMUNITY INVESTMENT ADMINISTRATION				X						
212	COMMUNITY INVESTMENT GRANTS				X						
216	POLICE STATE SEIZURES		X								
217	GIFT, DONATION, BEQUEST	X			X						
218	POLICE CURFEW VIOLATIONS		X								
219	UNSAFE BUILDING FUND					X					
220	LAW ENFORCEMENT CONTINUING EDUCATION		X								
221	LANDLORD REGISTRATION					X					
227	LOSS RECOVERY FUND	X			X						
244	EMERGENCY 911 TELEPHONE		X								
249	PUBLIC SAFETY L.O.I.T.		X								
251	LOCAL ROADS & STREETS							X			
252	EXCESS WELFARE DISTRIBUTION	X									
257	LOIT 2016 SPECIAL DISTRIBUTION							X			
258	HUMAN RIGHTS - FEDERAL GRANT	X									
271	EASTRACE WATERWAY						X				
273	MORRIS PAC/PALAIS ROYALE MARKETING						X				
280	POLICE BLOCK GRANTS		X								
281	ECONOMIC DEVELOPMENT COMM - REV BONDS				X						
289	HAZMAT		X								
291	INDIANA RIVER RESCUE		X								
292	POLICE GRANTS		X								
294	REGIONAL POLICE ACADEMY		X								
295	COPS MORE GRANT		X								
299	POLICE FEDERAL DRUG ENFORCEMENT		X								
404	COUNTY OPTION INCOME TAX	X	X	X	X	X	X	X			
408	ECONOMIC DEVELOPMENT INCOME TAX	X	X	X	X	X	X	X			
410	URBAN DEVELOPMENT ACTION GRANT (UDAG)				X						
655	PROJECT RELIEF	X						X			
705	POLICE K-9 UNIT		X								
Debt Service Fund											
313	HALL OF FAME DEBT SERVICE				X		X				
750	EQUIPMENT/VEHICLE LEASING	X	X	X			X	X			
755	SOUTH BEND BUILDING CORPORATION	X									
757	PARKS BOND DEBT SERVICE						X				
760	EDDY STREE COMMONS DEBT SERVICE				X						
Capital Project Funds											
377	PROFESSIONAL SPORTS DEVELOPMENT				X						
401	COVELESKI STADIUM CAPITAL				X		X				
403	ZOO ENDOWMENT				X		X				
405	PARK NONREVERTING CAPITAL						X				
406	CUMULATIVE CAPITAL DEVELOPMENT	X	X								
407	CUMULATIVE CAPITAL IMPROVEMENT	X			X		X				
412	MAJOR MOVES CONSTRUCTION				X			X			
416	MORRIS PERFORMING ARTS CENTER CAPITAL				X		X				
434	CRED FUND				X						
450	PALAIS ROYALE HISTORIC PRESERVATION				X		X				
677	HALL OF FAME CAPITAL				X		X				

Department Fund Relationship

Fund Number	Fund Name	General Government	Public Safety	Public Works	Economic Development	Code & Animal Control	Culture & Recreation	Highways & Streets	Enterprise Funds	Internal Service	Pension Funds
751	PARKS BOND CAPITAL						X				
753	SMART STREET BOND CAPITAL				X						
759	EDDY STREET COMMONS CAPITAL				X						
	Enterprise Funds										
287	EMS CAPITAL		X						X		
288	EMS OPERATIONS		X						X		
600	CONSOLIDATED BUILDING DEPARTMENT	X				X			X		
601	PARKING GARAGES				X				X		
610	SOLID WASTE OPERATIONS			X					X		
611	SOLID WASTE CAPITAL			X					X		
620	WATER WORKS OPERATIONS			X					X		
622	WATER WORKS CAPITAL			X					X		
624	WATER WORKS CUSTOMER DEPOSIT			X					X		
625	WATER WORKS SINKING FUND			X					X		
626	WATER WORKS BOND RESERVE			X					X		
629	WATER WORKS RESERVE - O & M			X					X		
640	SEWER REPAIR INSURANCE			X					X		
641	SEWAGE WORKS OPERATIONS			X					X		
642	SEWAGE WORKS CAPITAL			X					X		
643	SEWAGE WORKS RESERVE - O & M			X					X		
649	SEWAGE WORKS BOND SINKING			X					X		
653	SEWAGE WORKS DEBT SERVICE RESERVE			X					X		
661	2012 SEWER BOND			X					X		
670	CENTURY CENTER				X		X		X		
671	CENTURY CENTER CAPITAL ACCOUNT				X		X		X		
672	CENTURY CENTER ENERGY SAVINGS				X		X		X		
	Internal Service Funds										
222	CENTRAL SERVICES			X						X	
224	CENTRAL SERVICES CAPITAL			X						X	
226	LIABILITY INSURANCE	X								X	
278	TAKE HOME VEHICLE POLICE		X							X	
279	INNOVATION/TECHNOLOGY/311 CALL CENTER	X								X	
711	SELF-FUNDED EMPLOYEE BENEFITS	X	X	X	X	X	X	X	X	X	
713	UNEMPLOYMENT COMPENSATION FUND	X	X	X	X	X	X	X	X	X	
714	PARENTAL LEAVE FUND	X	X	X	X	X	X	X	X	X	
	Trust Funds										
701	FIREFIGHTERS PENSION		X								X
702	POLICE PENSION		X								X
730	CITY CEMETERY TRUST FUND						X				
	Redevelopment Commission Controlled Funds										
	Tax Increment Financing Funds										
324	TIF REVENUE - RIVER WEST				X						
422	TIF DISTRICT - WEST WASHINGTON				X						
425	TIF LEIGHTON PLAZA				X						
429	TIF RIVER EAST (NORTHEAST DISTRICT)				X						
430	TIF SOUTHSIDE DEVELOPMENT AREA #1				X						
435	TIF DOUGLAS ROAD				X						
436	TIF RIVER EAST (NORTHEAST) RESIDENTIAL				X						
	Redevelopment Funds										
433	REDEVELOPMENT ADMINISTRATION GENERAL				X						
439	CERTIFIED TECHNOLOGY PARK				X						
454	AIRPORT URBAN ENTERPRISE ZONE				X						
	Debt Service Funds										
315	AIRPORT 2003 DEBT RESERVE				X						
317	COVELESKI BOND DEBT RESERVE				X						
328	SBCDA 2003 DEBT RESERVE				X						
752	SOUTH BEND REDEVELOPMENT AUTHORITY				X						
754	INDUSTRIAL REVOLVING FUND				X						
756	SMART STREETS DEBT SERVICE FUND				X						

Financial Policies

The financial integrity of our City government is of utmost importance. To discuss, write, and adopt a set of financial policies is a key element to maintaining this integrity. These financial management policies are designed to ensure the fiscal stability of the City of South Bend and to guide the development and administration of the annual operating and capital budgets, as well as the debt program.

Written, adopted financial policies have many benefits, such as assisting the Mayor, Common Council and City Controller in the financial management of the City, saving time and energy when discussing financial matters, promoting public confidence, and providing continuity over time as the Mayor and Common Council and staff members change. While these policies will be amended periodically, they will provide the foundation and framework for many of the issues and decisions facing the City. They will promote wise and prudent financial management, provide the foundation for adequate funding of services desired by the public, and help make the City more financially stable, efficient and effective.

Objectives

1. Assist the Mayor, Common Council and City management by providing accurate and timely information on financial conditions pertinent to City operations.
2. Provide sound financial principles with which to guide the important decisions of the Mayor and Common Council and management, which have significant fiscal impact.
3. Set forth operational principles that minimize the cost of government and financial risk, to the extent consistent with services desired by the public.
4. Enhance the policy-making ability of the Mayor and Common Council by providing accurate information on program costs.
5. Ensure the legal use of all City funds through a sound financial system and strong internal controls.
6. Employ revenue policies that diversify revenue sources, distribute the costs of municipal services fairly, and provide adequate funds to operate desired programs.

In order to meet these objectives, the City's policies are divided into seven general categories for ease of reference. These categories include: 1) Operating and Budgeting Policies, 2) Capital Improvements Program (CIP), 3) Revenue and Expenditure Policies, 4) Reserve Policies, 5) Debt Management and Administration Policies, 6) Cash Management/Investment Policies, and 7) Accounting, Auditing, and Financial Reporting Policies. It is recommended that all policies included in this document be adhered to.

Operating and Budgeting Policies

The City of South Bend will maintain a system of defined operating and budgeting practices, in compliance with Indiana statute, the Department of Local Government Finance (DLGF), and the Indiana State Board of Accounts (SBOA) to ensure adequate protection of city assets and resources, and to protect same in consideration of the taxpayers of the City of South Bend.

Operating

1. The city will maintain compliance with all Federal, State, and local legal requirements.
2. The city will continuously pursue an active campaign to maintain existing and create new sources of revenue.
3. The city will continue to provide first priority funding to essential services as determined by the Mayor in conjunction with the Common Council.
4. The city will pursue an active campaign to create and maintain state of the art operating practices within infrastructure operations.
5. The city will maintain an ongoing program of capital asset replacement and modernization in order to maintain efficient city operations.
6. The city will maintain a structured revenue and expenditure forecasting process to enable effective financial planning on a current and multi-year basis.
7. A financial audit will be performed annually by the Indiana State Board of Accounts. Audit results will be presented to the Mayor, the Common Council President, and City Controller upon completion of the audit. The city will evaluate any audit recommendations, and determine and implement remedial actions, as required.
8. The city will establish financial, purchasing, human resource and information technology policy statements and procedures, as required, to define standard operating practices and protocols, intended to protect city assets.

Budgeting

At least one month before the preparation of the proposed annual budget, the City Controller will meet with the Mayor to review and deliberate all policy guidelines that may affect the proposed budget.

1. The budget is prepared using the cash basis of accounting.
2. The budget is approved in the form of an appropriations ordinance after the Mayor and Common Council have conducted at least one advertised public hearing.
3. The operating budget and CIP together shall serve as the annual financial plan for the City. They will serve as the policy documents for the Mayor and Common Council for implementing their visions, goals, and objectives. The budget shall

provide staff with the resources necessary to accomplish the Mayor and Common Council's determined service levels.

4. The City Controller shall annually prepare and present a proposed operating budget to the Mayor and Common Council at least four months before the beginning of each fiscal year. The Common Council will adopt said budget no later than November 1 of each year. Funds may not be expended or encumbered for the following fiscal year until the budget has been adopted by the Common Council and the Mayor.
5. The City defines a balanced budget as a budget that has revenues plus cash reserves equal to expenditures. It is the City's policy to fund current year expenditures with current year revenues, whenever possible, without using cash reserves.
6. Each department and division prepares its own budget for review by the Mayor and City Controller. Budget accountability rests primarily with each department. The basic format of the budget shall identify programs within organizational structures. Programs are defined as specific services provided to the public, other departments, or other organizations.
7. The Budget is adopted at the department and cost category level. During the year, it is the responsibility of the Mayor, Department Heads, Fiscal Officers and the City Controller to administer the budget.
8. A five-year projection of revenues and expenditures for all funds is prepared each fiscal year to provide strategic perspective to each annual budget process.
9. All appropriations shall lapse at the end of the budget year if not expended or encumbered.
10. Any year-end operating surpluses will revert to fund balances for use in maintaining reserve levels set by policy (see policy on reserves) and the balance will be available for pay-go capital projects and/or one time capital outlays.
11. The city will maintain an internal control system to ensure spending within approved budgetary expenditures.

Fund Structure

1. The accounts of the City are organized into funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures (or expenses, as appropriate).
2. Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be expended and the means by which spending activities are controlled. The City uses governmental funds and proprietary funds. Governmental funds are those through which most governmental functions of the City are financed. The acquisition, uses and balance of the City's expendable financial resources and the related liabilities (except for those accounted for in the enterprise funds) are accounted for through governmental funds.

3. The City's governmental funds are the General Fund, the Special Revenue Funds, the Capital Projects Fund, the Debt Service Funds and Redevelopment Commission Funds.
 - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.
 - The Special Revenue Funds are used to account for the proceeds of a specific revenue source (other than major capital projects) that are restricted by legal and regulatory provisions or budgeting contributions for outside sources to finance specific activities. The major Special Revenue Funds include: County Option Income Tax (COIT), County Economic Development Income Tax (CEDIT), Parks & Recreation, Local Road & Streets, Motor Vehicle Highway, and the Rainy Day Fund.
 - The Capital Project Funds are used to account for financial resources used for the acquisition or construction of major capital facilities and general capital construction, including: streets, parks, and public buildings (other than those financed by enterprise funds).
 - The Debt Service Funds, which include special assessments, are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.
4. The enterprise funds are the Water Works, Wastewater/Sewage, Emergency Medical Services (EMS), Consolidated Building Department, Parking Garages, and Century Center Funds.
5. The Internal Service Funds are Central Services, Liability Insurance, Take Home Police Vehicle, Self-Funded Employee Benefits, Unemployment Compensation, Parental Leave and Innovation & Technology/311 Call Center Funds.
6. The Trust & Agency Funds are primarily Firefighter and Police Pension Funds and the Morris/Palais Box Office Funds.
7. The Redevelopment Commission Funds are generally for TIF capital projects or for debt service.
8. Creation of new funds should be based on the following criteria:
 - i) The revenue source is ongoing; i.e., more than one fiscal year.
 - ii) The amounts to be recorded are material.
 - iii) Interest income is required to be allocated.
 - iv) The amounts are specifically designated.
 - v) There is not another fund that can be used to account for the revenue source.
 - vi) There are special circumstances that have led management to create the separate fund.
 - vii) If the State or Federal government requires a separate fund to account for a particular source of revenue than such a fund can and must be created.
 - viii) It is a requirement of GAAP to establish the fund.

Capital Improvement Program (CIP) Policies

Assets will be capitalized where: (1) ownership title is held by the City of South Bend, (2) the acquisition cost of the item exceeds the capitalization threshold identified in the following table, and (3) the item has a useful life in excess of one year.

<u>Asset Category</u>	<u>Capitalization Threshold</u>
Land	All land is capitalized
Construction in Progress	All construction in progress is capitalized
Infrastructure	\$250,000
Buildings	\$100,000
Land & Building Improvements	\$100,000
Intangibles	\$100,000
Machinery & Equipment	\$ 10,000
Computer & Office Equipment	\$ 10,000
Vehicles	\$ 10,000

The City prepares a five-year capital improvement plan, which is reviewed by the Mayor and approved by the Common Council during the budgeting process.

The City will maintain its physical assets at a level adequate to protect the City's capital investment and to reduce future maintenance and replacement costs. The budget will provide for the adequate maintenance and the orderly replacement of the capital plant and equipment from current revenues where possible.

Revenue Policies

The City of South Bend will pursue measures to encourage economic development, intended to expand the tax base through real and personal property tax, employment income tax, and other tax and economic impact created by economic expansion.

1. The city will pursue development and maintenance of a diversified economic environment portfolio of commercial, industrial and residential taxpayers, intended to produce a stable revenue stream.
2. The city will pursue efforts as required with St. Joseph County to maintain sound property appraisal procedures and practices in order to ensure a system of current and up-to-date property assessments.

3. The city will maintain the practice of establishing pricing for user charges and fees at market based levels.
4. The city will maintain the practice of establishing pricing for the Water and Wastewater Utility operations at levels supporting utility operational costs and in full compliance with State of Indiana Utility Regulatory requirements.
5. The city will maintain the practice of aggressive collection pursuit of all revenue due to the City of South Bend and will utilize the City's in-house legal department and outside collection agencies in this effort.
6. The city will maintain the practice to seek funding support from Federal, State of Indiana, and other entities for use by City operations, through higher level governmental grants, and other sources as may come available from time to time.

Expenditure/Expense Policies

The City will review actual expenditures/expenses to budget on a monthly basis and amend the budget quarterly with the Common Council to bring budgets in balance with actual/year-end projected expenditures/expenses.

1. The City will strive to reduce major cost factors through operational efficiencies and competitive bidding.
2. The City will maintain a budgetary control monitoring system to ensure adherence to the budget.
3. The City will publish a budget to actual financial report on a monthly basis.

Reserve Policies

The City utilizes a variety of funds for recording the revenue and expenditures/expenses of the City. At each fiscal year end, operating surpluses that revert to cash balance over time constitute available reserve of the City.

General Fund:

Minimum Cash Reserve – The City will maintain General Fund cash reserves at a level not less than 30 percent of the annual adopted General Fund expenditures. The purpose of these reserves is to alleviate significant unanticipated budget shortfalls and to ensure the orderly provisions of services to residents. This is the minimum level necessary to maintain the City's creditworthiness and maintain adequate cash flows.

Unused Cash Reserves – To the extent that the General Fund cash exceeds the target, the City may draw upon the cash reserves to provide pay-go financing for capital projects, for other one-time capital items, or for other approved liability payments.

Rainy Day Fund – A “rainy day” account equal to a minimum of three percent of the City’s total expenditures in the prior year will be maintained annually in separate funds. This account will be made available for unanticipated, unbudgeted expenditures of a non-recurring nature and/or unexpected cost increases that require the approval by the Common Council and the Mayor.

Enterprise Funds:

Cash Reserves – The City will maintain cash reserves equal to 20% of annual expenditures for most Enterprise Funds, with the exception of the Water and Wastewater Utilities. The Water and Wastewater Utility Funds require a reserve of 5% of annual operating expenditures.

O&M Funds – The Water and Wastewater Funds will maintain Operations and Maintenance Funds at a level of 16.67% of annual operating expenses in the main operating funds, net of transfers.

Other Funds:

Minimum Cash Reserve – The City will maintain a cash balance in the other funds equal to 20%-50% of annual budgeted expenditures, depending on the specific needs of the fund. Debt Reserve Funds are set up for most debt service obligations and are funded at 100%.

Reserve Deficiencies:

If reserves in any City fund fall below the prescribed minimums, the City will implement the following budgetary strategies to replenish funding deficiencies:

- Seek reductions in recurring expenditures
- Seek to increase current revenue streams or develop new revenue sources
- Seek the use of ongoing grant funding to alleviate operating expenditures

Debt Policy

1. Debt management will provide for the protection and maintenance of the City’s AA bond rating, the maintenance of adequate debt service reserves, compliance with debt covenant provisions, and appropriate disclosure to investors, underwriters, and rating agencies.
2. The City’s compliance officer is the City Controller. Compliance monitoring will be performed annually.

3. The term of any City debt issue, including lease-purchases, shall not exceed the useful life of the assets being acquired by the debt issue.
4. All debt issuance shall comply with Federal, State and City requirements. All IRS regulations in regards to post-issuance tax compliance will be followed.
5. The City shall maintain an ongoing performance monitoring system of the various outstanding bond indebtedness. This is particularly important as funds borrowed for a project today are not available to fund other projects tomorrow and funds committed for debt service payments today are not available to fund operations in the future.
6. The City shall maintain all spending records related to bond issuance until at least three years after the final maturity is redeemed.
7. The City will maintain good, ongoing communication with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement).
8. Accompanying each debt issue will be an assessment of the City's capacity to repay the debt. The assessment will address the effects on the current operating budget, as well as identify the resources that will be utilized to repay the debt.
9. Long-term borrowing will not be used to finance current operations or normal maintenance and will only be considered for significant capital and infrastructure improvements.
10. The City will try to keep the average maturity of general obligation bonds at or below twenty years.
11. The City will generally conduct financings on a competitive basis. However, negotiated financings may be used due to market volatility or the use of an unusual or complex financing or security structure.
12. The City will not issue tax or revenue anticipation notes.
13. The City will strive to maintain a reliance on pay-go financing for its capital improvements, whenever possible.
14. The City will follow the general debt limits as stated by Indiana law, which mandates a 2% debt limit on net assessed valuation for certain type of general obligation and other debt.
15. The City will report all debt to the Indiana Department of Local Government Finance (DLGF) using their Gateway Reporting Program.

Refinancing

Periodic reviews of all outstanding debt will be undertaken to determine refinancing opportunities. Refinancing will be considered (within Federal tax law constraints) under the following conditions:

1. There is a net economic benefit.
 - a. In general, refinancing for economic savings will be undertaken whenever net present value savings of at least three (3%) percent of the refunded debt can be achieved.
 - b. Refinancing that produces net present value savings of less than three (3%) percent will be considered on a case-by-case basis.
2. It is needed to modernize covenants that are adversely affecting the City's financial position or operations.
3. The City wants to reduce the principal outstanding in order to achieve future debt service savings and it has available working capital to do so from other sources.

Investment and Cash Management Policies

1. It is the policy of the City of South Bend to make all investments, in both Deposit and Investment Accounts, in accordance with the terms and limitations of IC 5-13-9, Deposit and Investment Powers, as amended from time to time.
2. Surplus monies of the City on deposit with financial institutions, as determined by the City, shall be invested with maturities scheduled to coincide with projected cash flow needs, taking into consideration large routine expenditures (payroll, accounts payable, bond payments) and sizable blocks of anticipated revenue (property taxes, state shared revenue).
3. The Investment Policy was revised on January 1, 2017 and is reviewed annually by the Finance Department and the Common Council during the annual investment meeting which is held after the 1st Monday in January and before January 31st.
4. The City has entered into a custodial investment agreement with its primary financial institution to invest City funds.

Accounting, Auditing and Financial Reporting Policies

1. The accounting policies of the City of South Bend conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The diverse nature of governmental operations and the necessity of assuring legal compliance preclude recording and summarizing all governmental financial transactions and balances in a single accounting entity. Therefore, the City's accounting system is organized and operated on a "fund basis". Each fund is a distinct, self-balancing accounting entity.

2. Governmental funds utilize the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.
3. Property taxes are recognized as revenue in the year for which they are collected. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.
4. The State Board of Accounts requires an annual audit of all accounts of the City by the State Board of Accounts or by certified public accountants selected by the City and approved by the State Board of Accounts. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of South Bend are free of material misstatements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.
5. The approval for allowance and write off of transactions related to uncollectible accounts is delegated to the City Controller and the Board of Public Works.
6. The City places continued emphasis on maintenance of an accounting system which provides strong internal budgetary and accounting controls designed to provide reasonable, but not absolute, assurances regarding both the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and reports, such as the budget and the *Comprehensive Annual Financial Report (CAFR)* as well as the maintenance of accountability of assets.
7. The City of South Bend issues a CAFR within six months of the close of the previous fiscal year. It will be distributed to the Mayor and Common Council within seven months of the fiscal year. The CAFR will be submitted annually to The Government Finance Officers Association (GFOA) for peer review as part of the *Certificate of Achievement for Excellence in Financial Reporting* program. All reports prepared by the auditors and management's response to those reports will be presented to the Mayor, Common Council President, and City Controller at the audit exit conference.
8. The City offers its employees a defined benefit pension plan through the State of Indiana Public Retirement System (INPRS). The retirement plan issues separate financial statements through the State run program.

Budgetary Process

The City's annual budget process begins with a Budget Kickoff meeting which includes the Mayor, Department Heads, Fiscal Officers, Common Council Representatives and other City leaders. At the Budget Kickoff meeting, Administration priorities are discussed and the budget process is reviewed. Soon after the meeting, department heads and various staff members prepare a five year Capital Improvement Program (CIP) and a five year operating budget. The City Controller will submit a Proposed Budget to the Mayor in July. From August to October, the Mayor and City Controller present to the Common Council the recommended budget for the next year. The Common Council reviews the recommended budget, makes reductions at their discretion, holds several public hearings and ultimately adopts the City budget for the fiscal year prior to November 1. The budget is forwarded to the State of Indiana Department of Local Government Finance (DLGF) for their final approval. The City fiscal year begins January 1.

Budget Calendar for FY 2018 Budget (All Dates 2017)

May 15	Public Budget Forum at Ivy Tech Community College
May 31	Budget Kickoff Meeting for all Department Heads and Fiscal Officers
July 14	Deadline to enter budget requests into accounting software system and update Excel summary sheets
July 20-25	Mayor's Office review of budgets with Department Heads & Fiscal Officers
Aug 16 – Oct 4	Various Budget Hearings with City Council & Department Heads
August 23	Civil City budget ordinances filed with City Clerk for 1 st Reading
August 28	First Reading on 2018 City budget
September 14	First publication of City 2018 budgets & Gateway Notice to Taxpayers and Submission of Form 3 Budget notice in Gateway
September 20	File 2018 Mayor, Clerk, Council, non-bargaining, and bargaining salary ordinance with City Clerk
September 25	First reading of 2018 Mayor, Clerk, Council, non-bargaining, and bargaining salary ordinance
September 25	Public hearing on 2018 City budget

- October 9 Second public hearing on 2018 City budget
- October 23 Adoption of 2018 City budget and 2018 Mayor, Clerk, Council, non-bargaining, and bargaining salary ordinance

Budget Amendment Policy

After the Budget is adopted, the primary responsibility for managing the appropriated funds falls to each respective Department Head, Fiscal Officer, City Controller and the Mayor. The Fiscal Officers are able to view a monthly budget to actual report of their respective activities. Management flexibility is given to each Department of exceeding a given expenditure/expense line item within a given cost category, if it can be compensated for within that same expenditure/expense classification. If a cost category must be adjusted, then a Budget Transfer Request Form is completed and submitted to the Finance Department by the affected Department. The Finance Department reviews the form and if deemed appropriate, the Finance Department processes the budget transfer request after approval by the Mayor and the Common Council. Budget amendments are generally approved by the Common Council and made on a quarterly basis.

The Finance Department and Department Fiscal Officers analyze their respective activity budgets on a monthly basis. If a review of year-to-date activity projects that any given activity budget will exceed the budget, then the Fiscal Officer is required to prepare an additional appropriation or budget transfer for review by the Mayor and consideration by the Common Council.

Budgetary Information

The basis of budgeting is on a cash basis for all funds, which is not the same basis as used in the City's audited financial statements which are on a modified accrual basis for governmental funds and a full accrual basis for proprietary funds.

Expenditures are authorized via an annual budget passed by ordinance in which the Common Council authorizes the level of funding for City operations. The Common Council adopts a line item level budget, which is considered the maximum authorization to incur liabilities and not a mandate to spend. No obligation shall be incurred against, and no payment shall be made from, any appropriation account that lacks a sufficient balance available to meet the obligation. The legal level of control for all City funds (except Redevelopment Commission funds) is by cost category (i.e. personnel, supplies, services, capital). Spending cannot exceed these categories without Common Council approval. The legal level of control for Redevelopment Commission funds is at the fund level.

Encumbrance accounting is employed in most funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as designates of fund balances and do not constitute expenditures or liabilities because the goods or services have not been received as of year-end; the encumbrances will rollover and be re-appropriated and honored during the subsequent year.

In view of the importance of the budget as a planning and control instrument in the City, the accounting system provides the basis for appropriate budgetary control. Unlike accounting, budgeting is not essentially a financial procedure; it is primarily a policy-planning process. Therefore, it is much less amendable to standardization; however, the importance of GAAP, audit standards, the credit markets need for more complete disclosure of the City's underlying condition, and the heightened sophistication of the public and press about the importance of the outcomes as well as projections, have combined to professionalize and conform budgeting terms and definitions to GAAP. As a result, common terminology, measurement, and classification are used consistently throughout the City's budget, accounting records and financial reports.

Balanced Budget

A balanced budget is necessary for proper financial management in the City of South Bend. The City defines a balanced budget as a budget in which estimated revenue and available cash balances are equal to or greater than estimated expenditures. After the budget is adopted, if increases in expenditures and/or decreases in revenue result in an imbalanced budget, then a budget amendment is required to bring the budget back in balance. The five (5) major City funds: General Fund, Parks & Recreation, Public Safety Local Income Tax (PS LOIT), and Local Income Tax Funds (County Option Income Tax (COIT), and Economic Development Income Tax (EDIT)), are balanced for 2018.

Basis of Budgeting and Basis of Accounting

All Indiana local governments, including South Bend, are required to budget on a cash basis. Outstanding purchase order encumbrances at December 31st carry forward to the following year and add to the approved budget. The City of South Bend uses modified accrual accounting for its governmental funds and accrual accounting for its proprietary funds.

Financial Summaries

Consolidated Financial Schedules

All Funds

	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change	
						2019	2020	2021	2022			
Revenue												
Property Taxes	70,914,835	76,708,416	77,024,124	41,803,558	77,700,690	77,901,033	75,352,133	76,575,193	77,673,825	676,566	1%	
Local Income Taxes	24,357,811	31,463,184	28,360,244	14,196,798	29,256,797	30,093,899	30,924,652	31,779,188	32,657,423	896,553	3%	
Other Taxes	26,161,798	25,491,250	26,135,699	12,420,501	27,718,675	28,693,505	28,764,794	28,205,274	28,343,875	1,582,976	6%	
Grants/Intergovernmental	5,193,879	6,911,112	14,946,800	2,488,538	8,180,000	5,841,636	3,791,636	3,766,636	3,741,636	(6,766,800)	-45%	
Licenses & Permits	232,437	276,959	348,489	212,200	327,060	292,316	294,682	297,158	299,546	(21,429)	-6%	
Charges for Services	91,919,714	100,116,143	109,416,092	50,275,742	103,661,620	108,330,933	109,417,713	110,523,835	111,538,184	(5,754,472)	-5%	
Fines, Forfeitures, and Fees	863,989	1,052,483	965,239	541,235	880,880	886,419	891,959	542,840	548,381	(84,359)	-9%	
Interest Earnings	1,253,835	2,118,038	2,715,694	993,295	1,868,514	1,793,633	1,793,695	1,803,961	1,802,579	(847,180)	-31%	
Bond Proceeds	188,238	-	44,355,100	2,916,500	4,601,750	4,084,300	3,979,150	4,685,700	3,623,555	(39,753,350)	-90%	
Donations	347,686	491,694	809,414	229,098	513,250	511,300	514,633	517,999	521,399	(296,164)	-37%	
Payment in Lieu of Taxes	5,439,816	5,711,808	6,208,332	3,104,166	6,332,487	6,459,137	6,588,320	6,720,086	6,854,488	124,155	2%	
Other Income	18,522,900	18,422,300	25,651,372	11,735,456	22,104,409	23,003,557	23,021,629	22,943,642	22,850,003	(3,546,963)	-14%	
Transfers In	35,543,935	24,482,414	41,746,693	23,435,400	41,036,491	37,160,691	37,159,938	36,442,469	36,026,408	(710,202)	-2%	
Total Revenue	280,940,873	293,245,801	378,683,292	164,352,486	324,182,623	325,052,359	322,494,935	324,803,981	326,481,303	(54,500,669)	-14%	
Expenditures by Type												
Personnel												
Salaries & Wages	77,608,922	77,041,726	82,716,618	38,590,299	85,385,375	86,977,052	88,265,596	89,615,366	90,972,272	2,668,757	3%	
Fringe Benefits	24,520,621	26,500,620	29,506,279	13,768,129	31,662,349	32,660,674	33,523,642	34,351,477	35,197,747	2,156,070	7%	
Total Personnel	102,129,543	103,542,346	112,222,897	52,358,428	117,047,724	119,637,726	121,789,238	123,966,843	126,170,019	4,824,827	4%	
Supplies	10,091,418	9,535,671	16,124,008	4,218,344	12,553,981	12,022,852	12,209,503	12,326,334	12,480,017	(3,570,027)	-22%	
Services & Charges												
Professional Services	14,799,269	14,534,832	26,836,968	7,764,205	18,427,483	17,902,436	17,601,671	17,812,642	17,986,173	(8,409,485)	-31%	
Printing & Advertising	467,301	299,741	646,137	132,386	659,158	705,369	711,898	718,623	725,673	13,021	2%	
Utilities	8,859,099	9,033,116	9,512,888	4,638,760	9,734,141	10,194,431	10,394,082	10,521,545	10,650,685	221,253	2%	
Education & Training	392,024	391,258	660,290	180,313	545,885	533,652	537,864	537,507	539,190	(114,405)	-17%	
Travel	435,046	271,487	412,152	105,598	389,355	428,697	430,378	433,400	436,476	(22,797)	-6%	
Repairs & Maintenance	9,918,666	9,860,895	17,824,247	5,460,867	14,638,743	12,592,475	12,519,483	12,618,874	12,724,039	(3,185,504)	-18%	
Payment In Lieu of Taxes	5,439,804	5,711,808	6,208,332	3,104,166	6,332,487	6,371,706	6,411,621	6,452,247	6,493,597	124,155	2%	
Other Interfund Allocations	4,147,927	4,961,190	10,420,135	5,273,852	12,637,914	12,776,153	12,970,630	13,143,277	13,319,495	2,217,779	21%	
Debt Service												
Principal	22,947,128	24,252,175	40,629,553	18,874,831	30,360,110	28,758,230	28,233,952	28,728,231	27,596,494	(10,269,443)	-25%	
Interest & Fees	12,705,846	8,360,092	10,489,580	5,248,417	12,650,388	10,791,290	9,982,948	9,198,567	8,325,905	2,160,808	21%	
Grants & Subsidies	3,923,906	4,690,784	7,081,631	1,755,380	6,460,936	6,466,765	4,380,193	4,386,302	4,392,428	(620,695)	-9%	
Insurance	15,992,670	17,765,168	20,889,788	8,802,048	19,330,738	20,853,309	21,495,995	22,163,316	22,856,239	(1,559,050)	-7%	
Transfers Out	35,526,521	24,482,416	30,947,183	16,453,754	30,455,237	27,833,657	27,364,778	25,002,494	25,946,641	(491,946)	-2%	
Other Services & Charges	12,936,458	10,134,562	18,174,589	5,147,303	12,070,551	12,761,868	12,894,956	13,026,950	13,149,333	(6,104,038)	-34%	
Total Services & Charges	148,491,665	134,749,524	200,733,473	82,941,880	174,693,126	168,970,039	165,930,450	164,743,974	165,142,367	(26,040,347)	-13%	
Capital	32,793,106	39,525,933	112,193,782	16,453,532	82,916,012	32,971,281	25,399,523	25,041,469	24,447,468	(29,277,770)	-26%	
Total Expenditures	293,505,732	287,353,474	441,274,160	155,972,185	387,210,843	333,601,898	325,328,714	326,078,621	328,239,871	(54,063,317)	-12%	
Net Surplus / (Deficit)	(12,564,859)	5,892,327	(62,590,868)	8,380,302	(63,028,220)	(8,549,540)	(2,833,779)	(1,274,640)	(1,758,568)			
Beginning Cash Balance	239,432,535	228,163,964	234,098,978		215,217,764	152,189,544	143,640,005	140,806,225	139,531,585			
Cash Adjustments	1,296,287	42,687	43,709,655		-	-	-	-	-			
Ending Cash Balance	228,163,964	234,098,978	215,217,764		152,189,544	143,640,005	140,806,225	139,531,585	137,773,017			

Explain Significant Revenue and Expenditure Changes Below:

Based on information received from the County Auditors Office, the City anticipates an increase in property taxes of approximately 1%. Local Income Taxes are certified by the DLGF for 2018 which are increasing by roughly 3% due to a continued improvement in the local economy, however, future increases are projected to be 2% in order to remain conservative. Other taxes have increased mainly due to an increase in gas tax in 2017. Overall decrease in Charges for Services due to the unknown level of Medicaid Reimbursement for past years in EMS and the decrease in recycling fees due to this function being taken over by the County. Salary increases for 2018 include all contracted increases based on Teamster, Police and Fire Union agreements. Two-thirds of the City employees are represented by unions. Contracts negotiated for several years giving the City the ability to budget salary expense for several years. A standard 2% raise for non-bargaining employees was applied to a majority of the positions. Health Care costs continue to rise, however, the City is managing the health care program well, therefore, allowing for lower than usual increases in costs to departments. Refer to Departmental Information and discussions on revenue and expenditures throughout the document for further explanations on changes.

Consolidated Financial Schedules

Redevelopment Controlled Funds

	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
						2019	2020	2021	2022		
						Revenue					
Property Taxes	24,742,903	27,640,883	27,254,124	14,314,504	27,878,133	27,578,133	27,438,133	28,138,133	28,738,133	624,009	2%
Local Income Taxes	-	-	-	-	-	-	-	-	-	-	-
Other Taxes	492,000	396,000	394,000	197,500	395,000	395,000	395,000	395,000	395,000	1,000	0%
Grants/Intergovernmental	-	101,185	496,926	176,700	-	-	-	-	-	(496,926)	-100%
Licenses & Permits	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	133,359	1,400	8,400	2,450	-	-	-	-	-	(8,400)	-100%
Fines, Forfeitures, and Fees	210,999	210,999	-	-	-	-	-	-	-	-	-
Interest Earnings	359,716	516,333	770,840	278,873	521,291	514,300	508,300	508,400	508,500	(249,549)	-32%
Bond Proceeds	7	-	-	-	-	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-	-	-	-
Other Income	3,135,538	1,217,096	1,478,694	645,594	222,308	27,000	27,000	27,000	27,000	(1,256,386)	-85%
Transfers In	6,420,750	22,199	10,202,294	7,645,842	5,112,500	4,619,000	4,621,000	4,616,500	4,614,000	(5,089,794)	-50%
Total Revenue	35,495,272	30,106,095	40,605,278	23,261,463	34,129,232	33,133,433	32,989,433	33,685,033	34,282,633	(6,476,046)	-16%
Expenditures by Type											
Personnel											
Salaries & Wages	99,252	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	8,855	-	-	-	-	-	-	-	-	-	-
Total Personnel	108,107	-	-	-	-	-	-	-	-	-	-
Supplies	-	4,035	10,342	2,055	10,342	-	-	-	-	-	0%
Services & Charges											
Professional Services	3,408,124	1,176,875	5,340,991	724,468	605,501	909,294	825,164	817,479	815,979	(4,735,490)	-89%
Printing & Advertising	3,946	30,275	24,071	24,071	-	-	-	-	-	(24,071)	-100%
Utilities	12,359	8,324	4,500	2,223	4,500	-	-	-	-	-	0%
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	467	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	89,462	36,158	76,898	35,973	85,834	-	-	-	-	8,936	12%
Payment In Lieu of Taxes	-	-	-	-	-	-	-	-	-	-	-
Other Interfund Allocations	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	6,592,140	7,314,787	19,018,242	13,374,672	10,499,611	10,595,259	10,994,218	11,019,606	10,682,691	(8,518,631)	-45%
Interest & Fees	4,136,233	3,101,478	5,725,162	3,011,111	6,699,633	5,012,575	4,617,439	4,198,414	3,750,752	974,471	17%
Grants & Subsidies	-	-	50,000	-	50,000	50,000	50,000	50,000	50,000	-	0%
Insurance	158	-	-	-	-	-	-	-	-	-	-
Transfers Out	6,420,752	22,200	2,242,618	2,212,916	294,000	34,000	34,000	34,000	34,000	(1,948,618)	-87%
Other Services & Charges	1,332,779	153,999	2,098,689	144,497	147,490	97,000	97,000	97,000	97,000	(1,951,199)	-93%
Total Services & Charges	21,996,420	11,844,096	34,581,171	19,529,931	18,386,569	16,698,128	16,617,821	16,216,499	15,430,422	(16,194,602)	-47%
Capital	17,496,116	18,977,630	45,606,303	5,982,119	25,792,828	15,701,690	14,285,515	13,677,169	14,151,733	(19,813,475)	-43%
Total Expenditures	39,600,643	30,825,761	80,197,816	25,514,105	44,189,739	32,399,818	30,903,336	29,893,668	29,582,155	(36,008,077)	-45%
Net Surplus / (Deficit)	(4,105,371)	(719,666)	(39,592,538)	(2,252,642)	(10,060,507)	733,615	2,086,097	3,791,365	4,700,478		
Beginning Cash Balance	65,795,644	61,022,293	60,289,540		24,032,892	13,972,385	14,706,000	16,792,097	20,583,463		
Cash Adjustments	(667,979)	(13,088)	3,335,890		-	-	-	-	-		
Ending Cash Balance	61,022,293	60,289,540	24,032,892		13,972,385	14,706,000	16,792,097	20,583,463	25,283,941		

Explain Significant Revenue and Expenditure Changes Below:

Property taxes in the TIF funds are expected to increase for 2018 by approximately 2% based on information received from the County Auditors Office. Transfers in/out decreased in 2018 due to TIF restructures that were completed in 2017. Large capital projects were anticipated in 2017 that were not expected to reoccur in 2018. Refer to individual budget sheets for further detail. Due to the nature of TIF expenditures, it is difficult to anticipate what expenditures will be required.

Consolidated Financial Schedules

General Fund

	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
						2019	2020	2021	2022		
Revenue											
Property Taxes	37,349,388	39,362,139	39,599,000	21,820,143	39,246,940	39,654,000	37,716,000	38,093,160	38,474,092	(352,060)	-1%
Other Taxes	4,267,822	4,287,027	4,243,744	1,843,873	4,229,000	5,710,300	5,746,964	5,184,994	5,251,295	(14,744)	0%
Grants/Intergovernmental	649,515	331,625	-	-	144,614	-	-	-	-	144,614	-
Licenses & Permits	152,245	189,840	231,671	163,945	230,510	212,616	214,232	215,858	217,496	(1,161)	-1%
Charges for Services	622,779	912,074	837,904	376,360	933,677	977,738	1,013,300	1,048,862	1,084,425	95,773	11%
Fines, Forfeitures, and Fees	14,111	14,712	9,294	3,855	8,920	9,009	9,099	9,190	9,281	(374)	-4%
Interest Earnings	106,341	227,436	286,915	111,857	240,000	242,400	244,824	247,272	249,745	(46,915)	-16%
Donations	330,444	330,000	337,500	-	337,500	340,800	344,133	347,499	350,899	-	0%
Payment in Lieu of Taxes	4,282,212	4,620,384	6,208,332	3,104,166	6,332,487	6,459,137	6,588,320	6,720,086	6,854,488	124,155	2%
Other Income	5,944,760	6,195,615	7,793,913	3,258,374	7,889,527	7,978,456	8,065,596	8,152,554	8,246,290	95,614	1%
Transfers In	-	3,673	-	-	413,714	417,851	422,030	426,250	430,513	413,714	-
Total Revenue	53,719,617	56,474,525	59,548,273	30,682,573	60,006,889	62,002,307	60,364,498	60,445,725	61,168,524	458,616	1%
Expenditures by Dept											
101-0101 Mayor's Office	735,186	679,425	872,923	375,390	907,840	927,222	948,182	967,334	988,083	34,917	4%
101-0104 311 Call Center	464,074	3,810	-	-	-	-	-	-	-	-	-
101-0201 City Clerk	367,924	375,011	536,216	231,163	544,147	553,111	563,324	573,807	584,568	7,931	1%
101-0301 Common Council	443,552	481,078	571,148	224,138	614,969	629,051	645,508	658,353	673,596	43,821	8%
101-0302 WNIT Contract	43,000	43,000	43,000	43,000	43,000	43,000	43,000	-	-	-	0%
101-0401 Admin & Finance	1,813,202	1,988,015	2,476,351	1,216,850	2,619,796	2,670,658	2,728,859	2,786,087	2,848,646	143,445	6%
101-0404 Morris PAC	1,005,106	993,017	1,271,039	395,796	1,318,518	1,344,888	1,371,786	1,399,222	1,427,206	47,479	4%
101-0405 Palais Royale	432,526	427,468	530,200	123,415	539,364	559,532	570,178	556,036	567,111	9,164	2%
101-0501 Legal Dept	944,507	976,457	1,158,567	563,766	1,200,797	1,219,877	1,247,216	1,275,242	1,303,973	42,230	4%
101-0602 Engineering Dept	936,645	1,015,087	1,485,157	572,895	1,590,505	1,601,114	1,616,853	1,634,476	1,652,215	105,348	7%
101-0801 Police Dept	25,106,271	24,901,731	29,668,433	13,523,691	28,823,330	29,933,164	30,467,414	30,967,145	31,476,812	(845,103)	-3%
101-0802 Communications Ctr	1,681,568	1,479,012	-	-	-	-	-	-	-	-	-
101-0901 Fire Dept	17,642,922	18,567,501	21,111,466	10,068,020	21,268,390	22,141,197	22,540,309	22,957,402	23,372,638	156,294	1%
101-1008 Human Rights	371,743	349,157	425,805	214,469	447,100	456,162	465,949	476,032	486,419	21,295	5%
101-1201 Code Enforcement	-	202,504	-	-	-	-	-	-	-	-	-
Total Expenditures	51,988,226	52,482,273	60,150,305	27,552,593	59,917,756	62,078,976	63,208,575	64,251,135	65,381,267	(232,549)	0%
Expenditures by Type											
Personnel											
Salaries & Wages	32,773,335	32,038,277	33,222,782	15,832,324	34,689,543	35,381,844	36,087,991	36,808,262	37,542,938	1,466,761	4%
Fringe Benefits	12,024,323	12,819,190	13,251,843	6,353,620	14,104,744	14,401,286	14,711,412	15,028,712	15,353,362	852,901	6%
Total Personnel	44,797,658	44,857,467	46,474,625	22,185,945	48,794,287	49,783,130	50,799,403	51,836,974	52,896,301	2,319,662	5%
Supplies	739,700	724,727	2,034,413	312,600	826,693	948,683	951,834	952,720	952,860	(1,207,720)	-59%
Services & Charges											
Professional Services	2,641,666	2,431,027	1,630,233	461,784	999,777	1,013,431	1,021,204	991,922	996,289	(630,456)	-39%
Printing & Advertising	130,935	125,953	343,243	31,574	313,662	316,828	321,195	325,765	330,641	(29,581)	-9%
Utilities	601,732	570,536	633,405	289,144	647,250	655,495	661,720	665,840	670,042	13,845	2%
Education & Training	100,492	124,042	139,713	54,357	134,410	132,298	134,398	132,500	132,604	(5,303)	-4%
Travel	85,316	72,559	83,612	25,664	78,840	79,123	79,410	79,700	79,996	(4,772)	-6%
Repairs & Maintenance	1,717,018	1,631,005	2,107,111	903,173	1,423,649	1,447,743	1,459,145	1,467,660	1,476,347	(683,462)	-32%
Other Interfund Allocations	404,091	478,562	4,288,080	2,142,462	5,063,218	5,157,773	5,229,175	5,276,742	5,325,261	775,138	18%
Debt Service											
Principal	21,193	28,425	177,028	87,848	451,761	448,336	447,626	438,626	433,916	274,733	155%
Interest & Fees	4,039	4,075	15,660	7,383	1,978	810	371	92	40	(13,682)	-87%
Grants & Subsidies	21,139	3,525	40,000	1,200	40,000	40,800	41,208	41,208	41,208	-	0%
Insurance	59,892	881,712	1,667,599	833,790	670,112	1,578,046	1,581,880	1,585,731	1,589,599	(997,487)	-60%
Transfers Out	-	202,504	-	-	-	-	-	-	-	-	-
Other Services & Charges	640,876	346,154	480,583	215,669	457,119	451,481	455,007	455,656	456,164	(23,464)	-5%
Total Services & Charges	6,428,389	6,900,079	11,606,267	5,054,049	10,281,776	11,322,163	11,432,338	11,461,441	11,532,106	(1,324,491)	-11%
Capital	22,479	-	35,000	-	15,000	25,000	25,000	-	-	(20,000)	-57%
Total Expenditures	51,988,226	52,482,273	60,150,305	27,552,593	59,917,756	62,078,976	63,208,575	64,251,135	65,381,267	(232,549)	0%
Net Surplus / (Deficit)	1,731,391	3,992,252	(602,032)	3,129,980	89,133	(76,669)	(2,844,077)	(3,805,410)	(4,212,742)		
Beginning Cash Balance	28,637,082	30,399,044	34,363,151	-	33,761,119	33,850,252	33,773,582	30,929,506	27,124,096		Cash Reserve
Cash Adjustments	30,571	(28,145)	-	-	-	-	-	-	-		35% of Annual
Ending Cash Balance	30,399,044	34,363,151	33,761,119	-	33,850,252	33,773,582	30,929,506	27,124,096	22,911,353		expenditures
Cash Reserves Target	12,997,057	15,744,683	21,052,607	-	20,971,215	21,727,642	22,123,001	22,487,897	22,883,443		

Explain Significant Revenue and Expenditure Changes Below:

While overall property taxes are expected to, on average, increase by 1%, the General Fund property taxes are not expected to grow in 2018. However, due to various efforts through County/City collaboration, we anticipate growth in subsequent years.

Revenue Forecast Assumptions:

- 1% increase in property taxes year over year
- 2% increase for all other revenue items
- Expected casino revenue start in 2019, estimated \$1 million per year with an offset of \$600,000 from lost revenue for Riverboat Casino due to state legislature change

Expenditure Forecast Assumptions:

- 2% - 3% increase in salaries & wages year over year (based on contracted increases)
- 7% increase for fringe benefits
- 2% increase for all other expenditure items

Revenue & Expenditure Summary

Fund Type	2015 Actual	2016 Actual	2017 Amended Budget	2018 Adopted Budget	2017-2018 Change	2017-2018 Percent Change
Revenues						
General Fund	53,719,617	56,474,525	59,548,273	60,006,889	458,616	0.8%
Special Revenue Funds	58,056,013	67,801,179	79,258,794	71,817,422	(7,441,372)	-9.4%
Capital & Debt Service Funds	3,781,829	4,926,841	51,740,700	12,361,999	(39,378,701)	-76.1%
Enterprise Funds	94,852,365	94,282,102	100,747,194	98,233,342	(2,513,852)	-2.5%
Internal Service Funds	23,608,505	28,766,463	35,628,824	36,410,851	782,027	2.2%
Trust Funds	11,427,272	10,888,596	11,154,229	11,222,888	68,659	0.6%
Tax Increment Financing Funds	35,281,242	30,052,570	31,307,035	28,789,997	(2,517,038)	-8.0%
Redevelopment Funds	195,118	23,583	306,804	6,535	(300,269)	-97.9%
Debt Service Funds	18,912	29,942	8,991,439	5,332,700	(3,658,739)	-40.7%
Total Revenue	\$ 280,940,873	\$ 293,245,801	\$ 378,683,292	\$ 324,182,623	\$ (54,500,669)	-14.4%
Expenditures						
General Fund	51,988,226	52,482,273	60,150,305	59,917,756	(232,549)	-0.4%
Special Revenue Funds	64,812,979	61,963,073	85,385,183	75,571,740	(9,813,443)	-11.5%
Capital & Debt Service Funds	5,511,960	4,472,162	54,576,087	46,765,141	(7,810,946)	-14.3%
Enterprise Funds	95,696,921	99,861,764	113,606,018	112,210,649	(1,395,369)	-1.2%
Internal Service Funds	24,334,214	26,190,507	35,830,593	36,834,909	1,004,316	2.8%
Trust Funds	11,547,460	11,557,934	11,528,158	11,720,909	192,751	1.7%
Tax Increment Financing Funds	36,572,461	30,660,319	67,378,709	38,868,616	(28,510,093)	-42.3%
Redevelopment Funds	3,023,509	143,242	2,254,500	54,500	(2,200,000)	-97.6%
Debt Service Funds	18,002	22,200	10,564,607	5,266,623	(5,297,984)	-50.1%
Total Expenditures	\$ 293,505,732	\$ 287,353,474	\$ 441,274,160	\$ 387,210,843	\$ (54,063,317)	-12.3%
Net	\$ (12,564,859)	\$ 5,892,327	\$ (62,590,868)	\$ (63,028,220)	\$ (437,352)	0.7%

Refer to discussions throughout the document for explanations on various increases and decreases above.

Changes in Fund Balance Summary

	2017 Amended Budget					2018 Adopted Budget (Approved by Common Council 10-23-17)					
	Cash Balance	2017	2017	Plus	Surplus	Cash Balance	2018	2018	Surplus	Cash Balance	
	1/1/2017	Revenues	Expenditures	Adjustments	(Deficit)	12/31/2017	1/1/2018	Revenues	Expenditures	(Deficit)	12/31/2018
City Controlled Funds											
101 General Fund	34,363,151	59,548,273	60,150,305	-	(602,032)	33,761,119	33,761,119	60,006,889	59,917,756	89,133	33,850,252
Special Revenue Funds											
102 Rainy Day Fund	10,166,491	107,516	-	-	107,516	10,274,007	10,274,007	80,000	-	80,000	10,354,007
201 Parks & Recreation	4,490,441	20,204,874	19,042,888	-	1,161,986	5,652,427	5,652,427	16,200,516	16,200,516	-	5,652,427
202 Motor Vehicle Highway	6,122,507	10,209,857	11,765,531	-	(1,495,674)	4,626,833	4,626,833	11,288,058	12,034,218	(746,160)	3,880,673
203 Recreation - Nonreverting	808,692	1,157,768	1,599,683	-	(441,915)	366,777	366,777	1,523,436	1,597,230	(73,794)	292,983
209 Studebaker/Oliver Revitalizing Grants	853,584	427,441	539,393	100,000	(11,952)	841,632	841,632	104,000	940,000	(836,000)	5,632
210 Economic Development State Grants	350,379	262,837	509,757	252,625	5,705	356,084	356,084	73,512	72,013	1,499	357,583
211 DCI Operating Fund	1,360,157	2,294,524	2,775,376	30	(480,822)	879,335	879,335	2,652,156	2,835,774	(183,618)	695,717
212 Department of Community Investment	241,313	5,809,333	5,580,838	-	228,495	469,808	469,808	2,911,000	2,911,000	-	469,808
216 Police State Seizures	217,224	62,326	216,000	-	(153,674)	63,550	63,550	32,000	32,000	-	63,550
217 Gift, Donation, Bequest	116,569	214,383	241,700	-	(27,317)	89,252	89,252	25,800	42,500	(16,700)	72,552
218 Police Curfew Violations	12,541	1,034	1,000	-	34	12,575	12,575	300	1,000	(700)	11,875
219 Unsafe Building Fund	371,735	906,930	905,479	-	1,451	373,186	373,186	908,773	908,773	-	373,186
220 Law Enforcement Continuing Education	836,137	294,886	788,422	-	(493,536)	342,601	342,601	271,500	538,500	(267,000)	75,601
221 Landlord Registration	1,225	7,480	1,000	-	6,480	7,705	7,705	6,000	1,000	5,000	12,705
227 Loss Recovery Fund	968,861	9,766	598,675	-	(588,909)	379,952	379,952	4,000	250,000	(246,000)	133,952
244 Emergency 911 Telephone	33,671	-	33,671	-	(33,671)	-	-	-	-	-	-
249 Public Safety L.O.I.T.	938,797	7,478,618	7,462,645	-	15,973	954,770	954,770	7,635,539	7,622,970	12,569	967,339
251 Local Roads & Streets	2,825,065	1,960,561	2,308,544	-	(347,983)	2,477,082	2,477,082	1,868,000	2,050,000	(182,000)	2,295,082
252 Excess Welfare Distribution	8	-	8	-	(8)	-	-	-	-	-	-
257 LOT 2016 Special Distribution	4,025,066	1,679,189	3,757,457	-	(2,078,268)	1,946,798	1,946,798	2,240,000	2,950,000	(710,000)	1,236,798
258 Human Rights - Federal Grant	479,360	259,113	201,773	-	57,340	536,700	536,700	167,400	162,913	4,487	541,187
265 Local Road & Bridge Grant	-	2,000,000	2,000,000	-	-	-	-	-	-	-	-
271 Eastrace Waterway	1,345	22	1,367	-	(1,345)	-	-	-	-	-	-
273 Morris PAC / Palais Royale Marketing	47,005	18,495	21,675	-	(3,180)	43,825	43,825	20,400	18,000	2,400	46,225
274 Morris PAC / Self-Promotion	-	-	-	-	-	-	-	100,000	50,000	50,000	50,000
280 Police Block Grants	3,879	50	-	-	50	3,929	3,929	35	-	35	3,964
281 Economic Development Comm - Rev Bonds	27,564	300	-	-	300	27,864	27,864	200	-	200	28,064
289 Hazmat	26,727	10,255	10,431	-	(176)	26,551	26,551	10,200	10,000	200	26,751
291 Indiana River Rescue	141,771	74,800	117,349	-	(42,549)	99,222	99,222	45,500	101,800	(56,300)	42,922
292 Police Grants	76,628	-	35,805	-	(35,805)	40,823	40,823	-	-	-	40,823
294 Regional Police Academy	75,941	22,980	22,500	-	480	76,421	76,421	22,500	22,500	-	76,421
295 COPS MORE Grant	237,007	141,844	263,767	-	(121,923)	115,084	115,084	92,000	92,000	-	115,084
299 Police Federal Drug Enforcement	226,058	82,048	286,337	-	(204,289)	21,769	21,769	51,000	51,000	-	21,769
404 County Option Income Tax	8,935,608	11,083,428	12,071,593	-	(988,165)	7,947,443	7,947,443	11,611,424	11,476,215	135,209	8,082,652
408 Economic Development Income Tax	11,135,200	11,954,109	11,559,184	-	394,925	11,530,125	11,530,125	11,285,625	11,285,625	-	11,530,125
410 Urban Development Action Grant (UDAG)	591,437	6,110	126,144	-	(120,034)	471,403	471,403	138,728	610,131	(471,403)	-
655 Project ReLeaf	871,573	453,881	537,171	-	(83,290)	788,283	788,283	445,800	702,042	(256,242)	532,041
705 Police K-9 Unit	2,853	2,036	2,020	-	16	2,869	2,869	2,020	2,020	-	2,869
Total Special Revenue Funds	57,620,419	79,258,794	85,385,183	352,655	(5,773,734)	51,846,685	51,846,685	71,817,422	75,571,740	(3,754,318)	48,092,367
Debt Service Funds											
313 Hall Of Fame Debt Service	289,227	894,300	1,268,999	85,472	(289,227)	-	-	1,258,617	1,258,617	-	-
750 Equipment/Vehicle Leasing	3,231,144	5,506,572	6,455,670	-	(949,098)	2,282,046	2,282,046	4,604,750	4,604,750	-	2,282,046
755 South Bend Building Corporation	762,089	2,654,500	2,643,214	-	11,286	773,375	773,375	2,636,025	2,636,025	-	773,375
757 Parks Bond Debt Service	561,943	391,891	391,482	-	409	562,352	562,352	379,907	380,107	(200)	562,152
760 Eddy Street Commons Debt Service	-	2,501,479	2,500,000	2,500,000	2,501,479	2,501,479	2,501,479	1,279,472	1,279,472	-	2,501,479
Capital Project Funds											
377 Professional Sports Development	396,580	734,325	827,955	-	(93,630)	302,950	302,950	620,000	814,870	(194,870)	108,080
401 Coveleski Stadium Capital	90,376	42,715	79,000	-	(36,285)	54,091	54,091	44,250	145,000	(100,750)	(46,659)
403 Zoo Endowment	49,811	200	50,050	40	(49,811)	-	-	400	-	400	400
405 Park Nonreverting Capital	310,163	439,850	553,024	-	(113,174)	196,989	196,989	120,600	181,000	(60,400)	136,589
406 Cumulative Capital Development	579,295	486,245	476,500	-	9,745	589,040	589,040	459,200	459,200	-	589,040
407 Cumulative Capital Improvement	377,581	437,000	372,250	-	64,750	442,331	442,331	278,500	278,500	-	442,331
412 Major Moves Construction	2,359,939	1,058,403	2,470,708	750,000	(662,305)	1,697,634	1,697,634	518,178	2,050,000	(1,531,822)	165,812
416 Morris Performing Arts Center Capital	588,797	106,500	401,144	-	(294,644)	294,153	294,153	129,000	90,500	38,500	332,653
450 Palais Royale Historic Preservation	92,747	17,541	5,000	-	12,541	105,288	105,				

Changes in Fund Balance Summary

	2017 Amended Budget					2018 Adopted Budget (Approved by Common Council 10-23-17)					
	Cash Balance 1/1/2017	2017 Revenues	2017 Expenditures	Plus Adjustments	Surplus (Deficit)	Cash Balance 12/31/2017	Cash Balance 1/1/2018	2018 Revenues	2018 Expenditures	Surplus (Deficit)	Cash Balance 12/31/2018
City Controlled Funds Continued											
626 Water Works Bond Reserve	1,424,915	16,000	16,000	2,707	2,707	1,427,622	1,427,622	16,000	16,000	-	1,427,622
629 Water Works Reserve - O & M	2,457,950	179,000	27,500	4,778	156,278	2,614,228	2,614,228	23,000	23,000	-	2,614,228
640 Sewer Repair Insurance	1,752,931	657,811	634,509	-	23,302	1,776,233	1,776,233	626,535	589,396	37,139	1,813,372
641 Sewage Works Operations	13,289,872	38,831,012	44,831,185	8,331,116	2,330,943	15,620,815	15,620,815	37,816,585	46,502,584	(8,685,999)	6,934,816
642 Sewage Works Capital	7,204,341	4,911,464	8,051,255	2,212,514	(927,277)	6,277,064	6,277,064	9,900,000	9,855,000	45,000	6,322,064
643 Sewage Works Reserve - O & M	4,627,379	569,561	60,000	8,995	518,556	5,145,935	5,145,935	35,000	35,000	-	5,145,935
649 Sewage Works Bond Sinking	814,230	9,210,203	9,163,754	-	46,449	860,679	860,679	9,179,379	9,156,379	23,000	883,679
653 Sewage Works Debt Service Reserve	4,111,633	23,481	-	-	23,481	4,135,114	4,135,114	14,700	-	14,700	4,149,814
659 2011 Sewer Bond	51,587	201	51,888	100	(51,587)	-	-	-	-	-	-
661 2012 Sewer Bond	2,881,288	50,000	3,010,364	79,076	(2,881,288)	-	-	10,000	10,000	-	-
670 Century Center	1,380,151	4,408,248	4,342,610	-	65,638	1,445,789	1,445,789	4,557,114	4,557,114	-	1,445,789
671 Century Center Capital	865,986	793	-	-	793	866,779	866,779	900	-	900	867,679
672 Century Center Energy Savings	57,152	193,124	192,297	-	827	57,979	57,979	420,124	306,737	113,387	171,366
Total Enterprise Funds	58,391,612	100,747,194	113,606,018	10,654,791	(2,204,033)	34,877,997	56,187,579	98,233,342	112,210,649	(13,977,307)	42,210,272
Internal Service Funds											
222 Central Services	1,419,407	8,383,051	8,564,643	-	(181,592)	1,237,815	1,237,815	8,708,507	8,756,902	(48,395)	1,189,420
224 Central Services Capital	111,965	287,832	326,025	-	(38,193)	73,772	73,772	78,000	77,000	1,000	74,772
226 Liability Insurance	4,599,205	3,624,345	3,837,586	-	(213,241)	4,385,964	4,385,964	2,100,123	2,758,864	(658,741)	3,727,223
278 Take Home Vehicle Police	751,530	9,894	10,000	-	(106)	751,424	751,424	4,000	10,000	(6,000)	745,424
279 Innovation/IT/311 Call Center	-	5,205,034	5,205,034	-	-	-	-	6,850,931	6,850,931	-	-
711 Self-Funded Employee Benefits	6,719,046	18,115,868	17,803,200	-	312,668	7,031,714	7,031,714	18,511,596	18,145,518	366,078	7,397,792
713 Unemployment Compensation Fund	286,049	2,800	84,105	-	(81,305)	204,744	204,744	2,000	80,000	(78,000)	126,744
714 Parental Leave Fund	-	-	-	-	-	-	-	155,694	155,694	-	-
Total Internal Service Funds	13,887,202	35,628,824	35,830,593	-	(201,769)	13,685,433	13,685,433	36,410,851	36,834,909	(424,058)	13,261,375
Trust & Agency Funds											
701 Firefighters Pension	167,278	4,927,101	5,098,269	5,779	(165,389)	1,889	1,889	5,217,138	5,112,457	104,681	106,570
702 Police Pension	791,162	6,226,825	6,423,889	-	(197,064)	594,098	594,098	6,005,500	6,383,452	(577,952)	16,146
718 State Tax Deduction Fund	420,885	-	-	-	-	420,885	420,885	-	-	-	420,885
725 Morris/Palais Box Office	1,692,774	-	-	-	-	1,692,774	1,692,774	-	-	-	1,692,774
726 Police Distributions Pay	817,116	-	-	-	-	817,116	817,116	-	-	-	817,116
730 City Cemetery Trust	28,752	303	6,000	1,718	(3,979)	24,773	24,773	250	25,000	(24,750)	23
Total Trust & Agency Funds	3,917,968	11,154,229	11,528,158	7,497	(366,432)	3,551,536	3,551,536	11,222,888	11,720,909	(498,021)	3,053,515
Total City Funds	188,631,265	338,078,014	361,076,344	39,635,423	16,637,093	205,268,358	205,268,359	290,053,391	343,021,104	(52,967,713)	152,300,645
Redevelopment Commission Controlled Funds											
Tax Increment Financing Funds											
324 TIF Revenue - River West	32,453,040	19,952,275	39,618,887	-	(19,666,612)	12,786,428	12,786,428	18,987,133	26,500,000	(7,512,867)	5,273,561
422 TIF - West Washington	1,957,615	442,000	1,428,292	-	(986,292)	971,323	971,323	436,000	1,000,000	(564,000)	407,323
425 TIF - Leighton Plaza	186,518	197,051	158,166	-	38,885	225,403	225,403	197,014	158,166	38,848	264,251
429 TIF - River East	7,861,822	3,146,120	10,602,696	2,000,000	(5,456,576)	2,405,246	2,405,246	2,357,000	2,750,000	(393,000)	2,012,246
430 TIF - Southside Development Area (SSDA) #1	4,613,772	3,931,958	6,917,426	1,500,000	(1,485,468)	3,128,304	3,128,304	2,410,000	4,000,000	(1,590,000)	1,538,304
432 TIF - SSDA #3 - Erskine Village	4,849,734	8,520	4,878,795	20,541	(4,849,734)	-	-	-	-	-	-
435 TIF - Douglas Road	156,458	328,208	344,216	(350)	(16,358)	140,100	140,100	350	140,450	(140,100)	-
436 TIF - River East Residential	2,392,145	3,300,903	3,430,231	-	(129,328)	2,262,817	2,262,817	4,402,500	4,320,000	82,500	2,345,317
Total Tax Increment Financing Funds	54,471,105	31,307,035	67,378,709	3,520,191	(32,551,483)	21,919,622	21,919,622	28,789,997	38,868,616	(10,078,619)	11,841,003
Redevelopment Funds											
433 Redevelopment Administration General	8,438	135	4,500	292	(4,073)	4,365	4,365	135	4,500	(4,365)	-
439 Certified Technology Park	2,146,647	302,625	2,200,000	-	(1,897,375)	249,272	249,272	2,500	-	2,500	251,772
454 Airport Urban Enterprise Zone	382,423	4,044	50,000	-	(45,956)	336,467	336,467	3,900	50,000	(46,100)	290,367
Total Redevelopment Funds	2,537,507	306,804	2,254,500	292	(1,947,404)	590,103	590,103	6,535	54,500	(47,965)	542,138
Debt Service Funds											
315 Airport 2003 Debt Reserve	1,036,888	14,000	14,000	-	-	1,036,888	1,036,888	14,000	14,000	-	1,036,888
317 Coveleski Bond Debt Reserve	511,567	5,410	-	-	5,410	516,977	516,977	5,000	-	5,000	521,977
328 SBCDA 2003 Debt Service	1,732,472	20,000	15,000	-	5,000	1,737,472	1,737,472	20,000	20,000	-	1,737,472
752 South Bend Redevelopment Authority	1,232,769	3,890,771	4,603,405	-	(712,634)	520,135	520,135	3,367,200	3,365,829	1,371	521,506
754 Industrial Revolving Fund	2,405,340	239,705	157,000	-	82,705	2,488,045	2,488,045	210,000	157,000	53,000	2,541,045
756 Smart Streets Debt Service Fund	2,108,440	859,771	1,252,284	(394,784)	(787,297)	1,321,143	1,321,143	1,716,500	1,709,794	6,706	1,327,849
758 Erskine Village Debt Service	561,117	3,961,782	4,522,918	19	(561,117)	-	-	-	-	-	-
Total Debt Service Funds	9,588,594	8,991,439	10,564,607	(394,765)	(1,967,933)	7,620,662	7,620,662	5,332,700	5,266,623	66,077	7,686,739
Total Redevelopment Commission Funds	66,597,206	40,605,278	80,197,816	3,125,718	(39,592,538)	30,130,386	30,130,387	34,129,232	44,189,739	(10,060,507)	20,069,880
Grand Total	255,228,472	378,683,292	441,274,160	42,761,141	(22,955,446)	235,398,744	235,398,746	324,182,623	387,210,843	(63,028,220)	172,370,525

General Discussion on Changes:

- See individual departmental reports for a detailed discussion of fund balance changes.
- General Fund, Public Safety LOIT, COIT and CEDIT are budgeted for revenue to equal expenditures. Encumbrances carried forward are included in the 2017 amended expenditure budgets.
- Increased spending in redevelopment fund of cash receives on key projects including Smart Streets and Downtown Residential growth.
- The Parental Leave Fund (714) was added in 2018 to account for six (6) weeks of paid leave for eligible employees to allow for parents to care for new born or adopted child.

Revenues

Total revenue for the City of South Bend is estimated at \$324,182,623 for 2018, which is an 14% decrease from total estimated revenue of \$378,683,292 for 2017. The contributing factors to the decrease in revenue can be seen below:

Revenue Category	2016 Actual	2017 Amended Budget	2018 Adopted Budget	Budget Variance 2017-2018	Percentage Change
Property Taxes	76,708,416	77,024,124	77,700,690	676,566	1%
Local Income Taxes	31,463,184	28,360,244	29,256,797	896,553	3%
Other Taxes	25,491,250	26,135,699	27,718,675	1,582,976	6%
Grants/Intergovernmental	6,911,112	14,946,800	8,180,000	(6,766,800)	-45%
Charges for Services	96,495,309	104,923,447	99,910,245	(5,013,202)	-5%
Interfund Allocations	8,185,682	15,000,221	16,385,528	1,385,307	9%
Bond Proceeds	-	44,355,100	4,601,750	(39,753,350)	-90%
Fines & Forfeitures	1,035,402	927,219	825,960	(101,259)	-11%
Donations	491,694	809,414	513,250	(296,164)	-37%
Interest Earnings	2,118,038	2,715,694	1,868,514	(847,180)	-31%
Other Income	14,151,492	15,530,305	9,852,236	(5,678,069)	-37%
PILOT	5,711,808	6,208,332	6,332,487	124,155	2%
Transfers In	24,482,414	41,746,693	41,036,491	(710,202)	-2%
Total Revenue	\$293,245,801	\$378,683,292	\$324,182,623	(\$54,500,669)	-14%

The City does not anticipate receiving as much in grant funding in 2018 as it did in 2017. Due to uncertainty with grant programs with various federal and state agencies, the City is conservatively budgeting in this area.

Several bonds were issued in 2017, totaling \$30.6 million. So far only one bond is budgeted for 2018, in the amount of \$4.6 million relating to a newly constructed fire station which will be replacing a fire station that no longer meets the needs of the department.

Although actual interest earnings continue to rise, the City budgets interest earnings conservatively.

Other Income includes many one-time sources of revenue such as property and fixed asset sales, miscellaneous reimbursements, and insurance claims. As a result, Other Income was conservatively budgeted.

Charges for Services is expected to decline significantly. The EMS Capital Fund and EMS Operating Fund receive Medicaid reimbursement revenue. Per the Fire Department's consultant on Medicaid reimbursement programs, the payments are going to start decreasing in 2018 and will eventually disappear. Also, Solid Waste revenue decreased due to the fact that recycling program has been taken over by the County.

The following is a discussion of major revenue categories and trends:

Property Taxes – \$77,700,690 – 24.0%

Property taxes are based on the net assessed valuation of real and personal property in the City multiplied by the tax rate as determined by the Indiana Department of Local Government Finance. Property taxes are an important source of revenue for the General Fund, Parks & Recreation Fund, Cumulative Capital Development Fund, Hall of Fame Bond Fund and Tax Increment Financing (TIF) Funds. Property tax revenue is limited by “circuit breaker” property tax reform that limits the amount of property taxes paid to a fixed percentage of gross assessed valuation—1% for homestead/residential, 2% for rental, 3% for commercial/personal property. Based on actual receipts in 2016 and 2017, it appears that property tax revenues are increasing slightly instead of decreasing as they have been since 2009. The effect of circuit breaker property tax reform and lower net assessed values has reduced property tax revenue received by the City in recent years:

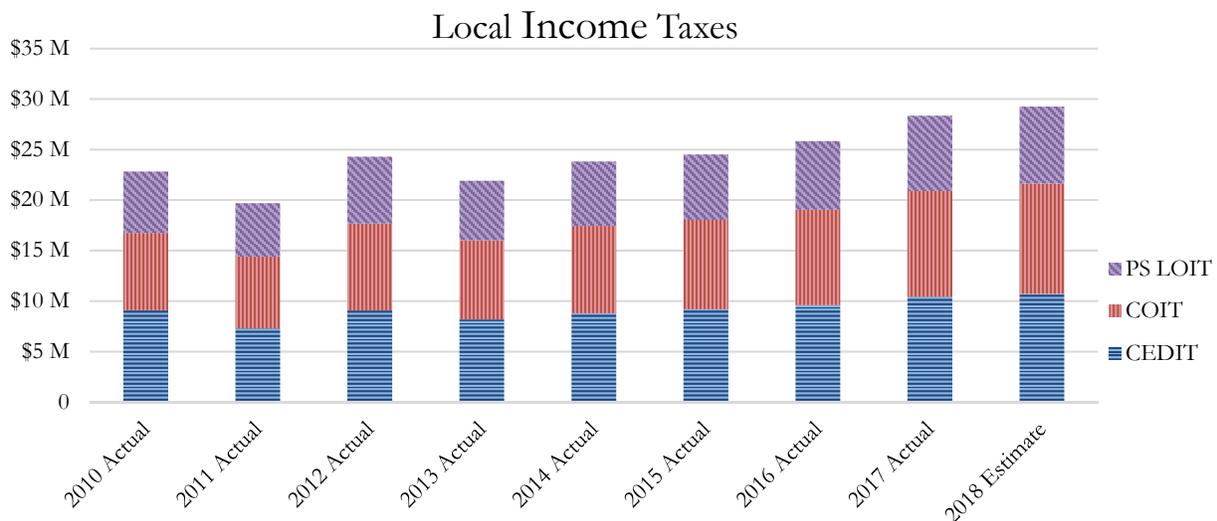
	<u>Civil City Funds</u>	<u>TIF Funds</u>	<u>Total Property Tax Collections</u>
2008 Actual	\$65,200,047	\$19,286,939	\$84,486,986
2009 Actual	\$52,033,758	\$22,256,716	\$74,290,474
2010 Actual	\$49,710,529	\$27,578,275	\$77,288,804
2011 Actual	\$48,218,718	\$24,743,455	\$72,962,172
2012 Actual	\$48,843,403	\$24,061,128	\$72,904,531
2013 Actual	\$45,189,966	\$24,790,322	\$69,980,288
2014 Actual	\$45,002,931	\$27,031,090	\$72,034,021
2015 Actual	\$46,171,932	\$24,742,902	\$70,914,835
2016 Actual	\$49,067,532	\$27,640,882	\$76,708,415
2017 Actual	\$49,858,701	\$27,277,646	\$77,136,347
2018 Estimated	\$49,822,557	\$27,878,133	\$77,700,690



Local Income Taxes – \$29,256,797 - 9.0%

Local income taxes are based on employee wages earned in Saint Joseph County multiplied by the tax rate and then allocated to the local governmental units in the county based on several factors including property tax levy amounts. Saint Joseph County has adopted three local income taxes (LIT) that result in direct revenue to the City—namely, the County Option Income Tax (COIT) (.6% of wages), the County Economic Development Income Tax (CEDIT) (.4% of wages) and the Public Safety Local Option Income Tax (PS LOIT) (.25% of wages). In addition, the Saint Joseph County has adopted the Property Tax Replacement LIT (.5% of wages) that results in no direct revenue to the City but does reduce circuit breaker property tax losses. LIT revenue has been strong in recent years as the local economy continues to improve. During 2012, the State of Indiana made a one-time payment of additional LIT to make up for some prior state accounting errors. 2018 values are certified values from the Department of Local Government Finance. It is assumed that due to the improvement in the local economy, the LIT increased. However, the City is not projecting this increase to continue in future years. In 2016, the State of Indiana made a one-time special distribution of local income tax revenue to be used for road projects (\$4,217,550) and added to the City’s Rainy Day Fund (\$1,405,850). Therefore, all projections subsequent to 2018 are assuming the average increase of 2%:

	<u>CEDIT</u>	<u>COIT</u>	<u>PS LOIT</u>	<u>Total</u>
2010 Actual	\$9,090,415	\$7,648,824	\$6,078,454	\$22,817,693
2011 Actual	\$7,300,866	\$7,097,462	\$5,293,619	\$19,691,947
2012 Actual	\$9,068,785	\$8,610,742	\$6,605,601	\$24,285,128
2013 Actual	\$8,177,352	\$7,846,939	\$5,892,386	\$21,916,677
2014 Actual	\$8,796,821	\$8,645,811	\$6,380,029	\$23,822,661
2015 Actual	\$9,181,206	\$8,859,912	\$6,466,190	\$24,507,308
2016 Actual	\$9,594,602	\$9,454,023	\$6,791,160	\$25,839,785
2017 Actual	\$10,433,361	\$10,459,265	\$7,467,618	\$28,360,244
2018 Estimated	\$10,720,965	\$10,906,293	\$7,629,539	\$29,256,797



Charges for Services – \$99,910,245 - 30.8%

Charges for services are fees charged by the City's enterprise funds (i.e. Wastewater, Water Works, Solid Waste, Emergency Medical Services, and Century Center convention facility) and certain governmental funds (i.e. Parks & Recreation) for services provided. Most fees charged have remained fairly consistent in recent years with the exception of the fees charged by Wastewater that increased each year through 2016 in order to finance capital improvements to wastewater plant and collection system in response to an EPA-mandated consent decree agreed to by the City. The annual rate increases in Wastewater Fees are as follows:

2018 – 0%
2017 – 0%
2016 – 5%
2015 – 5%
2014 – 5%
2013 – 9%
2012 – 9%
2011 – 9%

In 2017, the South Bend WaterWorks undertook the lengthy process of requesting a water rate increase through the Indiana Office of Utility Consumer Counselor (OUCC). This is the first water rate increase in more than 10 years for the City. The City anticipates receiving a favorable ruling which will allow for a 22% increase each year for 2 years. This increase will allow for continued maintenance and improvement of the water infrastructure. The anticipated rate increases are included in the 2018 and 2019 budgets.

Total charges for services revenue for the major utility funds are as follows:

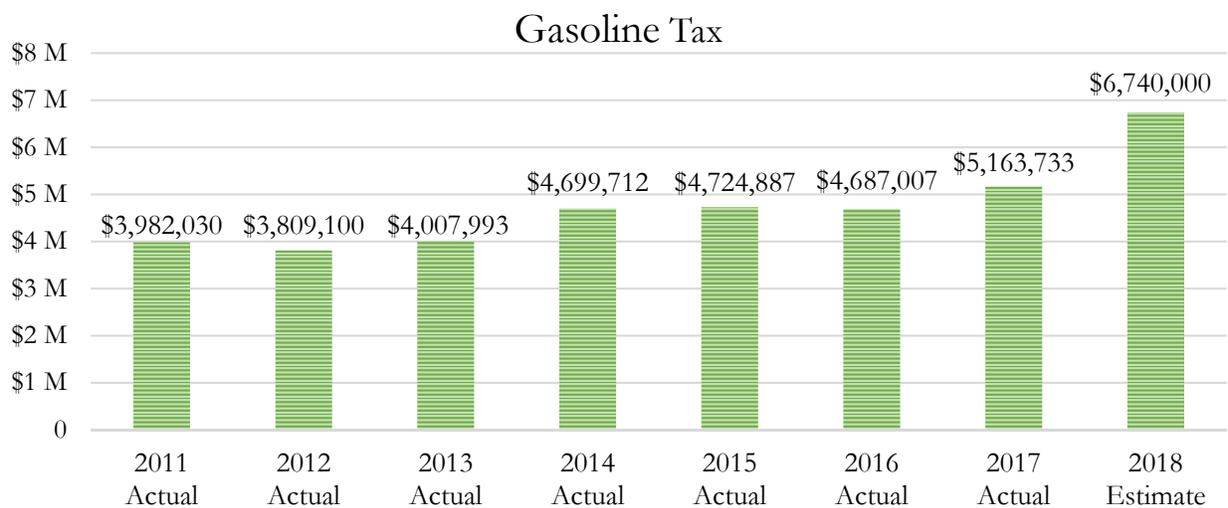
2018 Estimated	- \$84,569,365
2017 Actual	- \$77,847,650
2016 Actual	- \$74,239,529
2015 Actual	- \$76,990,774
2014 Actual	- \$71,622,687
2013 Actual	- \$67,363,085
2012 Actual	- \$66,262,435
2011 Actual	- \$62,364,971
2010 Actual	- \$59,549,775

Gasoline Taxes – \$6,740,000 - 2.1%

Distributions of gasoline tax revenue are made monthly by the Indiana Department of Revenue to the City for use in the construction, operation and maintenance of streets. Distributions are based on a formula that takes into account population, road and street mileage and other factors. Gasoline tax revenue helps fund the Motor Vehicle Highway Fund and the Local Roads & Streets Fund.

Effective July 1, 2017, a 10-cent per gallon gas tax increase was implemented to assist with the funding of road maintenance. This increase significantly increased the revenues expected for the City of South Bend. 2018 will be the first full year of this tax increase, which is expected to allow for much needed road repairs and maintenance in the coming years.

Total gasoline tax revenue is as follows:

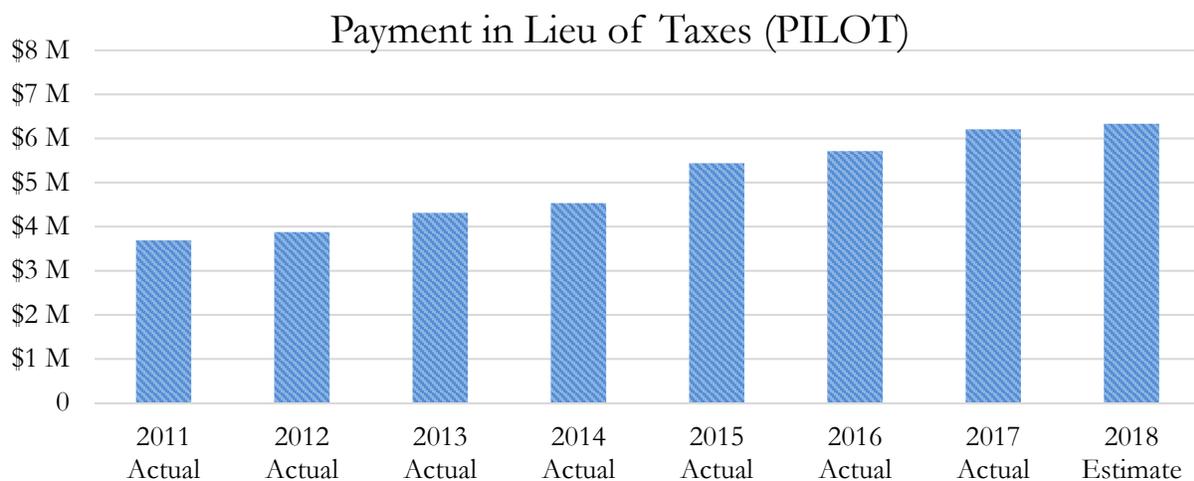


Payment in Lieu of Taxes – \$6,332,487 - 2.00%

Payment in lieu of tax (PILOT) revenue is received as an internal charge to the City’s Wastewater and Water Works utility funds. PILOT is computed as the net book value of the capital assets of the utilities multiplied by the property tax rate. Beginning in 2017, PILOT revenue is received by only the General Fund. The City has elected not to charge the maximum amount of PILOT computed but did increase PILOT revenue by 20% from 2014 to 2015 to assist in balancing the budget. The 2016 increase was back to the normal 5% increase over 2015. In 2017, it was decided to revise the calculation of the charge to limit each paying entity to the maximum 3% charge they would receive should the entity be a tax paying business and that all PILOT charges will be deposited directly into the General Fund. The increase in 2018 was limited to a 2% increase based on need of the General Fund and the current conditions in the utility funds.

Total payment in lieu of tax (PILOT) revenue is as follows:

	<u>General Fund</u>	<u>Parks & Recreation</u>	<u>Football Hall Of Fame</u>	<u>Cumulative Capital Development</u>	<u>Total</u>
2011 Actual	\$2,974,460	\$580,875	\$88,695	\$45,140	\$3,689,170
2012 Actual	\$3,120,225	\$616,596	\$93,040	\$43,768	\$3,873,628
2013 Actual	\$3,503,778	\$696,009	\$71,468	\$40,055	\$4,311,310
2014 Actual	\$3,671,422	\$729,389	\$85,677	\$46,692	\$4,533,180
2015 Actual	\$4,282,212	\$884,835	\$220,578	\$52,191	\$5,439,816
2016 Actual	\$4,620,384	\$926,268	\$112,116	\$53,040	\$5,711,808
2017 Actual	\$6,208,332	\$0	\$0	\$0	\$6,208,332
2018 Estimated	\$6,332,487	\$0	\$0	\$0	\$6,332,487



Investment Earnings – \$1,868,514 - 0.58%

Interest rates earned on City cash reserves and investments have been low in recent years and are less than 1% per year on average. The City has a custodial investment agreement with a local financial institution to manage its investments in a professional manner. One of the goals of the investment manager is to increase yields over what a normal certificate of deposit would pay. Investment earnings increased in 2012-2017 as the City has accumulated additional cash reserves and has authorized the investment manager to invest a certain percentage of the portfolio in 2-5 year maturities. The City is limited by state law to only invest in fixed income instruments. Investment earnings are budgeted to decrease during 2018; however, due to the recent increase in investment earnings, it is likely that the City will exceed budgeted investment earnings in 2018.

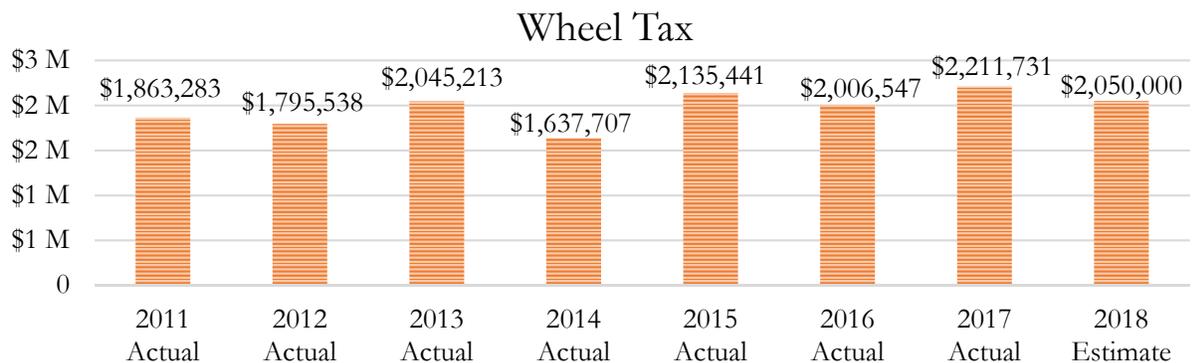
Total investment earnings revenue is as follows:

2018 Estimated	\$1,868,514
2017 Actual	\$2,580,471
2016 Actual	\$2,118,038
2015 Actual	\$1,769,890
2014 Actual	\$1,025,058
2013 Actual	\$1,119,139
2012 Actual	\$1,474,283
2011 Actual	\$643,643

Wheel Tax Revenue – \$2,050,000 - 0.63%

Effective January 1, 2004, Saint Joseph County enacted a wheel tax of \$25 per year for most vehicles registered in the county. The wheel tax revenue is collected by the State of Indiana and distributed periodically to the local governmental units in the county based on a formula. Wheel tax revenue helps fund the Motor Vehicle Highway Fund and has remained fairly consistent from year to year. Due to the inconsistent nature of receipts from funds from the State, revenues tend to fluctuate year-over-year.

Total wheel tax revenue is as follows:



City Administration/Technology Allocation – \$10,174,457 - 3.80%

The General Fund charges a fee to all departments to cover a portion of the general and administrative costs of the Mayor’s Office, City Clerk’s Office, Common Council, Administration & Finance, and Legal Department. The costs of these “overhead” departments are paid from the General Fund and charged back to other funds based on their respective adopted expenditure budgets (City Administration Fee). Prior to 2017, this fee was charged back only to non-general fund departments. However, in an effort to understand the full cost of service for all departments, this fee was calculated and charged back 100% to all departments beginning in 2017. The allocations are charged back on a monthly basis.

The costs for Innovation and Technology are allocated to all departments based on services provided (Innovation Technology) and are deposited into the internal service fund dedicated to innovation and technology costs. The allocations are charged back on a monthly basis.

Prior to 2017, only administrative costs were allocated. In 2017, the full cost of the Innovation and Technology Department was charged back to all of the user departments.

The large increase in revenue from 2017 to 2018 is due to the IT department taking on all IT related costs for all departments. In order to better understand the technology costs throughout the City, all technology costs will be paid through one fund and then allocated out to the receiving departments.

Total City Administration/Innovation Technology fee allocation revenue is as follows:

	<u>Administration</u>	<u>Technology</u>
2018 Estimated	- \$5,454,725	- \$6,850,931
2017 Actual	- \$4,976,976	- \$5,167,452
2016 Actual	- \$3,824,590	- \$0
2015 Actual	- \$3,642,955	- \$0
2014 Actual	- \$3,470,989	- \$0
2013 Actual	- \$3,228,996	- \$0
2012 Actual	- \$2,868,204	- \$0
2011 Actual	- \$2,379,984	- \$0

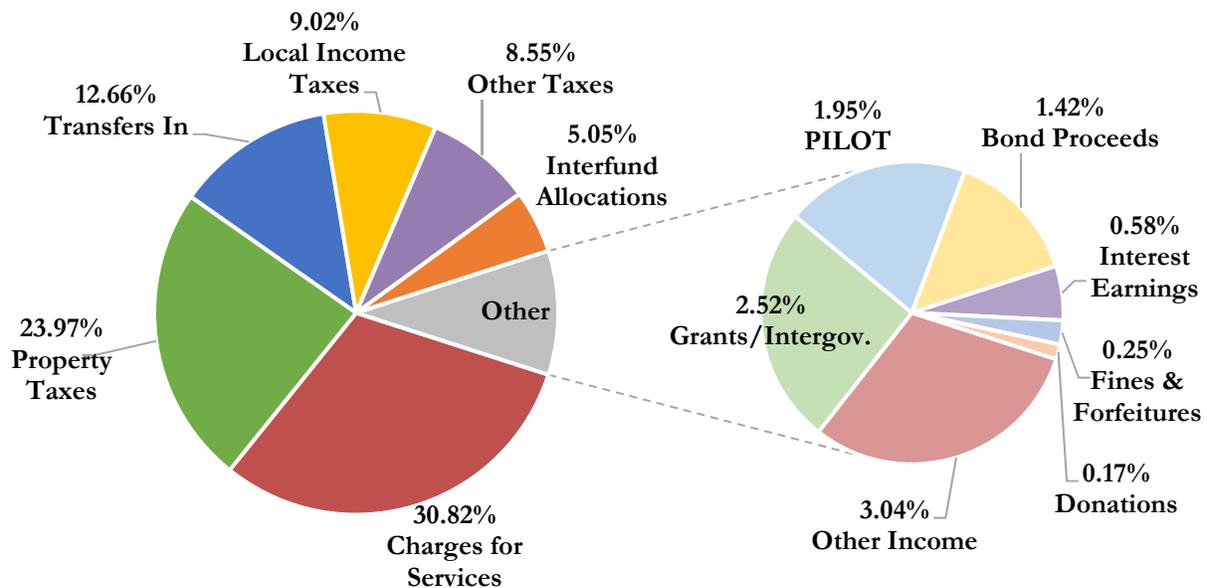
Other Revenue – \$88,018,234 - 27.15%

The City collects a variety of other revenue including hotel/motel tax, professional sports development tax, certified technology park funding, internal charges to other City funds (i.e. health insurance premiums), commercial vehicle excise tax, auto excise tax, cable television franchise fees, community development block grants, community support from a local university, bond proceeds and other revenue. The revenue

collection is monitored on a monthly basis and a report of revenue and expenditures is prepared monthly by the Department of Administration & Finance and distributed to the Mayor, Administration Officials, Department Heads, Fiscal Officers and the Common Council. The monthly financial report is also posted to the City website.

2018 Adopted Budget Revenue Summary

Revenue by Type



Revenue Type	2018 Adopted Budget	2018 Percent of Total
Charges for Services	\$ 99,910,245	30.82%
Property Taxes	\$ 77,700,690	23.97%
Transfers In	\$ 41,036,491	12.66%
Local Income Taxes	\$ 29,256,797	9.02%
Other Taxes	\$ 27,718,675	8.55%
Interfund Allocations	\$ 16,385,528	5.05%
Other Income	\$ 9,852,236	3.04%
Grants/Intergovernmental	\$ 8,180,000	2.52%
PILOT	\$ 6,332,487	1.95%
Bond Proceeds	\$ 4,601,750	1.42%
Interest Earnings	\$ 1,868,514	0.58%
Fines & Forfeitures	\$ 825,960	0.25%
Donations	\$ 513,250	0.17%
Total Revenues	\$ 324,182,623	100.00%

Capital and Debt

Capital Expenditures

Overview

The City budgets for capital assets using a 5-year window, asking each department to consider their capital needs over this period. The most common capital requests are vehicle and operating equipment replaces, based upon the expected lives of the equipment.

Assets will be capitalized where: (1) ownership title is held by the City of South Bend, (2) the acquisition cost of the item exceeds the capitalization threshold identified in the following table, and (3) the item has a useful life in excess of one year.

<u>Asset Category</u>	<u>Capitalization Threshold</u>
Land	All land is capitalized
Construction in Progress	All construction in progress is capitalized
Infrastructure	\$250,000
Buildings	\$100,000
Land & Building Improvements	\$100,000
Intangibles	\$100,000
Machinery & Equipment	\$ 10,000
Computer & Office Equipment	\$ 10,000
Vehicles	\$ 10,000

Budgeting for constructed items such as infrastructure projects generally follow the same guidelines, although there are extra challenges because there are so many factors that could change the shape of the cash flows the projects, not the least of which, in Northern Indiana, is weather. Further, projects for years 4-5 may not be developed yet.

All capital items are required to have a payment method assigned to them: either Cash for outright purchase or Lease for anything paid in installments such that cash is not impacted as heavily in any particular year. The worksheets for the budget include a template to aid fiscal officers in estimating annual lease payments and these amounts are expected to be part of the departments' Debt Service line in the body of the budget document. Capital acquired by cash has its own line in the document. These distinctions are necessary since our budget documents are developed with an eye toward the cash balance in each fund.

Supplementary analysis is performed throughout the budget process to ensure that capital costs are properly incorporated into the budget. Analysis is also performed in review of capital acquisition trends by department, to alert the administration to any unexpected changes in capital acquisition requests and allow administration to address those changes as needed.

Financial Impact of Capital Investment

Capital Leases are favored by enterprise funds and those funds with relatively steady revenue streams and are used for routine replacement for larger items such as vehicles. Typically capital financed through lease funding is routine and replacement items which do not typically require additional maintenance costs.

Cash Purchases are used for smaller routine purchases from funds with adequate cash flow to cover the purchases. Typical cash purchases include individual replacement vehicles, infrastructure improvements which are routine in nature or covered by grant funds and smaller land maintenance projects. Typically capital financed through cash funding is routine and replacement items which do not typically require additional maintenance costs.

Bond Financing is used for large, one-time or infrequent acquisitions infrastructure improvement (“Smart Streets” and the City’s Long-Term Control Plan for sewer control) and large building projects (new fire stations and other City buildings). These expenditures are usually made from funds with limited revenue streams and are not expected to require ongoing financial resources beyond basic maintenance. These purchases are considered carefully to ensure that a) the funding source can support these expenditures, b) there is an adequate Return on Investment (ROI) for the expenditures, and c) the ongoing maintenance of the project can be supported either by additional revenue streams created by the project or by other resources of the City.

A majority of the capital purchases or leases are not expected to have a significant impact on the ongoing operating budget. However, there are many new park and street projects which will require additional maintenance. The assumptions used state that many of the improvements which will require more maintenance such as more frequent mowing, watering, etc. will be offset by the improvements which will require less maintenance due to the improved nature of the projects.

The purchase of certain CNG vehicles for Public Works and Public Safety is expected to result in reduced fuel costs, but the actual benefit is difficult to quantify. There are no anticipated changes in City personnel due to these capital expenditures. Certain Information Technology purchases like the computer refresh program will lead to employee time savings and productivity improvement.

The following pages detail the capital outlays anticipated in detail by fund.

Five-Year Capital Improvement Plan Summary

Fund	Fund Number	2018 Budget	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	Total
Parks & Recreation	201	1,600,000	1,600,000	-	-	-	3,200,000
Motor Vehicle Highway	202	948,750	907,300	1,166,150	1,578,700	486,555	5,087,455
Recreation Non-Reverting	203	125,000	-	-	-	-	125,000
Central Services Capital	224	10,000	30,500	-	-	-	40,500
Local Roads & Streets	251	600,000	-	-	-	-	600,000
LOIT Special Distribution	257	2,950,000	-	-	-	-	2,950,000
EMS Capital	287	7,062,000	1,505,000	440,000	440,000	1,440,000	10,887,000
Police Federal Drug Enforcement	299	45,000	45,000	45,000	45,000	45,000	225,000
TIF - River West Development Area (Airport)	324	19,042,828	10,041,690	8,625,515	8,017,169	8,801,733	54,528,935
Coveleski Stadium Capital	401	65,000	-	-	40,000	-	105,000
County Option Income Tax	404	295,000	295,000	295,000	295,000	295,000	1,475,000
Park Non-Reverting Capital	405	76,000	-	-	-	-	76,000
Cumulative Capital Development	406	500,000	500,000	500,000	500,000	500,000	2,500,000
Cumulative Capital Improvement	407	28,000	278,000	278,000	278,000	278,000	1,140,000
Economic Development Income Tax	408	190,000	190,000	190,000	190,000	190,000	950,000
Major Moves Construction	412	1,300,000	-	-	-	-	1,300,000
Morris Performing Arts Center Capital	416	38,000	33,000	65,000	50,000	-	186,000
TIF - West Washington	422	1,000,000	500,000	500,000	500,000	500,000	3,000,000
TIF - River East Development Area (NE Dev)	429	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	13,750,000
TIF - Southside Development #1	430	4,000,000	2,410,000	2,410,000	2,410,000	2,100,000	13,330,000
2017 Parks Bond	471	10,309,100	3,479,400	-	-	-	13,788,500
Consolidated Building Fund	600	80,000	-	-	-	-	80,000
Parking Garages	601	160,000	-	-	-	-	160,000
Solid Waste Capital	611	1,195,000	700,000	350,000	700,000	700,000	3,645,000
Water Works Capital	622	1,168,000	3,465,000	2,778,000	2,530,000	2,527,000	12,468,000
Sewage Works Capital	642	9,855,000	2,263,000	2,147,000	1,901,000	2,012,500	18,178,500
Century Center	670	192,834	168,391	143,858	181,600	156,680	843,363
Equipment/Vehicle Leasing	750	4,604,750	4,087,300	3,982,150	4,688,700	3,626,555	20,989,455
2015 Parks Bond Capital	751	3,004,500	-	-	-	-	3,004,500
Smart Streets Bond Capital	753	2,100,000	-	-	-	-	2,100,000
Eddy Street Commons Capital	759	17,000,000	-	-	-	-	17,000,000
		\$ 92,294,762	\$ 35,248,581	\$ 26,665,673	\$ 27,095,169	\$ 26,409,023	\$ 207,713,208

Summary by Funding Source							
Cash		45,632,662	24,574,581	20,667,373	19,627,769	20,095,913	130,598,298
Bond Proceeds		42,018,350	7,566,700	3,982,150	4,688,700	3,626,555	61,882,455
Lease		3,643,750	3,107,300	2,016,150	2,778,700	2,686,555	14,232,455
		\$ 91,294,762	\$ 35,248,581	\$ 26,665,673	\$ 27,095,169	\$ 26,409,023	\$ 206,713,208

Summary by Type							
Buildings & Building Improvements		8,872,334	918,391	543,858	621,600	156,680	11,112,863
Land & Land Improvements		11,064,100	3,534,400	805,000	805,000	805,000	17,013,500
Machinery & Equipment		2,519,500	2,008,950	1,500,000	1,763,700	1,373,885	9,166,035
Utilities & Infrastructure		41,952,828	19,081,690	16,870,515	16,182,169	16,666,733	110,753,935
Vehicles		9,133,000	7,827,150	6,668,300	7,444,700	7,128,725	38,201,875
		\$ 73,541,762	\$ 33,370,581	\$ 26,387,673	\$ 26,817,169	\$ 26,131,023	\$ 186,248,208

Depreciation Expense, 2016 CAFR

Governmental Activities:

General Government	406,945
Public Safety	3,123,010
Highways & Streets, General Infrastructure	12,424,217
Culture & Recreation	3,061,541
Economic Development	675,962
Internal Service Funds	149,026
	19,840,701

Business-Type Activities

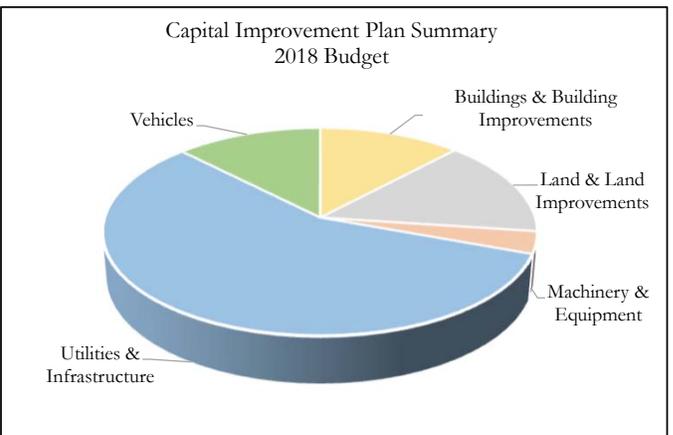
Emergency Medical Service	504,835
Water	2,102,758
Wastewater	6,832,296
Century Center	1,062,219
Building Department	152,174
Parking Garages	216,068
Solid Waste	597,745
	11,468,094

Total Depreciation Expense

\$ 31,308,795

Note: Depreciation expense is a non-cash item that is not budgeted.

Depreciation expense, however, is a rough indicator of the amount of capital spending that a local government must make to keep capital assets at minimally acceptable service levels.



Five-Year Capital Improvement Plan Detail

Fund 201 - Parks & Recreation

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Regional Cities Grant projects	Cash	1,600,000	1,600,000	-	-	-	3,200,000	Funded by Regional Cities reimbursement grant
Total		\$ 1,600,000	\$ 1,600,000	\$ -	\$ -	\$ -	\$ 3,200,000	

Fund 202 - Motor Vehicle Highway

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Replacement Capital								
1 EA Skid Loader w/Mill Attachment & Trailer	Lease	112,500	-	-	-	-	112,500	Replace 222 (2001)
1 EA 1-Ton Utility Truck	Lease	68,800	-	-	-	-	68,800	Replace 211 (2014)
1 EA 9-Ton Roller & Trailer	Lease	150,000	-	-	-	-	150,000	Replace 217R (1994)
1 EA Low-Boy Trailer	Lease	26,000	-	-	-	-	26,000	Replace 218-T (1981)
1 EA 3/4-Ton Pick-up Truck, Stndrd Cab, 4WD, w/V-Plow, CNG (T&L)	Lease	47,450	-	-	-	-	47,450	Replace 423 (2005)
1 EA Mill, Track Drive & Trailer	Lease	500,000	-	-	-	-	500,000	Replace 223 (2000)
2 EA Radar/Message Boards (T&L)	Lease	44,000	-	-	-	-	44,000	New
2 EA Single Axle Dump Trucks	Lease	-	330,000	-	-	-	330,000	Replace 262 & 281 (1998)
1 EA Tandem Axle Dump Truck	Lease	-	225,000	-	-	-	225,000	Replace 251 (1998)
1 EA Skid Loader w/Attachments & Trailer	Lease	-	102,450	-	-	-	102,450	Replace 292 (2004)
1 EA 4 x 4 SUV	Lease	-	35,000	-	-	-	35,000	Replace 201 (2007)
1 EA 3/4-Ton Pick-up Truck, Stndrd Cab, 4WD, w/V-Plow, CNG	Lease	-	49,850	-	-	-	49,850	Replace 212 (2004)
1 EA Bucket Truck (T&L)	Lease	-	165,000	-	-	-	165,000	Replace 430 (2004)
4 EA Tandem Axle Dump Trucks	Lease	-	-	900,000	-	-	900,000	Replace 230, 239, 240, 265 (2003, 2008)
1 EA 1-Ton Utility Truck	Lease	-	-	68,800	-	-	68,800	Replace 211 (2016)
1 EA 3/4-Ton Pick-up Truck, Crew Cab, 4WD, w/V-Plow, CNG	Lease	-	-	52,350	-	-	52,350	Replace 210 (2006)
1 EA Alley Maintainer	Lease	-	-	145,000	-	-	145,000	Replace 285 (1995)
1 EA Road Patcher	Lease	-	-	-	200,000	-	200,000	Replace 246 (2001)
2 EA Single Axle Dump Trucks	Lease	-	-	-	330,000	-	330,000	Replace 248, 256 (2004)
2 EA Tandem Axle Dump Trucks	Lease	-	-	-	450,000	-	450,000	Replace 227, 268 (2006)
1 EA Forklift	Lease	-	-	-	20,000	-	20,000	Replace 214 (1987)
1 EA 12-Ton Roller & Trailer	Lease	-	-	-	150,000	-	150,000	Replace 224R (2000)
1 EA Alley Maintainer	Lease	-	-	-	153,700	-	153,700	Replace 286 (1997)
1 EA 5-Yard Front End Loader	Lease	-	-	-	275,000	-	275,000	Replace 299 (2000)
1 EA 3/4-Ton Pick-up Truck, Crew Cab, 4WD, w/V-Plow, CNG	Lease	-	-	-	-	57,585	57,585	Replace 208 (2016)
1 EA Road Patcher	Lease	-	-	-	-	210,000	210,000	Replace 242 (2004)
1 EA Alley Maintainer	Lease	-	-	-	-	161,385	161,385	Replace 289 (1995)
1 EA 3/4-Ton Pick-up Truck, Stndrd Cab, 4WD, w/V-Plow, CNG	Lease	-	-	-	-	57,585	57,585	Replace 424
Total		\$ 948,750	\$ 907,300	\$ 1,166,150	\$ 1,578,700	\$ 486,555	\$ 5,087,455	

Fund 203 - Recreation Non-Reverting

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Project Capital	Cash	125,000	-	-	-	-	125,000	Projects to be named and completed within 2018
Total		\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ 125,000	

Fund 224 - Central Services Capital

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Replacement Capital								
New radio system software/meter calibration	Cash	10,000	-	-	-	-	10,000	Upgrade to existing monitor, new version of radios
Forklift for the Sample Street garage	Cash	-	30,500	-	-	-	30,500	Replace 30 year old Forklift
Total		\$ 10,000	\$ 30,500	\$ -	\$ -	\$ -	\$ 40,500	

Fund 251 - Local Roads & Streets

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Traffic Calming Devices	Cash	100,000	-	-	-	-	100,000	Used to improve safety for motorist, cyclists, and pedestrians.
Drainage Projects	Cash	500,000	-	-	-	-	500,000	Properly designed drainage and stormwater management systems control and minimize or prevent localized and regional flooding.
Total		\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000	

Five-Year Capital Improvement Plan Detail

Fund 257 - LOIT Special Distribution

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Bendix Drive, Lathrop Road to the south end of the bridges over the Indiana Toll Road	Cash	100,000	-	-	-	-	100,000	Road reconstruction, to improve safety and road condition
Olive Street, Prairie Avenue (State Road 23) north to Tucker Drive	Cash	100,000	-	-	-	-	100,000	Pavement replacement, improve road condition and traffic flow
Safe Routes to School (SRTS), LaSalle Intermediate/Marquette Primary	Cash	450,000	-	-	-	-	450,000	Improve the sidewalks and curb ramps in the area around and between the schools, to improve safety
Community Crossing Grant, Ironwood from State Road 23 to Corby	Cash	1,300,000	-	-	-	-	1,300,000	Replace and improve deteriorating pavement in the City, this portion funded by City
Community Crossing Grant, Ironwood from State Road 23 to Corby	Grant	1,000,000	-	-	-	-	1,000,000	Replace and improve deteriorating pavement in the City, this portion funded by Grant dollars
Total		\$ 2,950,000	\$ -	\$ -	\$ -	\$ -	\$ 2,950,000	

The Community Crossing project is made possible by a 50/50 matching grant, up to max of \$1 million with the State of Indiana. This is a simpler and more efficient revenue stream (a one year cycle) that allows a shovel-ready project out to bid. The City's target is a \$2 million project to maximize the cost-share.

Fund 287 - Emergency Medical Services Capital

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Replacement Capital								
1 Aerial Truck	Lease	1,000,000	-	-	-	-	1,000,000	Included in Debt Service payments
1 New Medic	Cash	275,000	275,000	-	-	-	550,000	Replacement of vehicles
2 Pickup trucks	Cash	52,000	-	-	-	-	52,000	Replacement of vehicles
1 Midsize car	Cash	25,000	30,000	30,000	30,000	30,000	145,000	Replacement of vehicles
1 Medic Rebuild	Cash	210,000	-	210,000	210,000	210,000	840,000	Replacement of vehicles
2 Pumpers/Engines	Lease	-	1,000,000	-	-	1,000,000	2,000,000	Included in Debt Service payments
Portable Radios	Cash	100,000	-	-	-	-	100,000	Replacement of equipment
Cardiac Monitors	Cash	250,000	-	-	-	-	250,000	Replacement of equipment
Specialty Equipment	Cash	-	75,000	75,000	75,000	75,000	300,000	Replacement of equipment
Personnel Equipment	Cash	-	75,000	75,000	75,000	75,000	300,000	Replacement of equipment
Other Equipment	Cash	-	50,000	50,000	50,000	50,000	200,000	Replacement of equipment
Station 9 and Training Center addition	Bond	5,000,000	-	-	-	-	5,000,000	Included in Debt Service payments
Project Capital								
Self-Contained Breathing Apparatus (SCBA) Fill Station	Cash	85,000	-	-	-	-	85,000	Better, more automated fill station
Central Fire Station Exhaust System	Cash	20,000	-	-	-	-	20,000	Catch exhaust fumes from vehicles starting in bay
Washer & Dryer Cabinets	Cash	45,000	-	-	-	-	45,000	Improving efficiency
Total		\$ 7,062,000	\$ 1,505,000	\$ 440,000	\$ 440,000	\$ 1,440,000	\$ 10,887,000	

Capital spending includes fleet needs, as well as updates and repair & maintenance to facilities. To keep the fleet within a servicable life span, generally the City aims to purchase 2 pumper trucks every 3 years and an aerial apparatus every 5 years. The City also purchases or refurbishes an ambulance each year. The Fire Department's capital needs have also begun to include debt service payments for facilities such as Station 5, the IJT Fire Training Center, design and oversight of construction for Station 4, as well as upcoming costs for Station 9's replacement. Smaller capital projects include completing exhaust capture upgrades at the Central Fire Station and Station 2, adding gear washers at additional stations, as well as an upgrade to the self-contained breathing apparatus (SCBA) fill station.

Fund 299 - Police Federal Drug Enforcement

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Replacement Capital								
Undercover vehicles	Cash	45,000	45,000	45,000	45,000	45,000	225,000	Purchase vehicles or equipment for undercover officers
Total		\$ 45,000	\$ 225,000					

Fund 324 - TIF - River West Development Area (Airport)

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Various projects	Cash	19,042,828	10,041,690	8,625,515	8,017,169	8,801,733	54,528,935	To spur development in River West area
Total		\$ 19,042,828	\$ 10,041,690	\$ 8,625,515	\$ 8,017,169	\$ 8,801,733	\$ 54,528,935	

Fund 401 - Coveleski Stadium Capital

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Exterior irrigation	Cash	50,000	-	-	-	-	50,000	Provide water to landscaping around the stadium
Landscaping	Cash	15,000	-	-	-	-	15,000	Improve aesthetics
Other projects	Cash	-	-	-	40,000	-	40,000	To be determined
Total		\$ 65,000	\$ -	\$ -	\$ 40,000	\$ -	\$ 105,000	

Five-Year Capital Improvement Plan Detail

Fund 404 - County Option Income Tax

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Complete streets transportation projects	Cash	180,000	180,000	180,000	180,000	180,000	900,000	Streetscapes
Land	Cash	115,000	115,000	115,000	115,000	115,000	575,000	Property acquisition for DCI
Total		\$ 295,000	\$ 1,475,000					

Fund 405 - Park Non-Reverting Capital

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Pavilion at LaSalle Park	Cash	35,000	-	-	-	-	35,000	
Forestry equipment	Cash	16,000	-	-	-	-	16,000	
Kennedy Pavilion	Cash	25,000	-	-	-	-	25,000	
Total		\$ 76,000	\$ -	\$ -	\$ -	\$ -	\$ 76,000	

Fund 406 - Cumulative Capital Development

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Replacement Capital								
Police Vehicles	Lease	500,000	500,000	500,000	500,000	500,000	2,500,000	Replace aging police vehicles
Total		\$ 500,000	\$ 2,500,000					

Fund 407 - Cumulative Capital Improvement

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Venues, Parks & Arts Projects	Cash	28,000	278,000	278,000	278,000	278,000	1,140,000	Plan to direct funds towards VPA capital projects
Total		\$ 28,000	\$ 278,000	\$ 278,000	\$ 278,000	\$ 278,000	\$ 1,140,000	

Fund 408 - Economic Development Income Tax

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Land	Cash	140,000	140,000	140,000	140,000	140,000	700,000	Property acquisition for DCI
City Cemetery	Cash	50,000	50,000	50,000	50,000	50,000	250,000	Improvements to the City cemetery
Total		\$ 190,000	\$ 950,000					

Fund 412 - Major Moves Construction

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Ironwood/Corby/Rockne Intersection Modernization	Cash	1,200,000	-	-	-	-	1,200,000	Improve safety and service at this intersection.
School Zones Flashing Beacons	Cash	100,000	-	-	-	-	100,000	Improve safety for school children and staff.
Total		\$ 1,300,000	\$ -	\$ -	\$ -	\$ -	\$ 1,300,000	

Fund 416 - Morris Performing Arts Center Capital

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Replacement Capital								
Dimmer Rack Upgrade (1/3)	Cash	23,000	-	-	-	-	23,000	Out of date with current production needs
Fly Rail Upgrade (1/3)	Cash	15,000	-	-	-	-	15,000	Out of date with current production needs
Dimmer Rack Upgrade (3/3)	Cash	-	18,000	-	-	-	18,000	Out of date with current production needs
Fly Rail Upgrade (2/3)	Cash	-	15,000	-	-	-	15,000	Out of date with current production needs
Main Stage Curtain	Cash	-	-	50,000	-	-	50,000	Existing is 16 years old, signs of wear and dry rot
Fly Rail Upgrade (3/3)	Cash	-	-	15,000	-	-	15,000	Out of date with current production needs
Main Stage Soft Goods (Curtains)	Cash	-	-	-	50,000	-	50,000	Existing is 16 years old, signs of wear and dry rot
Total		\$ 38,000	\$ 33,000	\$ 65,000	\$ 50,000	\$ -	\$ 186,000	

The existing Dimmer Rack and Fly Rail is becoming obsolete for the current production needs - this project is forecasted to be completed in three phases over the next three years.

Five-Year Capital Improvement Plan Detail

Fund 422 - TIF - West Washington

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
City Cemetery Improvements	Cash	1,000,000	500,000	500,000	500,000	500,000	3,000,000	Continued work
Total		\$ 1,000,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 3,000,000	

2018 and 2019 expect to complete work on City Cemetery.

Fund 429 - TIF - River East Development Area (NE Dev)

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Various projects	Cash	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	13,750,000	To spur development in River East area
Total		\$ 2,750,000	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000	\$ 13,750,000	

Fund 430 - TIF - Southside Development #1

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Various projects	Cash	4,000,000	2,410,000	2,410,000	2,410,000	2,100,000	13,330,000	Continued work as approved by Redev Comm
Total		\$ 4,000,000	\$ 2,410,000	\$ 2,410,000	\$ 2,410,000	\$ 2,100,000	\$ 13,330,000	

Fund 471 - 2017 Parks Bond

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Series A - Howard Park	Bond Proceeds	410,000	-	-	-	-	410,000	Riverfront promenade
	Bond Proceeds	554,000	-	-	-	-	554,000	Stormwater habitat area
	Bond Proceeds	145,000	-	-	-	-	145,000	Contingency
Series B - St. Louis Street	Bond Proceeds	1,250,000	-	-	-	-	1,250,000	St. Louis Street parking and street upgrades (Howard Park)
	Bond Proceeds	187,100	-	-	-	-	187,100	Contingency
Series C - Colfax-Seitz	Bond Proceeds	1,050,000	-	-	-	-	1,050,000	Riverfront trail upgrades - Colfax to Seitz Park
Series D - Howard-Farmers	Bond Proceeds	1,250,000	-	-	-	-	1,250,000	Riverfront trail upgrades - Howard Park to Farmer's Market
Series E - Miami-Twyckenham	Bond Proceeds	800,000	-	-	-	-	800,000	Riverfront trail upgrades - Miami to Twyckenham
Series F - Seitz-Howard	Bond Proceeds	750,000	-	-	-	-	750,000	Riverfront trail upgrades - Seitz Park to Howard Park
	Bond Proceeds	-	375,000	-	-	-	375,000	Seitz Park parking
Series G - Seitz Park	Bond Proceeds	-	350,000	-	-	-	350,000	AM General parking and plaza area
	Bond Proceeds	875,000	-	-	-	-	875,000	East Race promenade and bridge
	Bond Proceeds	288,000	-	-	-	-	288,000	Contingency
Series H - Pinhook Park	Bond Proceeds	-	750,000	-	-	-	750,000	Pavillion upgrade
	Bond Proceeds	-	800,000	-	-	-	800,000	Reconnect river flow to lagoon
	Bond Proceeds	-	300,000	-	-	-	300,000	Playground and site improvements
Series I - Other Park Improvements	Bond Proceeds	1,200,000	-	-	-	-	1,200,000	Park security, lighting, and storage
	Bond Proceeds	550,000	-	-	-	-	550,000	Restrooms modernization & ADA compliance
Series J - Pinhook Park	Bond Proceeds	-	900,000	-	-	-	900,000	Pinhook Park neighborhood connectivity
Series K - Future Project	Bond Proceeds	1,000,000	4,400	-	-	-	1,004,400	Future park acquisitions, partnerships, and build-outs
Total		\$ 10,309,100	\$ 3,479,400	\$ -	\$ -	\$ -	\$ 13,788,500	

Fund 600 - Consolidated Building Fund

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Replacement Capital								
600-1207 Animal Care & Control - Box Truck	Cash	80,000	-	-	-	-	80,000	For animal pickup
Total		\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000	

Five-Year Capital Improvement Plan Detail

Fund 601 - Parking Garages								
Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Various Projects	Cash	160,000	-	-	-	-	160,000	New projects include building upgrades such as new computerized systems
Total		\$ 160,000	\$ -	\$ -	\$ -	\$ -	\$ 160,000	

Fund 611 - Solid Waste Capital								
Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Replacement Capital								
Front Load Dedicated unit	Lease	375,000	-	-	-	-	375,000	Replacing 2009 Rear load 570
Front Load Dedicated unit	Lease	375,000	-	-	-	-	375,000	Replacing 2010 Rear load 569
Front Load Dedicated unit	Lease	375,000	-	-	-	-	375,000	Replacing 2011 Rear load 567
Front Load Dedicated unit	Lease	-	350,000	-	-	-	350,000	Replacing 2016 Rear load 571
Front Load Dedicated unit	Lease	-	350,000	-	-	-	350,000	Replacing 2016 Rear load 572
Front Load Dedicated unit	Lease	-	-	350,000	-	-	350,000	Replacing 2011 Dual Auto 561
Front Load Dedicated unit	Lease	-	-	-	350,000	-	350,000	Replacing 2013 Dual Auto 577
Front Load Dedicated unit	Lease	-	-	-	350,000	-	350,000	Replacing 2013 Dual Auto 574
Front Load Dedicated unit	Lease	-	-	-	-	350,000	350,000	Replacing 2013 Dual Auto 568
Front Load Dedicated unit	Lease	-	-	-	-	350,000	350,000	Replacing 2013 Dual Auto 564
Tote Power Washer	Lease	70,000	-	-	-	-	70,000	Refurbish and offer a cleaning service for totes
Total		\$ 1,195,000	\$ 700,000	\$ 350,000	\$ 700,000	\$ 700,000	\$ 3,645,000	

Fund 622 - Water Works Capital								
Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Replacement Capital								
Loader	Cash	110,000	110,000	-	-	-	220,000	2002 replacement - unit #555
Cargo Van	Cash	40,000	-	40,000	-	-	80,000	2001 replacement - unit #556
Skid Loader	Cash	75,000	-	-	-	-	75,000	1993 replacement - unit #584
Case Loader	Cash	125,000	-	-	-	-	125,000	2009 replacement - unit #586
Compressor	Cash	18,000	18,000	-	-	-	36,000	2000 replacement - unit #535
Truck(s), 2WD w/utility bodies & 4 x 4 w/plow	Cash	-	82,000	-	80,000	180,000	342,000	Aging replacements
Mower	Cash	-	10,000	-	-	-	10,000	2012 replacement - unit #566
Track Excavator	Cash	-	175,000	-	-	-	175,000	1998 replacement - unit #575
Arrow Board(s)	Cash	-	20,000	-	-	-	20,000	1998 & 1999 replacements - unit #598 #599
Mini Cargo Van	Cash	-	-	33,000	165,000	165,000	363,000	Aging replacements
Vactor	Cash	-	-	400,000	-	-	400,000	2013 replacement - unit #577
Tractor	Cash	-	-	-	120,000	-	120,000	1993 replacement - unit #574
Crane Truck	Cash	-	-	-	90,000	-	90,000	1990 replacement - unit #533
Car(s), Mid-Size	Cash	-	-	-	-	47,000	47,000	Aging replacements
Water Meters	Cash	800,000	800,000	800,000	800,000	-	4,000,000	Water Meter Replacement Program
Improvement & Replacement Capital - To Be Determined	Cash	-	2,250,000	1,505,000	1,275,000	1,335,000	6,365,000	Critical Projects identified in Rate Case CIP
Total		\$ 1,168,000	\$ 3,465,000	\$ 2,778,000	\$ 2,530,000	\$ 2,527,000	\$ 12,468,000	

Fund 642 - Sewage Works Capital								
Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Replacement Capital								
S/A Crane Truck	Cash	240,000	-	-	-	-	240,000	Replace 2000 unit, s/n 470
3/4 ton Cargo Van	Cash	40,000	36,000	-	36,000	20,000	132,000	Replace 2006 unit, s/n 494
Utility Cart	Cash	15,000	-	15,000	15,000	-	45,000	Replace 2006 unit, s/n 676
SCADA Servers	Cash	30,000	-	-	-	-	30,000	Replace #3,#4
ICP Lab equipment	Cash	80,000	-	-	-	-	80,000	Beyond useful life
Farmington 14B Lift Station	Cash	500,000	-	-	-	-	500,000	Per Jones & Henry Facility Plan. Beyond useful life
Upgrade and rebuild #2 Raw Pump	Cash	500,000	-	-	-	-	500,000	Critical WWTP pump to keep in service
Admin. & Compressor bldg. window & brick rehab.	Cash	-	-	400,000	400,000	-	800,000	Moisture seepage deteriorating building exteriors
3/4 ton Pick-up Truck	Cash	-	32,000	40,000	-	-	72,000	Replace s/n 484, s/n 655,
Front end loaders	Cash	-	410,000	-	-	-	410,000	Replace s/n 602, s/n 613
Pressure Washer for Organic Resources	Cash	-	10,000	-	-	-	10,000	Replace s/n 646
Riding Mower	Cash	-	15,000	-	-	-	15,000	Replace s/n 370
Douglas Rd, Laurel Rd, Edison Rd, Smilax Rd Lift stations	Cash	-	650,000	600,000	750,000	700,000	2,700,000	Per Jones & Henry Facility Plan. Beyond useful life
Phoenix Power Screen machine for Organic Resources	Cash	-	-	-	-	400,000	400,000	Replace 2008 s/n 649
2 EA - Crew Trucks	Cash	320,000	-	-	-	-	320,000	Replace 457 (1999) & 460 (1997)
2 EA - Single Axle Dump Trucks	Cash	300,000	-	-	-	-	300,000	Replace 485 (1995) & 467 (2003)
1 EA - Excavator, Rubber Track	Cash	200,000	-	-	-	-	200,000	Replace 489 (1993)
2 EA - ZTR Mowers & Trailer	Cash	30,000	-	-	-	-	30,000	Replace 4452 & 4453
1 EA - Vactor/Jet Rodder	Cash	400,000	-	-	-	-	400,000	Replace 488 (2006)
1 EA - Back Hoe w/needle	Cash	-	175,000	-	-	-	175,000	Replace 600 (2010)

Five-Year Capital Improvement Plan Detail

Fund 642 - Sewage Works Capital

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
3 EA - 3/4 Ton Pickup w/extended cab, 4WD, v-plow, CNG	Cash	-	165,000	-	-	-	165,000	Replace 455, 456, 473 (2011)
1 EA - 1 Ton Utility Truck	Cash	-	70,000	-	-	-	70,000	Replace 474 (2005)
1 EA - Vactor/Jet Rodder	Cash	-	400,000	-	-	-	400,000	Replace 486 (2005)
1 EA - Sweeper, Mechanical	Cash	-	300,000	-	-	-	300,000	Replace 4471 (2012)
2 EA - Sweeper, Vacuum	Cash	-	-	550,000	-	-	550,000	Replace 4472 (2013) & 4473 (2014)
2 EA - Crew Trucks	Cash	-	-	352,000	-	-	352,000	Replace 458, 472 (2002)
1 EA - 3/4 Ton Pick w/standard cab, 4WD, v-plow, CNG	Cash	-	-	65,000	-	-	65,000	Replace 205 (2011)
1 EA - Skid Loader w/attachments & trailer	Cash	-	-	125,000	660,000	-	785,000	Replace 291 (2009)
2 EA - Sweeper, Mechanical	Cash	-	-	-	40,000	-	40,000	Replace 4474 (2015) & 4475 (2016)
1 EA - Chipper	Cash	-	-	-	-	-	-	Replace 607 (1996)
1 EA - Back Hoe w/needle	Cash	-	-	-	-	157,500	157,500	Replace 610 (2015)
3 EA - 3/4 Ton Pickup w/extended cab, 4WD, v-plow, CNG	Cash	-	-	-	-	165,000	165,000	Replace 402 (2005), 450 (2015) & 453 (2015)
1 EA - Camera Truck	Cash	-	-	-	-	325,000	325,000	Replace 489 (2012)
1 EA - Excavator, Rubber Track	Cash	-	-	-	-	245,000	245,000	Replace 601 (2011)
Project Capital								
Generators for the Wastewater Plant	Cash	4,000,000	-	-	-	-	4,000,000	To provide back-up power when needed at WWTP
Install CL2 RAS for Filament control	Cash	200,000	-	-	-	-	200,000	WWTP process control
Sewer Lining, LTCP Projects	Cash	1,500,000	-	-	-	-	1,500,000	Prolong the life of sewer infrastructure; Consent Decree
Sewer extension for Chocolate Café expansion	Cash	1,500,000	-	-	-	-	1,500,000	Funds to be received from TIF
Total		\$ 9,857,018	\$ 2,265,019	\$ 2,149,020	\$ 1,903,021	\$ 2,014,522	\$ 18,188,600	

Fund 670 - Century Center

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Building Improvements	Cash	192,834	168,391	143,858	181,600	156,680	843,363	Improvements to convention center
Total		\$ 192,834	\$ 168,391	\$ 143,858	\$ 181,600	\$ 156,680	\$ 843,363	

Fund 750 - Equipment/Vehicle Leasing

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Replacement Capital								
Police Department (COIT/CCD Fund)	Debt Proceeds	1,300,000	1,325,000	1,350,000	1,375,000	1,400,000	6,750,000	Replacement of vehicles and equipment (40)
Solid Waste	Debt Proceeds	1,195,000	700,000	350,000	700,000	700,000	3,645,000	Replacement of vehicles (10), power washer (1)
Street Department	Debt Proceeds	948,750	907,300	1,166,150	1,578,700	486,555	5,087,455	Replacement vehicles (35)
Building Department	Debt Proceeds	46,000	-	46,000	-	-	92,000	Replacement vehicles (4)
Code Enforcement/Animal Control	Debt Proceeds	115,000	155,000	70,000	35,000	40,000	415,000	Replacement vehicles (8)
Other	Debt Proceeds	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	Replacement vehicles (to be identified)
Total		\$ 4,604,750	\$ 4,087,300	\$ 3,982,150	\$ 4,688,700	\$ 3,626,555	\$ 20,989,455	

Fund 751 - Parks Bond Capital

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Charles Black Center	Bond Proceeds	3,004,500	-	-	-	-	3,004,500	Improvements at an important community center
Total		\$ 3,004,500	\$ -	\$ -	\$ -	\$ -	\$ 3,004,500	

Fund 753 - Smart Streets Bond Capital

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Smart Streets	Bond Proceeds	2,100,000	-	-	-	-	2,100,000	Complete two-way streets project
Total		\$ 2,100,000	\$ -	\$ -	\$ -	\$ -	\$ 2,100,000	

Fund 759 - Eddy Street Commons Capital

Name	Funding Source	2018 Budget	Forecast				Total	Justification
			2019	2020	2021	2022		
Project Capital								
Eddy Street Commons, Phase II	Bond Proceeds	17,000,000	-	-	-	-	17,000,000	Phase II of the Eddy Street Commons mixed use development near the University of Notre Dame
Total		\$ 17,000,000	\$ -	\$ -	\$ -	\$ -	\$ 17,000,000	

Debt

Debt Policy

1. Debt management will provide for the protection and maintenance of the City's AA bond rating, the maintenance of adequate debt service reserves, compliance with debt covenant provisions, and appropriate disclosure to investors, underwriters, and rating agencies.
2. The City's compliance officer is the City Controller. Compliance monitoring will be performed annually.
3. The term of any City debt issue, including lease-purchases, shall not exceed the useful life of the assets being acquired by the debt issue.
4. All debt issuance shall comply with federal, State and City requirements. All IRS regulations in regards to post-issuance tax compliance will be followed.
5. The City shall maintain an ongoing performance monitoring system of the various outstanding bond indebtedness. This is particularly important as funds borrowed for a project today are not available to fund other projects tomorrow and funds committed for debt service payments today are not available to fund operations in the future.
6. The City shall maintain all spending records related to bond issuance until at least three years after the final maturity is redeemed.
7. The City will maintain good, ongoing communication with bond rating agencies about its financial condition. The City will follow a policy of full disclosure on every financial report and bond prospectus (Official Statement).
8. Accompanying each debt issue will be an assessment of the City's capacity to repay the debt. The assessment will address the effects on the current operating budget, as well as identify the resources that will be utilized to repay the debt.
9. Long-term borrowing will not be used to finance current operations or normal maintenance and will only be considered for significant capital and infrastructure improvements.
10. The City will try to keep the average maturity of general obligation bonds at or below twenty years.
11. The City will generally conduct financings on a competitive basis. However, negotiated financings may be used due to market volatility or the use of an unusual or complex financing or security structure.
12. The City will not issue tax or revenue anticipation notes.
13. The City will strive to maintain a reliance on pay-go financing for its capital improvements, whenever possible.
14. The City will follow the general debt limits as stated by Indiana law, which mandates a 2% debt limit on net assessed valuation for certain type of general obligation and other debt.
15. The city will report all debt to the Indiana Department of Local Government Finance (DLGF) using its Gateway Reporting program.
16. The City will make all continuing bond disclosures required using the MSRB Electronic Municipal Market Access (EMMA) portal in a timely manner.

**CITY OF SOUTH BEND, INDIANA
COMPUTATION OF LEGAL DEBT MARGIN
DECEMBER 31, 2016 (\$'s whole)**

Civil City

Net Assessed Valuation (2015 pay 2016) of Taxable Property in South Bend	\$2,277,169,743
Debt limit: 2% of one third thereof	15,181,132
Less Bonds subject to limitation:	
County Economic Development Income Tax Refunding Revenue Bonds, Series 2006 A	(225,000)
County Economic Development Income Tax Refunding Revenue Bonds, Series 2006 B	(205,000)
Economic Development Income Tax Bonds of 2015 (Parks Bond)	(5,405,000)
Issuance Margin	<u>\$9,346,132</u>
Percentage of Debt to Debt Limit	<u>38.44%</u>

Redevelopment District

Net Assessed Valuation (2015 pay 2016) of Taxable Property in South Bend	\$2,277,169,743
Debt limit: 2% of one third thereof	15,181,132
Less Bonds subject to limitation:	
Special Taxing District Bonds of 2014	(2,210,000)
Issuance Margin	<u>\$12,971,132</u>
Percentage of Debt to Debt Limit	<u>14.56%</u>

A 2% debt limit is established by the Constitution of the State of Indiana. This limit is established for general obligation bonds, Economic Development Income Tax revenue bonds, tax revenue notes and other types of indebtedness. This limitation does not include revenue bonds payable from governmental funds (excluding EDIT bonds) shown in the general long term debt account group. Indiana law allows the creation of separate municipal corporations to provide vital governmental functions. Each of these municipal corporations (including the Redevelopment Authority and Redevelopment Commission) has its own 2% debt limit, even if they have the same or similar boundaries.

**City of South Bend, Indiana
Legal Debt Margin Information
Last Ten Fiscal Years (\$'s whole)**

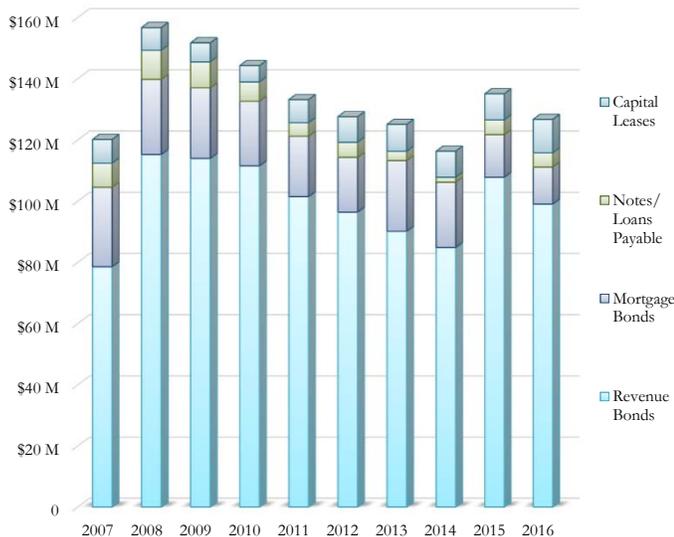
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Civil City										
Debt Limit (1)	\$20,149,048	\$19,840,538	\$17,792,583	\$16,356,704	\$15,495,323	\$15,599,467	\$15,579,379	\$14,731,511	\$15,068,462	\$15,181,132
Total Net Debt Applicable To Limit	6,685,000	6,105,000	5,500,000	9,850,000	8,910,000	7,650,000	6,335,000	4,970,000	7,270,000	5,835,000
Debt Margin	13,464,048	13,735,538	12,292,583	6,506,704	6,585,323	7,949,467	9,244,379	9,761,511	7,798,462	9,346,132
Percentage of Debt Limit	33.18%	30.77%	30.91%	60.22%	57.50%	49.04%	40.66%	33.74%	48.25%	38.44%
Redevelopment District										
Debt Limit (1)	\$20,149,048	\$19,840,538	\$17,792,583	\$16,356,704	\$15,495,323	\$15,599,467	\$15,579,379	\$14,731,511	\$15,068,462	\$15,181,132
Total Net Debt Applicable To Limit	5,580,000	5,300,000	5,010,000	4,715,000	4,085,000	4,085,001	3,405,000	3,010,000	2,615,000	2,210,000
Debt Margin	14,569,048	14,540,538	12,782,583	11,641,704	11,410,323	11,514,466	12,174,379	11,721,511	12,453,462	12,971,132
Percentage of Debt Limit	27.69%	26.71%	28.16%	28.83%	26.36%	26.19%	21.86%	20.43%	17.35%	14.56%

(1) A 2% of net assessed value debt limit has been established by the Constitution of the State of Indiana for certain type of debt including general obligation bonds, Economic Development Income Tax bonds and tax revenue notes. This limitation does not apply to revenue bonds payable from governmental or proprietary funds.

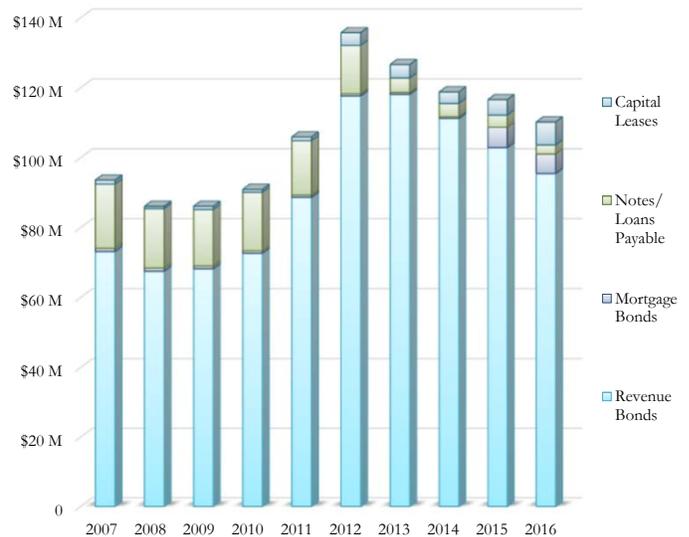
**City of South Bend, Indiana
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities					Business-Type Activities				Total Primary Government
	General Obligation Bonds	Revenue Bonds	Mortgage Bonds	Notes/Loans Payable	Capital Leases	Revenue Bonds	Mortgage Bonds	Notes/Loans Payable	Capital Leases	
2007	\$ -	\$ 78,570,000	\$ 25,957,839	\$ 7,900,658	\$ 7,695,487	\$ 73,145,000	\$ 926,805	\$ 18,380,491	\$ 1,127,394	\$ 213,703,674
2008	-	115,240,000	24,534,464	9,543,790	7,388,443	67,535,000	878,835	17,031,649	628,427	242,780,608
2009	-	113,975,000	23,061,148	8,470,308	6,214,206	68,225,000	829,020	16,145,358	893,233	237,813,273
2010	-	111,510,000	21,117,295	6,323,199	5,299,341	72,655,000	717,705	16,755,369	799,402	235,177,311
2011	-	101,472,431	19,724,490	4,431,871	7,510,749	88,655,000	660,510	15,542,372	1,077,642	239,075,065
2012	-	96,410,000	17,883,530	4,953,639	8,336,120	117,650,000	601,470	13,848,901	3,641,362	263,325,022
2013	-	90,172,826	23,079,781	3,030,554	8,777,238	118,121,963	546,973	4,121,010	3,831,933	251,682,278
2014	-	84,862,512	21,331,548	1,617,491	8,481,375	111,209,874	480,604	3,794,664	3,307,802	235,085,870
2015	-	107,815,890	13,904,973	4,831,752	8,491,407	102,871,921	5,851,565	3,458,899	4,411,042	251,637,449
2016	-	99,040,132	12,091,550	4,647,381	10,929,075	95,477,047	5,556,865	2,582,205	6,585,123	236,909,378
% of Total Debt	0%	41.81%	5.10%	1.96%	4.61%	40.30%	2.35%	1.09%	2.78%	100.00%

Governmental Activities Debt



Business-Type Activities Debt



Debt Service Payments Summary

2018 - 2037

	2018	2019	2020	2021	2022-2026	2027 - 2031	2032 - 2037
Governmental activities:							
General Government	\$ 197,732	\$ 163,019	\$ 136,794	\$ 79,015	\$ -	\$ -	\$ -
Public Safety	2,220,914	1,971,012	1,744,316	1,373,912	1,835,596	772,373	460,251
Highways & Streets	3,005,431	2,809,220	2,682,678	2,262,421	8,538,810	8,540,938	9,393,337
Economic Development	11,242,894	10,172,690	9,898,884	10,096,381	36,893,157	22,381,722	21,290,775
Culture & Recreation	1,255,114	1,842,213	1,826,208	1,794,881	7,751,910	7,819,206	3,527,814
Total governmental activities	\$ 17,922,085	\$ 16,958,154	\$ 16,288,879	\$ 15,606,610	\$ 55,019,474	\$ 39,514,239	\$ 34,672,177
Business-type activities:							
Water Works	\$ 3,212,854	\$ 2,438,591	\$ 2,241,445	\$ 2,123,478	\$ 7,693,771	\$ 4,346,016	\$ 559,980
Wastewater	9,868,720	8,440,385	8,405,982	8,143,973	34,893,294	19,232,872	1,695,375
Century Center	554,411	415,423	411,096	406,711	1,966,524	1,667,653	-
Bldg Dept/Code Enforce	102,545	100,958	97,172	79,479	50,300	-	-
Emergency Medical Services	541,276	544,376	539,269	421,962	2,019,425	2,096,689	865,179
Solid Waste	871,970	704,086	697,006	398,852	174,403	-	-
Total Business-type activities	\$ 15,151,776	\$ 12,643,819	\$ 12,391,970	\$ 11,574,455	\$ 46,797,717	\$ 27,343,230	\$ 3,120,534
GRAND TOTAL	\$ 33,073,860	\$ 29,601,973	\$ 28,680,849	\$ 27,181,065	\$ 101,817,190	\$ 66,857,469	\$ 37,792,711

Major Fund

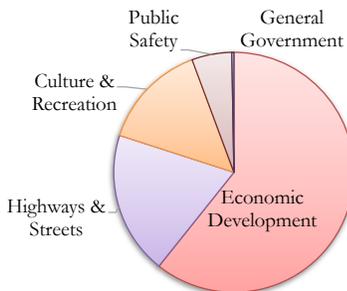
Governmental Funds:							
General Fund	\$ 173,386	\$ 163,828	\$ 156,964	\$ 147,673	\$ -	\$ -	\$ -
Parks & Recreation	282,703	278,341	272,111	231,309	-	-	-
COIT	1,014,982	1,016,982	792,010	616,832	344,011	-	-
EDIT	578,073	581,974	580,592	573,653	2,778,715	2,681,029	2,222,115
Airport TIF	8,041,869	8,034,909	8,030,152	7,658,486	22,406,169	8,540,938	9,393,337
Nonmajor Funds	7,831,072	6,882,120	6,457,050	6,378,657	29,490,580	28,292,272	23,056,725
Total Governmental Funds	\$ 17,922,085	\$ 16,958,154	\$ 16,288,879	\$ 15,606,610	\$ 55,019,474	\$ 39,514,239	\$ 34,672,177
Proprietary Funds:							
Water Works	\$ 431,487	\$ 424,050	\$ 420,959	\$ 297,895	\$ 204,179	\$ -	\$ -
Wastewater	9,868,720	8,440,385	8,405,982	8,143,973	34,893,294	19,232,872	1,695,375
Century Center	305,736	415,423	411,096	406,711	1,966,524	1,667,653	-
Nonmajor Funds	4,545,833	3,363,961	3,153,932	2,725,876	9,733,720	6,442,704	1,425,159
Total Proprietary Funds	\$ 15,151,776	\$ 12,643,819	\$ 12,391,970	\$ 11,574,455	\$ 46,797,717	\$ 27,343,230	\$ 3,120,534
GRAND TOTAL	\$ 33,073,860	\$ 29,601,973	\$ 28,680,849	\$ 27,181,065	\$ 101,817,190	\$ 66,857,469	\$ 37,792,711

Major Projects include: Smart Streets initiative, the Corridors initiative, the Long Term Control Plan (for CSO), and Park projects.

12/31/2018 Principal Balance

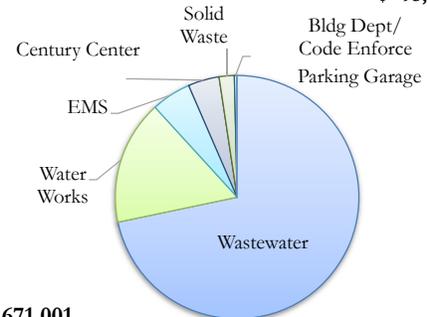
Governmental

Economic Development	82,282,910
Highways & Streets	26,112,421
Culture & Recreation	19,466,343
Public Safety	7,296,274
General Government	363,924
	<u>\$ 135,521,873</u>



Business-Type

Wastewater	68,220,373
Water Works	15,732,365
Emergency Medical Services	4,999,106
Century Center	3,936,004
Solid Waste	1,914,264
Bldg Dept/Code Enforce	315,825
Parking Garage	31,191
	<u>\$ 95,149,128</u>

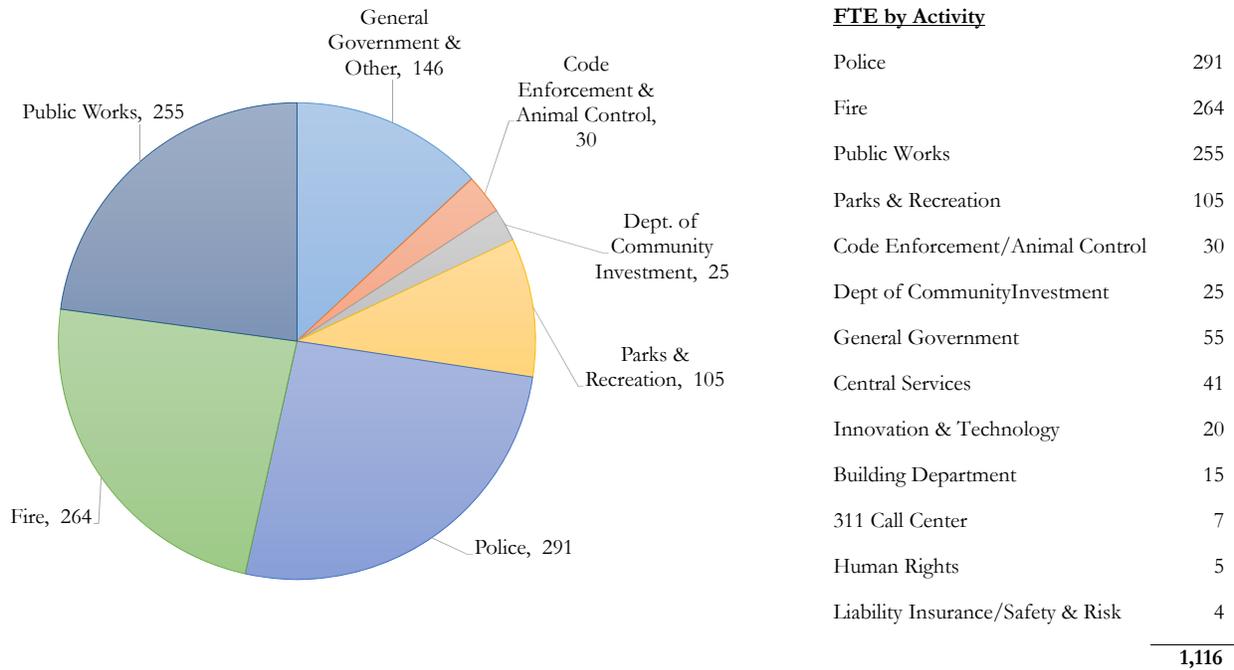
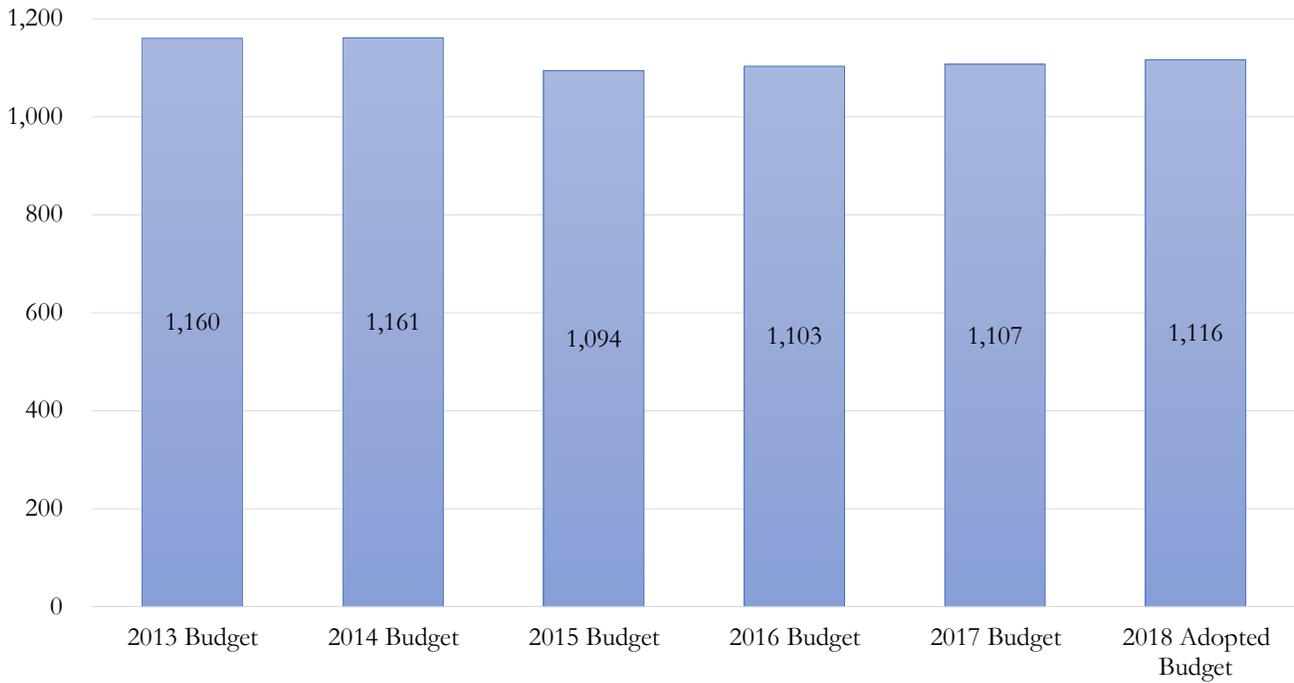


Total 12/31/18 Principal Balance = \$230,671,001

Personnel Summaries

Position Summary Schedule

Total Budgeted FTE by Year



Personnel Summary Report

Department	2013 Budget	12/31/13 Actual	2014 Budget	12/31/14 Actual	2015 Budget	12/31/15 Actual	2016 Budget	12/31/16 Actual	2017 Budget	06/30/17 Actual	2018 Budget	Change 2018-2017	Notes
<u>Summary by Fund</u>													
General Fund (101)													
Mayor's Office	7.0	6.0	7.0	7.0	7.0	7.0	7.0	6.0	7.0	8.0	7.0	-	
311 Call Center	5.0	5.0	6.5	6.5	7.0	-	-	-	-	-	-	-	
City Clerk	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	-	
Common Council	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	-	
Administration & Finance	21.0	20.0	23.0	21.0	21.0	18.0	23.0	22.0	23.0	23.0	24.0	1.0	(1)
Morris Performing Arts Center	10.6	10.6	10.6	10.6	10.6	11.0	11.0	9.0	6.6	6.0	6.6	-	
Palais Royale Ballroom	3.4	3.4	3.4	3.4	3.4	3.0	3.0	3.0	2.4	2.0	2.4	-	
Legal Department	10.0	10.0	10.0	10.0	11.0	12.0	10.0	10.0	9.5	8.5	9.5	-	
Engineering	15.0	13.0	16.0	14.0	16.0	16.0	18.0	18.0	18.0	20.0	21.0	3.0	(6)
Police Department	250.0	244.0	247.0	245.0	263.0	262.0	262.0	249.0	246.0	243.0	248.0	2.0	(5)
Communications	38.0	33.0	38.0	34.0	-	-	-	-	-	-	-	-	
Police PS LOIT	47.0	47.0	-	-	-	-	-	-	-	-	-	-	
Fire Department	218.0	222.0	222.0	219.0	170.0	176.0	175.0	186.0	178.0	174.0	178.0	-	
Fire PS LOIT	39.0	33.0	-	-	-	-	-	-	-	-	-	-	
Human Rights	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	-	
Code Enforcement	16.5	16.0	-	-	-	-	-	-	-	-	-	-	
Junk Vehicle	1.0	-	-	-	-	-	-	-	-	-	-	-	
Animal Control	8.5	8.0	-	-	-	-	-	-	-	-	-	-	
Subtotal	708.0	689.0	601.5	588.5	527.0	523.0	527.0	521.0	508.5	502.5	514.5	6.0	
Parks & Recreation (201)	115.0	112.0	114.0	86.0	90.0	87.0	91.0	88.0	97.0	96.0	95.0	(2.0)	(4),(12)
Motor Vehicle Highway (202)	60.0	60.0	61.0	58.0	55.0	50.0	57.0	46.0	47.0	50.0	47.0	-	
Recreation Non-Reverting (203)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	1.0	-	
DCI Administration (211)	26.0	26.0	26.0	25.0	25.0	25.0	25.0	23.0	23.0	21.0	25.0	2.0	(3)
Unsafe Building (219)	-	-	-	-	-	4.0	4.0	4.0	4.0	4.0	4.0	-	
Central Services (222)	44.0	43.0	43.0	38.0	42.0	38.0	42.0	40.0	42.0	41.0	43.0	1.0	(9)
Liability Insurance (226)	3.0	3.0	4.0	4.0	3.0	2.0	3.0	3.0	3.5	3.5	3.5	-	
Emergency Telephone (244)	-	-	3.0	3.0	-	-	-	-	-	-	-	-	
Public Safety LOIT (249)													
Police Department	-	-	47.0	47.0	43.0	38.0	38.0	38.0	43.0	43.0	43.0	-	
Fire Department	-	-	38.0	38.0	37.0	32.0	32.0	32.0	35.0	35.0	35.0	-	
Human Rights Grants (258)	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.0	1.0	(1.0)	(11)
IT/Innovation/311 Call Center (279)	-	-	-	-	-	6.0	6.0	11.0	24.0	23.0	27.0	3.0	(7),(8)
EMS (288)	-	-	-	-	51.0	51.0	51.0	50.0	51.0	50.0	51.0	-	
COIT Fund (404)													
IT Supervision/Innovation	-	-	-	-	4.0	4.0	4.0	-	-	-	-	-	
EDIT Fund (408)													
Code Enforcement	-	-	9.0	6.0	-	-	-	-	-	-	-	-	
Consolidated Building Dept. (600)													
Building Department	15.0	14.0	15.0	13.0	13.0	13.0	14.0	14.0	14.0	14.0	15.0	1.0	(10)
Animal Control	-	-	8.5	8.5	8.5	5.0	6.0	5.0	8.0	8.0	8.0	-	
Code Enforcement	-	-	8.5	8.5	15.5	14.0	14.0	13.0	17.0	16.0	18.0	1.0	(2)
Solid Waste (610)	28.0	26.0	25.0	22.0	25.0	25.0	30.0	29.0	26.0	25.0	24.0	(2.0)	(13)
Water Works (620)	70.0	70.0	70.5	68.5	68.0	67.0	68.0	66.0	67.0	68.0	67.0	-	
Sewer Insurance (640)	-	-	-	-	2.0	2.0	2.0	2.0	2.0	2.0	2.0	-	
Sewage Works (641)	88.0	85.0	84.0	82.0	82.0	80.0	86.0	91.0	92.0	93.0	92.0	-	
City Total By Fund	1,160.0	1,131.0	1,161.0	1,099.0	1,094.0	1,069.0	1,103.0	1,079.0	1,107.0	1,096.0	1,116.0	9.0	

Personnel Summary Report

Department	2013 Budget	12/31/13 Actual	2014 Budget	12/31/14 Actual	2015 Budget	12/31/15 Actual	2016 Budget	12/31/16 Actual	2017 Budget	06/30/17 Actual	2018 Budget	Change 2018-2017	Notes
Summary by Activity													
General Government													
Mayor's Office	7.0	6.0	7.0	7.0	7.0	7.0	7.0	6.0	7.0	8.0	7.0	-	
City Clerk	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	-	
Common Council	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0	-	
Administration & Finance	21.0	20.0	23.0	21.0	21.0	18.0	23.0	22.0	23.0	23.0	24.0	1.0	(1)
Legal Department	10.0	10.0	10.0	10.0	11.0	12.0	10.0	10.0	9.5	8.5	9.5	-	
Sub Total	52.0	50.0	54.0	52.0	53.0	51.0	54.0	52.0	53.5	53.5	54.5	1.0	
Code Enforcement /Animal Control	26.0	24.0	26.0	23.0	24.0	23.0	24.0	22.0	29.0	28.0	30.0	1.0	(2)
Dept. of Community Investment	26.0	26.0	26.0	25.0	25.0	25.0	25.0	23.0	23.0	21.0	25.0	2.0	(3)
Venues, Parks & Arts													
1100 Administration	11.0	11.0	12.0	10.0	10.0	10.0	10.0	10.0	6.0	6.0	6.0	-	
1101 Maintenance	45.0	43.0	44.0	44.0	44.0	42.0	44.0	44.0	50.0	48.0	47.0	(3.0)	(4)
1102 Golf Operations	10.0	10.0	9.0	8.0	8.0	8.0	10.0	7.0	8.0	8.0	8.0	-	
1103 Recreation	25.0	25.0	25.0	22.0	26.0	25.0	25.0	25.0	21.0	22.0	21.0	-	
1104 Zoo	23.0	22.0	23.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	
1108 Graffiti Removal	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	
1110 Marketing & Events	-	-	-	-	-	-	-	-	10.0	10.0	11.0	1.0	(12)
Recreation Non-Reverting	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	-	1.0	-	
Morris & Palais Royale	14.0	14.0	14.0	14.0	14.0	14.0	14.0	12.0	9.0	8.0	9.0	-	
Sub Total	130.0	127.0	129.0	101.0	105.0	102.0	106.0	101.0	107.0	104.0	105.0	(2.0)	
Public Safety													
Police	297.0	291.0	297.0	295.0	306.0	300.0	300.0	287.0	289.0	286.0	291.0	2.0	(5)
Communications	38.0	33.0	38.0	34.0	-	-	-	-	-	-	-	-	
Fire	257.0	255.0	260.0	257.0	258.0	259.0	258.0	268.0	264.0	259.0	264.0	-	
Sub Total	592.0	579.0	595.0	586.0	564.0	559.0	558.0	555.0	553.0	545.0	555.0	2.0	
Public Works													
Office of Sustainability	-	-	-	-	2.0	2.0	2.0	2.0	2.0	2.0	2.0	-	
Engineering	15.0	13.0	16.0	14.0	16.0	16.0	18.0	18.0	18.0	20.0	21.0	3.0	(6)
Solid Waste	28.0	26.0	25.0	22.0	25.0	25.0	30.0	29.0	26.0	25.0	24.0	(2.0)	(13)
Street Department	60.0	60.0	60.0	59.0	56.0	53.0	59.0	58.0	55.0	56.0	54.0	(1.0)	
621 Sewer Department	35.0	34.0	35.0	33.0	33.0	30.0	35.0	31.0	35.0	37.0	35.0	-	
630 Waste Water	47.0	45.0	44.0	42.0	44.0	43.0	45.0	44.0	45.0	46.0	46.0	-	
631 Organic Resources	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	-	
Water Utility	70.0	70.0	70.5	68.5	68.0	67.0	68.0	66.0	67.0	68.0	67.0	-	
Sub Total	261.0	254.0	256.5	244.5	250.0	242.0	263.0	254.0	254.0	260.0	255.0	1.0	
Liability Insurance/Safety & Risk	3.0	3.0	4.0	4.0	3.0	2.0	3.0	3.0	3.5	3.5	3.5	-	
311 Call Center	5.0	5.0	6.5	6.5	7.0	7.0	6.0	7.0	6.0	6.0	7.0	1.0	(7)
Innovation & Technology	-	-	-	-	4.0	3.0	4.0	4.0	18.0	17.0	20.0	2.0	(8)
Central Services	44.0	43.0	43.0	38.0	40.0	36.0	40.0	38.0	40.0	39.0	41.0	1.0	(9)
Building Department	15.0	14.0	15.0	13.0	13.0	13.0	14.0	14.0	14.0	14.0	15.0	1.0	(10)
Human Rights	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0	5.0	5.0	(1.0)	(11)
City Total By Activity	1,160.0	1,131.0	1,161.0	1,099.0	1,094.0	1,069.0	1,103.0	1,079.0	1,107.0	1,096.0	1,116.0	9.0	

Notes: Explanation of Changes from 2017 to 2018

- (1) +1 New Administrative Assistant Position, -1 Director of Purchasing moved to Central Services, +1 Director of Financial Services-Code/AC&C/Engin. moved to Admin & Finance
- (2) +2 New Code Inspectors for Healthy Homes, -1 Director of Financial Services-Code/AC&C/Engin. moved to Admin & Finance
- (3) +2 Historic Preservation employees formerly paid by St Joseph County
- (4) -2 Parks Maintenance eliminated two Park Ranger positions (work to be performed by an outside agency), -1 Electrician (to be hired out as contract labor)
- (5) +1 Forensic Scientist, +1 Clerical part-time employee moved to full-time
- (6) +1 Public Information Officer, +1 Director of Assets and Information Systems, +1 Assistant City Engineer
- (7) +1 311 Call Center part-time employee moved to full-time
- (8) +1 Project Manager (formerly paid out of Police), +1 Director of Civic Innovation
- (9) +1 Central Services to fund Purchasing Manager instead of Administration & Finance
- (10) +1 Building Department adding additional Building Inspector
- (11) -1 Human Rights employee retired and the position was eliminated
- (12) +1 Part-time Communications Coordinator moved to full-time
- (13) -3 Picker I's, +1 additional Job Leader position, +1 additional Superintendent V- Route Manager position, -1 Driver

Departmental Information

Fund 101 - General Fund Department 0101 - Mayor's Office

Expenditures by Type	2017				2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
	2015 Actual	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022		
	Personnel										
Salaries & Wages	486,062	448,581	487,219	211,629	516,518	526,687	537,059	547,638	558,430	29,299	6%
Fringe Benefits	196,005	179,047	216,595	89,876	219,758	226,130	232,720	239,538	246,590	3,163	1%
Total Personnel	682,067	627,628	703,814	301,504	736,276	752,817	769,779	787,176	805,019	32,462	5%
Supplies											
	11,666	1,045	3,119	741	700	700	700	700	700	(2,419)	-78%
Services & Charges											
Professional Services	1,412	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	21,895	29,060	25,000	6,730	20,925	20,925	20,925	20,925	20,925	(4,075)	-16%
Education & Training	1,999	1,924	2,841	650	1,800	1,800	1,800	1,800	1,800	(1,041)	-37%
Travel	2,512	1,350	2,330	179	2,190	2,190	2,190	2,190	2,190	(140)	-6%
Repairs & Maintenance	966	848	2,260	263	1,000	1,000	1,000	1,000	1,000	(1,260)	-56%
Other Interfund Allocations	7,063	14,510	127,576	63,786	140,562	143,373	146,241	149,166	152,149	12,986	10%
Debt Service											
Principal	1,608	425	1,078	562	1,084	1,165	1,251	108	-	6	1%
Interest & Fees	88	16	247	105	225	145	58	1	-	(22)	-9%
Insurance	1,716	1,932	1,657	828	1,478	1,508	1,538	1,568	1,600	(179)	-11%
Other Services & Charges	2,194	687	3,001	42	1,600	1,600	2,700	2,700	2,700	(1,401)	-47%
Total Services & Charges	41,453	50,752	165,990	73,145	170,864	173,705	177,702	179,458	182,364	4,874	3%
Capital											
	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	735,186	679,425	872,923	375,390	907,840	927,222	948,182	967,334	988,083	34,917	4%

Department Purpose:

Leading the community to become a model city through formulating policy, directing operations, and responding to customer concerns. The Mayor is the elected chief executive officer of the city.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

In 2018, planning for a paid internship program. Significant increase in expenditures due to the increase in the allocation for Technology. No other significant changes are planned for 2018.

Staffing (Full-Time Employees only)	2017				2018 Proposed Budget	Forecast				
	2016 Actual	Amended Budget	06/30/17 Actual	2019		2020	2021	2022		
	Non-Bargaining									
Mayor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0		
Chief of Staff to Mayor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0		
Deputy Chief of Staff to Mayor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0		
Exec Asst & Dir of Special Projects	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0		
Director of Communications	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0		
Administrative Assistant II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0		
Director of Community Outreach	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0		
Total Non-Bargaining	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0		

Mayor Pete Buttigieg

Buttigieg is working to strengthen the local economy by retaining and attracting businesses, partner with the local public school system, manage a cutting-edge and transparent city administration, improve neighborhood quality of life, and use proven methods to enhance public safety.

Elected at the age of 29, he is America's youngest mayor of a city with over 100,000 residents. In 2013, he was named national Mayor of the Year by GovFresh.com, sharing the honor with New York Mayor Michael Bloomberg, and was called "the most interesting mayor you've never heard of" by the Washington Post. An officer in U.S. Navy Reserve, Buttigieg took a leave of absence to serve in Afghanistan during a seven-month deployment in 2014, earning the Joint Service Commendation Medal for his counterterrorism work.

An active musician, Buttigieg plays piano and guitar, and has performed with the South Bend Symphony Orchestra. He lives in the same neighborhood where he grew up and is restoring a formerly vacant home there.



Department 101-0101 - Mayor's Office

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Guided completion of Smart Streets infrastructure improvements, unlocking over \$90 million in private investment downtown
- Ensured support for weather amnesty emergency shelter, and convened Mayor's Working Group on Chronic Homelessness to generate strategic recommendations for assisting South Bend's most vulnerable residents and improving downtown business climate and quality of life
- Collaborated with community partners to create the "LaSalle Park Summer Fest: People Coming Together", an event that promotes unity between the African American and Latino community
- Joined the Lead Exposure Affinity Group, the St. Joseph County Fetal Infant Mortality Community Action Team, Mayor's Against LGBTQ Discrimination, the St Joseph County Juvenile Detention Alternatives Initiative (JDAI) Steering Committee and signed onto the "We Are With Dreamers" support letter
- Convened transit working group to guide access initiatives, including one of the country's first dockless bike share systems (implemented at no cost to the city)
- South Bend Youth Task Force finished its third cohort and will bring a new class in Fall 2017
- Maintained a community wide response to group related gun violence, integrating the approach as part of the reorganization of SBPD
- Municipal ID Program: Over 1,000 IDs dispensed through partnership with La Casa de Amistad
- Implemented Diversity and Inclusion plan, including staff diversity training and small business development partnership with Latin American Chamber of Commerce
- Focused economic development strategy on inclusive growth, targeting workforce development and small and diverse business development
- Advocated for legislative action on early childhood education, road funding, and mental health, contributing to unprecedented state funding for Pre-K and paving

2018 Department Goals & Objectives and Linkage to City Results

Safe Community for Everyone

- Protect South Bend residents and their children from environmental lead poisoning through rental unit inspection and dedicated low-income homeowner abatement fund

Vibrant, Welcoming Neighborhoods

- Continue efforts to enhance quality of place: neighborhoods, parks, planning

Strong, Inclusive Economy

- Continue to implement diversity and inclusion plan. Implement strategic plan on city purchasing and encouraging growth of small and diverse business enterprises

Robust and Well-Planned Infrastructure

- Sustainably and equitably utilize state infrastructure funds while addressing long-term funding challenges for infrastructure

South Bend Youth Task Force



Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal
- Volume of Mayor's office complaints	Quality	Reduction in volume of complaints
- Employee feedback through Diversity and Inclusion workplace climate survey	Outcome	Feedback demonstrates trend toward improvements in workplace climate
- Development and progress toward departmental priorities	Outcome	Departments meet or exceed strategic expectations

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Combat opioid crisis in South Bend, decreasing fatal drug overdoses through investments in harm reduction and treatment. Support implementation of synthetic marijuana ordinance.
- Implement recommendations of Mayor's Working Group on Homelessness to establish a low-barrier shelter and additional supportive housing
- Maintain progress towards reducing gun violence through Group Violence Initiative and outreach
- Work with South Bend schools to ensure efforts are coordinated; ratify Schools Compact
- Finalize integration of performance management and priority-based budgeting into city operations

Fund 101 - General Fund Department 0201 - City Clerk

Expenditures by Type	2017				2018	Forecast				Budget	% Change
	2015	2016	Amended	06/30/17	Adopted					Variance	
	Actual	Actual	Budget	Actual	Budget	2019	2020	2021	2022	2017-2018	
Personnel											
Salaries & Wages	226,698	216,104	235,774	113,935	251,044	256,065	261,186	266,410	271,738	15,270	6%
Fringe Benefits	87,074	82,139	113,460	47,380	117,310	120,943	124,701	128,591	132,616	3,850	3%
Total Personnel	313,772	298,243	349,234	161,315	368,354	377,007	385,888	395,001	404,354	19,120	5%
Supplies	9,907	6,702	8,800	1,912	7,800	7,800	7,800	7,800	7,800	(1,000)	-11%
Services & Charges											
Professional Services	9,518	30,069	46,979	15,358	37,487	37,500	37,500	37,500	37,500	(9,492)	-20%
Printing & Advertising	19,897	22,163	28,531	7,355	19,550	18,050	17,550	17,050	16,550	(8,981)	-31%
Education & Training	2,444	3,449	4,500	1,915	3,000	3,000	3,000	3,000	3,000	(1,500)	-33%
Travel	4,019	1,946	2,950	107	6,950	6,950	6,950	6,950	6,950	4,000	136%
Repairs & Maintenance	1,940	5,937	29,371	11,488	5,000	5,000	5,000	5,000	5,000	(24,371)	-83%
Other Interfund Allocations	2,569	2,940	59,980	29,988	89,863	91,660	93,493	95,363	97,271	29,883	50%
Insurance	1,260	1,392	1,032	516	1,043	1,043	1,043	1,043	1,043	11	1%
Other Services & Charges	2,598	2,170	4,839	1,209	5,100	5,100	5,100	5,100	5,100	261	5%
Total Services & Charges	44,245	70,066	178,182	67,936	167,993	168,303	169,636	171,006	172,414	(10,189)	-6%
Capital	-	-									
Total Expenditures	367,924	375,011	536,216	231,163	544,147	553,111	563,324	573,807	584,568	7,931	1%

Department Purpose:

We ensure the integrity and accuracy of City records, and liaise between the Common Council, City Administration and South Bend residents fostering relationships and common ground. We accomplish our mission by:

- Serving as a responsible steward of information and historical artifacts
- Empowering the community to engage
- Supporting open and transparent government
- Striving for the highest degree of excellence in customer service

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Increase in inter-fund allocations from 2015 to 2016 due mainly to the increase in Interfund Allocations for IT which allow for all departments to see the full cost of IT and other administration functions that they would not have seen in the past.

Staffing (Full-Time Employees only)	2017				2018	Forecast			
	2016	Amended	06/30/17	Proposed					
	Actual	Budget	Actual	Budget	2019	2020	2021	2022	
Non-Bargaining									
City Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
Chief Deputy City Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
Deputy City Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
Ordinance Violations Bureau Clerk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
City Clerk Secretary	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	
Administrative Assistant I	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0	
Total Non-Bargaining	5.0								

Clerk Kareemah Fowler

City Clerk Kareemah Fowler is responsible for a myriad of activities, but is primarily responsible for supporting the City's goal of open and transparent government.

In a historical feat, Clerk Fowler was elected South Bend's 22nd City Clerk in 2015 making her the first minority in St. Joseph County to seat a full-time executive office.

Clerk Fowler is a Level II Assessor-Appraiser, and certified member of both the International Institute of Municipal Clerk-Treasurers and the Municipal League of Clerks and Treasurers.

City Clerk Kareemah Fowler is also a recent nominee to the prestigious Emerging Leaders Project, an Indiana Election delegate and a graduate of the Michiana Chamber of Commerce's Leadership Program Class XLI.



Department 101-0201 - City Clerk

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Amnesty Day - Assisted with legislation giving the Clerk the authority to declare a Parking Ticket Amnesty Day, successfully marketed Amnesty Day 2017, brought in payments for over 500 unpaid parking tickets.
- Complete Roll Out of New Downtown Parking Program
- Fast Track Initiative- Completed Phase 2
- Completed indexing for historical digitization of City records, including using optical character recognition to make all historical records searchable.
- Began live streaming of Council Meetings using YouTube and Facebook
- Created an Opt-in Option for our Email Distribution List, allowing the public to sign up to receive emails sent by the Clerk's Office
- Completion of new policy and compliance process mapping by all staff members
- Granicus software - Launched City Boards and Commissions software with cost-sharing
- Launched official Clerk's Internship Program
- Hosted an ACYPL Fellow from Myanmar, facilitating meetings around South Bend to provide insight as to how local government works in the United States
- Launched Artwork Program with local schools
- Launched City Branding initiative for Clerk's Office and began branding for the Council, began working on Knowledge Based Articles for the City website
- Launched Interactive Parking Maps for Lawn Parking, Collections Process, Assisting Council to update current legislation
- Verbatim transcription of legal minutes

2018 Department Goals & Objectives and Linkage to City Results

Well-Governed and Administered City

- Priority Based Budgeting Result: Ensures reliable compliance with regulations and well-managed risk*
- Complete standardization of City-wide SOPs and procedures relating to filings and other Clerk legal processes
 - Develop Active Shooter protocols for the 4th floor and train Council and Clerk Staff

Priority Based Budgeting Result: Models our values of excellence, accountability, innovation, transparency, inclusion and empowerment

 - Complete Legislative Research Center and open to the public
 - Create Legislative Digital Application for the South Bend City Code
 - Create Interactive maps for Council districts with a focus on priorities and Council-driven initiatives in their particular districts
 - Complete office upgrades for Clerk/Council
 - Complete branding for Clerk/Council with a PR focus
 - Historical Tours and Government Education
 - Complete Fast Track Program
 - Develop QR Scan Codes to use on tickets for payment, meeting notices for more information, etc.
 - Completely develop Clerks/Council Community Artwork Program
 - Completely develop Internship Program
 - Work with Historic Preservation to link our historical digital records
 - Assisting the Council with coming up with innovative solutions for efficiency and public engagement including use of technology and ensuring ADA Compliance of off-site meetings
 - Continuing to remain in compliance by meeting all open-door law requirements (deadlines), etc.
 - Yearly Boards and Commissions Training for all Council, Department Heads, and Citizen Members
 - Continuing to assist in the transition of the Council Attorney and Council Internship Program
 - Continue the Clerk's Office mission to go paperless: Lexis Nexis, Polk City Directory, etc.
 - Interdepartmental electronic filings and document management with legal electronic signatures and an online payment option
 - Develop a Clerk-Ordinance Violations Bureau (OVB)/Council matrix that helps us to determine inefficiency, gaps, and help give us projections for hitting targets
 - Contract with a New Parking Ticket System that records tickets in real time for Ordinance Violations Bureau (OVB)
 - Possible expansion of Amnesty Day to include Ordinance Violation Citations
 - Continual efforts to increase revenues from collections (2nd year of BMV Access)

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2015 Actual	2016 Estimated	2017 Target
- Number of Transactions Preserved	Output	N/A	160	160	178
- Number of Meetings Staffed and Processed	Output	N/A	160	160	187
- Percentage of petitioners that file successfully	Effectiveness	98.0%	94.0%	95.0%	94.4%
- Live Council Meetings aired on WNIT	Technology	100.0%	90.0%	90.0%	95.0%
- Swearing Ins (Oaths, Appointments, and all City Boards and Commissions)	Output	N/A	N/A	N/A	80
- Press Releases and Community Recognition Efforts	Quality	N/A	N/A	N/A	16
- Outside Meetings and Events Staffed	Output	N/A	N/A	N/A	90
- Orientation and Training Sessions Attended and Facilitated	Output	N/A	N/A	N/A	85
- Licensing ND and Scrap Metal	Output	N/A	N/A	N/A	290
- Parking Tickets Processed	Output	N/A	N/A	N/A	7,369
- All Ordinance Violation Citations Referred (including Parking and Code Enforce)	Output	N/A	N/A	N/A	2,008
- Appeals Processed (per Legal Dept)	Output	N/A	N/A	N/A	401

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Continue to upgrade technology finding innovative cost efficient solution through streamlining, integration, and cost between departments and other governmental entities, QR Codes, Electronic Law Books, etc.
- New parking enforcement equipment and software in real time
- Interdepartmental/public electronic filings and document management with legal electronic signatures and an online payment option
- Expand Amnesty Day to cover Ordinance Violation citations
- Continue to increase collections revenue (second year of BMV access)
- Continual development of the Clerk's office SOPs and cross-training employees; education on media, retention, open-door laws, and incorporate active shooter protocols
- Continue inclusive transparency efforts to increase community awareness and engagement, ensuring the ADA compliance of all offsite meetings of the Council, providing government tours, developing a comprehensive internship program, developing a comprehensive community artwork program
- Develop online fillable PDF's for various Ordinance Violations Bureau (OVB) licenses and appli

Significant Changes

- IT Allocation: \$28,000 increase; Deputy Clerk Salary: \$5,000 increase; Granicus software: \$3,000; Transcribing of Historical Records: \$6,000

Fund 101 - General Fund Department 0301 - Common Council

Expenditures by Type	2017				2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
	2015 Actual	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022		
	Personnel										
Salaries & Wages	160,395	209,705	171,762	86,004	211,539	215,770	220,085	224,487	228,977	39,777	23%
Fringe Benefits	61,796	77,696	132,640	57,772	154,752	160,173	165,797	171,630	177,682	22,112	17%
Total Personnel	222,191	287,401	304,402	143,776	366,291	375,943	385,882	396,117	406,659	61,889	20%
Supplies											
	2,609	6,756	16,003	577	6,375	6,375	6,375	6,375	6,375	(9,628)	-60%
Services & Charges											
Professional Services	193,846	157,960	123,814	11,786	154,619	157,711	160,866	164,083	167,365	30,805	25%
Printing & Advertising	2,959	3,643	7,550	3,010	9,000	9,000	9,000	9,000	9,000	1,450	19%
Education & Training	645	678	2,375	625	1,000	1,000	3,000	1,000	1,000	(1,375)	-58%
Travel	1,644	2,198	3,500	-	5,000	5,000	5,000	5,000	5,000	1,500	43%
Repairs & Maintenance	10,311	8,299	58,605	39,444	4,750	4,845	4,942	5,041	5,142	(53,855)	-92%
Other Interfund Allocations	6,092	6,890	44,236	22,116	60,257	61,462	62,691	63,945	65,224	16,021	36%
Insurance	2,160	2,448	1,838	918	1,877	1,915	1,953	1,992	2,032	39	2%
Other Services & Charges	1,095	4,805	8,825	1,885	5,800	5,800	5,800	5,800	5,800	(3,025)	-34%
Total Services & Charges	218,752	186,921	250,743	79,785	242,303	246,733	253,252	255,861	260,562	(8,440)	-3%
Capital											
	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	443,552	481,078	571,148	224,138	614,969	629,051	645,508	658,353	673,596	43,821	8%

Department Purpose:

The fiscal body of the City, which exists to make certain that our City Government is always responsive to the needs of our residents & that the betterment of South Bend is always our highest priority.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Increase council salaries by 2% for 2018
 25% increase in salaries includes salary for all nine members, in the past only eight members were on salary and 2% salary increase for all members over last year
 17% increase in Benefits includes 2 additional council members request for benefits over last year - \$154, 875
 \$60,257 is the allocation for IT and Print Shop for Common Council.
 Realize a paid internship for a public relations person - \$36,840 (0% Increase)
 Continue to contract legal services - \$125,619 (0% Increase)
 Additional Legal Services - \$29,000 (0% Increase)

Staffing (Full-Time Employees only)	2017			2018 Proposed Budget	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022
	Non-Bargaining							
1st District Council Member	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
2nd District Council Member	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
3rd District Council Member	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
4th District Council Member	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
5th District Council Member	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
6th District Council Member	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Council Member at Large	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Council Member at Large	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Council Member at Large	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	9.0	9.0	9.0	9.0	9.0	9.0	9.0	9.0



Department 101-0301 - Common Council

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Public events and interactions with the press and public varies per council members
- Citizen and Student artwork within the Council / Citizens public space.
- No violations of the public meetings laws or public access violations.
- Streaming council meetings live on YouTube and Facebook
- First Council/Clerk Annual Training for Boards and Commissions appointees with presentation from Indiana Public Access Counselor
- Continuing to publish all meetings of the Council in Spanish
- Transition and hire of new Council Attorney
- Public forum with Office of Innovation and Code School for public engagement on new city website
- Hosted 11 open budget sessions prior to public hearings of the Council
- Continuing Fast Track efforts (doing business with the City)

2018 Department Goals & Objectives and Linkage to City Results

Well-Governed and Administered City

Priority Based Budgeting Result: Provides effective, responsive, fair and accessible leadership and facilitates timely two-way communication

- Improve the messaging to the citizens of South Bend (Council branding)
- Hold public committee meetings outside the County/City Building (including security, ADA, and mobile AV)
- Hold public formal meetings outside the County/City Building (including security, ADA, and mobile AV)
- Annual Board, commission, and citizen appointee training
- Active shooter training for all council members
- Legislation to support electronic signatures and filings
- Work with all local entities to update the local zoning process and legislation
- Paid internship program to highlight key legislative initiatives, driven by the Council
- Reduce cost for the council operations

All Residents Empowered with Education, Mobility and Technology

Priority Based Budgeting Result: Develops and utilizes current technology to better inform, educate, engage and serve the community

- Improve technology to better serve the citizens of South Bend
- Council District maps with district specific information for citizens

Key Performance Indicators (KPI's)

Measure	Type	Long Term	2015	2016	2017
		Goal	Actual	Actual	Actual
- Number of formal council meetings held	Output	N/A	23	24	23
- Council member attendance for formal meetings	Quality	100%	81%	95%	92%
- Number of committee meetings held	Output	N/A	114	123	133
- Council member attendance for committee meetings	Quality	100%	87%	91%	86%
- Number of public meetings (off night council meetings)	Output	N/A	12	20	24
- Number of bills voted upon	Output	N/A	79	78	84
- Number off resolutions voted upon	Output	N/A	108	90	80

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

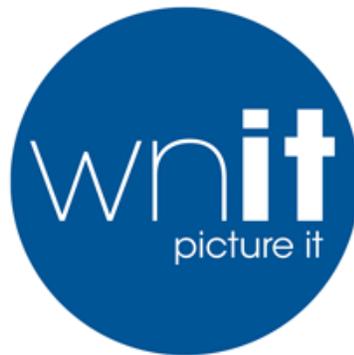
- Increase council salaries by 2% for 2018
- 25% increase in salaries includes salary for all nine members, in the past only eight members were on salary and 2% salary increase for all members over last year
- 17% increase in Benefits includes 2 additional council members request for benefits over last year - \$154,875
- \$60,257 is the allocation for IT and Print Shop for Common Council
- Include a paid internship for a public relations person - \$36,840 (0% Increase)
- Continue to contract legal services - \$125,619 (0% Increase)
- Additional Legal Services - \$29,000 (0% Increase)

Fund 101 - General Fund Department 0302 - WNIT Contract

Expenditures by Type	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
						2019	2020	2021	2022		
						Supplies	-	-	-		
Services & Charges											
Professional Services	43,000	43,000	43,000	43,000	43,000	43,000	43,000	-	-	-	0%
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Other Interfund Allocations	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-
Grants & Subsidies	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	43,000	43,000	43,000	43,000	43,000	43,000	43,000	-	-	-	0%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	43,000	43,000	43,000	43,000	43,000	43,000	43,000	-	-	-	0%

Department Purpose:

In 2012 the City, along with the City of Mishawaka and St. Joseph County, entered into an agreement with WNIT Public Television for the establishment and maintenance of a public access channel which is used to broadcast all public Common Council meetings, among other things. The allocation of costs is \$43,000 to South Bend, \$13,000 to Mishawaka and \$29,000 to Saint Joseph County. The current WNIT contract expires February 2, 2020.



Fund 101 - General Fund

Department 0401 - Administration & Finance

Expenditures by Type	2017				2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
	2015 Actual	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022		
	Personnel										
Salaries & Wages	1,207,387	1,285,999	1,445,333	695,518	1,581,515	1,613,145	1,645,408	1,678,316	1,711,883	136,182	9%
Fringe Benefits	437,706	499,785	596,302	280,675	698,935	720,696	743,209	766,499	790,597	102,633	17%
Total Personnel	1,645,093	1,785,784	2,041,635	976,193	2,280,450	2,333,842	2,388,617	2,444,816	2,502,480	238,815	12%
Supplies											
Supplies	32,487	22,195	25,158	15,487	23,500	23,500	23,500	23,500	23,500	(1,658)	-7%
Services & Charges											
Professional Services	51,207	68,664	103,363	71,753	53,200	53,200	54,264	54,264	55,349	(50,163)	-49%
Printing & Advertising	891	878	1,500	780	900	500	200	-	-	(600)	-40%
Education & Training	9,665	18,241	12,060	4,605	10,210	10,000	10,000	10,000	10,000	(1,850)	-15%
Travel	7,848	8,790	12,600	5,525	11,100	11,100	11,100	11,100	11,100	(1,500)	-12%
Repairs & Maintenance	10,006	9,900	7,196	2,323	8,000	8,000	8,000	8,000	8,000	804	11%
Other Interfund Allocations	12,202	25,127	229,063	114,528	190,598	190,598	194,134	197,742	201,421	(38,465)	-17%
Debt Service											
Principal	2,440	4,303	4,493	2,434	2,801	2,295	2,430	-	-	(1,692)	-38%
Interest & Fees	1,732	2,165	590	313	348	211	76	-	-	(242)	-41%
Insurance	5,616	9,180	4,705	2,352	6,150	6,273	6,398	6,526	6,657	1,445	31%
Other Services & Charges	34,015	32,788	33,988	20,558	32,539	31,139	30,139	30,139	30,139	(1,449)	-4%
Total Services & Charges	135,622	180,036	409,558	225,171	315,846	313,316	316,742	317,771	322,666	(93,712)	-23%
Capital											
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	1,813,202	1,988,015	2,476,351	1,216,850	2,619,796	2,670,658	2,728,859	2,786,087	2,848,646	143,445	6%

Department Purpose:

The Department of Administration & Finance provides financial management and administrative services to City operations including finance and accounting services, human resources, diversity & inclusion, risk management, and benefits administration.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

The majority of the revenue received is procurement-card commissions. Personnel costs increased due to the continued consolidation of fiscal officers within the Administration & Finance Department. Also, a new position of an Administrative Assistant is being requested to serve Administration & Finance, Human Resources and Innovation & Technology. The 2018 budget includes costs for the evolving Diversity & Inclusion Program that is being put into place at the City.

County-City Building

The County-City Building is located in downtown South Bend. It is home to offices for both St. Joseph County and the City of South Bend.

City offices located in the County-City Building include:

- Administration & Finance
- Mayor's Office
- City Clerk
- Common Council
- Legal Department
- Code Enforcement
- Engineering Department
- Department of Community Investment
- Innovation & Technology



Department 101-0401 - Administration & Finance

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Received GFOA Award for the 2016 CAFR, 2016 PAFR and the 2017 Budget Book (only municipality in Indiana to receive all 3 awards)
- Merged Central Services and Purchasing into one department within Administration & Finance to gain efficiencies throughout the City
- Presented a Reintroduction of Central Services workshop to all departments to help rollout our vision of what is to come with the Division

2018 Department Goals & Objectives and Linkage to City Results

Well-Governed and Administered City

Priority Based Budgeting Result: Models our values of excellence, accountability, innovation, inclusion and transparency

- Continue to receive the CAFR, PAFR and Budget Book awards from GFOA

Priority Based Budgeting Result: Fosters enduring financial strength and fiscal sustainability

- Roll out the new Purchasing Division with measurable goals to ensure the efficiencies are being reached throughout the City

Priority Based Budgeting Result: Is a great employer attracting, developing, equipping and retaining great employees

- Begin to work with Fiscal Officers to ensure all fiscal personnel within departments are utilized as efficiently as possible

Priority Based Budgeting Result: Maintains, protects, and invests in its robust physical, financial, human and technological assets

- Continue to work with IT to select new ERP system to replace the current accounting software, NaviLine, to gain efficiencies throughout the City

Priority Based Budgeting Result: Ensures reliable compliance with regulations and well-managed risk

- Review financial internal controls in every department

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimate	2018 Target
- Award-Winning Documents	Output	3	3	3	3
- Near-Site Health and Wellness Clinic Usage	Output	95%	N/A	90%	95%
- S&P Bond Rating	Outcome	AA+	AA	AA	AA
- General Fund Reserves % of Expenditures	Outcome	35% cash reserve requirement	60%	56%	55%

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Consolidation of Purchasing and Central Services is a great opportunity for seeing gains in efficiencies and dollars throughout the City

Department 101-0401 - Administration & Finance

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018 Proposed Budget	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022
Non-Bargaining								
Finance:								
City Controller	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Chief Financial Officer *	-	-	-	1.0	1.0	1.0	1.0	1.0
Deputy Controller	1.0	1.0	1.0	-	-	-	-	-
Director of City Finance	1.0	-	-	-	-	-	-	-
Director of Treasury	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Budget & Accounting	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Dir. of Finance - Water Works	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Dir. of Finance - Wastewater	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Dir. of Finance - Morris/Palais (VPA)	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Dir. of Finance - Parks (VPA)	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Dir. of Finance - Public Safety	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Dir. of Finance - DCI (Director II DCI)	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Dir. of Finance - Code/AC&C/Engin.	-	-	-	1.0	1.0	1.0	1.0	1.0
Senior Budget Analyst	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Grants Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Accounts Payable Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Payroll Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Accounting Assistant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Financial Specialist II	1.0	-	-	-	-	-	-	-
IT:								
System Specialist II	2.0	-	-	-	-	-	-	-
System Specialist III	1.0	-	-	-	-	-	-	-
System Specialist IV	2.0	-	-	-	-	-	-	-
Performance Improvement Manager	1.0	-	-	-	-	-	-	-
Human Resources:								
Director of Human Resources	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Talent Manager	1.0	1.0	1.0	-	-	-	-	-
Deputy Director of Human Resources *	-	-	-	1.0	1.0	1.0	1.0	1.0
Sr. HR Generalist (Public Safety Focus)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
HR Generalist	1.0	1.0	1.0	-	-	-	-	-
HR Generalist/Benefits Coordinator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Benefits Manager *	-	-	-	1.0	1.0	1.0	1.0	1.0
Administrative Assistant II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Inclusion:								
Diversity Compliance/Inclusion Officer	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Purchasing:								
Purchasing Manager	1.0	1.0	1.0	-	-	-	-	-
Shared Positions:								
Administrative Assistant I *	-	-	-	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	23.0	23.0	23.0	24.0	24.0	24.0	24.0	24.0
Total Full-Time Employees	23.0	23.0	23.0	24.0	24.0	24.0	24.0	24.0

Explain Significant Staffing Changes Below:

Purchasing Manager position is being transferred to Central Services due to the recent consolidation of Purchasing within Central Services. The Administrative Assistant position is being requested to help with Finance, Human Resources and Innovation & Technology as a shared resource for the teams. The HR Generalist will be promoted to HR Generalist/Benefits Coordinator and the current HR Generalist/Benefits Coordinator will be promoted to the new Benefits Manager position. The Talent Manager will be promoted to Deputy Director of Human Resources.

Fund 101 - General Fund

Department 0404 - Morris Performing Arts Center

Expenditures by Type	2017				2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
	2015 Actual	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022		
	Personnel										
Salaries & Wages	499,447	484,775	331,917	149,440	393,994	401,874	409,911	418,110	426,472	62,077	19%
Fringe Benefits	227,925	235,988	178,382	73,782	189,011	192,791	196,647	200,580	204,592	10,629	6%
Total Personnel	727,372	720,763	510,299	223,222	583,005	594,665	606,558	618,690	631,063	72,706	14%
Supplies	21,331	13,868	7,697	3,244	4,200	4,284	4,370	4,457	4,546	(3,497)	-45%
Services & Charges											
Professional Services	2,007	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	38,991	30,081	182,136	4,673	172,890	176,348	179,875	183,472	187,142	(9,246)	-5%
Utilities	100,029	113,560	104,000	48,478	120,000	122,400	124,848	127,345	129,892	16,000	15%
Education & Training	5,432	4,224	5,900	1,394	4,500	4,590	4,682	4,775	4,871	(1,400)	-24%
Travel	15,161	11,627	13,777	4,129	13,950	14,229	14,514	14,804	15,100	173	1%
Repairs & Maintenance	51,192	51,699	243,602	10,920	229,536	234,127	238,809	243,585	248,457	(14,066)	-6%
Other Interfund Allocations	10,530	17,760	171,363	85,680	160,522	163,732	167,007	170,347	173,754	(10,841)	-6%
Insurance	22,140	20,460	20,760	10,380	19,065	19,446	19,835	20,232	20,637	(1,695)	-8%
Other Services & Charges	10,921	8,975	11,505	3,677	10,850	11,067	11,288	11,514	11,744	(655)	-6%
Total Services & Charges	256,403	258,386	753,043	169,331	731,313	745,939	760,858	776,075	791,597	(21,730)	-3%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	1,005,106	993,017	1,271,039	395,796	1,318,518	1,344,888	1,371,786	1,399,222	1,427,206	47,479	4%

Department Purpose:

This department accounts for the operating costs of the Morris Performing Arts Center, the Premier Performing Arts Center in this region of the country. It provides improved quality of life to the City citizens, serves as an economic catalyst in the City, and fosters historic preservation of landmark City venues.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

- The maintenance and marketing positions for the Morris (Custodian, Director of Marketing & Promotions, Manager - Assistant Facility Operations, Manager - Interactive Marketing, and Manager - Facility Operations) are now budgeted in the Parks & Recreation Fund 201.
- The position of Executive Director of MPAC is replaced by Deputy Executive Director of Venues, Parks and Arts.
- The position of Operations Manager was created during 2016 to fulfill and replace the need of Executive Assistant / Office Manager / Event Operations.
- The Director of Financial Services position from the Morris Complex was transferred to the Administration & Finance Department.

Staffing (Full-Time Employees only)	2017			2018 Proposed Budget	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022
	Non-Bargaining							
Deputy Director VPA	0.0	0.0	0.0	0.6	0.6	0.6	0.6	0.6
Director of Booking & Event Services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Box Office Services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Executive Assistant	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Manager - Production	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Box Office I	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Box Office II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Operations Manager	0.0	0.0	1.0	1.0	0.6	0.6	0.6	0.6
Executive Director of Morris PAC	0.6	0.6	0.0	0.0	0.0	0.0	0.0	0.0
Custodian	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Director of Financial Services	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Director of Marketing & Promotions	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manager - Assistant Facility Operations	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manager - Interactive Marketing	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manager - Facility Operations	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Non-Bargaining	11.0	6.6	6.0	6.6	6.2	6.2	6.2	6.2



Concerts & Events - The Morris brings in various types of concerts and events for all ages, including comedians, country artists, popular lecturers, and more.

Broadway Shows - Home of Broadway Theater League, the Morris hosts National Broadway Tours and professional touring productions to South Bend.

Symphony Orchestra - The South Bend Symphony Orchestra calls the Morris home, engaging the community in the exploration of orchestral music in all forms.



Department 101-0404 - Morris Performing Arts Center

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Ranked in Top 100 theatres in the United States by Pollstar Magazine for the 17th consecutive year (based on ticket sales).
- Awarded the 2017 "Prime Site Award" by Facilities Magazine for the 12th consecutive year. The award is voted on by the publication's
- WICKED returned to the Morris for another 16 performances. PHANTOM OF THE OPERA will go on stage in 2018 with 16 performances
- The www.MorrisCenter.org website was upgraded to reach new audiences. New Visitors has increased from 94,549 to 98,490.
- Morris Complex was part of the "Best. Week. Ever." celebration.
- Louie's Tux Shop and The Wedding Magazine chose the Morris Grand Lobby and Jon R. Hunt Plaza fountain for their 2017 prom season.
- Morris Website Visitors: 98,490 "Unique Visitors" as of 6/20/2017 compared to 94,549 in 2016.
- Morris Fan Club Members: 34,390 as of 6/6/2017 compared to 26,560 in 2016 and 23,345 in 2015.
- Morris Facebook "Likes": 21,115 as of 6/6/2017 compared to 20,290 in 2016 and 17,075 in 2015.
- Morris Text Club Members: 663 as of 06/06/2017 compared to 618 in 2016 and 585 in 2015.
- Morris Center received NO financial support from the Hotel / Motel Tax Board.

2018 Department Goals & Objectives and Linkage to City Results

Thriving Public Spaces and Culture

Priority Based Budgeting Result: Provides a diverse mix of affordable, secure and convenient recreational and leisure-time venues and programs that meet the interests and needs of a multi-generational community

- To build upon successes and book a wide variety of events including national tours of Broadway musicals, Pop concerts, County concerts, R&B, Christian shows, Comedians, Children's shows, Ballet events and to also use the stage and Grand Lobby for Wedding Ceremonies, receptions, and social events.

Priority Based Budgeting Result: Advances cultural enrichment by encouraging and supporting the visual, performing, graphic and literary arts and promoting multi-cultural events and preserving its historical heritage

- To be the Premier Performing Arts Center in this region and provide a safe and well-maintained historic facility.
- To be recognized as one of the best venues worldwide based on the number of gross tickets sold annually.

Strong, Inclusive Economy

Priority Based Budgeting Result: Supports and encourages a diverse balance of shopping, entertainment and cultural events that meet the needs of residents and visitors alike

- To strive to increase the positive economic impact the Morris Center currently has on downtown South Bend.

Key Performance Indicators (KPI's)

Measure	Type	Long Term	2016	2017	2018
		Goal	Actual	Estimated	Target
- Number of gross tickets issued annually	Output	130,000	131,380	100,000	125,000
- Number of shows booked	Output	95	94	90	90
- Revenue earned	Output	\$1,134,060	\$1,425,642	\$965,000	\$1,101,000

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Morris staff are collaborating with Venues, Parks and Arts staff to reduce expenditures in building maintenance and promotions.
- Morris Bistro Dinner prior to shows have been discontinued. Morris staff are collaborating with the contracted caterer staff to transform the space for a new food and beverage use on show nights. Staff and promoters are working with downtown restaurants to create Morris dinner/show packages and special offers from the restaurants to Morris patrons.
- Booking major national acts continues to be a challenge because the number of similar competing venues across the country exceeds the number of major acts on the road to play them. Booking deals continues to be complicated, and venues across the country are being asked to assume some financial risk of the show as well as guarantee money to the artist and split of the profits. Venues are being asked to do a lot more and take more financial risk than ever before. We are working on funding/promoting a few events during 2018.
- Morris staff continue to be proactive in soliciting events by attending national conferences, meeting with promoters and tour managers.
- The Morris Entertainment Inc. fundraised and installed 4 new 3'x6' digital display boards to replace existing paper posters.



Fund 101 - General Fund Department 0405 - Palais Royale

Expenditures by Type	2017				2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
	2015	2016	Amended	06/30/17		Forecast					
	Actual	Actual	Budget	Actual		2019	2020	2021	2022		
Personnel											
Salaries & Wages	165,894	165,714	81,679	34,349	95,601	97,513	99,463	101,452	103,481	13,922	17%
Fringe Benefits	71,712	75,787	60,452	18,837	62,217	63,143	64,360	65,602	66,869	1,765	3%
Total Personnel	237,606	241,501	142,131	53,186	157,818	160,656	163,823	167,054	170,350	15,687	11%
Supplies	14,688	12,571	3,398	794	1,900	1,938	1,977	2,016	2,057	(1,498)	-44%
Services & Charges											
Professional Services	892	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	39,419	37,462	93,367	7,558	80,397	82,005	83,645	85,318	87,024	(12,970)	-14%
Utilities	67,704	71,590	75,712	38,877	78,000	79,560	81,151	82,774	84,430	2,288	3%
Education & Training	240	349	651	-	400	408	416	424	433	(251)	-39%
Travel	616	1,200	75	-	-	-	-	-	-	(75)	-100%
Repairs & Maintenance	46,721	49,392	184,397	8,197	174,969	178,468	182,038	185,679	189,392	(9,428)	-5%
Other Interfund Allocations	341	2,148	19,086	9,540	19,646	20,039	20,440	20,848	21,265	560	3%
Insurance	10,668	9,792	10,188	5,094	10,034	10,235	10,439	10,648	10,861	(154)	-2%
Other Services & Charges	1,559	1,463	1,195	169	1,200	1,224	1,248	1,273	1,299	5	0%
Total Services & Charges	168,160	173,396	384,671	69,435	364,646	371,939	379,378	386,965	394,705	(20,025)	-5%
Capital	12,072	-	-	-	15,000	25,000	25,000	-	-	15,000	-
Total Expenditures	432,526	427,468	530,200	123,415	539,364	559,532	570,178	556,036	567,111	9,164	2%

Department Purpose:

This department accounts for the operating expenses of the Palais Royale, a premier banquet/meeting facility. It provides exquisite food and beverage catering service, for both social events and business events, and supports South Bend's downtown economy. The Palais Royale is distinguished by its history and ambiance.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Capital Expenditures: AV Upgrade in the amount of \$15,000.00 - existing equipment is 15 years old and out of date with current production needs.
 Staffing: The maintenance and marketing positions for the Morris (Custodian, Director of Marketing & Promotions, Manager - Assistant Facility Operations, Manager - Interactive Marketing, and Manager - Facility Operations) are now budgeted in the Parks & Recreation Fund 201. The position of Executive Director of MPAC is replaced by Deputy Executive Director of Venues, Parks and Arts. The position of Operations Manager was created during 2016 to fulfill and replace the need of Executive Assistant / Office Manager / Event Operations. The Director of Financial Services position from the Morris Complex was transferred to the Administration & Finance Department.

Staffing (Full-Time Employees only)	2017			2018 Proposed Budget	Forecast			
	2016	Amended	06/30/17		Forecast			
	Actual	Budget	Actual		2019	2020	2021	2022
Non-Bargaining								
Executive Director of Morris PAC	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0
Event Service Technician II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Deputy Director VPA	0.0	0.0	0.0	0.4	0.4	0.4	0.4	0.4
Director of Financial Services	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Director of Marketing and Promotions	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manager - Assistant Facility Operations	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Manager - Facility Operations	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Non-Bargaining	4.0	2.4	2.0	2.4	2.4	2.4	2.4	2.4

The Palais Royale Ballroom at The Morris Performing Arts Center opened February, 1922. Countless dances, receptions, and banquets were held at the ballroom from the early 20's through the 30's, 40's & 50's making the Palais Royale a sentimental favorite for generations of South Bend residents.

Restoration of this elegant facility began on December 27, 2001. This renovation/restoration totaled \$6.9 million in public-private funding, but enabled the doors of the Palais to open on New Year's Eve, 2002, for a Gala Grand Opening.

While the decorative elements have been restored with historic accuracy, a new full-service kitchen, restrooms and mechanical systems have been added, making the Palais a popular venue for a variety of events. A platform/stage has been restored where the bandstand once stood and the oak floor has been completely replaced - although it continues the original concept of a "floating" dance floor (no walls are physically connected to the floor). The grand terrazzo staircase on Colfax Avenue has been beautifully restored, providing a dramatic entry in the 8,800 square foot ballroom.

The Palais Royale welcomes private, public, and corporate functions: fundraisers, employee appreciation events, holiday parties, wedding receptions, and fashion shows. Bar/Bat Mitzvahs, graduation activities, training seminars, class reunions and dances are but a few more events filling the calendar. The full-service kitchen and award-winning chef provide delicious cuisine and a complete bar service is also available on site.



Department 101-0405 - Palais Royale

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- As part of the "Best. Week. Ever." celebration, a book signing by author Ann Nyberg and songwriting forum were held in the Palais Royale. Free tours of the Palais Royale and Morris Center were given.
- The Palais Royale has received many unsolicited positive comments on the facility, food and especially the service.
- We are building upon success and booking a wide variety of events including wedding receptions, corporate events, trade shows, fundraising events, proms, reunions, holiday parties and more!
- The Palais Royale is the premier banquet/meeting facility in the region for all events demanding superior service, fine dining, and well-maintained **historical** atmosphere.
- We are striving to increase the positive economic impact the Palais Royale has on downtown South Bend.

2018 Department Goals & Objectives and Linkage to City Results

Thriving Public Spaces and Culture

Priority Based Budgeting Result: Provides a diverse mix of affordable, secure and convenient recreational and leisure-time venues and programs that meet the interests and needs of a multi-generational community

- Build upon success and book a wide variety of events.
- To remain the premier banquet/meeting facility in the region for all events demanding superior service, fine dining and well-maintained historical

Strong, Inclusive Economy

Priority Based Budgeting Result: Supports and encourages a diverse balance of shopping, entertainment and cultural events that meet the needs of residents and visitors alike

- The Palais Royale has a yearly economic impact of over \$2.4 million on the City of South Bend

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Palais Royale Revenue Earned	Output	\$347,572	\$326,684	\$358,902	\$323,972
- Hotel Rooms Generated for PR events	Output	1,700	1,448	1,700	1,700

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Palais continue to collaborate with Double Tree Hotel staff to negotiate special room rates to help entice new clients to hold events at the Palais
- Revenues has increased yearly towards being self sufficient. Since February 2016, Navarre Hospitality has been the in-house food and beverage provider at the Palais Royale. The name recognition is expected to increase the revenue generated by increasing the number of events/rental, hence, catering commission.
- The hotel rooms generated is under reported as we are unable to get exact numbers from other hotels, but the numbers we do capture are excellent.
- The Palais Royale receives NO financial support from the Hotel/Motel Tax Board.



Fund 101 - General Fund Department 0501 - Legal Department

Expenditures by Type	2015 Actual	2016 Actual	2017		2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change	
			Amended Budget	06/30/17 Actual		2019	2020	2021	2022			
Personnel												
Salaries & Wages	675,920	689,144	699,658	326,770	760,139	775,342	790,849	806,666	822,799	60,481	9%	
Fringe Benefits	215,746	248,712	262,045	125,472	321,864	328,216	338,187	348,497	359,158	59,819	23%	
Total Personnel	891,666	937,856	961,703	452,242	1,082,003	1,103,558	1,129,035	1,155,162	1,181,957	120,300	13%	
Supplies	5,735	1,184	10,877	2,908	3,450	3,450	3,450	3,450	3,450	(7,427)	-68%	
Services & Charges												
Professional Services	3,374	172	48,347	45,477	2,550	2,550	2,550	2,550	2,550	(45,797)	-95%	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Education & Training	8,475	4,173	7,300	767	10,000	8,000	8,000	8,000	8,000	2,700	37%	
Travel	1,123	47	3,450	197	3,450	3,450	3,450	3,450	3,450	-	0%	
Repairs & Maintenance	10	1,633	2,120	1,620	3,320	1,820	1,820	1,820	1,820	1,200	57%	
Other Interfund Allocations	6,746	8,707	101,952	50,976	75,858	77,375	78,923	80,501	82,111	(26,094)	-26%	
Debt Service												
Principal	1,172	1,163	1,227	625	1,232	1,232	1,232	1,232	1,232	5	0%	
Interest & Fees	99	108	45	11	40	40	40	40	40	(5)	-11%	
Insurance	3,348	2,988	2,246	1,122	2,294	2,340	2,387	2,434	2,483	48	2%	
Other Services & Charges	22,759	18,426	19,300	7,821	16,600	16,062	16,329	16,602	16,880	(2,700)	-14%	
Total Services & Charges	47,106	37,417	185,987	108,616	115,344	112,869	114,731	116,629	118,566	(70,643)	-38%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	944,507	976,457	1,158,567	563,766	1,200,797	1,219,877	1,247,216	1,275,242	1,303,973	42,230	4%	

Department Purpose:

The Legal Department provides quality legal representation to the City of South Bend's Mayor, departments, commissions and agencies with a dedicated and professionally-skilled staff, efficiently and cost effectively, in furtherance of the City's strategic goals, and preserving the legal and ethical integrity of the City.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

The Legal Department's budget has decreased in 2018 by \$35,418. This budget reduction is primarily due to decreases in allocations from other departments. Also, at the beginning of 2017, the Department renovated its reception area and conference room using funds that were transferred to the Professional Services line item and the Supplies line item. The large percentage decreases in these areas reflect a one-time use of funds in 2017 that were transferred to those accounts and spent on the Legal Department's 2017 Office Renovation project. There are no pending projects of this nature for 2018.

Staffing (Full-Time Employees only)	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Proposed Budget	Forecast				
					2019	2020	2021	2022	
Non-Bargaining									
Full-Time Attorney *	6.0	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
Executive Assistant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
Administrative Assistant	2.0	2.0	1.0	2.0	2.0	2.0	2.0	2.0	
Corporate Counsel	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	
Total Non-Bargaining	10.0	9.5	8.5	9.5	9.5	9.5	9.5	9.5	

* One attorney is paid 50% in Fund 101 and 50% in Fund 226

St. Joseph County Courthouse



The St. Joseph County Courthouse is located in downtown South Bend and is attached to the County-City Building.

Department 101-0501 - Legal Department

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- **10,000 APRA Requests** received and responded to since 2012 as of February 7, 2017, demonstrating City responsiveness and transparency.
- **Open Door Law and APRA Training** provided to representatives from all City Departments, including follow-up sessions.
- **Litigation Transparency Guide** produced and published online, allowing residents access to high-profile case documents.
- **Plaintiff's Action** filed under innovative legal theory, resulting in a gross amount of **\$425,000** in recovered funds.
- **Amicus Briefs** signed and supported by the City, demonstrating commitment to inclusion through support of antidiscrimination laws.
- **Riverfront Development Permit Boundaries** expanded through ordinance amendments, resulting in economic development opportunities.
- **Accident Investigation and Incident Prevention Trainings** provided to City Departments, with target result of minimizing field incidents.
- **South Shore Line Preliminary Agreements and Negotiations** completed, resulting in feasible South Shore Line project plan.
- **65 Claims** from the **2016 Flood Event** resolved individually with residents, at minimal cost and exposure to the City.
- **Tidwell Jury Trial** resulted in verdict in favor of the City, supporting SBFD emergency responders' actions in saving lives in South Bend.
- **Subrogation Practice** drew in over **\$70,000** of recovered City funds to date.
- **Municipal ID Card Legal Framework** developed for City-recognized ID card program implemented on January 3, 2017.

2018 Department Goals & Objectives and Linkage to City Results

Well-Governed and Administered City

Priority Based Budgeting Result: Ensures reliable compliance with regulations and well-managed risk

- **Four-year Fire Agreement:** Work with the Fire Department to develop a four-year agreement to stabilize fiscal considerations and provide a level of budget predictability prior to 2020.

Priority Based Budgeting Result: Offers excellent services and efficient processes supported by timely and accurate analysis

- **Fillable Online Forms:** Collaborate with Innovation and Technology to provide fillable online APRA and Liability Claim forms to simplify the process of filing such forms with the Legal Department.

Key Performance Indicators (KPI's)

Measure	Type	2018	2015	2016	2017
		Long Term Goal	Actual	Actual	Target
- Annual total collections	Outcome	\$452,000	\$426,000	\$455,000	\$443,000
<i>All collections results are dependent upon the volume of accounts referred, the collectability of accounts, and data reliability.</i>					
- Average of total dollars collected over accounts referred per year	Efficiency	Increased # of accounts referred and increased \$ per account	7,632 referred, \$43.05 per account	5,093 referred, \$35.08 per account	1,737 referred, \$108.15 per account (7/1/17)

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

The Legal Department is functioning effectively and efficiently within its current budget. The Department remains committed to providing high quality legal representation to the City of South Bend's Mayor, departments, commissions, and agencies. To that end, the Legal Department will:

- Continue to support a department culture of proactive, energetic, client-focused planning and performance;
- Support City policy and legislative interests at the regional, state, and national levels; and
- Continue to demonstrate a diligent and resolute litigation strategy that supports the ability of the City to deliver good government and allows residents to live a safe, healthy, meaningful life in South Bend.

Fund 101 - General Fund Department 0602 - Engineering

Expenditures by Type	2017				2018	Forecast				Budget	% Change
	2015	2016	Amended	06/30/17	Adopted					Variance	
	Actual	Actual	Budget	Actual	Budget	2019	2020	2021	2022	2017-2018	
Personnel											
Salaries & Wages	501,594	495,042	604,650	261,506	725,101	738,275	751,713	765,420	779,400	120,451	20%
Fringe Benefits	173,760	168,830	236,986	94,689	246,488	251,355	259,163	267,279	275,715	9,502	4%
Total Personnel	675,354	663,872	841,636	356,195	971,589	989,631	1,010,876	1,032,698	1,055,115	129,953	15%
Supplies	25,596	53,808	34,113	11,364	20,850	31,800	31,800	32,550	32,550	(13,263)	-39%
Services & Charges											
Professional Services	83,475	138,698	261,250	41,713	150,000	150,000	150,000	150,500	150,500	(111,250)	-43%
Printing & Advertising	3,318	2,629	2,159	389	7,000	7,000	7,000	7,000	7,000	4,841	224%
Utilities	-	-	-	-	-	-	-	-	-	-	-
Education & Training	10,446	15,977	11,096	3,477	21,000	21,000	21,000	21,000	21,000	9,904	89%
Travel	14,960	12,304	17,450	7,014	14,900	14,900	14,900	14,900	14,900	(2,550)	-15%
Repairs & Maintenance	49,389	33,018	20,272	3,847	11,500	11,500	11,500	11,500	11,500	(8,772)	-43%
Other Interfund Allocations	45,427	50,116	239,770	119,880	331,860	335,600	335,600	335,600	335,600	92,090	38%
Debt Service											
Principal	10,748	17,796	28,230	16,349	26,644	15,244	10,029	4,602	-	(1,586)	-6%
Interest & Fees	1,035	1,029	1,778	568	1,365	414	197	51	-	(413)	-23%
Insurance	9,612	11,676	14,738	7,368	14,772	14,800	14,800	14,800	14,800	34	0%
Other Services & Charges	7,285	14,164	12,665	4,732	19,025	9,225	9,150	9,275	9,250	6,360	50%
Total Services & Charges	235,695	297,407	609,408	205,336	598,066	579,683	574,176	569,227	564,550	(11,342)	-2%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	936,645	1,015,087	1,485,157	572,895	1,590,505	1,601,114	1,616,853	1,634,476	1,652,215	105,348	7%

Department Purpose:

The Engineering Department oversees the design and execution of the City's construction projects.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Excluding the 2016 encumbrance rollovers for outstanding purchase orders (which shows as amended budget), the effective change for the 2018 budget is an increase of approximately \$223,998. Of this change, \$95,124 are for an increase of Allocation Charges, such as, Admin Fee, Central Stores, Print Shop, IT, and Liability Insurance. Personnel changes including all taxes and benefits account for approximately \$130,212. Net impact to wages for the 3 additional employees represent \$83,017, impact of 2% increase represents an increase of \$10,956, with an increase in FICA, PERF, and other benefit of \$10,918, \$8,000 increase for the part time and intern programs, shift of allocations throughout Public Works increased wages for engineering by \$4,711. The remaining \$12K is a result of the actual versus budget for salary deductions which changed from \$23,555 in 2017 to \$11,300 in 2018. This allows the department to reward and acknowledge mid-year evaluations and review of employees. In 2018 supplies and contractals will decrease approximately \$1,400.

Staffing (Full-Time Employees only)	2017			2018	Forecast			
	2016	Amended	06/30/17	Proposed				
	Actual	Budget	Actual	Budget	2019	2020	2021	2022
Non-Bargaining								
Director of Public Works	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Deputy Director of Public Works	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
City Engineer	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant City Engineer	2.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Engineer I (80% TIF funded)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Engineer I	1.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Exec Assist & Director of Special Projects	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Manager - Public Construction	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Permits Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative Assistant I	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative Assistant II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Services (Asset Manager)	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Redevelopment Engineer (100% TIF funded)	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Project Inspector II	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Secretary V	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Information Officer	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	16.0	18.0	19.0	21.0	21.0	21.0	21.0	21.0

In 2017, two position were brought on board with engineering, Director of Operations (Assets) and Assistant City Engineer. These two positions are not reflected in 2017 budget detail. For 2018 we are proposing to add one new position, Public information Officer. 2018 shows a net increase of 3 for engineering staff. As in 2017, 2018 will repeat the billing of two positions, Engineer I and Director of Redevelopment Engineer, to tax increment financing funds.

Department 101-0602 - Engineering

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Successful conversion of Main and Michigan/MLK downtown
- Hiring of the first Full-Time Asset Manager for Public Works
- Hiring of a new Full-Time Assistant City Engineer to focus on Water and Drainage
- Successful implementation of System Development Charges (SDCs) by the Permits Office
- Providing engineering support for various City Departments
- Resolution for School Zone Flashing Beacons
- 2017 Community Crossing Grant funding for improvements on Ironwood and Edison Roads
- Completion and implementation of the Neighborhood Traffic Calming Policy

2018 Department Goals & Objectives and Linkage to City Results

Well-Governed and Administered City

Priority Based Budgeting Result: Ensures reliable compliance with regulations and well-managed risk

- Implementation of new City Standards and Specifications
- Priority Based Budgeting Result: Offers excellent services and efficient processes supported by timely and accurate analysis*
- Continued engineering project management and assistance to various City Departments
- Creation of a standardized method for asset inventory and management tool for decision making in 2018

All Residents Empowered with Education, Mobility and Technology

Priority Based Budgeting Result: Develops and utilizes current technology to better inform, educate, engage and serve the community

- Implementation of an online Permitting software system for the ease of doing business with the City

Robust & Well-Planned Infrastructure

Priority Based Budgeting Result: Responsively manages and efficiently operates a transportation network that offers safe travel, eases congestion, improves traffic flow, enhances maneuverability and improves accessibility

- Implement Neighborhood Traffic Calming Policy
- Apply for Local Public Agency (LPA) funding (90/10) to install Flashing Beacons in School Zones across the City
- Priority Based Budgeting Result: Designs, constructs and maintains a connected, accessible and safe network of indoor and outdoor walkways, bike paths and trail systems*
- Educate the public to create a bike and pedestrian friendly downtown
- Priority Based Budgeting Result: Plans and develops a safe, reliable and well-maintained water and wastewater utility infrastructure*
- Implementation of a city-wide storm water fee to address storm water projects in the City
- Address drainage service requests throughout the City with dedicated funding



Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Number of 311/Council Requests (Open/Closed) %	Effectiveness	80%	90%	60%	80%
- Project Management Grades	Quality	B+	NA	B+	B+

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Downspout Disconnections - how will the City address the disregard for the Ordinance?
- Storm water Fee - a common means for creating revenue to address storm water projects is needed.
- Drainage issues resulting from Subdivisions and bankrupt Developers have left the City with problems that require capital investment.



Downspout Disconnect Program

Some older homes have downspouts that drain rainwater from gutters into the ground, which goes through the combined sewers. On heavy rain days, these combined sewers cause overflows, called CSOs. To help protect the environment and local waterways, the City of South Bend offers a free annual summer program to disconnect those downspouts, cap the drainway, and add an extension to the downspout so the water drains into your yard instead of the combined sewer. Work on this project is performed during the summer months only.



Fund 101 - General Fund Department 0801 - Police Department

Expenditures by Type	2017				2018	Forecast				Budget Variance 2017-2018	% Change
	2015	2016	Amended	06/30/17	Adopted						
	Actual	Actual	Budget	Actual	Budget	2019	2020	2021	2022		
Personnel											
Salaries & Wages	16,460,635	16,002,200	16,609,006	7,944,741	17,122,776	17,465,232	17,814,536	18,170,827	18,534,243	513,770	3%
Fringe Benefits	5,945,217	6,354,615	6,292,137	3,106,888	6,749,373	6,884,360	7,022,048	7,162,489	7,305,738	457,236	7%
Total Personnel	22,405,852	22,356,815	22,901,143	11,051,629	23,872,149	24,349,592	24,836,584	25,333,315	25,839,982	971,006	4%
Supplies	394,460	238,368	1,421,776	118,099	295,731	301,646	304,662	304,662	304,662	(1,126,045)	-79%
Services & Charges											
Professional Services	552,334	283,739	683,700	189,585	348,500	355,470	359,025	359,025	359,025	(335,200)	-49%
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Utilities	220,140	190,910	221,250	85,775	214,250	218,535	220,720	220,720	220,720	(7,000)	-3%
Education & Training	-	(935)	-	-	-	-	-	-	-	-	-
Travel	(30)	(7)	180	1,553	200	204	206	206	206	20	11%
Repairs & Maintenance	863,161	854,617	663,852	239,816	299,297	305,283	308,336	308,336	308,336	(364,555)	-55%
Other Interfund Allocations	155,525	179,196	1,974,001	985,446	2,428,100	2,476,662	2,501,429	2,501,429	2,501,429	454,099	23%
Debt Service											
Principal	5,225	4,738	142,000	67,879	420,000	428,400	432,684	432,684	432,684	278,000	196%
Interest & Fees	1,085	757	13,000	6,386	-	-	-	-	-	(13,000)	-100%
Grants & Subsidies	21,139	3,525	40,000	1,200	40,000	40,800	41,208	41,208	41,208	-	0%
Insurance	-	591,696	1,267,276	633,636	612,148	1,157,758	1,160,758	1,163,758	1,166,758	(655,128)	-52%
Other Services & Charges	487,380	198,312	305,255	142,688	292,955	298,814	301,802	301,802	301,802	(12,300)	-4%
Total Services & Charges	2,305,959	2,306,548	5,310,514	2,353,963	4,655,450	5,281,926	5,326,168	5,329,168	5,332,168	(655,064)	-12%
Capital	-	-	35,000	-	-	-	-	-	-	(35,000)	-100%
Total Expenditures	25,106,271	24,901,731	29,668,433	13,523,691	28,823,330	29,933,164	30,467,414	30,967,145	31,476,812	(845,103)	-3%

Department Purpose:

The South Bend Police Department exists to serve and protect our community with the highest quality emergency services, protecting life and property.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

The increase in Total Personnel costs is due to the increase in salaries for the Sworn Officers under the four year agreement signed last year. The number of budgeted officers has not changed from the prior year. There are 202 officers budgeted in the General Fund and 43 in the Public Safety LOIT Fund (249). In addition, a 2% increase in wages is planned for the Police Department civilians. Benefits increased primarily due to the 4% increase in health care costs. The decrease in Supplies in 2018 reflects the return to normal spending amounts after encumbering \$896,045 for the replacement of police vehicle computers in the 2017 Budget. The increase in Services and Charges is due to the increase in Debt Service Principal to replace Police vehicle camera systems in 2018.

South Bend Police show local high school students the danger of texting while driving.



South Bend Police Officer lends a hand to trick-or-treaters



New officers are sworn in after graduating from the Police Academy



Department 101-0801 - Police Department

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Full integration with City IT (website/CAD/RMS/tablets/ PD transparency Hub (southbendpolice.com)
- Re-organization/Restructure
- Recruiting/Hiring process (300% increase in applicants)
- Community Outreach (other than walking patrols): neighborhood meetings, Slurpee give-away/Popsicle-patrols/"Elficers"
- Lexipol completion (by year end)-Police Duty Manual.
- NIBRS (by year end)
- New-building (interior/exterior) cameras
- Civilian Media Liaison. Civilian Crime Analyst
- Strategic Focus Unit



2018 Department Goals & Objectives and Linkage to City Results

Safe Community for Everyone

Priority Based Budgeting Result: Offers protection from violence and harm, enforces the law, promptly responds to calls for service, and is adequately prepared and equipped for all emergency situations

- Cameras monitoring city streets/viaducts and parks
- Work towards reducing violent crime (shooting/aggravated assault)
- Body worn/in car camera system (integrated)

Priority Based Budgeting Result: Maintains a visible, approachable public safety presence that proactively addresses community concerns and focuses on prevention intervention and safety education activities

- Additional Armadillo nuisance abatement vehicle
- Continue to expand community outreach activities

Well-Governed and Administered City

Priority Based Budgeting Result: Is a great employer attracting, developing, equipping and retaining great employees

- Performance reviews and CPD (promotions and transfers)
- Promotion process
- Satellite unit staffing

Armadillo



Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- KPI's being developed					
-					
-					
-					
-					
-					

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Special Events Policy
- Additional ND home games/night games/concerts/times
- Staffing/personnel - continue recruiting efforts
- Continue to work on payroll software (Kronos/Timekeeper)
- Part-time officers
- 800 MHz radios

Department 101-0801 - Police Department

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual	Proposed Budget	2019	2020	2021	2022
Non-Bargaining								
Administrative Assistant II	1.0	1.0	-	-	-	-	-	-
Executive Assistant and Director Special	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Record Specialists	9.0	8.0	15.0	16.0	16.0	16.0	16.0	16.0
Public Access Coordinator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Crime Analyst	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Crime Lab Firearms Examiner	1.0	1.0	1.0	-	-	-	-	-
Forensic Scientist/Firearm & Tool Exam*	-	-	-	1.0	1.0	1.0	1.0	1.0
Forensic Scientist/Firearm & Tool Exam-Trainee*	-	-	-	1.0	1.0	1.0	1.0	1.0
Crime Laboratory Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Director of Civilian Services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Data Entry Specialist	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0
Alarm Specialist	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Digital (Forensic) Lab Tech	3.0	3.0	3.0	1.0	1.0	1.0	1.0	1.0
(Forensic) Lab Tech *	-	-	-	1.0	1.0	1.0	1.0	1.0
Firearm/NIBIN Tech *	-	-	-	1.0	1.0	1.0	1.0	1.0
Digital Comm. & Media Trainer	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Civilian Services	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Evidence Technician	1.0	1.0	1.0	-	-	-	-	-
Latent Fingerprint Examiner *	-	-	-	1.0	1.0	1.0	1.0	1.0
Financial Specialist II *	-	-	-	1.0	1.0	1.0	1.0	1.0
Financial Specialist III	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Financial Specialist IV	1.0	1.0	1.0	-	-	-	-	-
Financial Specialist Senior *	-	-	-	1.0	1.0	1.0	1.0	1.0
Police Crime Intelligence Analyst	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Preventative Maintenance Coordinator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Manager of Property & Evidence	1.0	1.0	-	1.0	1.0	1.0	1.0	1.0
Property Evidence Custodian	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Public Service Officer	8.0	8.0	-	-	-	-	-	-
Administrative Assistant I	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Secretary V	1.0	1.0	1.0	-	-	-	-	-
Administrative Assistant I *	-	-	-	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	39.0	41.0	39.0	43.0	43.0	43.0	43.0	42.0
Bargaining								
Chief	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Division Chief	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Captain	10.0	7.0	9.0	7.0	7.0	7.0	7.0	7.0
Lieutenant	28.0	15.0	9.0	15.0	15.0	15.0	15.0	15.0
Supervisory Sergeant	58.0	29.0	24.0	29.0	29.0	29.0	29.0	29.0
Non-Supervisory Sergeant/Investigator	-	5.0	11.0	5.0	5.0	5.0	5.0	5.0
Patrolman First Class	111.0	119.0	109.0	119.0	119.0	119.0	119.0	119.0
Patrolman Second Class	8.0	17.0	26.0	17.0	17.0	17.0	17.0	17.0
Patrolman Third Class	3.0	-	-	-	-	-	-	-
Police Recruits	-	6.0	9.0	6.0	6.0	6.0	6.0	6.0
Maintenance (Teamsters)	-	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total Bargaining	222.0	205.0	204.0	205.0	205.0	205.0	205.0	205.0
Total Full-Time Employees	261.0	246.0	243.0	248.0	248.0	248.0	248.0	247.0

Fund 101 - General Fund Department 0901 - Fire Department

Expenditures by Type	2017				2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
	2015 Actual	2016 Actual	Amended Budget	06/30/17 Actual							
						2019	2020	2021	2022		
Personnel											
Salaries & Wages	11,755,241	11,839,494	12,353,879	5,898,373	12,825,291	13,081,797	13,343,433	13,610,301	13,882,507	471,412	4%
Fringe Benefits	4,383,854	4,814,799	5,070,713	2,414,391	5,240,021	5,344,821	5,451,718	5,560,752	5,671,967	169,308	3%
Total Personnel	16,139,095	16,654,293	17,424,592	8,312,765	18,065,312	18,426,618	18,795,151	19,171,054	19,554,475	640,720	4%
Supplies	216,820	365,401	502,435	157,138	461,150	566,150	566,150	566,150	566,150	(41,285)	-8%
Services & Charges											
Professional Services	155,034	229,713	318,980	43,113	210,421	214,000	214,000	224,000	224,000	(108,559)	-34%
Printing & Advertising	290	37	3,000	1,079	3,000	3,000	3,000	3,000	3,000	-	0%
Utilities	213,859	194,476	232,443	116,015	235,000	235,000	235,000	235,000	235,000	2,557	1%
Education & Training	58,314	75,097	92,000	40,924	80,000	80,000	80,000	80,000	80,000	(12,000)	-13%
Travel	26,756	30,742	25,500	6,731	20,500	20,500	20,500	20,500	20,500	(5,000)	-20%
Repairs & Maintenance	670,282	605,844	884,994	580,824	675,535	687,000	687,000	687,000	687,000	(209,459)	-24%
Other Interfund Allocations	143,339	166,512	1,257,329	628,662	1,498,972	1,528,951	1,559,530	1,590,721	1,622,535	241,643	19%
Insurance	-	228,516	341,933	170,964	-	361,478	361,478	361,478	361,478	(341,933)	-100%
Other Services & Charges	19,133	16,870	28,260	9,804	18,500	18,500	18,500	18,500	18,500	(9,760)	-35%
Total Services & Charges	1,287,007	1,547,807	3,184,439	1,598,118	2,741,928	3,148,429	3,179,008	3,220,199	3,252,013	(442,511)	-14%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	17,642,922	18,567,501	21,111,466	10,068,020	21,268,390	22,141,197	22,540,309	22,957,402	23,372,638	156,924	1%

Department Purpose:

The South Bend Fire Department exists to provide our community with the highest quality emergency services protecting life and property through education, response, and dynamic outreach.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Increase in personnel costs is due to negotiated increases in union contract which was negotiated in November 2017 for 2018-2020. Supplies are down due to the elimination of a fuel account that is being paid through the COIT Fund #404. Supplies did increase in other accounts mainly an Other Operating Supplies account due to moving the purchase of Fire Fighter clothing in that account. Services are down due to the elimination of the insurance account for one year.



Department 101-0901 - Fire Department

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Graduated 2 Regional Recruit Academies
- Trained and Certified in Incident Command system for entire Command Staff and Company Officers
- Host International Association of Water Rescue Professionals annual conference in September
- Indiana River Rescue School received St. Joseph County Tourism Award
- SBFDD received Northern Indiana Hospice Foundation Award
- Received funding from the Assistance to Firefighters Grant Program (AFG) in the form of the Staffing for Adequate Fire & Emergency Response (SAFER) Grant to help offset personnel costs
- Placed new HAZ MAT command vehicle in service
- Completed first annual Work Performance Evaluations for Wellness and Fitness Initiative

2018 Department Goals & Objectives and Linkage to City Results

Safe Community for Everyone

Priority Based Budgeting Result: Offers protection from violence and harm, enforces the law, promptly responds to calls for service, and is adequately prepared and equipped for all emergency situations

- Complete Construction of Fire Station 4
- Begin Construction of Fire Station 9 and Fire Training Center Hot Classroom

Priority Based Budgeting Result: Maintains a visible, approachable public safety presence that proactively addresses community concerns and focuses on prevention intervention and safety education activities

- SBFDD Cancer prevention initiative

Well-Governed and Administered City

Priority Based Budgeting Result: Is a great employer attracting, developing, equipping and retaining great employees

- Continue positive trends of Recruitment Committee
- Roll out Fireground Survival Training to all members (train the trainer this fall)

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- KPI's being developed					
-					
-					
-					
-					
-					
-					

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Long Term Capital Funding
- Replacing firefighters who retire or have enrolled in the Deferred Retirement Option Program (DROP)
- Expect decreasing Medicaid Reimbursement payments (supplemental)



Department 101-0901 - Fire Department

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018 Proposed Budget	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022
Non-Bargaining								
Administrative Assistant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Financial Specialist II	1.0	1.0	1.0	1.0	-	-	-	-
Preventative Maintenance Coordinator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Financial Specialist III	-	-	-	-	1.0	1.0	1.0	1.0
Total Non-Bargaining	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Bargaining								
Chief	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Chief	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Battalion Chief	6.0	6.0	5.0	6.0	6.0	6.0	6.0	6.0
Captain	53.0	56.0	53.0	53.0	53.0	53.0	53.0	53.0
Inspector	4.0	4.0	4.0	4.0	-	-	-	-
Arson Investigator	3.0	3.0	3.0	3.0	-	-	-	-
Instructor	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Pump Engineer	48.0	48.0	48.0	48.0	48.0	48.0	48.0	48.0
Firefighter 1st Class	35.0	29.0	35.0	35.0	31.0	31.0	31.0	31.0
Firefighter 2nd Class	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Firefighter 3rd Class	7.0	4.0	7.0	7.0	7.0	7.0	7.0	7.0
Civilian Fire Recruits	6.0	6.0	-	-	-	-	-	-
Inspector/Investigators	-	-	-	-	5.0	5.0	5.0	5.0
Total Bargaining	181.0	175.0	174.0	175.0	169.0	169.0	169.0	169.0
Total Full-Time Employees	184.0	178.0	177.0	178.0	172.0	172.0	172.0	172.0

Explain Significant Staffing Changes Below:

Staffing plan moves personnel into Fund 288 to accommodate Advanced Life Support (ALS) Non-Transport vehicles. Reflects potential changes to Fire Prevention Bureaus



Fund 101 - General Fund Department 1008 - Human Rights

Expenditures by Type	2017				2018	Forecast				Budget	% Change
	2015	2016	Amended	06/30/17	Adopted					Variance	
	Actual	Actual	Budget	Actual	Budget	2019	2020	2021	2022	2017-2018	
Personnel											
Salaries & Wages	215,714	201,519	201,905	110,060	206,025	210,145	214,348	218,635	223,008	4,120	2%
Fringe Benefits	77,100	81,792	92,131	43,857	105,015	108,657	112,862	117,256	121,839	12,884	14%
Total Personnel	292,814	283,311	294,036	153,918	311,040	318,802	327,210	335,891	344,847	17,004	6%
Supplies	954	1,200	1,037	337	1,037	1,040	1,050	1,060	1,070	-	0%
Services & Charges											
Professional Services	1,561	-	800	-	-	-	-	-	-	(800)	-100%
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	270	990	-	2,500	2,500	2,500	2,500	2,500	1,510	153%
Travel	509	776	1,800	228	600	600	600	600	600	(1,200)	-67%
Repairs & Maintenance	9,896	9,818	10,442	4,431	10,742	10,700	10,700	10,700	10,700	300	3%
Other Interfund Allocations	3,446	4,656	63,724	31,860	66,980	68,319	69,686	71,080	72,501	3,256	5%
Insurance	1,704	1,632	1,226	612	1,251	1,251	1,251	1,251	1,251	25	2%
Other Services & Charges	50,452	47,494	51,750	23,083	52,950	52,950	52,950	52,950	52,950	1,200	2%
Total Services & Charges	67,568	64,646	130,732	60,214	135,023	136,320	137,687	139,081	140,502	4,291	3%
Capital	10,407	-	-	-							
Total Expenditures	371,743	349,157	425,805	214,469	447,100	456,162	465,947	476,032	486,419	21,295	5%

Department Purpose:

The Human Rights mission is to educate and promote fair housing as well as ensure that all citizens receive equal opportunity for education, employment, access to public conveniences and accommodations, and the acquisition through purchase or rental of real property including but not limited to, housing and the elimination of segregation or separation based on race, religion, color, sex, disability, national origin, ancestry, sexual orientation or gender identity and familial status in housing, since such segregation is an impediment to equal opportunity.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

The Commission plans to increase the salaries of (2) Investigator VI's by 10% to compensate them for the added workload they will be taking on. The Commission would also like to move both individuals into management positions. The Commission lost two of its employees and there are no plans to replace them. The remaining three investigators will be assuming the duties. One employee has moved from employment matters to housing matters and will be keeping some of her previous duties which will increase her work load more. Another employee will be assuming some employment matters as well as maintaining her case load. She will also be working with the Staff Attorney and the Commission Attorney after probable cause has been found in all of the Commission's cases. She will be setting up conciliation conferences and public hearings through the Commission's two hearing officers (attorneys). The Commission plans to promote an Investigator IV to an Investigator V position to compensate her for her additional workload. Along with the additional case load she will be assisting with scheduling and working on upcoming trainings. She will also be working on the Commission's Annual Fair Housing Training and Awards Luncheon. She will also be working on computer graphics in conjunction with any outside advertising that the Commission might do concerning upcoming trainings. She will also be working with the Director in an effort to bring the Indiana Consortium to South Bend next year. Her customer service skills will be a plus in this endeavor. If the Commission is responsible the conference next year, she will be responsible for planning and scheduling some of the trainings.

Staffing (Full-Time Employees only)	2017			2018	Forecast			
	2016	Amended	06/30/17	Proposed				
	Actual	Budget	Actual	Budget	2019	2020	2021	2022
Non-Bargaining								
Director - Human Rights	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Investigator VI	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0
Investigator IV	2.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0
Administrative Assistant I	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Employment Manager *	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Investigator V	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	4.0							

* The Commission plans to move Investigator VI to a new management position titled Employment Manager (pending Mayor approval). This is to compensate for the added workload for this position. In addition, the Commission plans to promote Investigator IV to an Investigator V due to increased workload.

Department 101-1008 - Human Rights

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Hosted the annual Fair Housing training, which is open to the public at no cost. Over 100 attendees were trained by Marilyn Brown, HUD Attorney Advisor for the US Department of Housing and Urban Development.
- Awarded three Human Rights Awareness scholarships totaling \$6,000 and recognized four community members in the area of Human Rights.
- Provided training for South Bend Housing Authority, Center Management Corp., Post Acquisition at the CCB, in landlord-tenant rights, landlord responsibilities, general housing rights, and employment rights.
- Attended the annual Indiana Consortium of State and Local Human Rights Agencies Training Conference, Equal Employment Opportunity Commission (EEOC)/Fair Employment Practices Agencies (FEPA) National Training Conference and Housing and Urban Development (HUD) Training at John Marshall Law School.
- Successfully maintained Federal contracts with the EEOC and the US Department of Housing and Urban Development by meeting contractual obligations.
- Director, Lonnie Douglas, was reappointed to the EEOC - FEPA Committee.
- Worked in the community with the Diversity & Inclusion Director. Continued to inform residents that diversity strengthens and benefits our community through inclusion of all types of people.
- Successfully passed HUD Audit Review
- Commission outreach provided via Study Circles, National Night Out Against Crime (with the South Bend Police Department), and Dr. Martin Luther King Jr. Day event.

2018 Department Goals & Objectives and Linkage to City Results

Strong, Inclusive Economy

Priority Based Budgeting Result: Fosters and sustains an attractive, safe and inviting place to live and work that offers quality housing options and promotes community diversity and inclusion

- Continue to work with the City of Mishawaka and St. Joseph County to ensure that all of the residents of St. Joseph County are ensured equal opportunity.
- Continue to work in the community with the Diversity & Inclusion Director. Continue to inform residents that diversity strengthens and benefits our community through our community through inclusion of all types of people.

Well-Governed and Administered City

Priority Based Budgeting Result: Offers excellent services and efficient processes supported by timely and accurate analysis

- The Commission will continue the policy that all cases filed with the Commission must be completed within 180 days or less with an exception for those cases that require legal intervention. Those cases must be completed within 360 days.

Priority Based Budgeting Result: Is a great employer attracting, developing, equipping and retaining great employees

- Work with the Diversity and Inclusion Director in an effort to further the City's goal of ensuring that all employees in the City have the opportunity to accel.

Priority Based Budgeting Result: Ensures reliable compliance with regulations and well-managed risk

- Maintain Federal contracts with EEOC and HUD and local contracts with Community Investment.

Priority Based Budgeting Result: Fosters enduring financial strength and fiscal sustainability

- Continue to seek grants and other forms of revenue to supplement the general fund budget.

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Number of cases over 180 days	efficiency/outcome	9	20	13	9
- Number of open cases	output/efficiency	54	53	60	54
- Number of trainings done	effectiveness/goal	24	22	24	24
- Number of inquiries handled within city limits	quality/efficiency	2,900	2,689	2,500	2,900
- Number of no cause	outcome	88	80	96	88
- Number of probable cause	outcome	1	6	2	1

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Opportunity to partner with County to become a city-county human rights commission, which would increase cases, inquiries, and equal opportunity community-wide.
- In preparation of the reduction of property tax revenue in 2020, the Commission will not be replacing the two vacant positions.
- Due to the loss of two investigator positions the workload has increased substantially therefore three investigators left are being asked to absorb the increased workload. Two investigators workload has increased substantially and should be compensated accordingly.
- Opportunity for training by EEOC and HUD for all staff
- Challenge due to an increase in inquires and caseloads leads to a need for administrative assistance to allow Investigators to investigate and meet their contractual obligations.
- Opportunity for an upward mod in EEOC funds due to increase in case closures.

Fund 102 - Rainy Day

Fund Type	Rainy Day				Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
						2019	2020	2021	2022		
Revenue											
Local Income Taxes	-	1,405,850	-	-	-	-	-	-	-	-	-
Other Taxes	-	-	-	-	-	-	-	-	-	-	-
Grants/Intergovernmental	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	49,919	86,416	107,516	45,755	80,000	90,000	95,000	100,000	105,000	(27,516)	-26%
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	49,919	1,492,266	107,516	45,755	80,000	90,000	95,000	100,000	105,000	(27,516)	-26%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-	-	-	-	-
Net Surplus / (Deficit)	49,919	1,492,266	107,516	45,755	80,000	90,000	95,000	100,000	105,000		
Beginning Cash Balance	8,632,917	8,678,882	10,166,491		10,274,007	10,354,007	10,444,007	10,539,007	10,639,007		
Cash Adjustments	(3,954)	(4,657)	-		-	-	-	-	-		
Ending Cash Balance	8,678,882	10,166,491	10,274,007		10,354,007	10,444,007	10,539,007	10,639,007	10,744,007		
Cash Reserves Target	8,063,538	8,805,172	8,620,604		13,238,225	11,616,325	10,008,057	9,759,861	9,782,359		
											Cash Reserve 3% of Total expenditures in previous fiscal year- contingency

Fund Purpose:

This fund is used to accumulate cash reserves for unforeseen purposes. Every so often, this fund receives certain "catch up" distributions of County Option Income Tax (COIT) and Economic Development Income Tax (EDIT) monies from the State of Indiana that are required to be deposited into this fund. This fund is used for mid-year or year-end advances to other funds that have cash shortages and the advances must be paid back within six months. During 2016, a total of 25% of the special local income tax distribution approved by the Indiana General Assembly, or \$1,405,850, was deposited into the Rainy Day Fund as allowed under the statute.

The establishment of a Rainy Day Fund is looked upon favorably by bond rating agencies and is one of the factors resulting in South Bend's good AA bond rating with Standard & Poor's.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Interest rates are expected to rise over the next few years, increasing interest earnings revenue. No expenditures are budgeted in this fund.

John Hunt Plaza - Downtown South Bend



Fund 201 - Parks & Recreation

Fund Type	Parks & Recreation					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Property Taxes	7,487,554	7,902,995	8,900,000	4,976,456	8,943,000		9,044,000	8,602,000	8,774,000	8,900,000	43,000	0%
Other Taxes	666,224	667,306	670,000	379,124	670,000		670,000	670,000	670,000	670,000	-	0%
Grants/Intergovernmental	-	-	5,095,000	-	2,050,000		2,050,000	50,000	50,000	50,000	(3,045,000)	-60%
Charges for Services	1,764,444	1,685,696	3,096,808	737,988	2,903,820		2,731,386	2,732,531	2,733,684	2,734,856	(192,988)	-6%
Interest Earnings	8,547	23,779	31,730	11,598	24,996		25,000	25,000	25,000	25,000	(6,734)	-21%
Donations	-	1,650	1,500	-	20,000		20,000	20,000	20,000	20,000	18,500	1233%
Other Income	1,105,170	1,068,853	1,784,489	840,145	301,100		301,100	301,100	301,100	301,100	(1,483,389)	-83%
Transfers In	-	-	625,347	200,000	1,287,600		1,485,406	2,063,648	1,953,379	1,699,014	662,253	106%
Total Revenue	11,031,939	11,350,279	20,204,874	7,145,311	16,200,516		16,326,892	14,464,279	14,527,163	14,399,969	(4,004,358)	-20%
Expenditures by Type												
Personnel												
Salaries & Wages	5,058,898	5,096,221	5,883,700	2,604,919	5,791,902		5,861,713	5,951,283	6,039,388	6,125,011	(91,798)	-2%
Fringe Benefits	1,816,886	2,024,573	2,425,652	1,125,776	2,560,224		2,743,191	2,797,284	2,812,257	2,827,154	134,572	6%
Total Personnel	6,875,784	7,120,794	8,309,352	3,730,695	8,352,126		8,604,904	8,748,568	8,851,645	8,952,165	42,774	1%
Supplies	982,761	893,773	1,300,323	449,646	1,224,056		1,224,056	1,224,056	1,224,056	1,224,056	(76,267)	-6%
Services & Charges												
Professional Services	782,692	735,360	1,636,413	633,909	1,073,178		1,102,524	702,524	702,524	702,524	(563,235)	-34%
Printing & Advertising	19,229	30,619	107,978	21,626	117,766		117,767	117,767	117,767	117,767	9,788	9%
Utilities	543,728	541,015	699,088	287,943	652,017		652,017	652,017	652,017	652,017	(47,071)	-7%
Education & Training	5,449	4,381	12,047	5,312	8,600		8,600	8,600	8,600	8,600	(3,447)	-29%
Travel	27,649	24,504	27,332	5,961	8,300		8,300	8,300	8,300	8,300	(19,032)	-70%
Repairs & Maintenance	249,321	275,027	909,870	435,273	1,135,155		915,155	915,155	915,155	915,155	225,285	25%
Other Interfund Allocations	363,599	419,598	1,100,786	544,926	941,238		941,238	941,238	941,238	941,238	(159,548)	-14%
Debt Service												
Principal	292,172	189,341	265,434	131,827	317,042		374,756	378,318	347,870	128,825	51,608	19%
Interest & Fees	7,686	5,725	20,302	10,372	29,257		34,950	25,157	15,400	6,719	8,955	44%
Grants & Subsidies	-	-	21,471	15,000	31,060		31,060	31,060	31,060	31,060	9,589	45%
Insurance	-	101,270	123,811	64,141	136,460		136,460	136,460	136,460	136,460	12,649	10%
Transfers Out	-	-	102,850	-	104,850		104,850	104,850	104,850	104,850	2,000	2%
Other Services & Charges	463,069	414,711	405,831	170,293	469,411		469,411	469,411	469,411	469,411	63,580	16%
Total Services & Charges	2,754,594	2,741,551	5,433,213	2,326,583	5,024,334		4,897,088	4,490,857	4,450,652	4,222,926	(408,879)	-8%
Capital	-	22,760	4,000,000	-	1,600,000		1,600,000	-	-	-	(2,400,000)	-60%
Total Expenditures	10,613,139	10,778,878	19,042,888	6,506,923	16,200,516		16,326,048	14,463,481	14,526,353	14,399,147	(2,842,372)	-15%
Net Surplus / (Deficit)	418,800	571,401	1,161,986	638,387	-		844	798	810	822		
Beginning Cash Balance	3,494,861	3,913,925	4,490,441		5,652,427		5,652,427	5,653,271	5,654,069	5,654,879		
Cash Adjustments	264	5,114	-		-		-	-	-	-		
Ending Cash Balance	3,913,925	4,490,441	5,652,427		5,652,427		5,653,271	5,654,069	5,654,879	5,655,701		
Cash Reserves Target	2,653,285	2,694,720	4,760,722		4,050,129		4,081,512	3,615,870	3,631,588	3,599,787		
											Cash Reserve	25% of Annual expenditures

Fund Purpose:

This fund accounts for the operation of the Venues Parks & Arts (VPA) that are predominantly taxpayer funded. The purpose is to provide quality spaces, places and experiences within the City of South Bend. There are six divisions within the department: Administration, Maintenance, Golf, Recreation, Graffiti, and Experience.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Potawatomi Zoo will cease having personnel costs as the last remaining employee will become a Zoo employee in June 2018.

In 2017 VPA was awarded a Regional Cities grant of \$5 million that is funded via the Northern Indiana Regional Development Authority.

On the revenue lines "Other Income and Transfers In" there were some internal accounting changes and less reliance on additional transfers in due to cost savings.



Fund 201 - Parks & Recreation

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- More than \$100,000 in efficiencies with consolidated contracts throughout Venues Parks & Arts Department
- Transitioned branding to South Bend Venues, Parks and Arts
- Established "My SB Parks and Trails" plan to accomplish identified needs throughout the entire park system.
- The Experience Lodge will be inhabited by fall; began with an unused building and restored it back to useful space at Howard Park
- By the end of 2017, the main building at Howard Park will have been demolished in order to make way for the new structures
- The addition of a Development Director has increased sponsorship and donations by more than \$100,000 so far this year
- Consolidated marketing purchases have realized discounts and greater clout with advertisers and partners.
- Implementation of new software has improved registrations and ticket sales at some venues
- \$5 Million Regional Cities Grant Award. \$1 Million Notre Dame Hydro Project Partnership at Seitz Park.

2018 Department Goals & Objectives and Linkage to City Results

Thriving Public Spaces and Culture

Priority Based Budgeting Result: Provides a diverse mix of affordable, secure and convenient recreational and leisure-time venues and programs that meet the interests and needs of a multi-generational community

- Recreation Everywhere - the addition of the Mobile Recreation Vehicle can make a pop-up park or special event occur anywhere
Priority Based Budgeting Result: Preserves and enhances its parks, trails, green spaces and public spaces, ensuring they are safe, accessible, attractive, engaging and well-maintained
- Facilities & Grounds to upgrade all restroom facilities with a goal of ADA compliance and better service
- Installation of a Rum Village dog park
Priority Based Budgeting Result: Develops and maintains a fully integrated walking and biking trail network that connects the community and promotes a healthy lifestyle
- The Riverfront Parks and Trails project will lay the foundation for major renovations along the St. Joseph river.
Priority Based Budgeting Result: Sustains and invests in a visually appealing, clean, healthy and well-kept community
- Continue repairs and upgrades of neighborhood parks.
- Improve the flow of traffic and beautify entrance at City Cemetery, restore headstones

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Program Attendance	Output	800,000	725,000	745,000	775,000
- Fee Based Revenue	Output	\$1.5 M	\$934K	\$1.25M	\$1.39 M
- Volunteer Hours / Value	Outcome	20K/\$500K	15K/\$327K	18K/\$420K	20K/\$500K
- Customer Service Scores	Quality	5	4.8	4.8	4.8
- Cost Recovery	Outcome	40%	19%	28%	34%

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Implement My SB Parks & Trails Improvements throughout entire city
- Final phase of VPA Realignment - Venue Operations
- The negotiation of Energy Savings contracts for various locations will help defray operating expenditures
- Efficiencies with Venues, Parks & Arts consolidation continue to return savings



Fund 201 - Parks & Recreation

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018	Forecast			
	2016	Amended	06/30/17	Proposed	2019	2020	2021	2022
	Actual	Budget	Actual	Budget				
Non-Bargaining								
ADMINISTRATION (1100)								
Executive Director - VPA	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Financial Services	1.0	-	-	-	-	-	-	-
Financial Specialist IV	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Financial Specialist III	1.0	-	-	-	-	-	-	-
Financial Specialist II	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Administrative Assistant I	1.0	1.0	-	-	-	-	-	-
Executive Assistant *	-	-	1.0	1.0	1.0	1.0	1.0	1.0
Office Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
MAINTENANCE (1101)								
Administrative Assistant I	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Park Police II	2.0	-	-	-	-	-	-	-
Custodian (MPAC)	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Superintendent IV	2.0	2.0	-	-	-	-	-	-
Foreman IV	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Foreman V	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0
Horticulturalist Tech	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
HVAC Technician	-	1.0	-	-	-	-	-	-
Manager - Asst Facility Ops (MPAC)	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Manager - Facilities	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Manager - Facility Ops (MPAC)	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Manager - Operations	-	-	1.0	1.0	1.0	1.0	1.0	1.0
Manager - Operations - Forester	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Manager - Park Grounds	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Superintendent - Park Maintenance	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Superintendent III	1.0	-	1.0	1.0	1.0	1.0	1.0	1.0
GOLF DIVISION (1102)								
Club Pro Municipal Golf Course	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Director Of Golf Operations	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Manager - Assistant Facility Operations	-	-	-	1.0	1.0	1.0	1.0	1.0
Manager - Concessions	-	1.0	1.0	-	-	-	-	-
Foreman V	-	-	1.0	-	-	-	-	-
Golf Course/Rink Manager	1.0	-	-	-	-	-	-	-
Superintendent V	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
RECREATION (1103)								
Assistant Director Of Recreation	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Deputy Director of Parks	-	1.0	-	-	-	-	-	-
Director Of Recreation	-	-	1.0	1.0	1.0	1.0	1.0	1.0
Fitness Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Naturalist	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Program Coordinator	8.0	8.0	8.0	7.0	7.0	7.0	7.0	7.0
Supervisor - Administrative Asst	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Supervisor - Asst Program	2.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Supervisor - Athletic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Supervisor - Center	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Supervisor - Program	2.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Supervisor - Youth	1.0	1.0	-	-	-	-	-	-
Supervisor - Rum Village Park	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0

Fund 201 - Parks & Recreation

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual	Proposed Budget	2019	2020	2021	2022
GRAFFITI REMOVAL (1108)								
Foreman V	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
MARKETING & EVENTS (1110)								
Director of Development - VPA	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Marketing & Promotions	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Graphic Designer	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Manager - Events	-	1.0	-	-	-	-	-	-
Manager - Interactive Marketing	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
NEW - Communications Coordinator	-	-	-	1.0	1.0	1.0	1.0	1.0
NEW - Volunteer Coordinator	-	-	-	1.0	1.0	1.0	1.0	1.0
Program Coordinator	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Project Manager	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Supervisor - Program	-	1.0	-	-	-	-	-	-
Supervisor - Administrative Asst	-	1.0	1.0	-	-	-	-	-
Supervisor - Special Events	-	-	1.0	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	50.0	59.0	61.0	60.0	60.0	60.0	60.0	60.0
Bargaining								
Arborist I	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Arborist II	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Arborist-Weed Control	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Athletic Field Maintenance	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Bldg Maint Custodian & Labor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Building & Structure Maint I	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0
Building & Structure Maint II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Constr Maint Carpenter II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Constr Maint Carpenter III	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Constr Maint Mason	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Electrician	1.0	1.0	-	-	-	-	-	-
Equipment Operator II	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Group Leader	6.0	6.0	5.0	6.0	6.0	6.0	6.0	6.0
Head Custodian	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Heavy Equipment Operator I	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Job Leader	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Job Leader - Mower Shop	1.0	-	1.0	1.0	1.0	1.0	1.0	1.0
Mechanic IV	3.0	2.0	3.0	1.0	1.0	1.0	1.0	1.0
Operator I	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Painter IV	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Plumber IV-Park	2.0	2.0	1.0	2.0	2.0	2.0	2.0	2.0
Park Rangers	-	2.0	-	-	-	-	-	-
Total Bargaining	38.0	38.0	35.0	35.0	34.0	34.0	34.0	34.0
Total Full-Time Employees	88.0	97.0	96.0	95.0	94.0	94.0	94.0	94.0

Explain Significant Staffing Changes Below:

Differences between the 2017 and 2018 Budgets: the two Park Ranger positions became Park Ambassador positions through Block By Block. The Electrician will be filled as a contract worker instead of a City employee. One Part-time Communications Coordinator moved to full-time.

Fund 202 - Motor Vehicle Highway

Fund Type	Motor Vehicle Highway					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Other Taxes	5,814,812	5,647,108	5,880,999	2,717,422	7,220,000		6,750,000	6,850,000	6,950,000	6,950,000	1,339,001	23%
Charges for Services	255,529	216,632	227,329	114,139	223,365		235,651	248,612	262,286	276,712	(3,964)	-2%
Interest Earnings	27,508	55,020	70,511	29,296	30,861		31,170	41,082	55,008	55,008	(39,650)	-56%
Other Income	95,101	41,819	126,044	8,711	26,082		23,082	23,082	23,082	23,082	(99,962)	-79%
Transfers In	3,703,000	3,703,000	3,964,974	1,982,487	3,787,750		3,787,750	3,767,750	3,767,750	3,757,750	(177,224)	-4%
Total Revenue	9,895,950	9,663,579	10,269,857	4,852,054	11,288,058		10,827,653	10,930,526	11,058,126	11,062,552	1,018,201	10%
Expenditures by Type												
Personnel												
Salaries & Wages	2,633,984	2,707,544	3,099,379	1,260,118	3,146,192		3,185,480	3,226,396	3,272,353	3,317,658	46,813	2%
Fringe Benefits	1,031,664	1,152,248	1,486,323	628,395	1,601,025		1,650,663	1,702,049	1,755,250	1,810,327	114,702	8%
Total Personnel	3,665,648	3,859,792	4,585,702	1,888,513	4,747,217		4,836,143	4,928,445	5,027,603	5,127,985	161,515	4%
Supplies	2,086,254	1,615,606	2,616,557	638,792	2,448,534		2,182,424	2,202,160	2,216,609	2,233,958	(168,023)	-6%
Services & Charges												
Professional Services	567,799	557,766	1,105,364	252,678	708,662		500,000	500,000	500,000	500,000	(396,702)	-36%
Printing & Advertising	465	549	1,130	204	850		862	874	887	901	(280)	-25%
Utilities	43,644	40,299	49,460	26,263	50,163		50,666	51,173	51,686	52,203	703	1%
Education & Training	4,839	3,250	5,710	5,710	8,000		8,160	8,323	8,490	8,659	2,290	40%
Travel	1,957	1,513	3,093	2,546	6,500		6,630	6,763	6,898	7,036	3,407	110%
Repairs & Maintenance	1,173,901	1,113,144	1,523,756	546,107	1,975,335		1,187,013	1,210,113	1,233,567	1,257,387	451,579	30%
Other Interfund Allocations	283,422	372,345	552,449	276,222	630,165		642,768	655,624	668,736	682,111	77,716	14%
Debt Service												
Principal	357,769	484,917	733,595	362,941	831,871		878,821	960,108	1,115,132	916,366	98,276	13%
Interest & Fees	19,934	23,960	41,950	19,796	42,958		47,715	52,940	62,275	62,574	1,008	2%
Insurance	292,320	389,124	300,614	150,306	398,564		406,535	414,666	422,959	431,418	97,950	33%
Other Services & Charges	93,533	169,479	203,351	24,853	185,399		185,417	185,435	185,453	185,472	(17,952)	-9%
Total Services & Charges	2,839,583	3,156,346	4,520,472	1,667,627	4,838,467		3,914,587	4,046,018	4,256,083	4,104,127	317,995	7%
Capital	39,458	39,458	42,800	15,995	-		-	-	-	-	(42,800)	-100%
Total Expenditures	8,630,943	8,671,202	11,765,531	4,210,926	12,034,218		10,933,154	11,176,623	11,500,295	11,466,070	268,687	2%
Net Surplus / (Deficit)	1,265,007	992,377	(1,495,674)	641,128	(746,160)		(105,502)	(246,097)	(442,169)	(403,518)		
Beginning Cash Balance	3,891,051	5,210,952	6,122,507		4,626,833	3,880,673	3,775,172	3,529,074	3,086,905			
Cash Adjustments	54,893	(80,821)	-		-833	-	-	-	-			
Ending Cash Balance	5,210,952	6,122,507	4,626,833		3,880,673	3,775,172	3,529,074	3,086,905	2,683,387			
Cash Reserves Target	1,726,189	2,167,801	2,941,383		3,008,555	2,733,289	2,794,156	2,875,074	2,866,518			
												Cash Reserve - 25% of Annual expenditures

Fund Purpose:

This fund accounts for the operations of the following departments: Streets, Traffic & Lighting, and Curb & Sidewalk.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Indiana House Enrolled Act (HEA) 1002 increased road funding significantly, adding approximately 40.6% to the Motor Highway Vehicle Fund for 2018. Increases projected by Umbaugh for future years: 2019 +28.7%; 2020 +31.8% and 2021 +33.9%. Revenue from the previous incarnation of the Curb & Sidewalk program, where residents could take a loan from the City to repair their curb or sidewalk, is expected to decline to \$0.00 in 2019 as loan repayments are completed. Title changes and salary adjustments are requested for three (3) administrative personnel in the division.



Fund 202 - Motor Vehicle Highway

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

Streets:

- Ended the winter season with a surplus in de-icing materials

Traffic & Lighting (T&L):

- Continuing Olive Street Bridge lighting project
- Currently painting lane lines, crosswalks, and stop bars through the city
- Completed City, State, and County signal inspections on time
- Supported 73 events YTD

2018 Department Goals & Objectives and Linkage to City Results

Robust & Well-Planned Infrastructure

Priority Based Budgeting Result: Continuously and proactively maintains, repairs, improves and invests in its transportation infrastructure (roads, streets and sidewalks)

- **Streets:** Continue to review and update snow removal routes and anti-icing technologies.
- **T&L:** Continue to address street light traffic signal concerns to reduce public reporting of possible safety issues.
- **T&L:** Continue to replace old and fading traffic signs and markers.
- **T&L:** Continue program to upgrade existing City-Owned street lights to LED lamps to improve the lighting quality, energy efficiency of the street lights, and to provide a safer environment for the walking public.

Vibrant & Welcoming Neighborhoods

Priority Based Budgeting Result: Provides clean, well-maintained streets and sidewalks and offers safe mobility for motorists, pedestrians and cyclists alike

- **Curb & Sidewalk:** Continue to address ADA curb ramps
- **Curb & Sidewalk:** Address trip hazards on critical pedestrian corridors to improve the walkability for business development needs.

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Street Paving (lane miles)	Output	25	20	20	22
- Alley Improvements (blocks)	Output	1,500	1,531	1,500	1,500
- LED Street Light Upgrades	Output	100	145	90	99

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Planning to use more salt and less sand when possible, creating greater anti-icing possibilities, with less clean-up and storm line infiltration after the storm.



Fund 202 - Motor Vehicle Highway

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual	Proposed Budget	2019	2020	2021	2022
Non-Bargaining								
STREETS								
Director of Streets	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Manager of Streets	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Manager of Traffic & Lighting	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Superintendent V	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Superintendent III	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Superintendent IV	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
*Director of Financial Services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
CURB & SIDEWALK								
Superintendent V	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Non-Bargaining	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Bargaining								
STREETS								
Job Leaders	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Heavy Equipment Operator I	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Heavy Equipment Operator II	5.00	4.00	5.00	4.00	5.00	5.00	5.00	5.00
Equipment Operator II	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00
Equipment Operator I	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
General Laborer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sign Artist - Job Leader	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Signal Technician II - Job Leader	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Signal Technician II	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Signal Technician I	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Operations Technician Job Leader	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Operations Technician	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
CURB & SIDEWALK								
Job Leader	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Curb & Sidewalk Finisher	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Total Bargaining	37.00	38.00	39.00	38.00	39.00	39.00	39.00	39.00
Total Full-Time Employees	46.00	47.00	48.00	47.00	48.00	48.00	48.00	48.00

Explain Significant Staffing Changes Below:

* new titles

Fund 203 - Recreation Non-Reverting

Fund Type	Recreation Non-Reverting				Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance	%
						2019	2020	2021	2022	2017-2018	Change
Revenue											
Charges for Services	944,718	934,733	1,081,212	568,947	1,392,436	1,392,436	1,396,436	1,396,436	1,446,000	311,224	29%
Interest Earnings	5,004	8,093	10,200	4,112	6,000	6,000	6,000	6,000	6,000	(4,200)	-41%
Donations	-	-	55,000	-	120,000	120,000	120,000	120,000	120,000	65,000	118%
Other Income	58,416	576	11,356	1,356	5,000	5,000	5,000	5,000	5,000	(6,356)	-56%
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	1,008,138	943,402	1,157,768	574,415	1,523,436	1,523,436	1,527,436	1,527,436	1,577,000	365,668	32%
Expenditures by Type											
Personnel											
Salaries & Wages	473,660	351,612	508,295	146,000	444,463	445,217	445,985	446,574	447,171	(63,832)	-13%
Fringe Benefits	32,880	32,242	48,098	14,146	56,185	58,769	61,722	61,831	61,942	8,087	17%
Total Personnel	506,540	383,854	556,393	160,146	500,648	503,986	507,708	508,405	509,112	(55,745)	-10%
Supplies	241,910	164,693	318,589	72,535	275,561	276,428	277,313	280,735	283,071	(43,028)	-14%
Services & Charges											
Professional Services	-	102,210	154,674	47,209	142,090	142,234	142,380	144,516	146,684	(12,584)	-8%
Printing & Advertising	20,454	11,466	45,242	1,848	38,900	39,411	39,932	40,531	41,139	(6,342)	-14%
Education & Training	6,830	7,537	17,355	2,130	15,200	15,230	15,261	15,490	15,722	(2,155)	-12%
Travel	12,842	10,844	40,394	2,396	20,000	60,396	60,396	61,302	62,221	(20,394)	-50%
Repairs & Maintenance	-	-	8,450	500	13,500	13,500	13,500	13,703	13,908	5,050	60%
Other Interfund Allocations	44,003	68,964	86,680	43,338	110,146	112,349	114,596	116,315	118,060	23,466	27%
Grants & Subsidies	-	-	-	-	73,885	73,905	73,925	75,034	76,160	73,885	-
Transfers Out	3,550	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	164,213	164,129	256,906	73,546	282,300	284,074	285,884	290,142	294,465	25,394	10%
Total Services & Charges	251,892	365,150	609,701	170,967	696,021	741,099	745,875	757,033	768,358	86,320	14%
Capital											
Land Improvements	-	-	85,000	-	125,000	125,000	125,000	125,000	125,000	40,000	47%
Machinery & Equipment	-	41,299	30,000	-	-	-	-	-	-	(30,000)	-100%
Total Capital	-	41,299	115,000	-	125,000	125,000	125,000	125,000	125,000	10,000	9%
Total Expenditures	1,000,342	954,996	1,599,683	403,648	1,597,230	1,646,513	1,655,896	1,671,173	1,685,542	53,292	3%
Net Surplus / (Deficit)	7,796	(11,594)	(441,915)	170,767	(73,794)	(123,077)	(128,460)	(143,737)	(108,542)		
Beginning Cash Balance	813,708	821,640	808,692		366,777	292,983	169,906	41,446	(102,291)	Cash Reserve	
Cash Adjustments	137	(1,354)	-		-	-	-	-	-	- 25% of Annual expenditures	
Ending Cash Balance	821,640	808,692	366,777		292,983	169,906	41,446	(102,291)	(210,833)		
Cash Reserves Target	200,068	238,749	399,921		399,308	411,628	413,974	417,793	421,386		

Fund Purpose:

This fund comprises programs that are expected to recover most if not all of their costs through fee collections. Camps, leagues, fitness center, special events, and other activities.

Explain Significant Revenue and Expenditure Changes/Variations Below:

-Donations previously only accounted in Park Foundation account, will be transferred to 203 to track expenditures via city budget.
 -\$73,000 in youth scholarship fund, approximately \$35,000 more than 2017 (new line item, previously not accounted in this manner). Accounted for in Revenues and Expenses.
 -2017 saw major personnel increase due to \$10.10 minimum wage strategy, but this was slightly reduced in 2018 due to better management of part-time staffing needs, increased reliance on volunteers.
 -Spending some reserves to restore athletic and recreation equipment in neighborhood parks (soccer, tennis, basketball, pickleball, etc.).



Staffing (Full-Time Employees only)	2017			2018	Forecast			
Position	2016 Actual	Amended Budget	06/30/17 Actual	Proposed Budget	2019	2020	2021	2022
Non-Bargaining								
Fitness Supervisor	1.0	1.0	0.0	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	1.0	1.0	0.0	1.0	1.0	1.0	1.0	1.0

Fund 203 - Recreation Non-Reverting

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- The programs funded here have been self-sustaining for the year
- Youth scholarship programmed increased by \$10,000 - fundraising efforts.
- Inaugural Best. Week. Ever. celebration major city-wide success: ~50,000 attendees, \$115K budget (privately fundraised)
- Working to translate all program guides, websites and forms to be available in Spanish.
- Lifeguards & part-time employees now on "WhenIWork" software, making schedule adjustments and shift modifications much easier
- Ball field rentals now available online, saving staff time and improving the user experience
- East Race open for longer season
- MADE program had record attendance, received "Best In State" program award from the Indiana Park and Recreation Association (IPRA)
- Experience division recreating collateral and image for entire department
- Increased reliance on volunteers

2018 Department Goals & Objectives and Linkage to City Results

Thriving Public Spaces and Culture

Priority Based Budgeting Result: Provides a diverse mix of affordable, secure and convenient recreational and leisure-time venues and programs that meet the interests and needs of a multi-generational community

- Acquisition of Mobile Recreation Vehicle to impact and reach more of the community in each neighborhood.
- Continue to lean on empowerment model, as opposed to strictly programming model
- Director of Business Operations to improve customer experience and business models (starts September 2017)

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Program Attendance	Output	800,000	725,000	745,000	775,000
- Fee Based Revenue	Output	\$1.5 M	\$934K	\$1.25M	\$1.39 M
- Volunteer Hours / Value	Outcome	20K/\$500K	15K/\$327K	18K/\$420K	20K/\$500K
- Customer Service Scores	Quality	5	4.8	4.8	4.8
- Cost Recovery	Outcome	40%	19%	28%	34%

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Improve and Expand Impact of Best. Week. Ever.
- Promote, communicate and engage throughout all upcoming park improvements.
- Continue to leverage the Experience Division for marketing, volunteers, fundraising, and placemaking.



Fund 209 - Studebaker-Oliver Revitalizing Grants

Fund Type	Studebaker-Oliver Revitalizing Grants					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Grants/Intergovernmental	128,597	172,817	318,587	123,787	-	-	-	-	-	-	(318,587)	-100%
Interest Earnings	6,309	10,085	8,854	3,695	4,000	4,000	4,000	4,000	400	-	(4,854)	-55%
Other Income	-	100,000	100,000	-	100,000	100,000	100,000	-	-	-	-	0%
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	134,906	282,902	427,441	127,482	104,000	104,000	104,000	104,000	400	-	(323,441)	-76%
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services & Charges												
Professional Services	114,170	535,018	539,393	181,701	940,000	100,000	100,000	12,378	-	-	400,607	74%
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-	-
Grants & Subsidies	-	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	114,170	535,018	539,393	181,701	940,000	100,000	100,000	12,378	-	-	400,607	74%
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	114,170	535,018	539,393	181,701	940,000	100,000	100,000	12,378	-	-	400,607	74%
Net Surplus / (Deficit)	20,736	(252,116)	(111,952)	(54,219)	(836,000)	4,000	4,000	(11,978)	-	-		
Beginning Cash Balance	1,085,299	1,105,516	853,584		841,632	5,632	9,632	13,632	1,654	1,654	Cash Reserve	
Cash Adjustments	(519)	183	100,000		-	-	-	-	-	-	No reserve requirement	
Ending Cash Balance	1,105,516	853,584	841,632		5,632	9,632	13,632	1,654	1,654	1,654		
Cash Reserves Target	-	-	-		-	-	-	-	-	-		

Fund Purpose:

This fund is used to account for various EPA grants relating to brownfields. Revenues and expenditures in this fund are grant and project specific and will vary from year to year.

EPA's Brownfields Program empowers states, communities, and other stakeholders to work together to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield site is real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

Past grant activity includes:

- Brownfields assessment grant: Hazardous substances grant funds and petroleum grant funds used to conduct Phase I and II environmental site assessments on a city-wide basis. Sites included a former foundry site that is now a city park, a former railroad site in the Studebaker/Oliver project area, and sites in wellhead protection areas.

- Brownfields revolving loan fund grant: Grant used to capitalize a revolving loan fund from which the City of South Bend will provide loans and subgrants to support cleanup activities for sites throughout the city that are contaminated with hazardous substances. Loans will be made based on an environmental prioritization process.

- Brownfields cleanup grant: Grant funds used to clean up the former Oliver Plow Works site. The site is part of the Studebaker/Oliver Plow Works Redevelopment Strategy, a phased approach for eventually redeveloping the entire Studebaker and Oliver factories into two light industrial parks. Grant funds also will be used for remediation and post-cleanup reporting, and community involvement activities.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Professional services include ground water testing and other ongoing costs related to the study and planning for the various brownfields.

It is unclear whether additional grants will be available after 2017.

Other income is derived from repayment from fund 324 (River West TIF). Last payment due in 2020.

Fund 210 - Economic Development State Grants

Fund Type	Economic Development State Grants					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Grants/Intergovernmental	956,299	1,801,482	187,129	-	-	-	-	-	-	-	(187,129)	-100%
Interest Earnings	11,231	14,079	12,047	5,969	7,919	5,929	3,879	1,901	-	-	(4,128)	-34%
Other Income	45,555	80,324	63,661	31,592	65,593	67,581	69,632	35,605	-	-	1,932	3%
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	1,013,085	1,895,885	262,837	37,561	73,512	73,510	73,511	37,506	-	-	(189,325)	-72%
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service												
Principal	59,966	61,786	63,661	31,592	65,593	67,582	69,632	35,605	-	-	1,932	3%
Interest & Fees	12,044	10,225	8,351	4,413	6,420	4,429	2,379	401	-	-	(1,931)	-23%
Grants & Subsidies	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	310,151	685,860	185,120	-	-	-	-	5,998	-	-	(185,120)	-100%
Total Services & Charges	382,161	757,871	257,132	36,005	72,013	72,011	72,011	42,004	-	-	(185,119)	-72%
Capital												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land Improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings & Bldg Improve.	-	-	-	-	-	-	-	-	-	-	-	-
Motor Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	800,000	947,375	252,625	-	-	-	-	-	-	-	(252,625)	-100%
Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital	800,000	947,375	252,625	-	-	-	-	-	-	-	(252,625)	-100%
Total Expenditures	1,182,161	1,705,246	509,757	36,005	72,013	72,011	72,011	42,004	-	-	(437,744)	-86%
Net Surplus / (Deficit)	(169,076)	190,639	(246,920)	1,556	1,499	1,499	1,500	(4,498)	-	-		
Beginning Cash Balance	329,079	160,350	350,379	-	356,084	357,583	359,082	360,582	356,084	356,084	Cash Reserve	
Cash Adjustments	347	(610)	252,625	-	-	-	-	-	-	-	No reserve requirement	
Ending Cash Balance	160,350	350,379	356,084	-	357,583	359,082	360,582	356,084	356,084	356,084		
Cash Reserves Target	-	-	-	-	-	-	-	-	-	-		

Fund Purpose:

This fund was established to track the receipt and subsequent expenditure of grants from the State of Indiana.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Expenditures are for debt service payments to the Indiana Development Finance Authority for a loan for the Indiana Brownfields Program.

Past expenditures include demolition of vacant and abandoned houses/lots and equipment for the Ignition Park/ND Turbo project.

Fund 211 - Department of Community Investment (DCI)

Fund Type	Department of Community Investment (DCI)					Control	Special Revenue Funds				Budget Variance	%
	2015 Actual	2016 Actual	2017		2018 Adopted Budget	Forecast						
			Amended Budget	06/30/17 Actual		2019	2020	2021	2022			
Revenue												
Grants/Intergovernmental	257,933	497,592	440,636	-	440,636	440,636	440,636	440,636	440,636	-	0%	
Charges for Services	258,381	303,136	316,000	97,196	333,500	333,500	333,500	333,500	333,500	17,500	6%	
Fines, Forfeitures, and Fees	430	165	2,000	470	2,000	2,000	2,000	2,000	2,000	-	0%	
Interest Earnings	6,477	12,242	13,000	5,956	10,000	10,000	10,000	10,000	10,000	(3,000)	-23%	
Other Income	2,481	2,604	215	63	-	-	-	-	-	(215)	-100%	
Transfers In	1,967,638	1,808,138	1,522,673	761,337	1,866,020	2,066,020	2,066,020	2,120,936	2,160,217	343,347	23%	
Total Revenue	2,493,340	2,623,877	2,294,524	865,022	2,652,156	2,852,156	2,852,156	2,907,072	2,946,353	357,632	16%	
Expenditures by Type												
Personnel												
Salaries & Wages	1,414,438	1,322,098	1,277,450	601,672	1,501,582	1,531,614	1,562,246	1,593,491	1,625,361	224,132	18%	
Fringe Benefits	565,460	580,507	599,019	259,535	674,123	687,190	700,764	714,609	728,730	75,104	13%	
Total Personnel	1,979,898	1,902,605	1,876,469	861,207	2,175,705	2,218,804	2,263,010	2,308,099	2,354,091	299,236	16%	
Supplies	26,059	13,581	26,356	6,013	23,486	23,486	23,486	23,486	23,486	(2,870)	-11%	
Services & Charges												
Professional Services	37,117	67,792	374,444	47,935	171,932	123,264	101,932	91,932	76,932	(202,512)	-54%	
Printing & Advertising	5,990	8,577	11,000	686	19,500	11,000	11,000	11,000	11,000	8,500	77%	
Education & Training	8,614	7,312	13,350	3,403	12,000	15,000	15,000	15,000	15,000	(1,350)	-10%	
Travel	13,102	8,829	17,550	4,688	16,700	17,200	17,200	17,200	17,200	(850)	-5%	
Repairs & Maintenance	11,968	15,959	24,403	6,208	16,463	16,463	16,463	16,463	16,463	(7,940)	-33%	
Other Interfund Allocations	126,659	134,596	276,672	138,336	317,469	323,818	330,295	336,901	343,639	40,797	15%	
Insurance	213,048	142,776	142,502	71,250	73,069	74,530	76,021	77,541	79,092	(69,433)	-49%	
Other Services & Charges	22,812	46,440	12,630	3,997	9,450	9,450	9,450	9,450	9,450	(3,180)	-25%	
Total Services & Charges	439,310	432,281	872,551	276,504	636,583	590,726	577,361	575,487	568,776	(235,968)	-27%	
Capital	-	35,157	-	-	-	-	-	-	-	-	-	
Total Expenditures	2,445,267	2,383,624	2,775,376	1,143,724	2,835,774	2,833,016	2,863,856	2,907,072	2,946,353	60,398	2%	
Net Surplus / (Deficit)	48,073	240,253	(480,852)	(278,702)	(183,618)	19,140	(11,700)	-	-			
Beginning Cash Balance	1,073,066	1,120,584	1,360,157		879,335	695,717	714,858	703,157	703,157		Cash Reserve	
Cash Adjustments	(555)	(680)	30		-	-	-	-	-		25% of Annual expenditures	
Ending Cash Balance	1,120,584	1,360,157	879,335		695,717	714,858	703,157	703,157	703,157			
Cash Reserves Target	489,053	595,905	693,844		708,944	708,254	715,964	726,768	736,588			

Fund Purpose:

This fund accounts for the activities of the Department of Community Investment. DCI's mission is to spur investment in a stronger South Bend by doing the following:
 - Attracting & retaining growing businesses
 - Connecting residents to economic opportunities
 - Planning for vibrant neighborhoods

Marriott Hotel

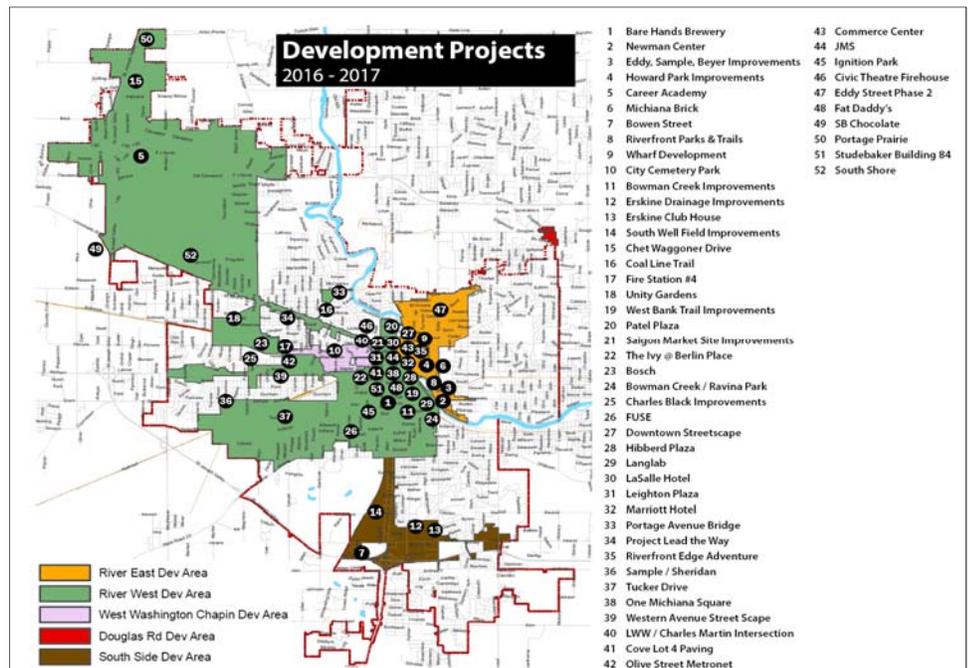


Studebaker façade



Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Reduced 2018 transfer from the EDIT Fund (408) by \$200,000 to \$1,866,020 in order to bring projected cash reserves to 25% target by December 31, 2018.



Fund 211 - Department of Community Investment (DCI)

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Major developments: Openings - LaSalle Hotel, Aloft (see picture at bottom), JMS, Martins Grocery Store
- Underway: Eddy Street Phase II, Berlin Place, Studebaker façade, Newman Center, East Bank Phase 5, Portage Prairie, Holiday Inn, Hibberd, Embassy Suites, Marriott Hotel
- Announced: Commerce Center, Wharf, South Bend Chocolate Factory, Portage Prairie Spec II
- Bikeshare - partnership with LimeBike (see picture right)
- Downtown Two-Way
- Financing for Parks & Trails throughout our City
- Western Avenue - Phase II
- Fellows Street
- South Shore double tracking and relocation projects
- Sale of VA building for reuse
- FUSE housing first project



2018 Department Goals & Objectives and Linkage to City Results

Vibrant & Welcoming Neighborhoods

Priority Based Budgeting Result: Develops, preserves, regulates and revitalizes residential neighborhoods that are secure, well-lit, well-kept and provide easy access to daily necessities

- Move more vacant lots to valuable uses; Implement housing strategy; Improve neighborhood connectivity to and around downtown; Continue implementation of Corridors plan, Southeast master plan, and City cemetery plan

All Residents Empowered with Education, Mobility and Technology

Priority Based Budgeting Result: Develops and utilizes current technology to better inform, educate, engage and serve the community

- Partner with Innovation & Technology on inclusive technology center; Publish inventory of city owned properties online

Strong, Inclusive Economy

Priority Based Budgeting Result: Encourages and supports the attraction, retention and expansion of a well-balanced mix of thriving business and industry that contributes to the economic sustainability of the community

- Begin comprehensive zoning reform
- Small business development and workforce development

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Announced jobs from approved projects	Outcome	450	593	300	300
- Commercial private investment of approved projects	Outcome	\$100M	\$207M	\$130M	\$100M
- Owner-occupied houses rehabbed	Output	50	38	40	80
- Rental assistance to special populations	Output	30	17	32	34
- Housing counseling	Output	300	290	260	250
- Homebuyers assisted	Output	16	13	15	20

Types: output, efficiency, effectiveness, quality, outcome, technology

Aloft Hotel

2018 Significant Changes/Challenges/Opportunities

- West side organizational support
- Big box store tax property tax appeals
- Macroeconomic trends
- Tight Tax Increment Financing (TIF) Fund budgets



Fund 211 - Department of Community Investment (DCI)

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018 Proposed Budget	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022
Non-Bargaining								
Executive Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Executive Director	1.0	1.0	-	-	-	-	-	-
Director II	3.0	3.0	2.0	-	-	-	-	-
Director I	1.0	-	-	-	-	-	-	-
Associate III	3.0	3.0	3.0	-	-	-	-	-
Associate II	4.0	3.0	3.0	-	-	-	-	-
Associate I	6.0	6.0	6.0	-	-	-	-	-
Analyst II	1.0	2.0	2.0	-	-	-	-	-
Analyst I	2.0	1.0	1.0	-	-	-	-	-
Administrative Assistant III - DCI	2.0	2.0	2.0	-	-	-	-	-
Executive Assistant - DCI	1.0	1.0	1.0	-	-	-	-	-
Director of Neighborhood Development	-	-	-	1.0	1.0	1.0	1.0	1.0
Director of Planning	-	-	-	1.0	1.0	1.0	1.0	1.0
Director of Business Development	-	-	-	1.0	1.0	1.0	1.0	1.0
Director of Engagement & Economic Empowerment	-	-	-	1.0	1.0	1.0	1.0	1.0
Business Development Manager	-	-	-	2.0	2.0	2.0	2.0	2.0
Property Development Manager	-	-	-	1.0	1.0	1.0	1.0	1.0
Principal Planner	-	-	-	2.0	2.0	2.0	2.0	2.0
Senior Planner	-	-	-	1.0	1.0	1.0	1.0	1.0
Housing Counselor	-	-	-	1.0	1.0	1.0	1.0	1.0
Property Inspector	-	-	-	1.0	1.0	1.0	1.0	1.0
Property Development Analyst	-	-	-	1.0	1.0	1.0	1.0	1.0
Neighborhood Grants Manager	-	-	-	1.0	1.0	1.0	1.0	1.0
Historic Preservation Administrator	-	-	-	1.0	1.0	1.0	1.0	1.0
Historic Preservation Specialist	-	-	-	1.0	1.0	1.0	1.0	1.0
Executive Assistant and Special Projects	-	-	-	1.0	1.0	1.0	1.0	1.0
Business Analyst	-	-	-	1.0	1.0	1.0	1.0	1.0
Neighborhood Program Specialist	-	-	-	1.0	1.0	1.0	1.0	1.0
Business Development Specialist	-	-	-	1.0	1.0	1.0	1.0	1.0
Economic Empowerment Specialist	-	-	-	1.0	1.0	1.0	1.0	1.0
Business License Administrator	-	-	-	1.0	1.0	1.0	1.0	1.0
Financial Specialist III	-	-	-	1.0	1.0	1.0	1.0	1.0
Administrative Assistant II	-	-	-	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	25.0	23.0	21.0	25.0	25.0	25.0	25.0	25.0
Bargaining								
Total Bargaining	-	-	-	-	-	-	-	-
Total Full-Time Employees	25.0	23.0	21.0	25.0	25.0	25.0	25.0	25.0

Explain Significant Staffing Changes Below:

In 2017, Director I and one of the Associate II positions were transferred to Controller's budget. For 2018, adding Historic Preservation Commission staff to be partially reimbursed by St. Joseph County. Also, requesting change of titles to more accurately reflect the work people perform.

Fund 212 - Dept of Community Investment Grants

Fund Type	Dept of Community Investment Grants					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Grants/Intergovernmental	2,338,715	3,117,168	5,356,228	992,550	2,711,000		2,711,000	2,711,000	2,711,000	2,711,000	(2,645,228)	-49%
Fines, Forfeitures, and Fees	504	224	1,000	40	1,000		1,000	1,000	1,000	1,000	-	0%
Interest Earnings	1,252	1,424	2,000	296	2,000		2,000	2,000	2,000	2,000	-	0%
Other Income	334,513	24,239	450,105	261,496	197,000		197,000	197,000	197,000	197,000	(253,105)	-56%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	2,674,984	3,143,055	5,809,333	1,254,382	2,911,000		2,911,000	2,911,000	2,911,000	2,911,000	(2,898,333)	-50%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	180,000	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Grants & Subsidies	2,707,543	3,454,187	5,580,838	1,171,680	2,911,000		2,911,000	2,911,000	2,911,000	2,911,000	(2,669,838)	-48%
Transfers Out	-	500	-	-	-		-	-	-	-	-	-
Other Services & Charges	24,985	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	2,912,528	3,454,687	5,580,838	1,171,680	2,911,000		2,911,000	2,911,000	2,911,000	2,911,000	(2,669,838)	-48%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	2,912,528	3,454,687	5,580,838	1,171,680	2,911,000		2,911,000	2,911,000	2,911,000	2,911,000	(2,669,838)	-48%
Net Surplus / (Deficit)	(237,544)	(311,632)	228,495	82,703	-		-	-	-	-		
Beginning Cash Balance	790,334	552,313	241,313		469,808	469,808	469,808	469,808	469,808	469,808	Cash Reserve	
Cash Adjustments	(477)	632	-		-	-	-	-	-	-	Grant fund - reimbursement	
Ending Cash Balance	552,313	241,313	469,808		469,808	469,808	469,808	469,808	469,808	469,808	grants - no reserves	
Cash Reserves Target	-	-	-		-	-	-	-	-	-		

Fund Purpose:

This fund accounts for various grants including:

Community Development Block Grant

CDBG funds can be used for a variety of community development opportunities such as providing affordable housing, a suitable living environment, and economic opportunities for individuals and families with incomes below 80 percent of the area median income. CDBG funds can also be used for the elimination of slum and blight.

Emergency Solutions Grant

The ESG Program provides homeless persons with basic shelter and essential supportive services. It can assist with operational costs of the shelter facility, and for the administration of the grant.

Neighborhood Stabilization Project

Congress created the Neighborhood Stabilization Program to help cities, counties and states deal with community problems that are the result of the mortgage foreclosure crisis in the nation. HUD provides money to local governments (cities and counties), nonprofits, and all 50 states. Generally, the money must be used to buy, fix up, and resell foreclosed and abandoned homes. NSP grantees develop their own programs and funding priorities. However, NSP grantees must use at least 25 percent of the funds appropriated for the purchase and redevelopment of abandoned or foreclosed homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50 percent of the area median income. In addition, all activities funded by NSP must benefit low- and moderate-income persons whose income does not exceed 120 percent of area median income. Activities may not qualify under NSP using the "prevent or eliminate slums and blight" or "address urgent community development needs" objectives.

Shelter Plus Care Program

The S+C Program provides a variety of permanent housing choices, accompanied by a range of supportive services funded through other sources. S+C assists hard to serve homeless individuals with disabilities and their families. These individuals primarily include those with serious mental illness, chronic problems with alcohol and/or drugs, and HIV/AIDS or related diseases.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Revenues and expenditures in this fund are grant and project specific and will vary from year to year.

Fund 216 - Police State Seizures

Fund Type	Police State Seizures					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Grants/Intergovernmental	14,314	31,946	35,000	15,003	30,000		30,000	30,000	30,000	30,000	(5,000)	-14%
Interest Earnings	1,108	1,992	2,486	1,022	2,000		2,000	2,000	2,000	2,000	(486)	-20%
Other Income	-	40	24,840	-	-		-	-	-	-	(24,840)	-100%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	15,422	33,978	62,326	16,024	32,000		32,000	32,000	32,000	32,000	(30,326)	-49%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	100,000	-	-		-	-	-	-	(100,000)	-100%
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	2,200	13,000	20,000	-	20,000		20,000	20,000	20,000	20,000	-	0%
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	916	3,110	16,000	-	12,000		12,000	12,000	12,000	12,000	(4,000)	-25%
Total Services & Charges	3,116	16,110	136,000	-	32,000		32,000	32,000	32,000	32,000	(104,000)	-76%
Capital	-	-	80,000	-	-		-	-	-	-	(80,000)	-100%
Total Expenditures	3,116	16,110	216,000	-	32,000		32,000	32,000	32,000	32,000	(184,000)	-85%
Net Surplus / (Deficit)	12,306	17,868	(153,674)	16,024	-		-	-	-	-		
Beginning Cash Balance	187,231	199,434	217,224		63,550		63,550	63,550	63,550	63,550	Cash Reserve	
Cash Adjustments	(103)	(78)	-		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	199,434	217,224	63,550		63,550		63,550	63,550	63,550	63,550		
Cash Reserves Target	623	4,028	54,000		8,000		8,000	8,000	8,000	8,000		

Fund Purpose:

This fund accounts for law enforcement expenditures financed by the state or local agencies authorized sale of confiscated property.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Expenditures are budgeted for law enforcement training and various Police Department expenses.

Fund 217 - Gift, Donation, Bequest

Fund Type	Gift, Donation, Bequest					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Grants/Intergovernmental	-	-	20,000	-	-		-	-	-	-	(20,000)	-100%
Interest Earnings	508	703	1,389	560	800		800	800	800	800	(589)	-42%
Donations	8,870	148,197	192,994	178,348	25,000		25,000	25,000	25,000	25,000	(167,994)	-87%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	9,378	148,900	214,383	178,907	25,800		25,800	25,800	25,800	25,800	(188,583)	-88%
Expenditures by Type												
Supplies	1,349	-	8,700	-	2,500		-	-	-	-	(6,200)	-71%
Services & Charges												
Professional Services	-	-	3,000	-	-		-	-	-	-	(3,000)	-100%
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	25,000	-	40,000		30,000	20,000	-	-	15,000	60%
Grants & Subsidies	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	81,093	97,000	205,000	81,200	-		-	-	-	-	(205,000)	-100%
Total Services & Charges	81,093	97,000	233,000	81,200	40,000		30,000	20,000	-	-	(193,000)	-83%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	82,442	97,000	241,700	81,200	42,500		30,000	20,000	-	-	(199,200)	-82%
Net Surplus / (Deficit)	(73,064)	51,900	(27,317)	97,708	(16,700)		(4,200)	5,800	25,800	25,800		
Beginning Cash Balance	137,790	64,775	116,569	-	89,252		72,552	68,352	74,152	99,952		Cash Reserve
Cash Adjustments	48	(106)	-	-	-		-	-	-	-		No reserve requirement
Ending Cash Balance	64,775	116,569	89,252	-	72,552		68,352	74,152	99,952	125,752		
Cash Reserves Target	-	-	-	-	-		-	-	-	-		

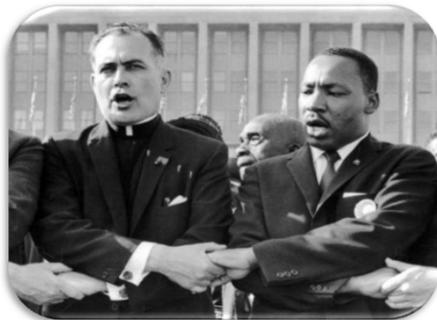
Fund Purpose:

This fund accounts for miscellaneous contributions to the City for specific projects and the expenses related to the projects.
 Donations received are generally specified for some specific purpose (e.g. animal shelter, bike paths, MLK/Hesburgh statue, etc.) and cannot be used for general purposes.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Revenues and expenditures vary depending on donations received and when projects are sufficiently funded.
 2017: The major project in 2017 was the MLK/Hesburgh statue (\$200,000) in Leighton Plaza. \$30,000 was donated specifically for animal shelter renovations. \$8,700 is budgeted for bike trail signs, etc.
 2018-2020 expenditures include additional renovations for animal shelter as well as bike signage.

Rev. Theodore M. Hesburgh, the late longtime president of the University of Notre Dame, and the Rev. Martin Luther King, the famed civil rights leader, at a civil rights rally in Chicago on June 21, 1964.



On June 21, 2017, the City unveiled a statue in depicting Hesburgh and King joining hands, just as they did at the civil rights rally. The artwork is by Granger-based artist Tuck Langland, a retired Indiana University South Bend fine arts professor.

Fund 218 - Police Curfew Violations

Fund Type	Police Curfew Violations				Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
						2019	2020	2021	2022		
Revenue											
Fines, Forfeitures, and Fees	163	213	900	88	200	200	200	200	200	(700)	-78%
Interest Earnings	69	113	134	57	100	100	100	100	100	(34)	-25%
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	232	326	1,034	144	300	300	300	300	300	(734)	-71%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	1,000	-	1,000	1,000	1,000	1,000	1,000	-	0%
Total Services & Charges	-	-	1,000	-	1,000	1,000	1,000	1,000	1,000	-	0%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	1,000	-	1,000	1,000	1,000	1,000	1,000	-	0%
Net Surplus / (Deficit)	232	326	34	144	(700)	(700)	(700)	(700)	(700)		
Beginning Cash Balance	11,993	12,219	12,541	-	12,575	11,875	11,175	10,475	9,775	Cash Reserve	
Cash Adjustments	(6)	(4)	-	-	-	-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	12,219	12,541	12,575	-	11,875	11,175	10,475	9,775	9,075		
Cash Reserves Target	-	-	250	-	250	250	250	250	250		

Fund Purpose:

This fund accounts for monies received from Juvenile Positive Assistance. Juvenile Positive Assistance accounts for monies received from penalties paid for curfew violations.

Fund 219 - Unsafe Building

Fund Type	Unsafe Building				Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance	%
						2019	2020	2021	2022	2017-2018	Change
Revenue											
Charges for Services	-	237,962	255,293	63,995	199,500	205,500	208,500	211,500	214,500	(55,793)	-22%
Fines, Forfeitures, and Fees	-	146,831	71,880	29,846	61,000	63,000	65,000	67,000	69,000	(10,880)	-15%
Interest Earnings	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	755,180	579,757	289,879	648,273	650,700	652,407	656,272	658,303	68,516	12%
Total Revenue	-	1,139,973	906,930	383,720	908,773	919,200	925,907	934,772	941,803	1,843	0%
Expenditures by Type											
Personnel											
Salaries & Wages	-	167,266	176,008	85,991	190,001	196,341	198,659	201,012	203,400	13,993	8%
Fringe Benefits	-	90,997	97,528	49,609	104,906	109,864	113,137	116,533	120,057	7,378	8%
Total Personnel	-	258,263	273,536	135,601	294,907	306,205	311,796	317,544	323,457	21,371	8%
Supplies	-	16,547	24,959	8,913	26,450	27,425	27,950	28,475	29,000	1,491	6%
Services & Charges											
Professional Services	-	39,785	49,150	23,078	48,000	48,000	48,000	50,000	50,000	(1,150)	-2%
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	252,975	319,495	120,984	314,500	312,100	312,600	313,100	313,600	(4,995)	-2%
Other Interfund Allocations	-	-	32,621	16,308	31,481	31,970	32,061	32,153	32,246	(1,140)	-3%
Insurance	-	98,280	39,146	19,572	26,435	26,500	26,500	26,500	26,500	(12,711)	-32%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	104,888	166,572	56,235	167,000	167,000	167,000	167,000	167,000	428	0%
Total Services & Charges	-	495,928	606,984	236,176	587,416	585,570	586,161	588,753	589,346	(19,568)	-3%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	770,738	905,479	380,690	908,773	919,200	925,907	934,772	941,803	3,294	0%
Net Surplus / (Deficit)	-	369,235	1,451	3,030	-	-	-	-	-		
Beginning Cash Balance	-	-	371,735		373,186	373,186	373,186	373,186	373,186	Cash Reserve	
Cash Adjustments	-	2,500	-		-	-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	-	371,735	373,186		373,186	373,186	373,186	373,186	373,186		
Cash Reserves Target	-	192,685	226,370		227,193	229,800	231,477	233,693	235,451		

Fund Purpose:

The Unsafe Building Fund was established in 2016 to receive fines and fees related to Indiana's Unsafe Building law. The expenses incurred for board-ups, demolitions, ordinance violation abatements, and other related services are recorded here. The Unsafe Building Fund is an extension of the Department of Code Enforcement and shares the same mission to ensure a safe and clean community by upholding and enforcing the ordinances of the City of South Bend, the Indiana Unsafe Building Law, and the 2000 International Property Maintenance Code. Code Enforcement not only cites neglected properties through its team of inspectors, it also pursues citizens' complaints, partners with volunteer neighborhood associations for neighborhood clean-ups, and works directly through community outreach programs to enrich the City of South Bend's neighborhoods.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Excluding the 2016 encumbrance rollovers for outstanding purchase orders (which shows as amended budget for 2017), the effective change for the 2018 budget is an increase of approximately \$14,016. The increase in 2018 budget is from a net of the following changes: -\$14,000 drop in allocations and liability insurance, +\$21,300 increase in personnel services (consisting of an increase in seasonal help for the alley cutback program of +\$12,120, increase in health insurance of +\$2,600, +\$5,200 for 2% increase in non bargaining and teamsters contract, and +\$1,400 in other related personnel taxes and benefits), +\$5,000 increase for auto repair and maintenance, and +\$1,500 increase in supplies.

Staffing (Full-Time Employees only)	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Proposed Budget	Forecast			
Position					2019	2020	2021	2022
Non-Bargaining								
Superintendent II	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Superintendent IV (title change)	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Bargaining								
Driver	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Operator III	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Total Non-Bargaining	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total Full-Time Employees	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0

Fund 219 - Unsafe Building

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- NEAT Crew (Neighborhood Enforcement Action Team) attended training on meth lab identification and safety, as well as stress management
- Continued to work with Code Inspectors to distribute trash bags and gloves to the homeless in order to keep the City clean
- Added a summer part-time crew to perform cut backs of trees and brush in the alleys and around street signs. Due to staffing, it began slow but the program is now advancing.
- Looking to purchase 2 new four wheel drive pickup trucks before winter to assist the NEAT Crew in cleaning the thirteen bridges they hovel and maintain

2018 Department Goals & Objectives and Linkage to City Results

Safe Community for Everyone

Priority Based Budgeting Result: Promotes and sustains a thriving, healthy, and sufficiently regulated community with revitalized neighborhoods and commercial areas that are attractive, well-kept and free from blight

- Dedicate the lighting loader, twice a month, to collect all tires that are dumped in the alleys

Robust & Well-Planned Infrastructure

Priority Based Budgeting Result: Continuously and proactively maintains, repairs, improves and invests in its transportation infrastructure (roads, streets and sidewalks)

Vibrant & Welcoming Neighborhoods

Priority Based Budgeting Result: Attracts and retains homeowners by providing well-planned, attractive, diverse and livable neighborhoods, offering a variety of housing options and promoting neighborhood identity and pride

- The Deputy Director will work with neighborhood associations and businesses to promote more neighborhood clean-ups

Well-Governed and Administered City

Priority Based Budgeting Result: Is a great employer attracting, developing, equipping and retaining great employees

- Work with the Department of Safety & Risk to ensure that the crew is working in the safest possible manner every day
- Provide the NEAT Crew with training opportunities, as available
- Work with the NEAT Crew to become more efficient in scheduling abatements
- Continue to build better partnerships with City departments

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Average number of days from inspector's request for abatement to completed	Efficiency	14	14	14	14
- Percentage of billable vs non-billable abatements	Effectiveness	95%	90%	92%	95%
- Increase the number of volunteer driven neighborhood clean-ups	Effectiveness	12	5	6	8

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- We have doubled the number of tires we have picked up over the last two years, cleaning up close to 10,000 tires a year. We need to figure out ways to deter the dumping of tires. Also, we hope to find a way to identify the businesses or the people doing this.
- We need to work with residents to stop uncontrolled dumping in alleys and on vacant lots.



Fund 220 - Law Enforcement Continuing Education

Fund Type	Law Enforcement Continuing Education					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Grants/Intergovernmental	49,119	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	124,443	139,265	132,205	62,105	140,000	140,000	140,000	140,000	140,000	140,000	7,795	6%
Fines, Forfeitures, and Fees	93,510	93,069	125,166	73,600	106,000	106,000	106,000	106,000	106,000	106,000	(19,166)	-15%
Interest Earnings	5,530	7,984	7,500	3,282	5,000	5,000	5,000	5,000	5,000	5,000	(2,500)	-33%
Donations	1,245	325	2,000	-	2,000	2,000	2,000	2,000	2,000	2,000	-	0%
Other Income	16,469	33,290	28,015	6,449	18,500	18,500	18,500	18,500	18,500	18,500	(9,515)	-34%
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	290,316	273,933	294,886	145,436	271,500	271,500	271,500	271,500	271,500	271,500	(23,386)	-8%
Expenditures by Type												
Supplies	144,118	188,661	318,332	40,916	275,500	68,500	68,500	68,500	68,500	68,500	(42,832)	-13%
Services & Charges												
Professional Services	-	-	180,000	180,000	-	-	-	-	-	-	(180,000)	-100%
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Education & Training	111,225	106,044	115,000	44,683	90,000	90,000	90,000	90,000	90,000	90,000	(25,000)	-22%
Travel	70,404	57,002	79,000	19,492	83,000	83,000	83,000	83,000	83,000	83,000	4,000	5%
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	35,585	20,178	96,090	57,765	90,000	-	-	-	-	-	(6,090)	-6%
Total Services & Charges	217,214	183,224	470,090	301,940	263,000	173,000	173,000	173,000	173,000	173,000	(207,090)	-44%
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	361,332	371,885	788,422	342,856	538,500	241,500	241,500	241,500	241,500	241,500	(249,922)	-32%
Net Surplus / (Deficit)	(71,016)	(97,952)	(493,536)	(197,420)	(267,000)	30,000	30,000	30,000	30,000	30,000		
Beginning Cash Balance	960,250	909,540	836,137		342,601	75,601	105,601	135,601	165,601	165,601	Cash Reserve	
Cash Adjustments	20,305	24,549	-		-	-	-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	909,540	836,137	342,601		75,601	105,601	135,601	165,601	195,601	195,601		
Cash Reserves Target	72,266	92,971	197,106		134,625	60,375	60,375	60,375	60,375	60,375		

Fund Purpose:

This fund was established for the continuing education and supplies for the police department and is funded by fees from accident reports, gun permits, false alarm and loud noise fines.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Expenditure decreases are due to decreasing available cash.



Fund 221 - Landlord Registration

Fund Type	Landlord Registration					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	% Change
							2019	2020	2021	2022		
Revenue												
Licenses & Permits	-	1,225	7,480	4,015	4,000		4,100	4,200	4,300	4,400	(3,480)	-47%
Charges for Services	-	-	-	-	-		-	-	-	-	-	-
Fines, Forfeitures, and Fees	-	-	-	-	2,000		2,250	2,500	2,750	3,000	2,000	-
Interest Earnings	-	-	-	-	-		-	-	-	-	-	-
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	-	1,225	7,480	4,015	6,000		6,350	6,700	7,050	7,400	(1,480)	-20%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	1,000	10	1,000		2,200	2,400	2,600	2,800	-	0%
Total Services & Charges	-	-	1,000	10	1,000		2,200	2,400	2,600	2,800	-	0%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	-	-	1,000	10	1,000		2,200	2,400	2,600	2,800	-	0%
Net Surplus / (Deficit)	-	1,225	6,480	4,005	5,000		4,150	4,300	4,450	4,600		
Beginning Cash Balance	-	-	1,225		7,705		12,705	16,855	21,155	25,605		Cash Reserve
Cash Adjustments	-	-	-		-		-	-	-	-		No reserve requirement
Ending Cash Balance	-	1,225	7,705		12,705		16,855	21,155	25,605	30,205		
Cash Reserves Target	-	-	-		-		-	-	-	-		

Fund Purpose:

This fund accounts for the revenues and expenditures related to the Landlord Registration ordinance, enacted by the Common Council in 2016. The proceeds from the registration, \$5 registration fee per year, will fund Code Enforcement's costs of the program. There is a penalty of \$100 to \$500 per landlord for failure to comply with the new ordinance. Any revenues from penalties will be used to subsidize the City's Curb & Sidewalk program.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Primary revenue for this account is generated by landlord registrations, with the majority of the revenue stream flowing in from September through February.



Fund 222 - Central Services

Fund Type	Central Services					Control	Internal Service Funds					
	2017				2018	Forecast				Budget		
	2015 Actual	2016 Actual	Amended Budget	06/30/17 Actual	Adopted Budget	2019	2020	2021	2022	Variance 2017-2018	% Change	
Revenue												
Grants/Intergovernmental	29,167	-	-	-	-	-	-	-	-	-	-	
Licenses & Permits	12,467	11,006	11,400	272	11,400	11,400	11,400	11,400	11,400	-	0%	
Charges for Services	2,957,338	2,946,555	3,804,595	1,556,424	3,931,957	4,034,759	4,066,313	4,104,665	4,078,262	127,362	3%	
Interest Earnings	6,840	10,080	10,047	4,543	9,000	9,200	9,300	9,400	9,500	(1,047)	-10%	
Donations	4,300	10,000	10,000	-	-	-	-	-	-	(10,000)	-100%	
Other Income	4,370,161	4,489,287	4,547,009	2,268,580	4,756,150	5,279,549	5,419,073	5,482,635	5,546,946	209,141	5%	
Total Revenue	7,380,273	7,466,928	8,383,051	3,829,819	8,708,507	9,334,908	9,506,086	9,608,100	9,646,108	325,456	4%	
Expenditures by Dept												
Equipment Services (0605)	2,713,803	2,369,249	3,220,603	1,270,235	3,055,949	3,113,556	3,134,961	3,124,680	3,169,328	(164,654)	-5%	
Building Maintenance (0606)	187,303	177,332	210,289	99,561	213,832	217,978	220,472	224,742	228,083	3,543	2%	
Central Stores (0612)	91,399	91,028	108,500	46,276	236,323	240,090	244,135	249,004	253,004	127,823	118%	
Print Shop (0613)	126,946	131,515	186,515	60,287	192,329	194,112	195,931	192,340	200,993	5,814	3%	
Radio Shop (0614)	245,269	251,634	322,689	130,717	333,469	365,882	371,662	378,692	384,705	10,780	3%	
Energy/Sustainability (0616)	239,987	277,419	346,047	122,841	350,000	358,392	384,614	386,801	393,796	3,953	1%	
Electric & Gas Utilities (0617)	3,998,977	4,090,527	4,160,000	2,089,829	4,375,000	4,860,462	4,990,299	5,049,152	5,108,700	215,000	5%	
Sustainability Grant (0627)	-	-	10,000	-	-	-	-	-	-	(10,000)	-100%	
Total Expenditures	7,603,684	7,388,704	8,564,643	3,819,747	8,756,902	9,350,472	9,542,075	9,605,412	9,738,609	192,259	2%	
Expenditures by Type												
Personnel												
Salaries & Wages	1,892,123	1,799,180	2,164,125	960,967	2,274,375	2,313,827	2,347,895	2,393,660	2,440,286	110,250	5%	
Fringe Benefits	782,351	808,756	1,124,040	461,992	1,185,238	1,195,010	1,205,207	1,232,992	1,246,511	61,198	5%	
Total Personnel	2,674,474	2,607,936	3,288,165	1,422,959	3,459,613	3,508,836	3,553,102	3,626,652	3,686,797	171,448	5%	
Supplies	168,999	118,785	170,652	71,416	156,725	154,295	157,835	158,235	159,035	(13,927)	-8%	
Services & Charges												
Professional Services	12,609	49,997	57,589	1,388	57,960	44,099	58,659	50,089	45,350	371	1%	
Printing & Advertising	6,553	3,766	8,203	2,356	6,700	6,750	6,905	6,966	7,032	(1,503)	-18%	
Utilities	4,050,442	4,135,785	4,236,145	2,117,922	4,450,045	4,935,657	5,065,569	5,124,472	5,184,020	213,900	5%	
Education & Training	18,896	12,178	25,896	1,338	20,600	20,684	20,771	20,860	20,951	(5,296)	-20%	
Travel	1,615	2,074	6,530	1,302	6,355	6,522	6,698	6,883	7,077	(175)	-3%	
Repairs & Maintenance	84,426	62,264	87,675	26,380	85,800	86,400	87,700	88,700	88,700	(1,875)	-2%	
Other Interfund Allocations	113,731	150,588	312,803	156,390	380,380	432,481	441,618	450,955	460,500	67,577	22%	
Debt Service												
Principal	4,754	11,214	13,853	6,759	14,279	14,839	16,254	4,335	9,656	426	3%	
Interest & Fees	211	2,013	2,103	1,107	1,680	1,118	531	76	1,529	(423)	-20%	
Grants & Subsidies	-	59,499	41,851	-	-	-	-	-	-	(41,851)	-100%	
Insurance	40,896	32,340	18,673	9,330	33,965	34,631	35,310	36,004	36,710	15,292	82%	
Transfers Out	271,850	130,519	286,700	-	77,000	98,300	85,000	25,000	25,000	(209,700)	-73%	
Other Services & Charges	13,371	9,746	7,805	1,101	5,800	5,860	6,122	6,185	6,251	(2,005)	-26%	
Total Services & Charges	4,619,354	4,661,983	5,105,826	2,325,373	5,140,564	5,687,341	5,831,138	5,820,525	5,892,777	34,738	1%	
Capital	140,857	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	7,603,684	7,388,704	8,564,643	3,819,747	8,756,902	9,350,472	9,542,075	9,605,412	9,738,609	192,259	2%	
Net Surplus / (Deficit)	(223,411)	78,224	(181,592)	10,071	(48,395)	(15,564)	(35,988)	2,688	(92,501)			
Beginning Cash Balance	1,536,912	1,329,793	1,419,407		1,237,815	1,189,420	1,173,856	1,137,868	1,140,556			
Cash Adjustments	16,292	11,390	-		-	-	-	-	-			
Ending Cash Balance	1,329,793	1,419,407	1,237,815		1,189,420	1,173,856	1,137,868	1,140,556	1,048,054			
Cash Reserves Target	720,941	824,543	1,101,161		1,095,476	1,122,503	1,137,944	1,139,065	1,157,477			

Cash Reserve
25% of Annual expenditures, excluding utility accounting

Fund Purpose:

The Central Services Department provides a variety of services to other city departments, along with several local county, state and federal agencies. Central Services consists of 5 divisions: Equipment Services (0605), Building Maintenance (0606), Central Stores (0612), Print Shop (0613), Radio Shop (0614).

The Office of Sustainability is a division of Central Services Fund 222. Divisions include 0616, which funds sustainability office operations, including staff and program expenses, and receives income from grants and rebates, and 0617, which pays for all natural gas and electricity utility bills and receives income from interfund transfers from other departments.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Central Services: The Capital expenses for 2018 are in Central Services Capital Fund 224. Cash reserves will be transferred to Fund 224 to cover 2018 capital expenses. The Centralized Purchasing operation will be moved to Central Services for 2018, adding one FTE, Purchasing Director. The IT allocation increased by 109%, making budgeting for 2018 challenging. Organizationally, Central Services was moved from Public Works to Administration & Finance.

Office of Sustainability: The increase in the IT allocation required cancellation of a program designed to incentivize internal departments to invest in renewable energy or energy efficiency. Revenue is tied to utility expenditures.

Fund 222 - Central Services

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- **Taxi Licensing:** Licensed 103 drivers, 147 Taxi cabs, 6 Taxi companies
- **Equipment Services:** Established Fleet User Committee
- **Equipment Services:** Sold 131 vehicles and equipment at our annual auction for a total of \$244,000
- **Equipment Services:** Purchase, inventory and dispense 880,000 gallons of fuel
- **Building Maintenance:** Established a city wide overhead door (250) cost savings program
- **Building Maintenance:** Centralized Building Maintenance study under way
- **Radio Shop:** Public Safety GPS project 100% complete, new antennas were needed to support to new 911 center
- **Radio Shop:** Evaluated and remove dedicated AT&T circuits, saving \$360,000 yearly
- **Print Shop:** Over 1.1 million impressions printed per year
- **Print Shop:** Training & Development - 18 hours of design and educational training
- **Purchasing/Central Stores:** Established Central Purchasing program in Central Services
- **Purchasing/Central Stores:** 776 cases (20 pallets) of paper and 539 bags (11 pallets) of ice melt issued to city departments



2018 Department Goals & Objectives and Linkage to City Results

Well-Governed and Administered City

Priority Based Budgeting Result: Models our values of excellence, accountability, innovation, transparency, inclusion and empowerment

- Equipment Services to achieve the Blue Seal Certification
- Print Shop to incorporate all new logos and letterhead
- Reduce City emissions of greenhouse gases (GHGs) and air pollutants

Priority Based Budgeting Result: Maintains, protects, and invests in its robust physical, financial, human and technological assets

- Establish Centralized building and grounds programs
- Establish facility energy management program

Priority Based Budgeting Result: Fosters enduring financial strength and fiscal sustainability

- Secure grant dollars to help pay for CNG powered vehicles
- Continue to find savings through Central Purchasing and contracting initiatives
- Add 2 new customers in Equipment Services & Radio Communications to increase revenues
- Provide City-wide energy efficiency best practice training and facilitation



Key Performance Indicators (KPI's)

Measure		Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Radio Shop	Operating expense/cost per hour	Efficiency	\$65	\$56	\$62	\$64
- Equipment Serv.	Technician Productivity	Quality	86.9%	85.4%	86.0%	86.0%
- Building Maint.	Billable Hours monthly goal/138 hours	Efficiency	200	-	138	140
- Print shop	Technician Productivity	Quality	92.5%	92.8%	91.5%	92.0%
- Sustainability	Energy Cost Savings	Efficiency	15%	0%	3%	5%
- Sustainability	GHGs per resident	Efficiency	TBD	TBD	TBD	TBD

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- **Radio Shop:** Operating expense/cost per hour, not to exceed \$64
- **Radio Shop:** Average outside rate for repair completed onsite in South Bend is \$128 hour
- **Building Maintenance:** Adding 4 more CNG fueling stations for additional trucks at our Riverside Garage location
- **Purchasing/Central Stores:** Partner with the Diversity & Inclusion Officer to create inclusive purchasing practices

Heavy Repair on specialized equipment



Fire Dept. Equipment inspection at factory



CNG powered Street Dept. Plow Trucks



Video camera repair



Fund 222 - Central Services

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018 Proposed Budget	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022
Non-Bargaining								
Director of Central Services	1.0	1.0	1.0	-	-	-	-	-
**Chief Administration Officer	-	-	-	1.0	1.0	1.0	1.0	1.0
Equipment Services Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Maintenance Mechanic Supervisor	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Superintendent II	2.0	-	-	-	-	-	-	-
Superintendent III	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Superintendent V	1.0	1.0	1.0	-	-	-	-	-
**Service Contracts & General Supply Manager	-	-	-	1.0	1.0	1.0	1.0	1.0
Financial Specialist Senior	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Financial Specialist III	1.0	1.0	1.0	-	-	-	-	-
**Senior Purchasing Agent	-	-	-	1.0	1.0	1.0	1.0	1.0
**Director of Purchasing	-	-	-	1.0	1.0	1.0	1.0	1.0
Maintenance Foreman II	1.0	-	-	-	-	-	-	-
Inventory Control Technician II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Print Shop Technician	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Communications & Radio	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Radio Technician I	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Radio Technician III	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Office of Sustainability	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Sustainability Coordinator	1.0	-	-	-	-	-	-	-
Sustainability Project Manager	-	1.0	1.0	-	-	-	-	-
**Facilities Manager	-	-	-	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	18.0	17.0	17.0	18.0	18.0	18.0	18.0	18.0
Bargaining								
Mechanic V	12.0	12.0	12.0	12.0	12.0	12.0	12.0	12.0
Mechanic IV	6.0	6.0	5.0	6.0	6.0	6.0	6.0	6.0
Machinist V	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Parts Clerk I	1.0	1.0	-	1.0	1.0	1.0	1.0	1.0
Parts Clerk II	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Janitor/General Labor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Building Maintenance	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total Bargaining	24.0	25.0	23.0	25.0	25.0	25.0	25.0	25.0
Total Full-Time Employees	42.0	42.0	40.0	43.0	43.0	43.0	43.0	43.0

Explain Significant Staffing Changes Below:

The Director of Central Services will have a title change to Chief Administration Officer.

The Equipment Services Manager will be renamed Director of Equipment Services.

The Centralized purchasing operation will be moved to Central Services for 2018, adding one FTE Purchasing Director.

The addition of Central Purchasing will also include two changes of title and responsibility for the Stores/Parts Superintendent II to Manager-Service Contracts and General Supply.

The Financial Specialist III will change to Senior Purchasing Agent.

Fund 224 - Central Services Capital

Fund Type	Central Services Capital					Control	Internal Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Interest Earnings	79	913	1,132	427	1,000		1,000	1,000	1,000	1,000	(132)	-12%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	271,850	130,519	286,700	-	77,000		98,300	85,000	25,000	25,000	(209,700)	-73%
Total Revenue	271,929	131,432	287,832	427	78,000		99,300	86,000	26,000	26,000	(209,832)	-73%
Expenditures by Type												
Supplies	29,190	22,299	28,000	21,572	12,000		-	35,000	-	-	(16,000)	-57%
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	17,222	10,495	69,025	21,762	55,000		67,800	50,000	25,000	25,000	(14,025)	-20%
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	17,222	10,495	69,025	21,762	55,000		67,800	50,000	25,000	25,000	(14,025)	-20%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	10,402	150,026	-	-	-		-	-	-	-	-	-
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	28,196	23,369	229,000	-	10,000		30,500	-	-	-	(219,000)	-96%
Infrastructure	-	-	-	-	-		-	-	-	-	-	-
Total Capital	38,598	173,395	229,000	-	10,000		30,500	-	-	-	(219,000)	-96%
Total Expenditures	85,010	206,189	326,025	43,335	77,000		98,300	85,000	25,000	25,000	(249,025)	-76%
Net Surplus / (Deficit)	186,919	(74,757)	(38,193)	(42,908)	1,000		1,000	1,000	1,000	1,000		
Beginning Cash Balance	-	186,635	111,965		73,772		74,772	75,772	76,772	77,772	Cash Reserve	
Cash Adjustments	(284)	87			-		-	-	-	-	No reserve requirement	
Ending Cash Balance	186,635	111,965	73,772		74,772		75,772	76,772	77,772	78,772		
Cash Reserves Target	-	-	-		-		-	-	-	-		

Fund Purpose:

This fund accounts for capital expenditures for the Central Services Department. This fund receives transfers from the Central Services Operating Fund (222).

Explain Significant Revenue and Expenditure Changes/Variations Below:

In 2018, Central Services plans to purchase new radio system software/meter calibration. In 2019, they plan to replace the 30 year old forklift for the Sample Street garage (pictured below).



Fund 226 - Liability Insurance

Fund Type	Liability Insurance				Control	Internal Service Funds				Budget Variance 2017-2018	% Change
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual		2018 Adopted Budget	Forecast				
						2019	2020	2021	2022		
Revenue											
Charges for Services	1,222,767	2,221,491	2,927,618	1,462,988	2,058,123	3,016,925	3,077,264	3,138,809	3,201,585	(869,495)	-30%
Interest Earnings	29,150	42,151	47,792	21,298	40,000	40,800	41,616	42,448	43,297	(7,792)	-16%
Other Income	95,248	14,187	648,935	36,642	2,000	2,040	2,081	2,122	2,165	(646,935)	-100%
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	1,347,165	2,277,829	3,624,345	1,520,928	2,100,123	3,059,765	3,120,961	3,183,380	3,247,047	(1,524,222)	-42%
Expenditures by Type											
Personnel											
Salaries & Wages	153,506	141,774	176,614	89,453	183,988	184,607	188,300	192,065	195,907	7,374	4%
Fringe Benefits	66,042	70,991	92,185	46,139	93,457	96,180	99,239	102,407	105,686	1,272	1%
Total Personnel	219,548	212,765	268,799	135,592	277,445	280,787	287,539	294,472	301,592	8,646	3%
Supplies	29,641	14,130	21,062	6,693	26,076	26,076	26,076	26,076	26,076	5,014	24%
Services & Charges											
Professional Services	166,926	262,112	237,361	148,694	188,929	189,969	191,030	192,112	193,215	(48,432)	-20%
Printing & Advertising	-	-	55	-	-	-	-	-	-	(55)	-100%
Education & Training	24,110	28,361	20,703	6,943	25,500	25,500	25,500	25,500	25,500	4,797	23%
Travel	7,473	4,389	5,845	737	6,050	6,050	6,050	6,050	6,050	205	4%
Repairs & Maintenance	903	3,874	3,500	1,408	3,500	3,500	3,500	3,500	3,500	-	0%
Other Interfund Allocations	32,242	41,136	80,573	40,284	111,929	113,989	116,090	118,233	120,420	31,356	39%
Insurance	1,344,998	1,047,621	1,401,364	569,464	1,012,835	1,021,664	1,030,670	1,039,855	1,049,225	(388,529)	-28%
Other Services & Charges	676,193	581,351	1,798,324	730,312	1,106,600	1,206,600	1,206,600	1,206,600	1,206,600	(691,724)	-38%
Total Services & Charges	2,252,845	1,968,844	3,547,725	1,497,841	2,455,343	2,567,272	2,579,440	2,591,850	2,604,510	(1,092,382)	-31%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	2,502,034	2,195,739	3,837,586	1,640,126	2,758,864	2,874,135	2,893,054	2,912,399	2,932,178	(1,078,722)	-28%
Net Surplus / (Deficit)	(1,154,869)	82,090	(213,241)	(119,198)	(658,741)	185,630	227,906	270,981	314,869		
Beginning Cash Balance	5,673,981	4,519,282	4,599,205		4,385,964	3,727,223	3,912,853	4,140,759	4,411,740		Cash Reserve
Cash Adjustments	170	(2,167)	-		-	-	-	-	-		50% of Annual expenditures
Ending Cash Balance	4,519,282	4,599,205	4,385,964		3,727,223	3,912,853	4,140,759	4,411,740	4,726,610		
Cash Reserves Target	625,509	1,097,870	1,918,793		1,379,432	1,437,068	1,446,527	1,456,199	1,466,089		

Fund Purpose:

This internal service fund handles operations relating to business insurance and claims--property, liability, workers compensation, etc.--and the operation of the Safety & Risk Department. Revenues for this fund come from other City funds that pay a share proportionate to their anticipated liability expenses.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Workers' Compensation claim stop loss is estimated to be significantly reduced going forward, reducing revenues. The Safety & Risk Department is working towards furthering best practices for safety and, therefore, increasing supply expenditures under the assumption that prevention upfront will reduce workers' compensation claims, thus saving the City money in the future. The City's legal team continues to manage all claims against the City and has greatly reduced the amount of money paid out. This practice has allowed the City to see significant reductions in claims payouts over the past few years. Due to the Legal Department's excellent work, the 2018 budget for liability claims expense was reduced by \$900,000. Also, the allocation to the Police and Fire Departments in the General Fund was reduced by \$900,000 to take advantage of these low claim results.

Staffing (Full-Time Employees only)	2017			2018 Proposed Budget	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022
Non-Bargaining								
Director of Safety & Risk	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Workers' Compensation Specialist	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Claims Adjuster	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant City Attorney *	0.0	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Total Non-Bargaining	3.0	3.5	3.5	3.5	3.5	3.5	3.5	3.5

* One attorney is paid 50% in Fund 101 and 50% in Fund 226



Fund 226 - Liability Insurance

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- As of June 30, 2017, the City's liability claims were \$95,000. This is \$66,000 less than the same time last year (\$161,000 at June 30, 2016).
- The Safety & Risk Department is working towards furthering best practices for safety and, therefore, increasing supply expenditures under the assumption that prevention upfront will reduce workers' compensation claims, thus saving the City money in the future.
- Reduction of cost related to workplace injuries of 12% over from 2016 to 2017
- Reported injuries have increased to capture early onsets of injuries, this allows early treatment which results in lower cost
- Certified 32 management personnel in "Supervisor Safety Development" through National Safety Council, which will allow an understanding of safety regulations and reduction in workplace injuries, property damage and total claims
- Reduction of vehicle incidents by 42% from 2016 to 2017

2018 Department Goals & Objectives and Linkage to City Results

Well-Governed and Administered City

Priority Based Budgeting Result: Fosters enduring financial strength and fiscal sustainability

- Due to the Legal Department's excellent work, the budget for liability claims expense was reduced by \$900,000 from 2017 to 2018

Priority Based Budgeting Result: Maintains, protects, and invests in robust physical, financial, human and technological assets

- The Safety & Risk Department is working towards furthering best practices for safety in the workplace

Priority Based Budgeting Result: Ensures reliable compliance with regulations and well-managed risk

- The City's legal team continues to manage all claims against the City and has greatly reduced the amount of money paid out

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2015 Actual	2016 Actual	2017 Estimated	2018 Target
- Workers' compensation claims paid	outcome	\$400,000	\$700,080	\$479,866	\$444,386	\$430,000
- Employee trainings held	quality	40 hours per employee	14 hr. per	22 hr. per	29 hr. per	35 hr. per

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Workers' Compensation claim stop loss is estimated to be significantly reduced going forward, reducing revenues
- Working with local medical providers to start follow up visits via teleconference visits to reduce cost to the City
- Moved all required commercial driver drug and alcohol testing to the city clinic to reduce downtime to the department and cost to the City
- Continue audits to evaluate compliance and measure risk exposures, as well as early intervention to catch "damages" and injuries before they occur
- Development of prevention programs to educate and provide the proper "tools" for injury and damage elimination
- Continue to develop a culture of safety throughout the City

Fund 227 - Loss Recovery

Fund Type	Loss Recovery					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Charges for Services	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	23,551	8,952	9,766	4,337	4,000		3,500	3,250	3,000	2,750	(5,766)	-59%
Other Income	30,500	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	54,051	8,952	9,766	4,337	4,000		3,500	3,250	3,000	2,750	(5,766)	-59%
Expenditures by Type												
Supplies	72,461	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	244,630	-	276,000	6,009	50,000		-	-	-	-	(226,000)	-82%
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	2,776,504	21,969	274,333	-	200,000		3,500	3,250	3,000	2,750	(74,333)	-27%
Total Services & Charges	3,021,134	21,969	550,333	6,009	250,000		3,500	3,250	3,000	2,750	(300,333)	-55%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	-	-	-	-	-		-	-	-	-	-	-
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-		-	-	-	-	-	-
Infrastructure	1,831,099	9,667	48,342	12,860	-		-	-	-	-	(48,342)	-100%
Total Capital	1,831,099	9,667	48,342	12,860	-		-	-	-	-	(48,342)	-100%
Total Expenditures	4,924,694	31,636	598,675	18,869	250,000		3,500	3,250	3,000	2,750	(348,675)	-58%
Net Surplus / (Deficit)	(4,870,643)	(22,684)	(588,909)	(14,532)	(246,000)		-	-	-	-		
Beginning Cash Balance	5,857,602	991,738	968,861		379,952		133,952	133,952	133,952	133,952		
Cash Adjustments	4,779	(193)	-		-		-	-	-	-		
Ending Cash Balance	991,738	968,861	379,952		133,952		133,952	133,952	133,952	133,952		
Cash Reserves Target	-	-	-		-		-	-	-	-		

Fund Purpose:

This fund was established in 2008 with the recovery of monies from lawsuits brought about by environmental actions on the Studebaker and Oliver industrial sites. The fund continues to receive, intermittently, monies from similar settlements. The fund is used for capital projects and the Vacant and Abandoned Housing initiative.

Explain Significant Revenue and Expenditure Changes/Variations Below:

In 2018, this fund will be used for some Community Investment projects and granular activated carbon reconditioning.

Fund 249 - Public Safety L.O.I.T.

Fund Type	Public Safety L.O.I.T.				Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance	%
						2019	2020	2021	2022	2017-2018	Change
Revenue											
Local Income Taxes	6,466,190	6,791,160	7,467,618	3,733,809	7,629,539	7,782,130	7,937,772	8,096,528	8,258,458	161,921	2%
Interest Earnings	5,373	6,989	11,000	4,263	6,000	6,120	6,242	6,367	6,495	(5,000)	-45%
Other Income	13	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	6,471,576	6,798,149	7,478,618	3,738,072	7,635,539	7,788,250	7,944,015	8,102,895	8,264,953	156,921	2%
Expenditures by Dept											
Police (0805)	3,868,694	3,546,339	4,181,866	2,145,871	4,268,691	4,366,040	4,452,483	4,540,619	4,630,483	86,825	2%
Fire (0905)	3,254,182	2,953,297	3,280,779	1,549,796	3,354,279	3,422,210	3,491,532	3,562,276	3,634,471	73,500	2%
Total Expenditures	7,122,876	6,499,636	7,462,645	3,695,667	7,622,970	7,788,250	7,944,015	8,102,895	8,264,953	160,325	2%
Expenditures by Type											
Personnel											
Salaries & Wages	5,187,944	4,666,735	5,460,441	2,691,779	5,364,960	5,461,227	5,545,644	5,630,757	5,716,541	(95,481)	-2%
Fringe Benefits	1,934,932	1,832,901	2,002,204	1,003,888	2,258,010	2,327,023	2,398,371	2,472,138	2,548,412	255,806	13%
Total Personnel	7,122,876	6,499,636	7,462,645	3,695,667	7,622,970	7,788,250	7,944,015	8,102,895	8,264,953	160,325	2%
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	7,122,876	6,499,636	7,462,645	3,695,667	7,622,970	7,788,250	7,944,015	8,102,895	8,264,953	160,325	2%
Net Surplus / (Deficit)	(651,300)	298,513	15,973	42,405	12,569	-	-	-	-		
Beginning Cash Balance	1,291,845	640,958	938,797		954,770	967,339	967,339	967,339	967,339		
Cash Adjustments	413	(674)	-		-	-	-	-	-		
Ending Cash Balance	640,958	938,797	954,770		967,339	967,339	967,339	967,339	967,339		
Cash Reserves Target	1,424,575	519,971	597,012		609,838	623,060	635,521	648,232	661,196		
										Cash Reserve	
										8% of Annual expenditures -	
										one month reserve	

Fund Purpose:

The Public Safety Local Option Income Tax (LOIT) Fund was established in 2010 due to Indiana's property tax "circuit breaker" system that effectively limited property tax receipts. The City has adopted a special income tax of one quarter of one percent (0.25%) to be used solely for the salaries of public safety employees who were formerly paid by property taxes.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

There are no significant changes in expenditures as the collective bargaining agreement calls for 2% wage increase for Police and assume 2% for Fire. Public Safety Local Option Income Tax (LOIT) revenue is expected to increase approximately 2% per year.

Staffing (Full-Time Employees only)	2017			2018	Forecast			
Position	2016 Actual	Amended Budget	06/30/17 Actual	Proposed Budget	2019	2020	2021	2022
Bargaining								
Patrolman 1st Class	38.0	43.0	43.0	43.0	43.0	43.0	43.0	43.0
Firefighter 1st Class	32.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
Total Non-Bargaining	70.0	78.0	78.0	78.0	78.0	78.0	78.0	78.0
Total Full-Time Employees	70.0	78.0	78.0	78.0	78.0	78.0	78.0	78.0



Fund 251 - Local Roads & Streets

Fund Type	Local Roads & Streets					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%	
						2019	2020	2021	2022		Change	
Revenue												
Other Taxes	1,045,516	1,046,446	1,334,565	546,751	1,570,000	1,600,000	1,650,000	1,700,000	1,700,000	235,435	18%	
Grants/Intergovernmental	-	162,655	256,000	89,299	280,000	250,000	200,000	175,000	150,000	24,000	9%	
Interest Earnings	15,179	27,338	30,999	13,061	18,000	18,100	18,150	18,200	18,250	(12,999)	-42%	
Other Income	446,360	405,709	338,997	4,575	-	-	-	-	-	(338,997)	-100%	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue	1,507,055	1,642,148	1,960,561	653,686	1,868,000	1,868,100	1,868,150	1,893,200	1,868,250	(92,561)	-5%	
Expenditures by Type												
Supplies	357,704	469,122	500,378	128,503	670,000	550,000	550,000	550,000	550,000	169,622	34%	
Services & Charges												
Professional Services	11,000	22,900	20,000	-	30,000	30,000	30,000	30,000	30,000	10,000	50%	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	299,840	774,905	74,682	750,000	750,000	750,000	750,000	750,000	(24,905)	-3%	
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	11,000	322,740	794,905	74,682	780,000	780,000	780,000	780,000	780,000	(14,905)	-2%	
Capital												
Land	-	-	-	-	-	-	-	-	-	-	-	
Land Improvements	-	-	-	-	-	-	-	-	-	-	-	
Buildings & Bldg Improve.	-	-	-	-	-	-	-	-	-	-	-	
Motor Equipment	-	-	-	-	-	-	-	-	-	-	-	
Machinery & Equipment	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure	855,424	747,625	1,013,261	223,986	600,000	600,000	600,000	600,000	600,000	(413,261)	-41%	
Total Capital	855,424	747,625	1,013,261	223,986	600,000	600,000	600,000	600,000	600,000	(413,261)	-41%	
Total Expenditures	1,224,128	1,539,487	2,308,544	427,171	2,050,000	1,930,000	1,930,000	1,930,000	1,930,000	(258,544)	-11%	
Net Surplus / (Deficit)	282,927	102,661	(347,983)	226,515	(182,000)	(61,900)	(61,850)	(36,800)	(61,750)			
Beginning Cash Balance	2,441,825	2,723,225	2,825,065		2,477,082	2,295,082	2,233,182	2,171,332	2,134,532	Cash Reserve		
Cash Adjustments	(1,527)	(821)	-		-	-	-	-	-	25% of Annual expenditures		
Ending Cash Balance	2,723,225	2,825,065	2,477,082		2,295,082	2,233,182	2,171,332	2,134,532	2,072,782			
Cash Reserves Target	244,826	384,872	577,136		512,500	482,500	482,500	482,500	482,500			

Fund Purpose:

This fund is used to track expenditures for road projects. In 2008, wheel tax revenue was moved from this fund to the Motor Vehicle Highway Fund (202). This fund receives gas taxes as its primary revenue source.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The most significant change for this fund is the increase of approximately \$500,000 for the anticipated receipt of revenue from State Gasoline Tax.

Other Income is made up of insurance reimbursements and miscellaneous reimbursements. The City received a reimbursement from INDOT for State Road 933 in the amounts of \$404,537 in 2015 and \$367,660 in 2016. The 2018 budget for other income has been reduced based upon year to date actual revenue.

Capital spending is reduced based on 2018 budget allowance for Traffic Calming Devices and small drainage projects.



Fund 257 - L.O.I.T. Special Distribution

Fund Type	L.O.I.T. Special Distribution					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Local Income Taxes	-	4,217,549	-	-	-		-	-	-	-	-	-
Grants/Intergovernmental	-	-	1,278,000	-	2,200,000		-	-	-	-	922,000	72%
Interest Earnings	-	-	40,000	16,892	40,000		-	-	-	-	-	0%
Donations	-	-	100,000	-	-		-	-	-	-	(100,000)	-100%
Other Income	-	130,394	261,189	205,397	-		-	-	-	-	(261,189)	-100%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	-	4,347,943	1,679,189	222,289	2,240,000		-	-	-	-	560,811	33%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	852,100	60,158	-		-	-	-	-	(852,100)	-100%
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	1,000,000	1,000,000	-		-	-	-	-	(1,000,000)	-100%
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	-	-	1,852,100	1,060,158	-		-	-	-	-	(1,852,100)	-100%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	-	-	-	-	-		-	-	-	-	-	-
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-		-	-	-	-	-	-
Infrastructure	-	322,876	1,905,357	181,456	2,950,000		-	-	-	-	1,044,643	55%
Total Capital	-	322,876	1,905,357	181,456	2,950,000		-	-	-	-	1,044,643	55%
Total Expenditures	-	322,876	3,757,457	1,241,614	2,950,000		-	-	-	-	(807,457)	-21%
Net Surplus / (Deficit)	-	4,025,067	(2,078,268)	(1,019,325)	(710,000)		-	-	-	-		
Beginning Cash Balance	-	-	4,025,066		1,946,798	1,236,798	1,236,798	1,236,798	1,236,798	1,236,798	Cash Reserve	
Cash Adjustments	-	(1)			-	-	-	-	-	-	No reserve requirement	
Ending Cash Balance	-	4,025,066	1,946,798		1,236,798	1,236,798	1,236,798	1,236,798	1,236,798	1,236,798		
Cash Reserves Target	-	-	-		-	-	-	-	-	-		

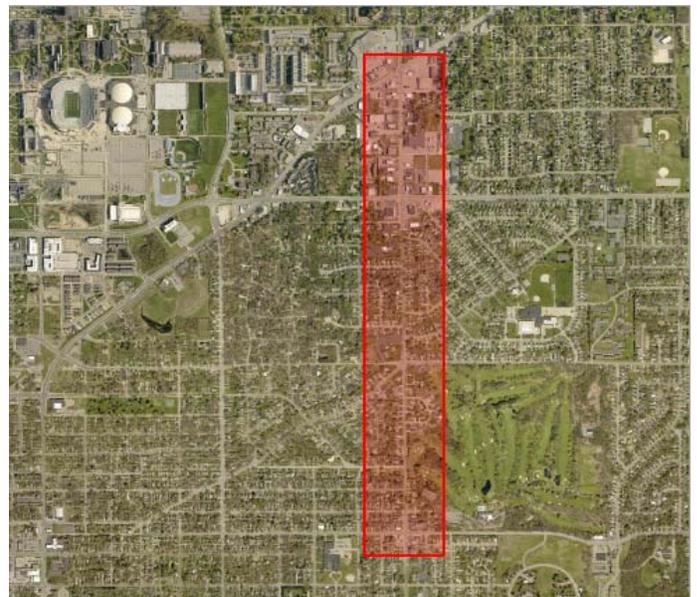
Fund Purpose:

This fund was established in 2016, per the State Board of Accounts (SBOA), to receive a one-time payment of local income taxes from the State for the purpose of infrastructure expenditures. Per the state statute, a minimum of 75% must be spent on infrastructure projects. The remainder was deposited into the Rainy Day Fund (102).

Explain Significant Revenue and Expenditure Changes/Variations Below:

The most significant change in this fund for 2018 is the Community Crossing Grant for work to be done on Ironwood and State Road 23 to Corby, including concrete pavement reconstruction, asphalt milling and resurfacing, and traffic signal modernization. The matching grant provides \$1 million in revenue with an estimated project cost of \$2.3 million. Expenses for Professional Services are anticipated lower as a result of projects going into the construction phase.

Project Location



Fund 258 - Human Rights Federal Grant

Fund Type	Human Rights Federal Grant					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Grants/Intergovernmental	77,117	209,350	236,200	91,200	145,000		145,000	145,000	145,000	145,000	(91,200)	-39%
Interest Earnings	2,506	4,075	4,873	1,992	2,000		2,000	2,000	2,000	2,000	(2,873)	-59%
Other Income	24,082	26,933	18,040	12,602	20,400		20,400	20,400	20,400	20,400	2,360	13%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	103,705	240,358	259,113	105,794	167,400		167,400	167,400	167,400	167,400	(91,713)	-35%
Expenditures by Type												
Personnel												
Salaries & Wages	88,073	87,510	74,618	28,305	53,397		54,465	55,554	56,665	57,798	(21,221)	-28%
Fringe Benefits	30,813	32,997	51,478	13,148	26,616		27,535	28,594	29,699	30,854	(24,862)	-48%
Total Personnel	118,886	120,507	126,096	41,453	80,013		82,000	84,148	86,364	88,652	(46,083)	-37%
Supplies	1,818	1,264	7,630	6,020	2,000		2,000	2,000	2,000	2,000	(5,630)	-74%
Services & Charges												
Professional Services	40,769	26,071	27,747	14,977	27,800		27,800	27,800	27,800	27,800	53	0%
Printing & Advertising	27,353	18,181	15,000	8,683	22,000		22,000	22,000	22,000	22,000	7,000	47%
Education & Training	1,928	3,879	3,500	10	3,500		3,500	3,500	3,500	3,500	-	0%
Travel	8,140	5,985	13,000	273	15,300		15,300	15,300	15,300	15,300	2,300	18%
Other Services & Charges	9,668	9,802	8,800	1,303	12,300		12,300	12,300	12,300	12,300	3,500	40%
Total Services & Charges	87,858	63,918	68,047	25,247	80,900		80,900	80,900	80,900	80,900	12,853	19%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	208,562	185,689	201,773	72,720	162,913		164,900	167,048	169,264	171,552	(38,860)	-19%
Net Surplus / (Deficit)	(104,857)	54,669	57,340	33,074	4,487		2,500	352	(1,864)	(4,152)		
Beginning Cash Balance	529,763	424,866	479,360		536,700		541,187	543,687	544,039	542,175	Cash Reserve	
Cash Adjustments	(40)	(175)	-		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	424,866	479,360	536,700		541,187		543,687	544,039	542,175	538,023		
Cash Reserves Target	41,712	46,422	50,443		40,728		41,225	41,762	42,316	42,888		

Fund Purpose:

This fund tracks the portion of the Human Rights Department that is funded by the federal government, including grants from the Department of Housing & Urban Development (HUD) and the Equal Employment Opportunity Commission (EEOC). The Human Rights Department's mission is to educate and promote fair housing as well as ensure that all citizens receive equal employment opportunity.

Explain Significant Revenue, Expenditure and Staffing Changes/Variances Below:

The Human Rights Commission would like to promote an Investigator VI, to Housing Manager (new position pending Mayor approval). This is to compensate her for the added workload that she will assume as the Commission has lost two of its employees and there are no plans to replace them.

For goals, accomplishments, and KPI's see the Human Rights Department in the General Fund (101-1008).

Staffing (Full-Time Employees only)

Position	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Proposed Budget	Forecast			
					2019	2020	2021	2022
Non-Bargaining								
Investigator III	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0
Investigator VI	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0
Housing Manager *	0.0	0.0	0.0	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0

The Human Rights Commission would like to promote an employee from an Investigator VI to a Housing Manager (new position pending Mayor approval). They will assume additional responsibilities and workload will increase due to the loss of two employees.

Fund 265 - Local Road & Bridge Grant

Fund Type	Local Road & Bridge Grant				Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
						2019	2020	2021	2022		
Revenue											
Grants/Intergovernmental	-	-	1,000,000	1,000,000	-	-	-	-	-	(1,000,000)	-100%
Interest Earnings	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	1,000,000	1,000,000	-	-	-	-	-	(1,000,000)	-100%
Total Revenue	-	-	2,000,000	2,000,000	-	-	-	-	-	(2,000,000)	-100%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	2,000,000	-	-	-	-	-	-	(2,000,000)	-100%
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	2,000,000	-	-	-	-	-	-	(2,000,000)	-100%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	2,000,000	-	-	-	-	-	-	(2,000,000)	-100%
Net Surplus / (Deficit)	-	-	-	2,000,000	-	-	-	-	-		
Beginning Cash Balance	-	-	-	-	-	-	-	-	-	Cash Reserve	
Cash Adjustments	-	-	-	-	-	-	-	-	-	No reserve requirement	
Ending Cash Balance	-	-	-	-	-	-	-	-	-		
Cash Reserves Target	-	-	-	-	-	-	-	-	-		

Fund Purpose:

This fund was established in December 2016 to account for the receipt of the Community Crossings grant and matching revenue and for the payment of expenditures on eligible projects, per the Indiana State Board of Accounts.

Community Crossings is a partnership between INDOT and Hoosier communities, both urban and rural, to invest in infrastructure projects that catalyze economic development, create jobs, and strengthen local transportation networks.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Community Crossings Matching Grant project includes concrete pavement reconstruction, asphalt milling and resurfacing, and traffic signal modernization.

Funds were spent on the Edison and Ironwood Road Corridor project.

Fund 273 - Morris PAC / Palais Royale Marketing

Fund Type	Morris PAC / Palais Royale Marketing					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%	
						2019	2020	2021	2022		Change	
Revenue												
Charges for Services	11,021	20,624	18,000	7,021	20,000	20,000	20,000	20,000	20,000	2,000	11%	
Interest Earnings	158	323	495	201	400	400	400	400	400	(95)	-19%	
Other Income	-	-	-	-	-	-	-	-	-	-	-	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue	11,179	20,947	18,495	7,222	20,400	20,400	20,400	20,400	20,400	1,905	10%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	
Printing & Advertising	7,541	4,212	21,675	5,673	18,000	18,000	18,000	18,000	18,000	(3,675)	-17%	
Utilities	-	-	-	-	-	-	-	-	-	-	-	
Education & Training	-	-	-	-	-	-	-	-	-	-	-	
Travel	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	7,541	4,212	21,675	5,673	18,000	18,000	18,000	18,000	18,000	(3,675)	-17%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	7,541	4,212	21,675	5,673	18,000	18,000	18,000	18,000	18,000	(3,675)	-17%	
Net Surplus / (Deficit)	3,638	16,735	(3,180)	1,550	2,400	2,400	2,400	2,400	2,400			
Beginning Cash Balance	26,685	30,306	47,005		43,825	46,225	48,625	51,025	53,425	Cash Reserve		
Cash Adjustments	(17)	(36)	-		-	-	-	-	-	25% of Annual expenditures		
Ending Cash Balance	30,306	47,005	43,825		46,225	48,625	51,025	53,425	55,825			
Cash Reserves Target	1,508	1,053	5,419		4,500	4,500	4,500	4,500	4,500			

Fund Purpose:

The Morris Performing Arts Center and Palais Royale Marketing Fund was established as a separate, non-reverting fund to receive monies from solicitation of funds for commercial promotion sponsorships such as commercial ads on ticket envelopes and Morris Marquee sponsorships; and to accept donations to The Morris Performing Arts Center and Palais Royale. All sums so collected and deposited in this fund are to be used for the sole purpose of assisting with continued promotions of and within both the Morris Performing Arts Center and Palais Royale.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Revenue for this fund is collected through donations and sponsorships and used to assist with continued promotions of and within the Morris Complex. Starting in 2013, the City was able to not only advertise on the local area digital billboards, but also secure sponsorships to help fund the advertising displayed on them.

Fund 274 - Morris PAC / Self-Promotion

Fund Type	Morris PAC / Self-Promotion				Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%
						2019	2020	2021	2022		Change
Revenue											
Charges for Services	-	-	-	-	99,000	109,000	119,000	129,000	99,000	99,000	-
Interest Earnings	-	-	-	-	1,000	1,000	1,000	1,000	1,000	1,000	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	-	-	-	-	100,000	110,000	120,000	130,000	100,000	100,000	-
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	50,000	100,000	100,000	100,000	100,000	50,000	-
Utilities	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	-	-	50,000	100,000	100,000	100,000	100,000	50,000	-
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	50,000	100,000	100,000	100,000	100,000	50,000	-
Net Surplus / (Deficit)	-	-	-	-	50,000	10,000	20,000	30,000	-		
Beginning Cash Balance	-	-	-	-	-	50,000	60,000	80,000	110,000	Cash Reserve 25% of Annual expenditures	
Cash Adjustments	-	-	-	-	-	-	-	-			
Ending Cash Balance	-	-	-	-	50,000	60,000	80,000	110,000	110,000		
Cash Reserves Target	-	-	-	-	12,500	25,000	25,000	25,000	25,000		

Fund Purpose:

This is a Special Revenue Fund created to account for Self Promoter Events. A fee of \$1.00 per ticket sold will be deposited into this fund. Earnings on self-promoted events will be retained in this fund.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Expenditures are for marketing/advertising.

Sleeping Beauty Ballet



Fund 278 - Take Home Vehicle Police

Fund Type	Take Home Vehicle Police					Control	Internal Service Funds					
	2015	2016	2017		2018		Forecast				Budget	
	Actual	Actual	Amended	06/30/17	Adopted		2019	2020	2021	2022	Variance	%
			Budget	Actual	Budget						2017-2018	Change
Revenue												
Charges for Services	61,660	56,100	-	-	-	-	-	-	-	-	-	-
Interest Earnings	3,227	6,265	7,934	3,376	4,000	4,000	4,000	4,000	4,000	4,000	(3,934)	-50%
Other Income	61,660	56,100	1,960	440	-	-	-	-	-	-	(1,960)	-100%
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	126,547	118,465	9,894	3,816	4,000	4,000	4,000	4,000	4,000	4,000	(5,894)	-60%
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	1,086	7,086	10,000	972	10,000	4,000	4,000	4,000	4,000	4,000	-	0%
Total Services & Charges	1,086	7,086	10,000	972	10,000	4,000	4,000	4,000	4,000	4,000	-	0%
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	1,086	7,086	10,000	972	10,000	4,000	4,000	4,000	4,000	4,000	-	0%
Net Surplus / (Deficit)	125,461	111,379	(106)	2,845	(6,000)	-	-	-	-	-		
Beginning Cash Balance	515,459	640,497	751,530		751,424	745,424	745,424	745,424	745,424	745,424		Cash Reserve
Cash Adjustments	(423)	(346)	-		-	-	-	-	-	-		Set dollar amount of
Ending Cash Balance	640,497	751,530	751,424		745,424	745,424	745,424	745,424	745,424	745,424		\$750,000
Cash Reserves Target	750,000	750,000	750,000		750,000	750,000	750,000	750,000	750,000	750,000		

Fund Purpose:

This fund charges police officers for liability insurance and gasoline costs for take home police vehicles. Deductions from officers for gas and insurance have been suspended for 2017 and are estimated to be suspended for 2018 in accordance with an agreement with the Fraternal Order of Police (FOP). The agreement calls for the suspension of the deduction based on the price of gas and the balance of cash in this fund. This fund pays for police vehicle off duty accident claims. Claims have been minimal in this fund since it was created. This fund is classified as an Internal Service Fund for financial reporting.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The decrease in revenue is the result of suspending the payroll deduction for sworn officers as outlined in the agreement between the Police Department and the FOP.



Fund 279 - IT / Innovation / 311 Call Center

Fund Type	IT / Innovation / 311 Call Center				Control	Internal Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance	%
						2019	2020	2021	2022	2017-2018	Change
Revenue											
Charges for Services	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	487,897	5,205,034	2,583,726	6,850,931	7,737,816	7,627,277	7,624,904	7,657,770	1,645,897	32%
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	-	487,897	5,205,034	2,583,726	6,850,931	7,737,816	7,627,277	7,624,904	7,657,770	1,645,897	32%
Expenditures by Dept											
311 Call Center	-	487,896	535,429	252,596	592,867	606,466	613,758	621,197	628,785	57,438	11%
Innovation & Technology	-	-	4,669,605	1,519,580	6,258,064	7,131,350	7,013,518	7,003,707	7,028,985	1,588,459	34%
Total Expenditures	-	487,896	5,205,034	1,772,176	6,850,931	7,737,816	7,627,277	7,624,904	7,657,770	1,645,897	32%
Expenditures by Type											
Personnel											
Salaries & Wages	-	319,674	1,466,308	648,369	1,629,235	1,661,820	1,694,600	1,728,036	1,762,141	162,927	11%
Fringe Benefits	-	137,668	587,391	261,728	744,584	767,707	785,417	803,738	822,691	157,193	27%
Total Personnel	-	457,342	2,053,699	910,097	2,373,819	2,429,527	2,480,017	2,531,774	2,584,832	320,120	16%
Supplies	-	2,656	981,191	31,930	102,493	102,493	102,493	102,493	102,493	(878,698)	-90%
Services & Charges											
Professional Services	-	-	721,682	86,127	1,209,300	1,784,300	1,784,300	1,784,300	1,784,300	487,618	68%
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	2,033	63,280	10,710	77,900	63,400	63,400	63,400	63,400	14,620	23%
Travel	-	6,836	34,206	13,148	26,710	26,710	26,710	26,710	26,710	(7,496)	-22%
Repairs & Maintenance	-	3,336	1,167,372	644,513	2,449,381	2,344,993	2,175,312	2,175,404	2,175,404	1,282,009	110%
Other Interfund Allocations	-	11,352	24	12	22	22	22	22	22	(2)	-8%
Debt Service											
Principal	-	-	147,890	64,244	181,339	236,079	244,627	190,300	170,000	33,449	23%
Interest & Fees	-	-	15,430	7,716	39,776	-	-	-	-	24,346	158%
Insurance	-	1,896	4,562	2,280	5,067	5,168	5,272	5,377	5,485	505	11%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	2,445	15,698	1,399	385,124	745,124	745,124	745,124	745,124	369,426	2353%
Total Services & Charges	-	27,898	2,170,144	830,149	4,374,619	5,205,796	5,044,767	4,990,637	4,970,445	2,204,475	102%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	487,896	5,205,034	1,772,176	6,850,931	7,737,816	7,627,277	7,624,904	7,657,770	1,645,897	32%
Net Surplus / (Deficit)	-	1	-	811,550	-	-	-	-	-		
Beginning Cash Balance	-	-	-	-	-	-	-	-	-	Cash Reserve	
Cash Adjustments	-	(1)	-	-	-	-	-	-	-	No reserve requirement	
Ending Cash Balance	-	-	-	-	-	-	-	-	-		
Cash Reserves Target	-	-	-	-	-	-	-	-	-		

Fund Purpose:

This internal service fund was established in 2016 to track the operational revenues and expenditures on the 311 Call Center, whose expenses in previous years were charged to the General Fund. The 311 Call Center was established to handle resident telephone calls in an efficient and effective manner. It provides residents with a "one-stop" shop to contact city departments with inquiries and service requests.

Starting in 2017, the Department of Innovation & Technology was moved to this fund. The IT Dept provides technical services to the various departments within the City. The Department of Innovation & Technology's goal is to empower an innovative workforce and a thriving community through technology, data, and strategic partnerships.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

In 2018, all IT expenditures, including telephone costs, are being transferred to this fund. Changes in Other Services & Charges is due to telephone expenses previously being funded through the County Option Income Tax (COIT) Fund 404. While the above shows a large increase in expenditures from 2017 to 2018, the increase is due mainly to the department taking on all IT related costs for all departments. In order to better understand the technology costs throughout the City, all technology costs will be paid through one fund and then allocated out to the receiving departments. By analyzing the technology costs, the City was able to find significant savings for 2018 related to telephone circuits. The goal is to continue to work with departments to find efficiencies through technology and innovations.

Major budget changes include:

- Transferred remaining IT items that used to be budgeted in each department's budget \$976,000
- Enrolled all devices in tech refresh adding \$57,793.97
- Consolidation of contracts for telephone services, \$373,000, allows buildout of infrastructure in 4 year plan to empower residents and bridge digital divide
- Insured professional services engagement to Director of Civic Innovation position with \$74,980 salary to empower all residents to the innovation economy
- New annual survey to assess resident satisfaction at a neighborhood level \$21,000

Once the City selects a new enterprise resource planning (ERP) system, the software costs will be paid out of the COIT Fund 404.

Fund 279 - IT / Innovation / 311 Call Center

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Finished TeleStaff implementation in partnership with Police Department (no more blue slips)
- Relaunched Open Data Portal, and launched Police Department Transparency Portal
- Heavily assisted in the implementation of PSAP, moving along several key milestones on infrastructure and technology
- Knowledge Management – Standardizing how we document and communicate what the City does for its residents clarifying expectations
- Performance Management – Utilities; Venues, Parks & Arts; Police Department
- Continue to develop the City's Geographic Information System (GIS)
- As a percentage of the City's operating budget, the IT expenditure is ~ 2.2% -- well below the 3-6% benchmark of other cities. This includes investments in modernizing key technology assets.

2018 Department Goals & Objectives

Civic Innovation

- Pursue grants and other funding partnerships to improve city services and connect residents with the innovation economy
- Coordinate with local partners including workforce development agencies, health care providers, and educational institutions to develop solutions to community problems including digital divide
- Scale community programs such as Bowman Creek Educational Ecosystem across the community, and Technology Resource Center

Business Analytics

- Cross-departmental SBStat focused on neighborhoods and annual neighborhood and services survey
- Continue to support departmental priorities: work orders and GIS, Parks equity and access, workforce development, utility billing, human-centered design, advanced analytics for targeted policies

Applications Division

- Customer resource management (CRM) training for departments and CRM interfaces with other City software
- Finance, Payroll, and Utility Billing software selection and implementation
- Service/Work order management implementation
- GIS data clean-up and task automation

Infrastructure Division

- Continue to refresh critical network gear to ensure a secure network and to build a 10 GB backbone
- Increase free wireless throughout the city for all residents and employees
- Upgrade operating system of critical servers and continue to improve security and reliability
- Connect new and remodeled facilities
- Prepare for exponential growth of data and storage needs e.g. camera footage, GIS data

Services Division

- Printer Management and Centralization
- Mobile Device Standardization
- Review and Reevaluation of Security and Rights Management
- Content Management Licensing Consolidation
- Software Licensing Review, Management, and Consolidation

311 Customer Service Center

- Develop 311 as a multi-channel customer service center, more than a call center
- Assist departments to reduce calls about errors and miscommunication
- Onboard Building Department and the Recreation Division of Venues, Parks & Arts

Civic Innovation



Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Downtime of business critical external services	Quality	60 mins	NA	NA	100 mins
- Information Security GPA	Effectiveness	4/5	NA	2.7/5	3.5/5
- Strategic priority projects completed	Effectiveness	6	NA	10	7
- 311 Call Center - number of calls	Outcome	150,000	150,431	125,057	146,250
- 311 Call Center - average hold time	Efficiency	7 sec	10 sec	10 sec	10 sec
- 311 Call Center - percent of calls abandoned	Efficiency	0%	2.20%	2.41%	2.50%

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Gain efficiencies and transparency by continuing to centralize and allocate expenditures
- Plan and invest for future success
- Develop partnerships that continue to make South Bend competitive in a 21st century inclusive economy

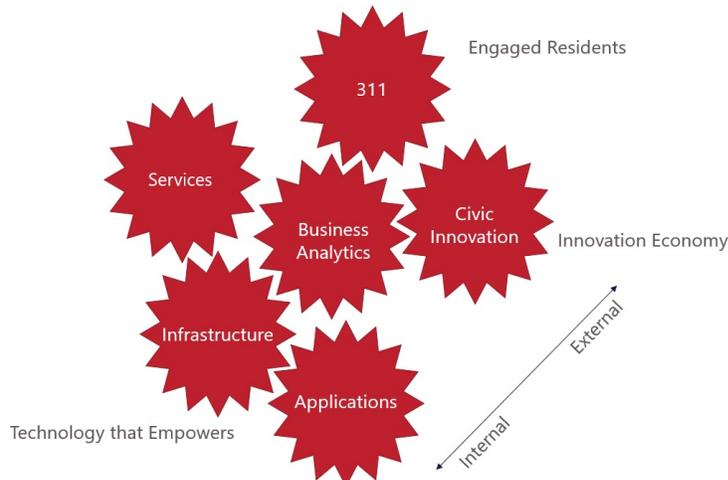
Fund 279 - IT / Innovation / 311 Call Center

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual	Proposed Budget	2019	2020	2021	2022
Non-Bargaining								
311 Call Center:								
Director of 311 Call Center	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
311 Customer Service Supervisor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
311 Customer Service Liaison *	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0
311 Customer Service Liaison II	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Information Technology /Innovation:								
Chief Technology Officer	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Chief Innovation Officer	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Infrastructure	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Infrastructure Manager	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Infrastructure Specialist	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Services	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Services Manager	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Services Specialist - Police	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
GIS Manager	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Director of Applications	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Applications Manager	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Applications Specialist	-	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Director of Business Analytics	-	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Business Analyst	-	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Project Manager *	-	-	-	1.0	1.0	1.0	1.0	1.0
Director of Civic Innovation *	-	-	-	1.0	1.0	1.0	1.0	1.0
Total Non-Bargaining	6.0	24.0	24.0	27.0	27.0	27.0	27.0	27.0
Total Full-Time Employees	6.0	24.0	24.0	27.0	27.0	27.0	27.0	27.0

Explain Significant Staffing Changes Below:

- Add 1 FTE to 311 Call Center:
 - Moved one part-time 311 Customer Service Liaison to full-time
- Add 2 FTE to IT / Innovation:
 - Project Manager was paid out of Police budget in 2017, will be paid out of IT budget in 2018
 - Director of Civic Innovation added in 2018



Fund 280 - Police Block Grants

Fund Type	Police Block Grants				Control	Special Revenue Funds				Budget	
	2015	2016	2017	2018		Forecast				Variance	%
	Actual	Actual	Amended	Adopted		2019	2020	2021	2022	2017-2018	Change
			Budget	Budget							
			06/30/17								
			Actual								
Revenue											
Grants/Intergovernmental	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	22	35	50	17	35	35	35	35	35	(15)	-30%
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	22	35	50	17	35	35	35	35	35	(15)	-30%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-
Grants & Subsidies	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-	-	-	-	-
Net Surplus / (Deficit)	22	35	50	17	35	35	35	35	35		
Beginning Cash Balance	3,824	3,844	3,879		3,929	3,964	3,999	4,034	4,069		Cash Reserve
Cash Adjustments	(2)	(1)	-		-	-	-	-	-		No reserve requirement
Ending Cash Balance	3,844	3,879	3,929		3,964	3,999	4,034	4,069	4,104		
Cash Reserves Target	-	-	-		-	-	-	-	-		

Fund Purpose:

This fund has been used to account for certain Police grants.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Justice Assistance Grant 2009-SB-B9-1280 was essentially completed in 2014. There are no open grants at this time.

Fund 281 - Economic Develop Commission-Revenue Bonds

Fund Type	Economic Develop Commission-Revenue Bonds				Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
						2019	2020	2021	2022		
Revenue											
Interest Earnings	157	250	300	124	200	200	200	200	200	(100)	-33%
Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	157	250	300	124	200	200	200	200	200	(100)	-33%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	-	-	-	-	-	-
Net Surplus / (Deficit)	157	250	300	124	200	200	200	200	200		
Beginning Cash Balance	27,176	27,320	27,564		27,864	28,064	28,264	28,464	28,664	Cash Reserve	
Cash Adjustments	(12)	(6)	-		-	-	-	-	-	No reserve requirement	
Ending Cash Balance	27,320	27,564	27,864		28,064	28,264	28,464	28,664	28,864		
Cash Reserves Target	-	-	-		-	-	-	-	-		

Fund Purpose:

This fund was used for the expenses of Economic Development Revenue Bonds. These bonds have been paid off.

Fund 287 - Emergency Medical Services Capital

Fund Type	Emergency Medical Services Capital					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	2,472,740	2,460,775	4,410,349	1,798,417	500,000		500,000	500,000	500,000	500,000	(3,910,349)	-89%
Grants/Intergovernmental	396,727	-	75,000	-	75,000		75,000	75,000	75,000	75,000	-	0%
Interest Earnings	3,511	29,729	44,000	18,555	10,000		5,000	1,000	-	-	(34,000)	-77%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	1,000,000	1,100,000	-	-
Total Revenue	2,872,978	2,490,504	4,529,349	1,816,972	585,000		580,000	576,000	1,575,000	1,675,000	(3,944,349)	-87%
Expenditures by Type												
Supplies	-	-	205,300	-	-		-	-	-	-	(205,300)	-100%
Services & Charges												
Professional Services	-	-	474,010	75,200	-		-	-	-	-	(474,010)	-100%
Repairs & Maintenance	-	42,453	130,000	-	-		-	-	-	-	(130,000)	-100%
Debt Service												
Principal	-	112,975	401,946	200,524	546,795		841,679	855,994	758,126	773,288	144,849	36%
Interest & Fees	-	8,771	327,810	96,707	277,263		376,494	357,063	337,570	319,772	(50,547)	-15%
Other Services & Charges	-	385,775	471,089	471,088	-		-	-	-	-	(471,089)	-100%
Total Services & Charges	-	549,974	1,804,855	843,519	824,058		1,218,173	1,213,057	1,095,696	1,093,060	(980,797)	-54%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	400,000	385,595	-		-	-	-	-	(400,000)	-100%
Buildings & Bldg Improve.	-	173,105	44,157	4,982	250,000		-	-	-	-	205,843	466%
Motor Equipment	59,387	499,603	1,462,154	147,872	562,000		305,000	240,000	240,000	240,000	(900,154)	-62%
Machinery & Equipment	241,351	210,528	75,000	75,000	500,000		200,000	200,000	200,000	200,000	425,000	567%
Infrastructure	-	-	-	-	-		-	-	-	-	-	-
Total Capital	300,738	883,236	1,981,311	613,449	1,312,000		505,000	440,000	440,000	440,000	(669,311)	-34%
Total Expenditures	300,738	1,433,210	3,991,466	1,456,968	2,136,058		1,723,173	1,653,057	1,535,696	1,533,060	(1,855,408)	-46%
Net Surplus / (Deficit)	2,572,240	1,057,294	537,883	360,004	(1,551,058)		(1,143,173)	(1,077,057)	39,304	141,940		
Beginning Cash Balance	-	2,568,327	3,629,534		4,167,417		2,616,359	1,473,186	396,129	435,433	Cash Reserve	
Cash Adjustments	(3,913)	3,913	-		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	2,568,327	3,629,534	4,167,417		2,616,359		1,473,186	396,129	435,433	577,373		
Cash Reserves Target	60,148	358,302	997,867		534,015		430,793	413,264	383,924	383,265		

Fund Purpose:

This fund was established in 2015 to track capital expenditures related to Emergency Medical Services and the Fire Department. The fund receives revenues from Medicaid settlements and transfers from EMS Operating Fund (288). These funds are used for capital purchases such as fire apparatus, ambulances and major construction projects.

Explain Significant Revenue and Expenditure Changes/Variances Below:

Services are down as the 2017 budget includes architectural fees for the design and construction of Station 4 and design of Station 9. Other Services 2017 budget includes monies for the State Medicaid reimbursement program. Per the Fire Department's consultant on Medicaid reimbursement programs, the payments are going to start decreasing in 2018 and will eventually disappear.

2018 Capital Expenditures include:

- Aerial truck
- New medic
- Medic rebuild
- 2 Pickup trucks
- Midsize car
- Portable radios
- Cardiac monitors
- Station 9 and Training Center addition
- Self-Contained Breathing Apparatus (SCBA) Fill Station
- Central Fire Station Exhaust System

Construction of Fire Station 9



Fund 288 - Emergency Medical Services Operating

Fund Type	Emergency Medical Services Operating					Control	Enterprise Funds					
	2017				2018	Forecast				Budget	%	
	2015	2016	Amended	06/30/17	Adopted	2019	2020	2021	2022	Variance	Change	
Revenue	Actual	Actual	Budget	Actual	Budget					2017-2018		
Grants/Intergovernmental	139,017	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	5,084,641	5,518,993	6,751,513	2,610,977	5,163,884	5,207,996	5,235,536	5,263,351	5,291,445	(1,587,629)	-24%	
Fines, Forfeitures, and Fees	2,500	3,400	2,500	1,000	2,500	2,500	2,500	2,500	2,500	-	0%	
Interest Earnings	19,490	19,696	26,111	7,569	15,000	15,000	15,000	15,000	15,000	(11,111)	-43%	
Donations	-	-	1,170	750	-	-	-	-	-	(1,170)	-100%	
Other Income	48,591	97,953	17,256	597	5,000	5,000	5,000	5,000	5,000	(12,256)	-71%	
Transfers In	-	-	-	-	-	600,000	1,500,000	1,600,000	1,600,000	-	-	
Total Revenue	5,294,239	5,640,042	6,798,550	2,620,892	5,186,384	5,830,496	6,758,036	6,885,851	6,913,945	(1,612,166)	-24%	
Expenditures by Type												
Personnel												
Salaries & Wages	3,761,684	3,726,560	3,562,403	1,671,700	3,794,500	3,984,225	4,054,071	4,125,315	4,197,983	232,097	7%	
Fringe Benefits	978,486	1,255,836	1,417,901	642,022	1,489,833	1,564,325	1,595,611	1,627,523	1,660,074	71,932	5%	
Total Personnel	4,740,170	4,982,396	4,980,304	2,313,721	5,284,333	5,548,550	5,649,682	5,752,838	5,858,057	304,029	6%	
Supplies	266,488	253,433	483,825	156,282	369,340	369,340	369,340	369,340	369,340	(114,485)	-24%	
Services & Charges												
Professional Services	162,958	55,994	63,913	6,369	74,610	74,610	74,610	74,610	74,610	10,697	17%	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Utilities	7,286	7,612	11,000	4,225	30,500	31,110	31,732	32,367	33,014	19,500	177%	
Education & Training	16,087	17,000	94,000	799	17,000	17,000	17,000	17,000	17,000	(77,000)	-82%	
Travel	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	71,022	193,644	270,640	84,524	243,600	243,600	243,600	243,600	243,600	(27,040)	-10%	
Other Interfund Allocations	-	-	-	-	200,294	204,300	208,386	212,554	216,805	200,294	-	
Debt Service												
Principal	245,612	260,920	1,444	304	-	-	-	-	-	(1,444)	-100%	
Interest & Fees	207,326	190,517	149	14	-	-	-	-	-	(149)	-100%	
Insurance	-	-	20,036	10,014	20,162	20,162	20,162	20,162	20,162	126	1%	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	97,433	75,051	187,603	112,719	126,000	126,750	127,065	127,386	127,714	(61,603)	-33%	
Total Services & Charges	807,724	800,738	648,785	218,967	712,166	717,532	722,555	727,679	732,905	63,381	10%	
Capital	149,003	-	25,000	-	-	-	-	-	-	(25,000)	-100%	
Total Expenditures	5,963,385	6,036,567	6,137,914	2,688,971	6,365,839	6,635,422	6,741,577	6,849,857	6,960,301	227,925	4%	
Net Surplus / (Deficit)	(669,146)	(396,525)	660,636	(68,079)	(1,179,455)	(804,926)	16,459	35,995	(46,357)			
Beginning Cash Balance	2,906,216	2,210,747	1,755,548		2,416,184	1,236,729	431,804	448,262	484,257	Cash Reserve		
Cash Adjustments	(26,322)	(58,674)	-		-	-	-	-	-	25% of Annual expenditures		
Ending Cash Balance	2,210,747	1,755,548	2,416,184		1,236,729	431,804	448,262	484,257	437,900			
Cash Reserves Target	1,192,677	1,509,142	1,534,479		1,591,460	1,658,855	1,685,394	1,712,464	1,740,075			

Fund Purpose:

This fund accounts for the expenditures of the Emergency Medical Services (EMS) program. The revenues in this account are generated through user fees for the South Bend Fire Department EMS division, Training Bureau, and Inspections. This Fund captures personnel and operating expenses primarily for Emergency Medical Services division and reflects a portion of the cost associated with operating ambulances.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

An additional 6 firefighters will be allocated to Fund 288 as the Advanced Life Support (ALS) Non-Transport vehicles are brought on line. These firefighters are currently budgeted in the General Fund (101-0901) and do not represent an increase in personnel, only a reallocation from one fund to another. Services have a significant increase due to the addition of an administration fee allocation.



Fund 288 - Emergency Medical Services Operating

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018 Proposed Budget	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022
Non-Bargaining								
Financial Specialist I	1.0	1.0	1.0	1.0	-	-	-	-
Accounting Clerk IV	3.0	3.0	3.0	3.0	-	-	-	-
Financial Specialist II	-	-	-	-	1.0	1.0	1.0	1.0
Billing Specialist I	-	-	-	-	2.0	1.0	1.0	1.0
Billing Specialist II	-	-	-	-	1.0	2.0	2.0	2.0
Total Non-Bargaining	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Bargaining								
Assistant Chief	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Captain	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Paramedic Lieutenant	9.0	8.0	7.0	7.0	11.0	11.0	11.0	11.0
Firefighter 1st Class	21.0	21.0	18.0	21.0	23.0	23.0	23.0	23.0
Firefighter 2nd Class	12.0	14.0	17.0	15.0	15.0	15.0	15.0	15.0
Firefighter 3rd Class	-	-	-	-	-	-	-	-
Firefighter Recruits	-	-	-	-	-	-	-	-
Total Bargaining	46.0	47.0	46.0	47.0	53.0	53.0	53.0	53.0
Total Full-Time Employees	50.0	51.0	50.0	51.0	57.0	57.0	57.0	57.0

Explain Significant Staffing Changes Below:

An additional 6 firefighters will be allocated to Fund 288 as the Advanced Life Support (ALS) Non-Transport vehicles are brought on line. These firefighters are currently budgeted in the General Fund (101-0901) and do not represent an increase in personnel, only a reallocation from one fund to another.



Fund 289 - HAZMAT

Fund Type	HAZMAT					Control	Special Revenue Funds				Budget Variance 2017-2018	% Change
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast					
						2019	2020	2021	2022			
Revenue												
Charges for Services	13,787	3,410	10,000	-	10,000	10,000	10,000	10,000	10,000	-	0%	
Fines, Forfeitures, and Fees	-	-	-	-	-	-	-	-	-	-	-	
Interest Earnings	189	264	255	114	200	200	200	200	200	(55)	-22%	
Other Income	-	-	-	-	-	-	-	-	-	-	-	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue	13,976	3,674	10,255	114	10,200	10,200	10,200	10,200	10,200	(55)	-1%	
Expenditures by Type												
Supplies	21,542	8,962	10,431	4,742	10,000	10,000	10,000	10,000	10,000	(431)	-4%	
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Education & Training	-	-	-	-	-	-	-	-	-	-	-	
Travel	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	21,542	8,962	10,431	4,742	10,000	10,000	10,000	10,000	10,000	(431)	-4%	
Net Surplus / (Deficit)	(7,566)	(5,288)	(176)	(4,628)	200	200	200	200	200			
Beginning Cash Balance	39,586	32,014	26,727		26,551	26,751	26,951	27,151	27,351	Cash Reserve		
Cash Adjustments	(6)	2	-		-	-	-	-	-	25% of Annual expenditures		
Ending Cash Balance	32,014	26,727	26,551		26,751	26,951	27,151	27,351	27,551			
Cash Reserves Target	4,308	2,240	2,608		2,500	2,500	2,500	2,500	2,500			

Fund Purpose:

This fund is used to account for the cost of the Hazardous Materials Response team. By ordinance the South Bend Fire Department charges businesses for Hazardous Materials Response. This typically happens once or twice a year. There are no employees associated with this fund, responses are made by firefighters of the South Bend Fire Department.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Funding is entirely dependent on the number of billable Hazardous Material responses in any given calendar year.



Fund 291 - Indiana River Rescue

Fund Type	Indiana River Rescue					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	53,950	110,700	73,200	64,800	45,000		80,000	80,000	85,000	85,000	(28,200)	-39%
Interest Earnings	493	1,222	1,600	664	500		500	500	500	500	(1,100)	-69%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	54,443	111,922	74,800	65,464	45,500		80,500	80,500	85,500	85,500	(29,300)	-39%
Expenditures by Type												
Personnel												
Salaries & Wages	2,654	23,000	13,010	1,500	13,000		13,000	13,000	13,000	13,000	(10)	0%
Fringe Benefits	858	-	2,490	-	2,500		2,500	2,500	2,500	2,500	10	0%
Total Personnel	3,512	23,000	15,500	1,500	15,500		15,500	15,500	15,500	15,500	-	0%
Supplies	2,259	6,182	16,849	2,302	17,800		7,800	7,800	7,800	7,800	951	6%
Services & Charges												
Professional Services	1,487	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	250	-	-	1,000		1,000	1,000	1,000	1,000	1,000	-
Education & Training	6,339	5,846	9,000	2,309	9,000		9,000	9,000	9,000	9,000	-	0%
Travel	2,667	10,825	9,000	3,960	14,500		11,000	11,000	11,000	11,000	5,500	61%
Repairs & Maintenance	20,424	19,243	67,000	47,370	44,000		44,000	44,000	44,000	44,000	(23,000)	-34%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	6,714	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	37,631	36,164	85,000	53,638	68,500		65,000	65,000	65,000	65,000	(16,500)	-19%
Capital	20,997	-	-	-	-		-	-	-	-	-	-
Total Expenditures	64,399	65,346	117,349	57,439	101,800		88,300	88,300	88,300	88,300	(15,549)	-13%
Net Surplus / (Deficit)	(9,956)	46,576	(42,549)	8,024	(56,300)		(7,800)	(7,800)	(2,800)	(2,800)		
Beginning Cash Balance	105,286	95,300	141,771		99,222		42,922	35,122	27,322	24,522	Cash Reserve	
Cash Adjustments	(31)	(105)	-		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	95,300	141,771	99,222		42,922		35,122	27,322	24,522	21,722		
Cash Reserves Target	12,880	16,337	29,337		25,450		22,075	22,075	22,075	22,075		

Fund Purpose:

This fund collects tuition fees for students attending the Indiana River Rescue School. There are typically 2-4 schools a year, each a week in duration. Expenditures are for the maintenance and repair of rescue equipment.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Funding relies on the number of Indiana River Rescue School (IRRS) courses offered in any given year. In recent years, demand from the fire departments of Chicago and New York has increased the need for additional dedicated classes. In those years, revenue can increase dramatically. In 2017, the Fire Department held 4 river rescue schools and anticipates at least 6 schools in 2018. Services and Other Charges are significantly lower in 2018 due to major repairs and purchases made in the 2017 budget year.



Fund 292 - Police Grants

Fund Type	Police Grants				Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%
						2019	2020	2021	2022		Change
Revenue											
Grants/Intergovernmental	56,891	-	-	-	-	-	-	-	-	-	-
Interest Earnings	55	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	56,946	-	-	-	-	-	-	-	-	-	-
Expenditures by Type											
Supplies	14,186	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-
Grants & Subsidies	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	16,973	44,568	35,805	5,587	-	-	-	-	-	(35,805)	-100%
Total Services & Charges	16,973	44,568	35,805	5,587	-	-	-	-	-	(35,805)	-100%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	31,159	44,568	35,805	5,587	-	-	-	-	-	(35,805)	-100%
Net Surplus / (Deficit)	25,787	(44,568)	(35,805)	(5,587)	-	-	-	-	-		
Beginning Cash Balance	95,306	121,196	76,628		40,823	40,823	40,823	40,823	40,823	Cash Reserve	
Cash Adjustments	102	1	-		-	-	-	-	-	No reserve requirement	
Ending Cash Balance	121,196	76,628	40,823		40,823	40,823	40,823	40,823	40,823		
Cash Reserves Target	-	-	-		-	-	-	-	-		

Fund Purpose:

This fund was established to track the revenue and expenditures related to specific Federal Grants. Federal Grant revenue and expenditures are now tracked in Fund 295.

Explain Significant Revenue and Expenditure Changes/Variations Below:

All expenses are for the Lexipol - Police Duty Manual. Lexipol is an SOP (standard operating procedures) writing consultant for public safety organizations.



Fund 294 - Regional Police Academy

Fund Type	Regional Police Academy					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	% Change
							2019	2020	2021	2022		
Revenue												
Charges for Services	22,638	21,650	20,000	15,275	20,000		20,000	20,000	20,000	20,000	-	0%
Interest Earnings	389	743	980	373	500		500	500	500	500	(480)	-49%
Other Income	-	-	2,000	50	2,000		2,000	2,000	2,000	2,000	-	0%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	23,027	22,393	22,980	15,698	22,500		22,500	22,500	22,500	22,500	(480)	-2%
Expenditures by Type												
Supplies	1,295	-	1,500	574	1,500		1,500	1,500	1,500	1,500	-	0%
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	12,045	10,746	10,000	3,150	10,000		10,000	10,000	10,000	10,000	-	0%
Travel	1,686	-	1,500	-	1,500		1,500	1,500	1,500	1,500	-	0%
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	6,065	5,789	9,500	2,613	9,500		9,500	9,500	9,500	9,500	-	0%
Total Services & Charges	19,796	16,535	21,000	5,763	21,000		21,000	21,000	21,000	21,000	-	0%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	21,091	16,535	22,500	6,337	22,500		22,500	22,500	22,500	22,500	-	0%
Net Surplus / (Deficit)	1,936	5,858	480	9,361	-		-	-	-	-		
Beginning Cash Balance	68,210	70,112	75,941		76,421		76,421	76,421	76,421	76,421		
Cash Adjustments	(34)	(28)	-		-		-	-	-	-		
Ending Cash Balance	70,112	75,941	76,421		76,421		76,421	76,421	76,421	76,421		
Cash Reserves Target	4,218	4,134	5,625		5,625		5,625	5,625	5,625	5,625		
											Cash Reserve	
											25% of Annual expenditures	

Fund Purpose:

This fund was established to fund the cost of course material and instructors at the South Bend Police Academy. The enforcement courses are offered to other police departments who pay a fee to attend the training.

Fund 295 - COPS MORE Grant

Fund Type	COPS MORE Grant					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Grants/Intergovernmental	34,019	174,506	72,094	-	53,750		90,000	90,000	90,000	90,000	(18,344)	-25%
Interest Earnings	620	1,168	2,000	875	500		-	-	-	-	(1,500)	-75%
Donations	300	-	3,250	-	3,250		-	-	-	-	-	0%
Other Income	19,590	133,551	64,500	49,919	34,500		-	-	-	-	(30,000)	-47%
Transfers In	20,965	-	-	-	-		-	-	-	-	-	-
Total Revenue	75,494	309,225	141,844	50,794	92,000		90,000	90,000	90,000	90,000	(49,844)	-35%
Expenditures by Type												
Supplies	34,265	153,529	110,467	23,860	47,000		45,000	45,000	45,000	45,000	(63,467)	-57%
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	11,000	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	25,906	28,829	153,300	111,958	45,000		45,000	45,000	45,000	45,000	(108,300)	-71%
Total Services & Charges	25,906	39,829	153,300	111,958	45,000		45,000	45,000	45,000	45,000	(108,300)	-71%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	60,171	193,358	263,767	135,818	92,000		90,000	90,000	90,000	90,000	(171,767)	-65%
Net Surplus / (Deficit)	15,323	115,867	(121,923)	(85,024)	-		-	-	-	-		
Beginning Cash Balance	106,120	121,372	237,007		115,084	115,084	115,084	115,084	115,084	115,084	Cash Reserve	
Cash Adjustments	(70)	(232)	-		-	-	-	-	-	-	No reserve requirement	
Ending Cash Balance	121,372	237,007	115,084		115,084	115,084	115,084	115,084	115,084	115,084		
Cash Reserves Target	-	-	-		-	-	-	-	-	-		

Fund Purpose:

This fund was established to track Federal Grants received for specific purposes outlined in each grant. The cash balance results from funds received from the grants along with impound towing fees. The Community-Oriented Policing Services (COPS) Office of the Department of Justice offers grants through the Making Officer Redeployment Effective (MORE) program.

Explain Significant Revenue and Expenditure Changes/Variations Below:

In 2017, \$40,000 was budgeted to be spent on dash cameras paid for by a grant.

Fund 299 - Police Federal Drug Enforcement

Fund Type	Police Federal Drug Enforcement					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Grants/Intergovernmental	66,449	10,786	80,000	-	50,000		50,000	50,000	50,000	50,000	(30,000)	-38%
Fines, Forfeitures, and Fees	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	975	1,397	2,048	954	1,000		1,000	1,000	1,000	1,000	(1,048)	-51%
Other Income	3,864	14,536	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	71,288	26,719	82,048	954	51,000		51,000	51,000	51,000	51,000	(31,048)	-38%
Expenditures by Type												
Supplies	60,827	21,336	89,337	34,337	6,000		6,000	6,000	6,000	6,000	(83,337)	-93%
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Education & Training	3,740	-	13,500	-	-		-	-	-	-	(13,500)	-100%
Travel	4,718	-	5,000	-	-		-	-	-	-	(5,000)	-100%
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	15,083	1,290	43,500	16,372	-		-	-	-	-	(43,500)	-100%
Total Services & Charges	23,541	1,290	62,000	16,372	-		-	-	-	-	(62,000)	-100%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	-	-	-	-	-		-	-	-	-	-	-
Motor Equipment	79,711	30,787	45,000	-	45,000		45,000	45,000	45,000	45,000	-	0%
Machinery & Equipment	-	-	90,000	-	-		-	-	-	-	(90,000)	-100%
Infrastructure	-	-	-	-	-		-	-	-	-	-	-
Total Capital	79,711	30,787	135,000	-	45,000		45,000	45,000	45,000	45,000	(90,000)	-67%
Total Expenditures	164,079	53,413	286,337	50,710	51,000		51,000	51,000	51,000	51,000	(235,337)	-82%
Net Surplus / (Deficit)	(92,791)	(26,694)	(204,289)	(49,756)	-		-	-	-	-		
Beginning Cash Balance	345,543	252,752	226,058		21,769		21,769	21,769	21,769	21,769	Cash Reserve	
Cash Adjustments	(0)	1	-		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	252,752	226,058	21,769		21,769		21,769	21,769	21,769	21,769		
Cash Reserves Target	32,816	13,353	71,584		12,750		12,750	12,750	12,750	12,750		

Fund Purpose:

This fund was established to receive the Police Department's share of money acquired in drug enforcement activity. Expenditures are to be used to fund drug enforcement and training.

Explain Significant Revenue and Expenditure Changes/Variations Below:

In the first quarter of 2017, workstations (\$11k) and surveillance cameras (\$23k) were purchased within the supplies budget. Additionally, \$13,200 of the services budget was spent on SWAT training.

South Bend Police SWAT Vehicle



Fund 313 - Hall of Fame Debt Service

Fund Type	Hall of Fame Debt Service					Control	City Debt Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		
Revenue												
Property Taxes	906,263	1,361,512	827,000	451,820	1,213,617		1,212,900	1,212,000	1,209,900	1,211,600	386,617	47%
Other Taxes	74,194	70,548	67,000	22,945	45,000		47,000	49,000	51,000	53,000	(22,000)	-33%
Grants/Intergovernmental	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	41	(50)	300	109	-		-	-	-	-	(300)	-100%
Bond Proceeds	-	-	-	-	-		-	-	-	-	-	-
Other Income	220,578	112,116	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	1,201,076	1,544,126	894,300	474,874	1,258,617		1,259,900	1,261,000	1,260,900	1,264,600	364,317	41%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	1,150,000	1,180,000	1,214,580	600,000	850,000		715,000	745,000	775,000	810,000	(364,580)	-30%
Interest & Fees	122,000	91,000	54,419	31,735	408,617		544,900	516,000	485,900	454,600	354,198	651%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	1,272,000	1,271,000	1,268,999	631,735	1,258,617		1,259,900	1,261,000	1,260,900	1,264,600	(10,382)	-1%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	1,272,000	1,271,000	1,268,999	631,735	1,258,617		1,259,900	1,261,000	1,260,900	1,264,600	(10,382)	-1%
Net Surplus / (Deficit)	(70,924)	273,126	(374,699)	(156,861)	-		-	-	-	-		
Beginning Cash Balance	74,046	11,396	289,227		-		-	-	-	-		
Cash Adjustments	8,273	4,705	85,472		-		-	-	-	-		
Ending Cash Balance	11,396	289,227	-		-		-	-	-	-		
Cash Reserves Target	-	-	-		-		-	-	-	-		

Cash Reserve
No reserve requirement

Fund Purpose:

This fund is used to collect a separate property tax levy (distributions received in June and December) and is used to pay debt service on the former College Football Hall of Fame building (payments due in February and July). Because of the timing of revenue and expenditures this fund will typically have a negative cash balance until the property tax distributions are received. The final payment on the Hall of Fame Bonds is February 1, 2018.

The City is planning a proposed 2017 Riverfront Parks and Trails Bond to utilize this property tax levy after the current Hall of Fame Bonds are paid off. The amounts reflected in the 2018-2022 expenditure estimates are per an illustrative debt amortization schedule for a \$14.01 million dollar bond payable over 15 years.

Explain Significant Revenue and Expenditure Changes/Variations Below:

See above. The expenditures consist of debt service payments on a proposed 2017 Riverfront Parks and Trails bond.



Fund 315 - Airport 2003 Debt Reserve

Fund Type	Airport 2003 Debt Reserve					Control	Debt Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Property Taxes	-	-	-	-	-		-	-	-	-	-	-
Local Income Taxes	-	-	-	-	-		-	-	-	-	-	-
Grants/Intergovernmental	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	5,989	9,471	14,000	4,652	14,000		14,000	14,000	14,000	14,000	-	0%
Bond Proceeds	-	-	-	-	-		-	-	-	-	-	-
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	5,989	9,471	14,000	4,652	14,000		14,000	14,000	14,000	14,000	-	0%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	6,740	8,312	14,000	4,460	14,000		14,000	14,000	14,000	14,000	-	0%
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	6,740	8,312	14,000	4,460	14,000		14,000	14,000	14,000	14,000	-	0%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	6,740	8,312	14,000	4,460	14,000		14,000	14,000	14,000	14,000	-	0%
Net Surplus / (Deficit)	(751)	1,159	-	192	-		-	-	-	-		
Beginning Cash Balance	1,037,191	1,035,975	1,036,888		1,036,888		1,036,888	1,036,888	1,036,888	1,036,888		
Cash Adjustments	(465)	(245)	-		-		-	-	-	-		
Ending Cash Balance	1,035,975	1,036,888	1,036,888		1,036,888		1,036,888	1,036,888	1,036,888	1,036,888		
Cash Reserves Target	1,035,975	1,036,888	1,036,888		1,036,888		1,036,888	1,036,888	1,036,888	1,036,888		

Cash Reserve
100% debt service reserve
per bond covenants

Fund Purpose:

This is a debt service fund which exists only to satisfy debt service reserve requirements of the outstanding 2011 Airport Development Area TIF Redevelopment Authority bonds (debt schedule 6; due to pay off 8/1/2024) for the airport taxable project.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The only activity is interest income which is promptly transferred out to the corresponding TIF fund (River West - 324). Any variance in the trend of interest income will be due to changes in prevailing interest rates.

Fund 317 - Coveleski Debt Service Reserve

Fund Type	Coveleski Debt Service Reserve					Control	Debt Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	2,916	4,647	5,410	2,302	5,000	100	-	-	-	-	(410)	-8%
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	2,916	4,647	5,410	2,302	5,000	100	-	-	-	-	(410)	-8%
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-	345,000	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	9,770	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	-	-	-	354,770	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	-	354,770	-	-	-	-	-	-
Net Surplus / (Deficit)	2,916	4,647	5,410	2,302	5,000	(354,670)	-	-	-	-		
Beginning Cash Balance	504,361	507,047	511,567		516,977	521,977	167,307	167,307	167,307	167,307		
Cash Adjustments	(231)	(127)	-		-	-	-	-	-	-		
Ending Cash Balance	507,047	511,567	516,977		521,977	167,307	167,307	167,307	167,307	167,307		
Cash Reserves Target	507,047	511,567	516,977		521,977	167,307	167,307	167,307	167,307	167,307		
											Cash Reserve	
											100% debt service reserve	
											per bond covenants	

Fund Purpose:

This fund was established in 2010 to collect reserve monies as stipulated in the 2010 Coveleski Stadium Recovery Zone Economic Development Bond covenants (debt schedule 81).

Explain Significant Revenue and Expenditure Changes/Variations Below:

The fund only receives interest earnings revenue.

The final bond debt service payment is January 15, 2019. After the bonds are paid off, the cash balance in this fund will be transferred to the Professional Sports Development Area (PSDA) Fund (377).

Coveleski Stadium - 1987



Fund 324 - TIF - River West Development Area (Airport)

Fund Type	TIF - River West Development Area (Airport)					Control	Tax Increment Financing Funds				
	2017		2018		2018 Adopted Budget	Forecast				Budget Variance	%
	2015 Actual	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022	2017-2018	Change
Revenue											
Property Taxes	16,293,240	18,159,311	17,808,613	8,932,881	18,358,133	18,358,133	18,358,133	18,358,133	549,520	3%	
Other Taxes	492,000	396,000	394,000	197,500	395,000	395,000	395,000	395,000	1,000	0%	
Grants/Intergovernmental	-	101,185	244,301	176,700	-	-	-	-	(244,301)	-100%	
Charges for Services	14,061	-	-	-	-	-	-	-	-	-	
Interest Earnings	212,580	278,752	293,076	122,965	200,000	200,000	200,000	200,000	(93,076)	-32%	
Bond Proceeds	7	-	-	-	-	-	-	-	-	-	
Other Income	2,901,696	1,014,738	1,183,285	575,790	-	-	-	-	(1,183,285)	-100%	
Transfers In	4,989,785	22,199	29,000	11,926	34,000	34,000	34,000	34,000	5,000	17%	
Total Revenue	24,903,369	19,972,185	19,952,275	10,017,763	18,987,133	18,987,133	18,987,133	18,987,133	(965,142)	-5%	
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	
Services & Charges											
Professional Services	2,905,472	763,153	2,854,381	443,499	397,827	405,442	320,312	311,127	(2,456,554)	-86%	
Printing & Advertising	-	30,275	24,071	24,071	-	-	-	-	(24,071)	-100%	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	
Debt Service											
Principal	4,689,666	4,670,000	6,159,112	2,899,062	5,883,224	6,102,770	6,331,850	6,197,603	(275,888)	-4%	
Interest & Fees	1,778,287	1,547,396	2,023,570	981,228	2,176,121	1,950,098	1,722,323	1,474,101	152,551	8%	
Transfers Out	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	447,109	109,318	1,882,169	122,921	-	-	-	-	(1,882,169)	-100%	
Total Services & Charges	9,820,534	7,120,142	12,943,303	4,470,781	8,457,172	8,458,310	8,374,485	7,982,831	(4,486,131)	-35%	
Capital											
Land	190,032	-	-	-	-	-	-	-	-	-	
Land Improvements	296,141	2,554,706	2,703,120	809,503	-	-	-	-	(2,703,120)	-100%	
Buildings & Bldg Improve.	1,637,463	2,672,914	14,613,812	868,482	-	-	-	-	(14,613,812)	-100%	
Motor Equipment	-	-	-	-	-	-	-	-	-	-	
Machinery & Equipment	6,844,613	4,523,923	946,343	685,988	-	-	-	-	(946,343)	-100%	
Infrastructure	4,718,288	3,318,776	8,412,309	584,335	18,042,828	10,041,690	8,625,515	8,017,169	9,630,519	114%	
Total Capital	13,686,537	13,070,319	26,675,584	2,948,309	18,042,828	10,041,690	8,625,515	8,017,169	(8,632,756)	-32%	
Total Expenditures	23,507,071	20,190,461	39,618,887	7,419,089	26,500,000	18,500,000	17,000,000	16,000,000	(13,118,887)	-33%	
Net Surplus / (Deficit)	1,396,298	(218,276)	(19,666,612)	2,598,673	(7,512,867)	487,133	1,987,133	2,987,133			
Beginning Cash Balance	31,359,224	32,678,602	32,453,040		12,786,428	5,273,561	5,760,694	7,747,827	10,734,960	Cash Reserve	
Cash Adjustments	(76,920)	(7,285)	-		-	-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	32,678,602	32,453,040	12,786,428		5,273,561	5,760,694	7,747,827	10,734,960	13,722,093		
Cash Reserves Target	5,876,768	5,047,615	9,904,722		6,625,000	4,625,000	4,250,000	4,000,000	4,000,000		

Fund Purpose:

This fund accounts for the collection of Tax Increment Financing Revenues for the River West Development Area. Financing is provided by property tax proceeds in excess of those attributable to the assessed value of the property in the district before redevelopment.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Various projects and development opportunities include:

Southeast Neighborhood Master Plan was developed in order to identify long-term physical improvements, while being mindful of the need to identify short-term opportunities. The purpose of the plan is to:

- provide context for existing neighborhood enhancement efforts;
- provide a set of recommendations that will help guide decision making in the Southeast Neighborhood;
- build confidence for future investment by neighborhood stakeholders and other community partners;
- instill pride for residents who believe in their neighborhood's potential; and
- improve quality of life for residents, their children, and grandchildren.

Patel Hotel and Plaza

Coal Line Trail - multi-use pathway from the East Bank Trail to Lincoln Way West on the near northwest side

Fire Station 4 New Building

Berlin Place - Situated directly outside Four Winds Field, Berlin Place will feature 120 studio, one- and two-bedroom apartments and 10,000 square feet of ground-floor retail space across four buildings

Downtown Streetscapes

Hibberd Development Project - Hibberd Development is investing \$5-million to make a run-down building in downtown South Bend into a retail and shopping space on the ground level, 14 apartments will go on the top two levels

Charles Black Recreation Center Improvements

Fund 328 - SBCDA 2003 Debt Reserve

Fund Type	SBCDA 2003 Debt Reserve					Control	Debt Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Interest Earnings	10,007	15,824	20,000	7,787	20,000		20,000	20,000	20,000	20,000	-	0%
Bond Proceeds	-	-	-	-	-		-	-	-	-	-	-
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	10,007	15,824	20,000	7,787	20,000		20,000	20,000	20,000	20,000	-	0%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	11,262	13,888	15,000	7,466	20,000		20,000	20,000	20,000	20,000	5,000	33%
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	11,262	13,888	15,000	7,466	20,000		20,000	20,000	20,000	20,000	5,000	33%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	11,262	13,888	15,000	7,466	20,000		20,000	20,000	20,000	20,000	5,000	33%
Net Surplus / (Deficit)	(1,255)	1,936	5,000	320	-		-	-	-	-		
Beginning Cash Balance	1,732,977	1,730,946	1,732,472		1,737,472	1,737,472	1,737,472	1,737,472	1,737,472	1,737,472	Cash Reserve	
Cash Adjustments	(777)	(409)	-		-	-	-	-	-	-	100% debt service reserve	
Ending Cash Balance	1,730,946	1,732,472	1,737,472		1,737,472	1,737,472	1,737,472	1,737,472	1,737,472	1,737,472	per bond covenants	
Cash Reserves Target	1,730,946	1,732,472	1,737,472		1,737,472	1,737,472	1,737,472	1,737,472	1,737,472	1,737,472		

Fund Purpose:

This is a debt service fund which exists only to satisfy debt service reserve requirements of the outstanding 2011 South Bend Downtown Central Development Area TIF Redevelopment Authority bonds (debt schedule 5; due to pay off 8/1/2024) for the Palais Royale project.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The only activity is interest income which is promptly transferred out to the corresponding TIF fund (324 - River West). Any variance in the trend of interest income will be due to changes in prevailing interest rates.

Fund 377 - Professional Sports Development

Fund Type	Professional Sports Development					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Other Taxes	628,261	760,390	700,000	224,912	600,000	-	-	-	-	-	(100,000)	-14%
Interest Earnings	2,391	2,584	2,000	913	2,000	100	-	-	-	-	-	0%
Other Income	56,233	44,981	32,325	17,864	18,000	3,500	-	-	-	-	(14,325)	-44%
Transfers In	-	-	-	-	-	520,000	-	-	-	-	-	-
Total Revenue	686,885	807,955	734,325	243,689	620,000	523,600	-	-	-	-	(114,325)	-16%
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service												
Principal	720,000	730,000	750,000	425,000	770,000	-	-	-	-	-	20,000	3%
Interest & Fees	135,603	108,051	77,955	43,440	44,870	-	-	-	-	-	(33,085)	-42%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	855,603	838,051	827,955	468,440	814,870	-	-	-	-	-	(13,085)	-2%
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	855,603	838,051	827,955	468,440	814,870	-	-	-	-	-	(13,085)	-2%
Net Surplus / (Deficit)	(168,718)	(30,096)	(93,630)	(224,751)	(194,870)	523,600	-	-	-	-		
Beginning Cash Balance	595,453	426,724	396,580		302,950	108,080	631,680	631,680	631,680	631,680	Cash Reserve	
Cash Adjustments	(11)	(48)	-		-	-	-	-	-	-	No reserve requirement	
Ending Cash Balance	426,724	396,580	302,950		108,080	631,680	631,680	631,680	631,680	631,680		
Cash Reserves Target	171,121	209,513	-		-	-	-	-	-	-		

Fund Purpose:

This fund collects a special tax which is used primarily for debt service and improvements at the Four Winds Field (Coveleski) baseball stadium. South Bend's Professional Sports Development Area was formed in 1997. The Indiana Department of Revenue collects a portion of state sales and income taxes generated in the PSDA and remits them to St. Joseph County, which issues a check to the city of South Bend.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The Professional Sports Development Area (PSDA) revenue is projected to end in August 2018. The fund is used to pay debt service on the 2010 Four Winds Field (Coveleski Stadium Bonds) with the final payment due on January 15, 2019. In addition, the final payment of \$100,000 on a five-year commitment for the Synagogue Building at Four Winds Field will be made in 2018. After the 2010 Coveleski Stadium Recovery Zone Economic Development Bonds are paid off, the cash balance in the Coveleski Stadium Debt Service Reserve Fund (317) will be transferred into this fund during 2019. Any cash reserves in the fund after the debt is paid off can be used for capital projects within the PSDA district.

Four Winds Field (Coveleski Stadium)



Fund 401 - Coveleski Stadium Capital

Fund Type	Coveleski Stadium Capital					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	41,853	40,789	41,815	-	43,500		43,500	43,500	43,500	43,500	1,685	4%
Interest Earnings	250	666	900	393	750		750	750	750	750	(150)	-17%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	42,103	41,455	42,715	393	44,250		44,250	44,250	44,250	44,250	1,535	4%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	33,475	79,000	13,111	80,000		30,000	30,000	30,000	30,000	1,000	1%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	-	33,475	79,000	13,111	80,000		30,000	30,000	30,000	30,000	1,000	1%
Capital	-	-	-	-	65,000		-	-	40,000	-	65,000	-
Total Expenditures	-	33,475	79,000	13,111	145,000		30,000	30,000	70,000	30,000	66,000	84%
Net Surplus / (Deficit)	42,103	7,980	(36,285)	(12,719)	(100,750)		14,250	14,250	(25,750)	14,250		
Beginning Cash Balance	40,407	82,428	90,376		54,611	(0)	14,250	28,500	2,750	2,750	Cash Reserve	
Cash Adjustments	(82)	(33)	520		46,139	-	-	-	-	-	No reserve requirement	
Ending Cash Balance	82,428	90,376	54,611		(0)	14,250	28,500	2,750	17,000	17,000		
Cash Reserves Target	-	-	-		-	-	-	-	-	-		

Fund Purpose:

This fund is used for minor capital improvements for Four Winds Field at Coveleski Stadium. Revenues are in the form of compensation received by the City based on stadium attendance.

Explain Significant Revenue and Expenditure Changes/Variances Below:

Planned expenditures are for painting, landscaping, and mechanical upgrades.

1987 - Stadium construction was completed and the ballpark was named Stanley Coveleski Regional Stadium. Stanley Coveleski was a Hall of Fame player who settled in South Bend after his successful baseball career came to an end in 1929. The stadium was known as "The Cove."

1986 - A 10-year player development contract had been signed with the Chicago White Sox and the Class A Affiliate would be known as the South Bend White Sox.

1994 - The team name changed to the South Bend Silver Hawks as a tribute to the Studebaker Silver Hawk automobile that was once manufactured across the street from the stadium.

1996 - The player development contract with the South Bend White Sox expired after the 1996 season and the South Bend Silver Hawks announced a new affiliation with the Arizona Diamondbacks.

2010 - Due to the wear and tear of a ballpark for 25 years the stadium was in desperate need of improvements and upgrades. With the stadium being a city-owned facility, Mayor Steve Luecke and the South Bend Redevelopment Commission proposed a 10.2 million dollar renovation that would help add amenities to the ballpark and make it more inviting. The South Bend Common Council rejected a portion of the funding in which the city would do a 7 million dollar makeover. Demolition and construction would start in the fall of 2010 that would include a new picnic garden, renovated suites, new videoboard, a 360 degree concourse and a centerfield entrance that connected stadium to downtown South Bend.

2011 - The Silver Hawks were bought by Andrew T. Berlin, owner of the Chicago-based company Berlin Packaging, and investor in the Chicago White Sox organization. Upon his purchase of the team, Berlin signed a 20 year lease with the City of South Bend to keep the Silver Hawks at the stadium. Berlin also initiated a new phase of renovations at the stadium. \$2.25 million of his own money and an additional \$1.75 million to the facility has brought improvements and additions such as a splash pad, outdoor suites and a new team store located in the previously vacated synagogue located beyond left field.

2012 - The 2012 season marked the Silver Hawks' 25th year of baseball in South Bend, but under the new ownership and management, it was the start of a new era focused on customer service and the ultimate fan experience. During that first season under Berlin's ownership, the franchise increased its attendance by 68% over the previous year.

2013 - The 2013 season was highlighted by a blockbuster Opening Night, with a franchise record attendance of 5,650 fans, and the stadium welcoming the 5 millionth fan through the gates. Total attendance for 2013 was up 25% from 2012's total attendance of 189,575 and doubled since 2011's season total attendance of 112,795.

2013 - The South Bend Silver Hawks announced that it reached an agreement with the Pokagon Band of Potawatomi Indians, owners of Four Winds Resorts, for naming rights to its field which will now be known as Four Winds Field.

2014 - The Class A minor league baseball team playing out of Four Winds Field in downtown South Bend announced the team has changed names from South Bend Silver Hawks to the South Bend Cubs. The announcement was made official by Andrew Berlin, sole owner of the team who was joined by the President of the South Bend team and top management from the Chicago Cubs in a press conference held at the St. Joseph County Chamber of Commerce.

Source: MLB Stadium History



Fund 403 - Zoo Endowment

Fund Type	Zoo Endowment				Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%
						2019	2020	2021	2022		
Revenue											
Interest Earnings	284	453	200	151	400	400	400	400	400	200	100%
Donations	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	284	453	200	151	400	400	400	400	400	200	100%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Capital											
Land	-	-	-	-	-	-	-	-	-	-	-
Land Improvements	-	-	1,050	1,049	-	-	-	-	-	(1,050)	-100%
Buildings & Bldg Improve.	-	-	49,000	49,000	-	-	-	-	-	(49,000)	-100%
Motor Equipment	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-
Total Capital	-	-	50,050	50,049	-	-	-	-	-	(50,050)	-100%
Total Expenditures	-	-	50,050	50,049	-	-	-	-	-	(50,050)	-100%
Net Surplus / (Deficit)	284	453	(49,850)	(49,898)	400	400	400	400	400		
Beginning Cash Balance	49,109	49,370	49,811	-	-	400	800	1,200	1,600	Cash Reserve	
Cash Adjustments	(23)	(13)	40	-	-	-	-	-	-	No reserve requirement	
Ending Cash Balance	49,370	49,811	-	-	400	800	1,200	1,600	2,000		
Cash Reserves Target	-	-	-	-	-	-	-	-	-		

Fund Purpose:

This fund accounts for donations dedicated to Potawatomi Zoo. Beginning in January 2014, the City entered into Public-Private Partnership agreement with the Potawatomi Zoological Society to allow the group to run the daily operations of the zoo. This agreement runs through December 2018, however, negotiations are underway to renew the contract. Very little income is expected in this fund going forward due to the nature of private management of the asset. This fund will remain open while the City maintains ownership of the asset.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The City spent funds that were held on zoo projects in 2017 to use the funds that were available to cover the projects. All future capital funds spent on the zoo will be funded through other funds.



Fund 404 - County Option Income Tax

Fund Type	County Option Income Tax					Control	Special Revenue Funds				Budget Variance 2017-2018	% Change
	2017		2018 Adopted Budget	Forecast								
	2015 Actual	2016 Actual		Amended Budget	06/30/17 Actual		2019	2020	2021	2022		
Revenue												
Local Income Taxes	8,859,912	9,454,023	10,459,265	5,229,633	10,906,293	11,233,482	11,570,486	11,917,600	12,275,128	447,028	4%	
Interest Earnings	84,868	97,589	100,000	38,605	95,000	97,000	99,000	101,000	103,000	(5,000)	-5%	
Other Income	970,750	876,349	524,163	370,364	610,131	320,132	135,659	137,585	12,965	85,968	16%	
Transfers In	-	3,039	-	-	-	-	-	-	-	-	-	
Total Revenue	9,915,530	10,431,000	11,083,428	5,638,602	11,611,424	11,650,614	11,805,145	12,156,185	12,391,093	527,996	5%	
Expenditures by Type												
Personnel												
Salaries & Wages	242,049	291,039	-	-	-	-	-	-	-	-	-	
Fringe Benefits	84,108	112,652	-	-	-	-	-	-	-	-	-	
Total Personnel	326,157	403,691	-	-	-	-	-	-	-	-	-	
Supplies	793,015	770,006	1,118,191	449,200	806,390	810,000	817,000	824,000	831,000	(311,801)	-28%	
Services & Charges												
Professional Services	870,749	1,465,713	783,206	435,942	1,284,500	1,059,500	1,059,500	1,059,500	1,059,500	501,294	64%	
Printing & Advertising	151,440	1,739	2,000	975	2,000	2,000	2,000	2,000	2,000	-	0%	
Utilities	1,545,997	1,541,784	1,578,568	787,137	1,652,000	1,622,000	1,642,000	1,662,000	1,682,000	73,432	5%	
Education & Training	28,809	8,502	12,431	12,430	-	-	-	-	-	(12,431)	-100%	
Travel	21,557	13,074	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	1,535,804	2,433,438	1,742,948	695,657	1,310,865	1,320,000	1,340,000	1,360,000	1,380,000	(432,083)	-25%	
Other Interfund Allocations	531,168	519,600	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	2,061,389	2,213,678	1,224,073	643,795	993,679	995,000	100,000	1,005,000	1,010,000	(230,394)	-19%	
Interest & Fees	385,609	348,865	58,414	34,451	60,933	50,000	52,000	54,000	56,000	2,519	4%	
Grants & Subsidies	541,938	553,857	530,874	282,937	1,344,575	540,000	540,000	540,000	540,000	813,701	153%	
Insurance	7,308	8,220	7,137	3,570	6,873	6,900	7,000	7,100	7,200	(264)	-4%	
Transfers Out	1,500,000	1,500,000	3,442,578	1,546,116	2,787,600	3,900,000	4,800,000	5,000,000	6,000,000	(654,978)	-19%	
Other Services & Charges	1,672,496	1,584,370	1,057,955	496,501	931,800	1,296,800	1,296,800	1,296,800	1,296,800	(126,155)	-12%	
Total Services & Charges	10,854,264	12,192,840	10,440,184	4,939,510	10,374,825	10,792,200	10,839,300	11,986,400	13,033,500	(65,359)	-1%	
Capital												
Land	-	27,550	123,350	-	115,000	115,000	115,000	115,000	115,000	(8,350)	-7%	
Machinery & Equipment	805,680	135,143	24,868	24,868	-	-	-	-	-	(24,868)	-100%	
Infrastructure	2,860	74,281	365,000	-	180,000	180,000	180,000	180,000	180,000	(185,000)	-51%	
Total Capital	808,540	236,974	513,218	24,868	295,000	295,000	295,000	295,000	295,000	(218,218)	-43%	
Total Expenditures	12,781,976	13,603,511	12,071,593	5,413,578	11,476,215	11,897,200	11,951,300	13,105,400	14,159,500	(595,378)	-5%	
Net Surplus / (Deficit)	(2,866,446)	(3,172,511)	(988,165)	225,025	135,209	(246,586)	(146,155)	(949,215)	(1,768,407)			
Beginning Cash Balance	14,935,342	12,066,548	8,935,608		7,947,443	8,082,652	7,836,066	7,689,911	6,740,696			Cash Reserve
Cash Adjustments	(2,348)	41,571	-		-	-	-	-	-			50% of Annual expenditures
Ending Cash Balance	12,066,548	8,935,608	7,947,443		8,082,652	7,836,066	7,689,911	6,740,696	4,972,289			
Cash Reserves Target	6,390,988	6,801,756	6,035,797		5,738,108	5,948,600	5,975,650	6,552,700	7,079,750			

Fund Purpose:

This fund accounts for the receipt and expense of County Option Income Tax (COIT). The revenue is determined annually by the Indiana Department of Local Government Finance (DLGF). Funds are used to items such as debt service payments, certain organizations grants and operational subsidies, capital expenditures and other uses as deemed by the Mayor and Council.

Explain Significant Revenue and Expenditure Changes/Variances Below:

The COIT tax rate is 0.6% of gross wages in Saint Joseph County and the City of South Bend receives an allocated percentage of this revenue. The growth rate of COIT revenue is projected to be 2% per year for 2018 - 2022.

Other income represents principal payments on an interfund loan to the Urban Development Action Grant (UDAG) Fund 410 in connection with the 1st Source Bank/Hotel renovation project.

Expenditures in this fund include debt service payments, maintenance, and the Curb & Sidewalk program. This fund is also used to pay the subsidies to the South Bend Art Museum and the Studebaker Museum.

In 2018, telephone expenditures in the amount of \$550,329 were transferred from the COIT Fund to the IT-Innovation Fund 279.

Electricity for the street lights and traffic signals is budgeted at \$1.65 million for 2018.

The City will transfer \$1.5 million to the Motor Vehicle Highway Fund 202 to cover the Curb & Sidewalk program budget in 2018. \$1.3 million is budgeted to be transferred to the Parks & Recreation Fund 201.

In 2018, \$150,000 was budgeted for a goodwill strategic outreach unit focused on community oriented policing.

Demolitions of vacant & abandoned properties was funded by the Economic Development Income Tax (EDIT) Fund 408 in 2017. It was moved to COIT in 2018 and budgeted at \$500,000. The funds are to be managed by the Code Enforcement Department.

Transfers are requested to fund EMS operations and EMS capital in 2019-2022. Total transfers for 2019-2022 = \$7.4 million.



Fund 405 - Park Non-Reverting Capital

Fund Type	Park Non-Reverting Capital					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	7,613	5,167	26,000	3,601	17,100		17,100	17,100	17,100	17,100	(8,900)	-34%
Interest Earnings	2,508	3,347	4,000	844	1,500		1,500	1,500	1,500	1,500	(2,500)	-63%
Donations	-	-	100,000	50,000	-		-	-	-	-	(100,000)	-100%
Other Income	4,250	-	22,000	4,000	22,000		22,000	22,000	22,000	22,000	-	0%
Transfers In	-	-	287,850	-	80,000		80,000	80,000	80,000	80,000	(207,850)	-72%
Total Revenue	14,371	8,514	439,850	58,445	120,600		120,600	120,600	120,600	120,600	(319,250)	-73%
Expenditures by Type												
Supplies	33,541	62,966	102,326	47,569	51,000		51,000	51,000	51,000	51,000	(51,326)	-50%
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	24,000	-	-		-	-	-	-	(24,000)	-100%
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	9,772	81,383	39,288	4,954	54,000		54,000	54,000	54,000	54,000	14,712	37%
Total Services & Charges	9,772	81,383	63,288	4,954	54,000		54,000	54,000	54,000	54,000	(9,288)	-15%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	116,000	27,566	-		-	-	-	-	(116,000)	-100%
Buildings & Bldg Improve.	-	-	-	-	-		-	-	-	-	-	-
Motor Equipment	-	-	174,000	20,829	-		-	-	-	-	(174,000)	-100%
Machinery & Equipment	22,499	23,181	97,410	64,830	76,000		-	-	-	-	(21,410)	-22%
Infrastructure	-	-	-	-	-		-	-	-	-	-	-
Total Capital	22,499	23,181	387,410	113,224	76,000		-	-	-	-	(311,410)	-80%
Total Expenditures	65,812	167,530	553,024	165,748	181,000		105,000	105,000	105,000	105,000	(372,024)	-67%
Net Surplus / (Deficit)	(51,441)	(159,016)	(113,174)	(107,303)	(60,400)		15,600	15,600	15,600	15,600		
Beginning Cash Balance	520,605	469,009	310,163		196,989		136,589	152,189	167,789	183,389	Cash Reserve	
Cash Adjustments	(155)	170	-		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	469,009	310,163	196,989		136,589		152,189	167,789	183,389	198,989		
Cash Reserves Target	13,162	41,882	138,256		45,250		26,250	26,250	26,250	26,250		

Fund Purpose:

This is a capital fund that accounts for revenues collected and expenses for specific purposes or locations. These locations are Potawatomi and Rum Village Picnic Areas, the East Race, Golf Courses, Forestry, and Howard Park Ice Rink. Currently, this fund is used for more than capital expenditures.

Explain Significant Revenue and Expenditure Changes/Variations Below:

This fund receives most of its revenue through an inter-fund transfer from the Parks & Recreation Fund (201) Golf Division (1102). A small amount of revenue is collected from mowing fees for abatement mowing and from picnic area/pavilion rentals.

2018 capital expenditures are for a tractor and improvements to neighborhood park pavilions at Kennedy Park and LaSalle Park.



Left: Kennedy Park



Right: Tractor



Below: LaSalle Park

Fund 406 - Cumulative Capital Development

Fund Type	Cumulative Capital Development					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Property Taxes	428,727	440,887	444,000	240,635	419,000		412,000	384,000	360,000	350,000	(25,000)	-6%
Other Taxes	38,148	37,227	37,500	18,332	37,100		37,000	35,400	34,300	33,200	(400)	-1%
Interest Earnings	2,307	3,937	4,745	2,114	3,100		3,000	3,000	3,000	3,000	(1,645)	-35%
Other Income	52,191	53,040	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	521,373	535,091	486,245	261,081	459,200		452,000	422,400	397,300	386,200	(27,045)	-6%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	510,970	512,847	466,384	283,361	447,941		442,000	417,400	393,300	383,200	(18,443)	-4%
Interest & Fees	19,693	13,890	10,116	6,266	11,259		10,000	5,000	4,000	3,000	1,143	11%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	530,663	526,737	476,500	289,627	459,200		452,000	422,400	397,300	386,200	(17,300)	-4%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	530,663	526,737	476,500	289,627	459,200		452,000	422,400	397,300	386,200	(17,300)	-4%
Net Surplus / (Deficit)	(9,290)	8,354	9,745	(28,546)	-		-	-	-	-		
Beginning Cash Balance	580,627	571,090	579,295		589,040	589,040	589,040	589,040	589,040	589,040	Cash Reserve	
Cash Adjustments	(247)	(148)	-		-	-	-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	571,090	579,295	589,040		589,040	589,040	589,040	589,040	589,040	589,040		
Cash Reserves Target	132,666	131,684	119,125		114,800	113,000	105,600	99,325	96,550	96,550		

Fund Purpose:

This fund is used to account for expenditures relating to the purchase or lease of capital improvements in the City. It receives revenue from a property tax levy. Distributions are received from St. Joseph County in June and December. The Cumulative Capital Development (CCD) property tax is a special tax rate that is reduced by circuit breaker property tax caps and will likely result in less revenue in future years unless the rate is re-established.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Only police vehicles and related equipment are financed out of this fund at this time.



Fund 407 - Cumulative Capital Improvement

Fund Type	Cumulative Capital Improvement					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Other Taxes	403,987	407,727	408,000	266,697	250,500		250,000	250,000	250,000	250,000	(157,500)	-39%
Interest Earnings	637	2,537	4,000	1,583	3,000		3,000	3,000	3,000	3,000	(1,000)	-25%
Other Income	25,000	25,000	25,000	-	25,000		25,000	25,000	25,000	25,000	-	0%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	429,624	435,264	437,000	268,279	278,500		278,000	278,000	278,000	278,000	(158,500)	-36%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	337,500	345,000	356,250	176,250	245,000		-	-	-	-	(111,250)	-31%
Interest & Fees	30,375	23,250	16,000	8,875	5,500		-	-	-	-	(10,500)	-66%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	367,875	368,250	372,250	185,125	250,500		-	-	-	-	(121,750)	-33%
Capital	-	-	-	-	28,000		278,000	278,000	278,000	278,000	28,000	-
Total Expenditures	367,875	368,250	372,250	185,125	278,500		278,000	278,000	278,000	278,000	(93,750)	-25%
Net Surplus / (Deficit)	61,749	67,014	64,750	83,154	-		-	-	-	-		
Beginning Cash Balance	249,215	310,758	377,581		442,331		442,331	442,331	442,331	442,331	Cash Reserve	
Cash Adjustments	(206)	(191)	-		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	310,758	377,581	442,331		442,331		442,331	442,331	442,331	442,331		
Cash Reserves Target	91,969	92,063	93,063		69,625		69,500	69,500	69,500	69,500		

Fund Purpose:

This fund receives revenues from the hotel/motel tax as well as the cigarette tax. The fund is used to pay debt service on a Century Center bond. The final payment on the 2011 Century Center Bond Refunding is due February 1, 2018.

Explain Significant Revenue and Expenditure Changes/Variations Below:

After the Century Center bond is paid off, the fund will be used to help in financing the My SB Parks and Trails project that is being managed by the Venues, Parks & Arts Department. The final payment (\$150,000) of hotel/motel tax revenue will be in 2017.

Fund 408 - Economic Development Income Tax

Fund Type	Economic Development Income Tax					Control	Special Revenue Funds					
	2017				2018	Forecast				Budget	%	
	2015	2016	Amended	06/30/17	Adopted	2019	2020	2021	2022	Variance	Change	
Revenue	Actual	Actual	Budget	Actual	Budget					2017-2018		
Local Income Taxes	9,031,709	9,594,602	10,433,361	5,233,357	10,720,965	11,078,287	11,416,394	11,765,060	12,123,837	287,604	3%	
Charges for Services	150,000	150,000	300,000	150,000	150,000	150,000	150,000	150,000	150,000	(150,000)	-50%	
Fines, Forfeitures, and Fees	354,660	354,660	354,660	354,660	354,660	354,660	354,660	-	-	-	0%	
Interest Earnings	56,631	92,820	128,145	50,914	60,000	50,000	45,000	40,000	35,000	(68,145)	-53%	
Other Income	82	3,034	2,702	1,137	-	-	-	-	-	(2,702)	-100%	
Transfers In	-	-	735,241	735,240	-	-	-	-	-	(735,241)	-100%	
Total Revenue	9,593,082	10,195,116	11,954,109	6,525,308	11,285,625	11,632,947	11,966,054	11,955,060	12,308,837	(668,484)	-6%	
Expenditures by Type												
Supplies	-	1,718	83	-	-	-	-	-	-	(83)	-100%	
Services & Charges												
Professional Services	12,023	73,451	2,690,641	1,064,544	3,176,506	3,323,781	3,479,420	3,641,741	3,811,078	485,865	18%	
Printing & Advertising	10,760	-	-	-	-	-	-	-	-	-	-	
Utilities	-	-	14,000	-	-	-	-	-	-	(14,000)	-100%	
Repairs & Maintenance	420,782	9,531	28,441	6,167	46,000	47,000	50,000	53,000	55,000	17,559	62%	
Debt Service												
Principal	1,365,978	1,041,667	228,334	123,333	215,000	220,000	225,000	225,000	230,000	(13,334)	-6%	
Interest & Fees	457,423	229,901	190,226	103,885	171,107	164,732	158,132	151,382	144,557	(19,119)	-10%	
Grants & Subsidies	653,286	619,716	816,597	284,563	2,010,416	2,820,000	733,000	738,000	743,000	1,193,819	146%	
Transfers Out	6,483,782	6,323,782	6,667,496	3,303,748	5,441,596	6,967,000	7,124,000	6,393,000	6,538,000	(1,225,900)	-18%	
Other Services & Charges	482,028	614,610	820,666	188,405	35,000	137,000	140,000	145,000	150,000	(785,666)	-96%	
Total Services & Charges	9,886,062	8,912,658	11,456,401	5,074,645	11,095,625	13,679,513	11,909,552	11,347,123	11,671,635	(360,776)	-3%	
Capital												
Land	-	-	45,000	2,700	140,000	140,000	140,000	140,000	140,000	95,000	211%	
Land Improvements	3,200	-	-	-	50,000	50,000	50,000	50,000	50,000	50,000	-	
Buildings & Bldg Improve.	-	-	-	-	-	-	-	-	-	-	-	
Motor Equipment	-	-	57,700	57,617	-	-	-	-	-	(57,700)	-100%	
Machinery & Equipment	-	-	-	-	-	-	-	-	-	-	-	
Infrastructure	-	-	-	-	-	-	-	-	-	-	-	
Total Capital	3,200	-	102,700	60,317	190,000	190,000	190,000	190,000	190,000	87,300	85%	
Total Expenditures	9,889,262	8,914,376	11,559,184	5,134,962	11,285,625	13,869,513	12,099,552	11,537,123	11,861,635	(273,559)	-2%	
Net Surplus / (Deficit)	(296,180)	1,280,740	394,925	1,390,346	-	(2,236,566)	(133,498)	417,937	447,202			
Beginning Cash Balance	10,159,360	9,859,022	11,135,200		11,530,125	11,530,125	9,293,559	9,160,061	9,577,997	Cash Reserve		
Cash Adjustments	(4,158)	(4,561)	-		-	-	-	-	-	50% of Annual expenditures		
Ending Cash Balance	9,859,022	11,135,200	11,530,125		11,530,125	9,293,559	9,160,061	9,577,997	10,025,199			
Cash Reserves Target	4,944,631	4,457,188	5,779,592		5,642,813	6,934,757	6,049,776	5,768,562	5,930,818			

Fund Purpose:

The Economic Development Income Tax (EDIT) Fund receives a 0.4% income tax on wages within St. Joseph County and the City of South Bend receives an allocated share of this revenue. The fund is used to pay for debt service on the 2014 PSAP (Public Safety Answering Point) Bonds and 2015 Parks Bonds, various economic development initiatives, and transfers to the Department of Community Investment, Streets Department, Code Enforcement/Animal Control Department and the consolidated county-wide 911 call center.

Explain Significant Revenue and Expenditure Changes/Variations Below:

In 2018 and 2019, the fund includes \$2.0 million dollars in funding for neighborhood strategy implementation and small business development. In order to maintain adequate cash reserves in this fund, this funding is not included beyond 2019. The contribution to consolidated county 911 center is estimated to increase by 20% during 2018 as a placeholder amount and will be adjusted to actual after the county budget is finalized. Beginning in 2021, transfers to the Department of Community Investment, Street Department and Code Enforcement/Animal Control were reduced by approximately 12% to maintain adequate reserves in the fund. The EDIT Fund is a source of bonding capacity for the City and efforts are made to keep significant reserves in order to receive a higher credit rating and lower interest rates. The final payment of the TJX job penalty amount of \$354,660 will be received in 2020. The job penalty fines were assessed because the company A.J. Wright violated its development agreement with the city, under which it benefited from a taxpayer-funded incentive package worth more than \$10 million. TJX, the parent company of A.J. Wright, has been paying the job penalty fines since 2011.

St. Joseph County Public Safety Communications Center

Indiana State law allows counties to have no more than two 911 dispatch centers by December 31, 2014.

St. Joseph County, the City of South Bend, and the City of Mishawaka consolidated 911 dispatch centers throughout the county into one.

The PSAP center opened in January 2017.

Much of the center's cost is covered by \$9 million in property tax-financed bonds that will be paid back by the County, Mishawaka and South Bend.



Fund 410 - Urban Development Action Grant

Fund Type	Urban Development Action Grant					Control	Special Revenue Funds					
	2015	2016	2017		2018		Forecast				Budget	
	Actual	Actual	Amended	06/30/17	Adopted		2019	2020	2021	2022	Variance	%
			Budget	Actual	Budget						2017-2018	Change
Revenue												
Grants/Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	1,485	4,759	6,110	2,485	6,110	5,000	5,000	5,000	5,000	5,000	-	0%
Other Income	1,039,452	195,491	-	-	132,618	140,082	130,659	132,585	7,965	7,965	132,618	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	1,040,937	200,250	6,110	2,485	138,728	145,082	135,659	137,585	12,965	12,965	132,618	2171%
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service												
Principal	438,203	238,173	126,144	62,515	610,131	145,082	135,659	137,585	12,965	12,965	483,987	384%
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	438,203	238,173	126,144	62,515	610,131	145,082	135,659	137,585	12,965	12,965	483,987	384%
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	438,203	238,173	126,144	62,515	610,131	145,082	135,659	137,585	12,965	12,965	483,987	384%
Net Surplus / (Deficit)	602,734	(37,923)	(120,034)	(60,031)	(471,403)	-	-	-	-	-		
Beginning Cash Balance	27,636	629,441	591,437		471,403	-	-	-	-	-		
Cash Adjustments	(928)	(82)	-		-	-	-	-	-	-		
Ending Cash Balance	629,441	591,437	471,403		-	-	-	-	-	-		
Cash Reserves Target	-	-	-		-	-	-	-	-	-		

Cash Reserve
No reserve requirement

Fund Purpose:

This fund was originally established to account for economic development expenditures which are financed by federal grants and loan repayments. Currently, it is used to pay for an inter-fund loan from the COIT Fund (404) in connection with a downtown hotel/parking garage project.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Revenue comes from Business Development Corporation (BDC) repayment of Fund 410 miscellaneous revenue used to capitalize BDC loan pool. Final payment due in 2022. Expenditures relate to inter-fund loan (DS-082) from COIT. When final revenue payment due from BDC, it may be prudent to payoff the debt to the COIT fund and potentially close this fund rather than following current amortization schedule which goes out to 2046. Therefore, in the 2018 budget a total of \$610,131 is paid off using the current balance in cash reserves. Payments in future years will be made as BDC loan collections are received.

Fund 412 - Major Moves Construction

Fund Type	Major Moves Construction					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	19,069	21,524	29,542	12,107	25,000	25,000	26,000	27,000	28,000	28,000	(4,542)	-15%
Other Income	786,187	1,355,375	1,028,861	596,589	493,178	493,178	493,178	493,178	493,178	493,178	(535,683)	-52%
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	805,256	1,376,899	1,058,403	608,696	518,178	518,178	519,178	520,178	521,178	521,178	(540,225)	-51%
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	31,191	1,468,807	1,514	750,000	-	-	-	-	-	(718,807)	-49%
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	31,191	1,468,807	1,514	750,000	-	-	-	-	-	(718,807)	-49%
Capital												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land Improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings & Bldg Improve.	-	-	-	-	-	-	-	-	-	-	-	-
Motor Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	31,990	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	2,257,939	1,138,607	1,001,901	-	1,300,000	-	-	-	-	-	298,099	30%
Total Capital	2,289,929	1,138,607	1,001,901	-	1,300,000	-	-	-	-	-	298,099	30%
Total Expenditures	2,289,929	1,169,798	2,470,708	1,514	2,050,000	-	-	-	-	-	(420,708)	-17%
Net Surplus / (Deficit)	(1,484,673)	207,101	(1,412,305)	607,182	(1,531,822)	518,178	519,178	520,178	521,178	521,178		
Beginning Cash Balance	3,637,756	2,153,707	2,359,939		1,697,634	165,812	683,990	1,203,168	1,723,346	1,723,346	Cash Reserve	
Cash Adjustments	624	(869)	750,000		-	-	-	-	-	-	No reserve requirement	
Ending Cash Balance	2,153,707	2,359,939	1,697,634		165,812	683,990	1,203,168	1,723,346	1,723,346	2,244,524		
Cash Reserves Target	-	-	-		-	-	-	-	-	-		

Fund Purpose:

This fund was established in 2006 with the City's share of the proceeds for the lease of the Indiana Toll Road (I-80/90). The fund is used to finance capital improvements projects and also makes loans to other funds. Annual revenue is the loan payments from those other funds.

Explain Significant Revenue and Expenditure Changes/Variations Below:

In recent years, this fund has been used in connection with the City's Smart Streets program. The Interfund Loans are being repaid on the Eddy Street Commons Phase I project and the Triangle Development Project, south of the University of Notre Dame.

Ending cash balance for 2017 has been adjusted upward by \$750,000. This adjustment results from an existing encumbrance for parking garage repairs which will be deferred to 2018.

2018 Capital Projects include:

- Ironwood/Corby/Rockne Intersection Modernization \$1,200,000
- School Zones Flashing Beacons \$100,000
- Parking Garages \$750,000

Ironwood/Corby/Rockne Intersection Location



Fund 416 - Morris Performing Arts Center Capital

Fund Type	Morris Performing Arts Center Capital					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	61,164	101,781	100,000	45,125	125,000		125,000	125,000	125,000	125,000	25,000	25%
Interest Earnings	2,969	4,856	6,500	2,700	4,000		4,000	4,000	4,000	4,000	(2,500)	-38%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	64,133	106,637	106,500	47,825	129,000		129,000	129,000	129,000	129,000	22,500	21%
Expenditures by Type												
Supplies	30,025	9,534	20,958	3,199	25,000		20,000	20,000	20,000	20,000	4,042	19%
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	32,803	23,996	80,186	817	27,500		25,000	25,000	45,000	25,000	(52,686)	-66%
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	32,803	23,996	80,186	817	27,500		25,000	25,000	45,000	25,000	(52,686)	-66%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	-	-	-	-	-		-	-	-	-	-	-
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	-	-	300,000	-	38,000		33,000	65,000	50,000	-	(262,000)	-87%
Infrastructure	-	-	-	-	-		-	-	-	-	-	-
Total Capital	-	-	300,000	-	38,000		33,000	65,000	50,000	-	(262,000)	-87%
Total Expenditures	62,828	33,530	401,144	4,016	90,500		78,000	110,000	115,000	45,000	(310,644)	-77%
Net Surplus / (Deficit)	1,305	73,107	(294,644)	43,809	38,500		51,000	19,000	14,000	84,000		
Beginning Cash Balance	514,868	515,940	588,797		294,153		332,653	383,653	402,653	416,653	Cash Reserve	
Cash Adjustments	(233)	(250)	-		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	515,940	588,797	294,153		332,653		383,653	402,653	416,653	500,653		
Cash Reserves Target	12,566	8,382	100,286		22,625		19,500	27,500	28,750	11,250		

Fund Purpose:

This fund accounts for capital projects at the Morris Performing Arts Center (MPAC).

Explain Significant Revenue and Expenditure Changes/Variations Below:

Some of the existing equipment is becoming obsolete - the projects are forecasted to be completed over the next three years. Equipment to be replaced includes dimmer racks, fly rail, and main stage curtains.



Fund 422 - TIF - West Washington

Fund Type	TIF - West Washington					Control	Tax Increment Financing Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Property Taxes	402,911	453,503	420,000	198,152	420,000		420,000	380,000	380,000	380,000	-	0%
Interest Earnings	6,942	14,814	22,000	8,745	16,000		16,000	10,000	10,000	10,000	(6,000)	-27%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	409,853	468,317	442,000	206,896	436,000		436,000	390,000	390,000	390,000	(6,000)	-1%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	30,502	14,082	3,492	2,805	-		-	-	-	-	(3,492)	-100%
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	30,502	14,082	3,492	2,805	-		-	-	-	-	(3,492)	-100%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	450,000	-	-		-	-	-	-	(450,000)	-100%
Buildings & Bldg Improve.	-	-	-	-	-		-	-	-	-	-	-
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-		-	-	-	-	-	-
Infrastructure	68,276	-	974,800	-	1,000,000		500,000	500,000	500,000	500,000	25,200	3%
Total Capital	68,276	-	1,424,800	-	1,000,000		500,000	500,000	500,000	500,000	(424,800)	-30%
Total Expenditures	98,778	14,082	1,428,292	2,805	1,000,000		500,000	500,000	500,000	500,000	(428,292)	-30%
Net Surplus / (Deficit)	311,075	454,235	(986,292)	204,091	(564,000)		(64,000)	(110,000)	(110,000)	(110,000)		
Beginning Cash Balance	1,194,467	1,504,532	1,957,615		971,323		407,323	343,323	233,323	123,323	Cash Reserve	
Cash Adjustments	(1,010)	(1,152)	-		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	1,504,532	1,957,615	971,323		407,323		343,323	233,323	123,323	13,323		
Cash Reserves Target	24,695	3,521	357,073		250,000		125,000	125,000	125,000	125,000		

Fund Purpose:

This fund accounts for the TIF revenue and expenses of those funds on eligible development projects for this TIF area. Financing is provided by property tax proceeds in excess of those attributable to the assessed value of the property in the district before redevelopment.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The City Cemetery Master Plan is funded through this TIF.

City Cemetery Master Plan - General Strategy

1. Redefine the Role of the City Cemetery

South Bend has a definite tilt toward recreation in the way that it utilizes its public open space. By focusing on a passive recreation approach and highlighting the artistry of the monuments, this open space will better support the adjacent active recreation spaces while strengthening a unique amenity to the neighborhood.

2. Make City Cemetery an Asset to the Surrounding Neighborhoods Currently, the City Cemetery is isolated and difficult to find. Better connecting it to not only other nearby historic amenities, but to the surrounding community will increase use and ultimately strengthen the neighborhood.

3. Connect to the West Side Main Streets Plan

South Bend has recently undergone an extensive planning process that took an in-depth analysis of two major thoroughfares, Lincoln Way West and Western Avenue, into the city. These corridors are both within a relatively close proximity to the City Cemetery and the proposed direction of the West Side Main Streets Plan should be incorporated into this process.

4. Focus on the People

A community's physical environment strongly influences the health of its residents. To counter balance disproportionate spending on green space within lower income areas, the City of South Bend is strongly focused on Environmental Justice and creating equitable spaces around the community. By addressing rampant blight in the area around the cemetery and better connecting this open space to active recreation and historically significant elements in the area, a stronger, more vibrant, and healthier community will emerge.

5. Showcase the History

The history of the City Cemetery is undeniable; from the artistic wrought iron gate to the stone monuments to the unique landmarks throughout its 21 acres. It contains elements that have local and national significance, such as the gravesite of Schuyler Colfax, the 17th Vice President of the United States.



Fund 425 - TIF - Leighton Plaza (Redevelop Retail)

Fund Type	TIF - Leighton Plaza (Redevelop Retail)					Control	Tax Increment Financing Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Interest Earnings	857	1,511	1,743	748	1,706		-	-	-	-	(37)	-2%
Other Income	165,894	133,957	195,308	60,856	195,308		-	-	-	-	-	0%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	166,751	135,468	197,051	61,604	197,014		-	-	-	-	(37)	0%
Expenditures by Type												
Supplies	7,390	4,035	10,342	2,055	10,342		-	-	-	-	-	0%
Services & Charges												
Professional Services	5,002	23,425	10,041	7,000	7,000		-	-	-	-	(3,041)	-30%
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	4,446	8,324	4,500	2,223	4,500		-	-	-	-	-	0%
Repairs & Maintenance	72,169	36,158	76,898	35,973	85,834		-	-	-	-	8,936	12%
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	41,454	44,681	56,385	21,576	50,490		-	-	-	-	(5,895)	-10%
Total Services & Charges	123,071	112,588	147,824	66,773	147,824		-	-	-	-	-	0%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	-	40,850	-	-	-		-	-	-	-	-	-
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-		-	-	-	-	-	-
Infrastructure	-	-	-	-	-		-	-	-	-	-	-
Total Capital	-	40,850	-	-	-		-	-	-	-	-	-
Total Expenditures	130,461	157,473	158,166	68,827	158,166		-	-	-	-	-	0%
Net Surplus / (Deficit)	36,290	(22,005)	38,885	(7,223)	38,848		-	-	-	-		
Beginning Cash Balance	172,431	208,565	186,518		225,403	264,251	264,251	264,251	264,251		Cash Reserve	
Cash Adjustments	(155)	(42)	-		-	-	-	-	-		25% of Annual expenditures	
Ending Cash Balance	208,565	186,518	225,403		264,251	264,251	264,251	264,251	264,251			
Cash Reserves Target	26,092	39,368	39,542		39,542	-	-	-	-			

Fund Purpose:

This fund is used for South Bend downtown retail space property management. Working with potential buyer in 2017. 2018 budget only a contingency at this point.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Fund 429 - TIF - River East Development Area (NE Dev)

Fund Type	TIF - River East Development Area (NE Dev)				Control	Tax Increment Financing Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance	%
						2019	2020	2021	2022	2017-2018	Change
Revenue											
Property Taxes	2,421,308	2,348,608	3,000,000	1,428,046	2,300,000	2,300,000	2,300,000	2,300,000	2,300,000	(700,000)	-23%
Charges for Services	-	1,400	8,400	2,450	-	-	-	-	-	(8,400)	-100%
Interest Earnings	34,796	69,442	81,653	33,879	57,000	57,000	57,000	57,000	57,000	(24,653)	-30%
Other Income	19,357	68,401	56,067	4,124	-	-	-	-	-	(56,067)	-100%
Transfers In	1,430,965	-	-	-	-	-	-	-	-	-	-
Total Revenue	3,906,426	2,487,851	3,146,120	1,468,499	2,357,000	2,357,000	2,357,000	2,357,000	2,357,000	(789,120)	-25%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	65,447	121,818	648,114	175,347	-	-	-	-	-	(648,114)	-100%
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	616,057	-	154,535	-	-	-	-	-	-	(154,535)	-100%
Total Services & Charges	681,504	121,818	802,649	175,347	-	-	-	-	-	(802,649)	-100%
Capital											
Land	-	-	15,000	-	-	-	-	-	-	(15,000)	-100%
Land Improvements	5,000	100	526,303	40,000	-	-	-	-	-	(526,303)	-100%
Buildings & Bldg Improve.	-	3,635	1,933,007	244,637	-	-	-	-	-	(1,933,007)	-100%
Motor Equipment	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	215,270	2,047,781	7,325,737	690,084	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	(4,575,737)	-62%
Total Capital	220,270	2,051,516	9,800,047	974,721	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	(7,050,047)	-72%
Total Expenditures	901,774	2,173,334	10,602,696	1,150,068	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000	(7,852,696)	-74%
Net Surplus / (Deficit)	3,004,652	314,517	(7,456,576)	318,431	(393,000)	(393,000)	(393,000)	(393,000)	(393,000)		
Beginning Cash Balance	4,551,592	7,549,627	7,861,822		2,405,246	2,012,246	1,619,246	1,226,246	833,246	Cash Reserve	
Cash Adjustments	(6,616)	(2,323)	2,000,000		-	-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	7,549,627	7,861,822	2,405,246		2,012,246	1,619,246	1,226,246	833,246	440,246		
Cash Reserves Target	225,444	543,333	2,650,674		687,500	687,500	687,500	687,500	687,500		

Fund Purpose:

The boundaries for this TIF district were changed during the 2015 TIF re-alignment. This fund was formerly known as the Northeast TIF. Financing is provided by property tax proceeds in excess of those attributable to the assessed value of the property in the district before redevelopment.

Explain Significant Revenue and Expenditure Changes/Variations Below:

TIF revenue adjusted downward based on 2015 and 2016 receipts. However, June distribution for 2017 was higher than June 2016. Expenditures reduced based on available cash.

This TIF funds projects including:

River Front Parks & Trails Project - My SB Parks and Trails is a combination of park, trail, and riverfront upgrades that will fundamentally change the landscape of South Bend's shared green spaces.

Howard Park Project - The project calls for demolishing and rebuilding old Howard Park landmarks like the Recreation Center and the ice rink.

East Bank Sewer Separation Project - This project impacts one of the largest geographic areas. Combined sewers will be separated. This project will support the City's redevelopment of the area by providing new storm sewers adequate to meet the needs of future growth.

Newman Center site development - The old Newman Recreation Center at Sample Street and Northside Boulevard will be developed into a multi-use building. It will be renamed The Armory.

Wharf Development Project - The Wharf site is an empty lot across from the Commerce Center on Colfax. The South Bend Redevelopment Commission gave developers the 'okay' to move forward with the project, \$2.5 coming from TIF funds and \$16 mil. from private investments. The plan is to build 12-15 luxury condos, along with 6,000-8,000 square feet of commercial space.

Old Howard Park Ice Rink



Newman Center



Fund 430 - TIF - Southside Development #1

Fund Type	TIF - Southside Development #1					Control	Tax Increment Financing Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Property Taxes	2,205,822	2,401,252	2,400,000	1,216,824	2,400,000		2,100,000	2,100,000	2,100,000	2,100,000	-	0%
Interest Earnings	26,718	50,157	63,831	22,667	10,000		10,000	10,000	10,000	10,000	(53,831)	-84%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	1,468,127	1,465,749	-		-	-	-	-	(1,468,127)	-100%
Total Revenue	2,232,540	2,451,409	3,931,958	2,705,240	2,410,000		2,110,000	2,110,000	2,110,000	2,110,000	(1,521,958)	-39%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	394,254	252,868	1,411,554	49,117	-		-	-	-	-	(1,411,554)	-100%
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	394,254	252,868	1,411,554	49,117	-		-	-	-	-	(1,411,554)	-100%
Capital												
Land	131,931	332,575	356,398	41,748	-		-	-	-	-	(356,398)	-100%
Land Improvements	-	-	1,740,000	-	-		-	-	-	-	(1,740,000)	-100%
Buildings & Bldg Improve.	-	-	-	-	-		-	-	-	-	-	-
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-		-	-	-	-	-	-
Infrastructure	568,267	3,339,457	3,409,474	217,342	4,000,000		2,410,000	2,410,000	2,410,000	2,100,000	590,526	17%
Total Capital	700,198	3,672,032	5,505,872	259,090	4,000,000		2,410,000	2,410,000	2,410,000	2,100,000	(1,505,872)	-27%
Total Expenditures	1,094,452	3,924,900	6,917,426	308,206	4,000,000		2,410,000	2,410,000	2,410,000	2,100,000	(2,917,426)	-42%
Net Surplus / (Deficit)	1,138,088	(1,473,491)	(2,985,468)	2,397,034	(1,590,000)		(300,000)	(300,000)	(300,000)	10,000		
Beginning Cash Balance	4,951,973	6,086,105	4,613,772		3,128,304		1,538,304	1,238,304	938,304	638,304	Cash Reserve	
Cash Adjustments	(3,956)	1,159	1,500,000		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	6,086,105	4,613,772	3,128,304		1,538,304		1,238,304	938,304	638,304	648,304		
Cash Reserves Target	273,613	981,225	1,729,357		1,000,000		602,500	602,500	602,500	525,000		

Fund Purpose:

This fund accounts for the TIF revenue and expenses of those funds on eligible development projects for this TIF area. Financing is provided by property tax proceeds in excess of those attributable to the assessed value of the property in the district before redevelopment.

Explain Significant Revenue and Expenditure Changes/Variations Below:

This TIF funds projects including:

South Well Field Improvement

Chippewa Roundabout - 2016 and 2017 reflect completion of Chippewa roundabout

Erskine Golf Course Improvements, including renovation of the clubhouse and drainage improvements



Fund 433 - Redevelopment General

Fund Type	Redevelopment General					Control	Redevelopment Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	% Change
						2019	2020	2021	2022			
Revenue												
Charges for Services	-	-	-	-	-	-	-	-	-	-	-	
Interest Earnings	59	80	135	37	135	-	-	-	-	-	0%	
Other Income	-	-	-	-	-	-	-	-	-	-	-	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue	59	80	135	37	135	-	-	-	-	-	0%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	1,447	329	4,500	1,133	4,500	-	-	-	-	-	0%	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Utilities	-	-	-	-	-	-	-	-	-	-	-	
Education & Training	-	-	-	-	-	-	-	-	-	-	-	
Travel	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	1,447	329	4,500	1,133	4,500	-	-	-	-	-	0%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	1,447	329	4,500	1,133	4,500	-	-	-	-	-	0%	
Net Surplus / (Deficit)	(1,388)	(249)	(4,365)	(1,096)	(4,365)	-	-	-	-			
Beginning Cash Balance	10,079	8,689	8,438		4,365	-	-	-	-			
Cash Adjustments	(3)	(2)	292		-	-	-	-	-			
Ending Cash Balance	8,689	8,438	4,365		-	-	-	-	-			
Cash Reserves Target	289	82	1,125		1,125	-	-	-	-			

Cash Reserve
25% of Annual expenditures

Fund Purpose:

This fund's sole expenditure is for general legal fees for the Redevelopment Commission.

The Redevelopment Commission was established to address conditions associated with blight and the underutilization of land and/or barriers to development. The Commission operates within the city limits. They study areas of the city, identify problem areas and develop a strategic plan for eliminating blight and bringing about new development within those areas. A primary focus is on the expansion of tax base and the creation of new jobs within South Bend.

There are five voting members of the South Bend Redevelopment Commission. Three are appointed by the Mayor; two are appointed by the South Bend Common Council. In addition, one member of the South Bend Community School Corporation Board of School Trustees is appointed by the Mayor as a non-voting adviser to the Commission.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Expect to spend down and eventually close this fund.

Fund 435 - TIF - Douglas Road

Fund Type	TIF - Douglas Road				Control	Tax Increment Financing Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%
						2019	2020	2021	2022		Change
Revenue											
Property Taxes	270,758	345,262	327,108	218,280	-	-	-	-	-	(327,108)	-100%
Interest Earnings	408	1,094	1,100	307	350	-	-	-	-	(750)	-68%
Other Income	256	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	271,422	346,356	328,208	218,587	350	-	-	-	-	(327,858)	-100%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	100	8,608	-	140,450	-	-	-	-	131,842	1532%
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	298,160	312,515	323,006	141,925	-	-	-	-	-	(323,006)	-100%
Interest & Fees	43,027	28,673	12,602	8,075	-	-	-	-	-	(12,602)	-100%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	341,187	341,288	344,216	150,000	140,450	-	-	-	-	(203,766)	-59%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	341,187	341,288	344,216	150,000	140,450	-	-	-	-	(203,766)	-59%
Net Surplus / (Deficit)	(69,765)	5,068	(16,008)	68,587	(140,100)	-	-	-	-		
Beginning Cash Balance	221,193	151,435	156,458	-	140,100	-	-	-	-	Cash Reserve	
Cash Adjustments	7	(44)	(350)	-	-	-	-	-	-	10% of Annual expenditures	
Ending Cash Balance	151,435	156,458	140,100	-	-	-	-	-	-		
Cash Reserves Target	85,297	34,129	34,422	-	14,045	-	-	-	-		

Fund Purpose:

The Douglas Road TIF was established to develop the road and area near the border between South Bend and Mishawaka. Financing is provided by property tax proceeds in excess of those attributable to the assessed value of the property in the district before redevelopment.

Explain Significant Revenue and Expenditure Changes/Variations Below:

In 2017, the inter-fund debt to Major Moves Fund 412 (debt schedule #64) was paid off. The remaining cash will be spent on additional projects or returned to St. Joseph County. Then the fund will be closed.

Fund 436 - TIF - River East Residential (NE Res)

Fund Type	TIF - River East Residential (NE Res)					Control	Tax Increment Financing Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%	
						2019	2020	2021	2022		Change	
Revenue												
Property Taxes	3,129,681	3,932,947	3,298,403	2,320,321	4,400,000	4,400,000	4,300,000	5,000,000	5,600,000	1,101,597	33%	
Fines, Forfeitures, and Fees	210,999	210,999	-	-	-	-	-	-	-	-	-	
Interest Earnings	(537)	1,666	2,500	442	2,500	2,500	2,500	2,500	2,500	-	0%	
Other Income	-	-	-	-	-	-	-	-	-	-	-	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue	3,340,143	4,145,612	3,300,903	2,320,763	4,402,500	4,402,500	4,302,500	5,002,500	5,602,500	1,101,597	33%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	-	1,100	263,901	-	10,724	458,852	459,852	461,352	459,852	(253,177)	-96%	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	1,379,625	2,097,272	1,871,124	1,028,685	1,761,387	1,797,489	1,872,368	1,942,003	2,031,489	(109,737)	-6%	
Interest & Fees	2,046,003	1,270,906	1,295,206	654,404	2,547,889	1,169,839	1,095,460	1,021,825	932,839	1,252,683	97%	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	3,425,628	3,369,278	3,430,231	1,683,089	4,320,000	3,426,180	3,427,680	3,425,180	3,424,180	889,769	26%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	3,425,628	3,369,278	3,430,231	1,683,089	4,320,000	3,426,180	3,427,680	3,425,180	3,424,180	889,769	26%	
Net Surplus / (Deficit)	(85,485)	776,334	(129,328)	637,674	82,500	976,320	874,820	1,577,320	2,178,320			
Beginning Cash Balance	1,703,673	1,617,553	2,392,145		2,262,817	2,345,317	3,321,637	4,196,457	5,773,777	Cash Reserve		
Cash Adjustments	(635)	(1,742)	-		-	-	-	-	-	25% of Annual expenditures		
Ending Cash Balance	1,617,553	2,392,145	2,262,817		2,345,317	3,321,637	4,196,457	5,773,777	7,952,097			
Cash Reserves Target	856,407	842,320	857,558		1,080,000	856,545	856,920	856,295	856,045			

Fund Purpose:

The boundaries for this TIF district were changed as part of the TIF re-alignment during 2015. The fund was formerly known as the Northeast Residential TIF. Financing is provided by property tax proceeds in excess of those attributable to the assessed value of the property in the district before redevelopment. This fund is used to pay debt service payments on redevelopment bonds.

Explain Significant Revenue and Expenditure Changes/Variations Below:

At the end of 2017, Eddy Street Commons Phase II Bonds were issued to help fund the second phase of the mixed-use development area just south of the University of Notre Dame's campus. Capital expenditures related to the project are tracked in Fund 759.

Fund 439 - Certified Technology Park

Fund Type	Certified Technology Park					Control	Redevelopment Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Grants/Intergovernmental	-	-	252,625	-	-	-	-	-	-	-	(252,625)	-100%
Charges for Services	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	25,246	20,029	50,000	7,931	2,500	2,600	2,700	2,800	2,900	-	(47,500)	-95%
Other Income	48,335	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	73,581	20,029	302,625	7,931	2,500	2,600	2,700	2,800	2,900	2,900	(300,125)	-99%
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	-	-	-	-	-	-	-	-	-	-
Capital												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land Improvements	-	-	2,200,000	1,800,000	-	-	-	-	-	-	(2,200,000)	-100%
Buildings & Bldg Improve.	-	-	-	-	-	-	-	-	-	-	-	-
Motor Equipment	-	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	2,820,835	142,913	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital	2,820,835	142,913	2,200,000	1,800,000	-	-	-	-	-	-	(2,200,000)	-100%
Total Expenditures	2,820,835	142,913	2,200,000	1,800,000	-	-	-	-	-	-	(2,200,000)	-100%
Net Surplus / (Deficit)	(2,747,254)	(122,884)	(1,897,375)	(1,792,069)	2,500	2,600	2,700	2,800	2,900			
Beginning Cash Balance	5,015,175	2,269,848	2,146,647	-	249,272	251,772	254,372	257,072	259,872		Cash Reserve	
Cash Adjustments	1,927	(317)	-	-	-	-	-	-	-		No reserve requirement	
Ending Cash Balance	2,269,848	2,146,647	249,272	-	251,772	254,372	257,072	259,872	262,772			
Cash Reserves Target	-	-	-	-	-	-	-	-	-			

Fund Purpose:

This fund receives a special state tax distribution and is used for improvements at Innovation Park and Ignition Park, the city's two certified technology parks.

Fund 450 - Palais Royale Historic Preservation

Fund Type	Palais Royale Historic Preservation					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Charges for Services	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	388	743	1,041	426	600		600	600	600	600	(441)	-42%
Other Income	12,864	15,753	16,500	4,742	16,500		17,000	17,000	17,500	17,500	-	0%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	13,252	16,496	17,541	5,168	17,100		17,600	17,600	18,100	18,100	(441)	-3%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	5,000	-	45,000		5,000	5,000	5,000	5,000	40,000	800%
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	-	-	5,000	-	45,000		5,000	5,000	5,000	5,000	40,000	800%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	-	-	5,000	-	45,000		5,000	5,000	5,000	5,000	40,000	800%
Net Surplus / (Deficit)	13,252	16,496	12,541	5,168	(27,900)		12,600	12,600	13,100	13,100		
Beginning Cash Balance	63,093	76,297	92,747		105,288	77,388	89,988	102,588	115,688		Cash Reserve	
Cash Adjustments	(48)	(46)	-		-	-	-	-	-		25% of Annual expenditures	
Ending Cash Balance	76,297	92,747	105,288		77,388	89,988	102,588	115,688	128,788			
Cash Reserves Target	-	-	1,250		11,250	1,250	1,250	1,250	1,250			

Fund Purpose:

This fund was established to track the funding and expenditures for capital projects that preserve the historic character of the multimillion dollar Palais Royale Ballroom. There are no operational related expenditures, such as personnel.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Repairs/Improvements needed:

- Masonry repair
- Small repairs of the plaster/decorative paint
- Curtain Replacement (part one of three) in the amount of \$25,000.00 - existing is 15 years old and showing signs of excessive wear and dry rot.



Fund 454 - Airport Urban Enterprise Zone

Fund Type	Airport Urban Enterprise Zone					Control	Redevelopment Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%	
						2019	2020	2021	2022		Change	
Revenue												
Charges for Services	-	-	-	-	-	-	-	-	-	-	-	
Interest Earnings	2,180	3,474	4,044	1,721	3,900	3,900	3,900	3,900	3,900	(144)	-4%	
Other Income	-	-	-	-	-	-	-	-	-	-	-	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue	2,180	3,474	4,044	1,721	3,900	3,900	3,900	3,900	3,900	(144)	-4%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Education & Training	-	-	-	-	-	-	-	-	-	-	-	
Travel	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-	
Grants & Subsidies	-	-	50,000	-	50,000	50,000	50,000	50,000	50,000	-	0%	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	-	-	50,000	-	50,000	50,000	50,000	50,000	50,000	-	0%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	-	-	50,000	-	50,000	50,000	50,000	50,000	50,000	-	0%	
Net Surplus / (Deficit)	2,180	3,474	(45,956)	1,721	(46,100)	(46,100)	(46,100)	(46,100)	(46,100)			
Beginning Cash Balance	377,036	379,043	382,423		336,467	290,367	244,267	198,167	152,067	Cash Reserve		
Cash Adjustments	(173)	(95)	-		-	-	-	-	-	No reserve requirement		
Ending Cash Balance	379,043	382,423	336,467		290,367	244,267	198,167	152,067	105,967			
Cash Reserves Target	-	-	-		-	-	-	-	-			

Fund Purpose:

This fund was originally established to account for expenditures for improvements in the Zone area, financed by property taxes on qualifying properties in the Zone. In the past, majority of revenue came from personal property taxes paid by AJ Wright. This fund has not received property tax revenue since 2013.

This fund has been used in the past to pay for job training programs.

Explain Significant Revenue and Expenditure Changes/Variations Below:

\$50,000 is budgeted for urban enterprise area job training. It is unclear whether this will be spent.

Fund 471 - 2017 Parks Bond

Fund Type	2017 Parks Bond				Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance	%
						2019	2020	2021	2022	2017-2018	Change
Revenue											
Interest Earnings	-	-	-	-	3,000	500	-	-	-	3,000	-
Bond Proceeds	-	-	13,856,100	-	-	-	-	-	-	(13,856,100)	-100%
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	-	-	13,856,100	-	3,000	500	-	-	-	(13,853,100)	-100%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Capital											
Land	-	-	-	-	-	-	-	-	-	-	-
Land Improvements	-	-	-	-	10,309,100	3,479,400	-	-	-	10,309,100	-
Buildings & Bldg Improve.	-	-	-	-	-	-	-	-	-	-	-
Motor Equipment	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-
Total Capital	-	-	-	-	10,309,100	3,479,400	-	-	-	10,309,100	-
Total Expenditures	-	-	-	-	10,309,100	3,479,400	-	-	-	10,309,100	-
Net Surplus / (Deficit)	-	-	13,856,100	-	(10,306,100)	(3,478,900)	-	-	-		
Beginning Cash Balance	-	-	-	-	13,856,100	3,550,000	71,100	71,100	71,100		
Cash Adjustments	-	-	-	-	-	-	-	-	-		
Ending Cash Balance	-	-	13,856,100	-	3,550,000	71,100	71,100	71,100	71,100		
Cash Reserves Target	-	-	-	-	-	-	-	-	-		
										Cash Reserve	Bond fund - spend down to zero - no reserves required

Fund Purpose:

The City of South Bend issued a Parks bond in the amount of \$14,075,000 for certain improvements in connection with the MY SB Parks and Trails initiative. The bond closing date was December 20, 2017. Net proceeds after bond issuance costs are \$13,856,100. The bonds will be repaid over a period of 15 years with the first debt service payment due on July 15, 2018 and the final payment due on January 15, 2033.

Explain Significant Revenue and Expenditure Changes/Variiances Below:

These are the various projects:

Series A - Howard Park

- Riverfront promenade
- Stormwater habitat area

Series B - St. Louis Street

- St. Louis Street parking and street upgrades (Howard Park)

Series C - Colfax-Seitz

- Riverfront trail upgrades - Colfax to Seitz Park

Series D - Howard-Farmers

- Riverfront trail upgrades - Howard Park to Farmer's Market

Series E - Miami-Twyckenham

- Riverfront trail upgrades - Miami to Twyckenham

Series F - Seitz-Howard

- Riverfront trail upgrades - Seitz Park to Howard Park
- Seitz Park parking

Series G - Seitz Park

- AM General parking and plaza area
- East Race promenade and bridge

Series H - Pinhook Park

- Pavilion upgrade
- Reconnect river flow to lagoon
- Playground and site improvements

Series I - Other Park Improvements

- Park security, lighting, and storage
- Restrooms modernization & ADA compliance

Series J - Pinhook Park

- Pinhook Park neighborhood connectivity

Series K - Future Project

- Future park acquisitions, partnerships, and build-outs

Seitz Park



Pinhook Park



Fund 600 - Consolidated Building Fund

Fund Type	Consolidated Building Fund					Control	Enterprise Funds				Budget Variance	% Change
	2017		2018 Adopted Budget	Forecast								
	2015 Actual	2016 Actual		Amended Budget	06/30/17 Actual		2019	2020	2021	2022		
Revenue												
Licenses & Permits	67,725	74,888	97,938	43,968	81,150	64,200	64,850	65,600	66,250	(16,788)	-17%	
Charges for Services	1,708,554	1,569,872	1,652,499	794,265	1,487,152	1,514,684	1,542,765	1,571,408	1,600,620	(165,347)	-10%	
Fines, Forfeitures, and Fees	108,921	157,814	298,839	50,407	286,900	290,100	293,300	296,500	299,700	(11,939)	-4%	
Interest Earnings	6,892	19,491	29,556	12,338	5,000	5,000	5,000	5,000	5,000	(24,556)	-83%	
Donations	1,027	1,522	4,000	-	3,500	3,500	3,500	3,500	3,500	(500)	-13%	
Other Income	15,609	11,217	21,295	1,876	9,500	6,500	8,500	6,500	6,500	(11,795)	-55%	
Transfers In	2,663,144	2,110,468	2,167,316	1,083,658	989,553	2,563,120	2,615,998	2,669,826	2,704,508	(1,177,763)	-54%	
Total Revenue	4,571,872	3,945,272	4,271,443	1,986,511	2,862,755	4,447,104	4,533,913	4,618,334	4,686,078	(1,408,688)	-33%	
Expenditures by Dept												
Code Enforcement (1201)	1,739,071	1,457,692	1,621,571	693,870	1,785,640	1,857,333	1,873,861	1,895,320	1,914,715	164,069	10%	
Animal Care & Control (1207)	636,092	672,207	851,892	394,682	950,022	983,338	935,222	968,361	984,318	98,130	12%	
Rental Unit Inspection (1208)	-	-	-	-	180,000	186,149	274,265	277,245	280,224	180,000	-	
Building Department (1306)	1,037,464	1,096,001	1,361,925	635,462	1,620,435	1,577,979	1,609,354	1,628,971	1,629,080	258,510	19%	
Total Expenditures	3,412,627	3,225,900	3,835,388	1,724,014	4,536,097	4,604,799	4,692,703	4,769,897	4,808,338	700,709	18%	
Expenditures by Type												
Personnel												
Salaries & Wages	1,563,269	1,604,393	1,769,000	842,098	2,005,087	2,080,587	2,163,680	2,205,007	2,247,109	236,087	13%	
Fringe Benefits	681,727	762,221	906,035	409,057	991,361	1,037,090	1,091,357	1,105,163	1,119,353	85,326	9%	
Total Personnel	2,244,996	2,366,614	2,675,035	1,251,155	2,996,448	3,117,676	3,255,038	3,310,169	3,366,462	321,413	12%	
Supplies	115,407	75,492	140,522	51,014	131,208	135,216	133,928	137,728	138,528	(9,314)	-7%	
Services & Charges												
Professional Services	110,564	75,925	111,738	21,435	38,900	38,900	38,900	38,900	38,900	(72,838)	-65%	
Printing & Advertising	15,115	12,751	17,901	7,062	18,950	18,950	19,450	19,950	20,450	1,049	6%	
Utilities	25,927	31,956	41,200	15,983	31,400	31,400	31,400	31,400	31,400	(9,800)	-24%	
Education & Training	7,902	3,599	22,094	8,426	21,500	21,600	22,400	22,400	22,400	(594)	-3%	
Travel	4,202	1,787	4,785	1,033	6,650	7,050	6,650	6,650	6,650	1,865	39%	
Repairs & Maintenance	662,066	97,039	102,221	46,345	98,500	100,950	100,800	100,850	100,900	(3,721)	-4%	
Other Interfund Allocations	81,287	219,165	469,813	234,900	743,480	628,731	628,731	628,731	628,731	273,667	58%	
Debt Service												
Principal	20,319	31,384	66,617	27,138	120,818	151,399	188,315	202,533	182,754	54,201	81%	
Interest & Fees	1,133	2,058	5,308	2,054	11,418	33,227	15,291	17,686	17,163	6,110	115%	
Insurance	21,180	18,744	22,410	10,806	54,100	54,100	54,100	54,100	54,100	31,690	141%	
Other Services & Charges	102,529	219,101	155,742	46,663	182,725	185,600	197,700	198,800	199,900	26,983	17%	
Total Services & Charges	1,052,224	713,509	1,019,829	421,845	1,328,441	1,271,907	1,303,737	1,322,000	1,303,348	308,612	30%	
Capital	-	70,285	2	-	80,000	80,000	-	-	-	79,998	3999900%	
Total Expenditures	3,412,627	3,225,900	3,835,388	1,724,014	4,536,097	4,604,799	4,692,703	4,769,897	4,808,338	700,709	18%	
Net Surplus / (Deficit)	1,159,245	719,372	436,055	262,498	(1,673,342)	(157,694)	(158,790)	(151,563)	(122,260)			
Beginning Cash Balance	733,982	1,891,132	2,613,789		3,049,844	1,376,502	1,218,807	1,060,018	908,454			
Cash Adjustments	(2,095)	3,285	-		-	-	-	-	-			
Ending Cash Balance	1,891,132	2,613,789	3,049,844		1,376,502	1,218,807	1,060,018	908,454	786,194			
Cash Reserves Target	682,525	806,475	958,847		1,134,024	1,151,200	1,173,176	1,192,474	1,202,085			

Cash Reserve
25% of Annual expenditures

Fund Purpose:

This fund accounts for two departments: Code Enforcement and the Building Department (600-1306). Code Enforcement has the following divisions: Neighborhood Code Enforcement (600-1201), Animal Care & Control (600-1207), and Rental Unit Inspection (600-1208).
 600-1201 - Code Enforcement upholds and enforces the ordinances of the City of South Bend, the Indiana Unsafe Building Law, and the 2000 International Property Maintenance Code.
 600-1207 - Animal Care & Control runs the animal shelter and enforces animal welfare laws regarding animal cruelty and neglect per City, State, and Federal regulations.
 600-1208 - The Rental Unit Inspection division, to be established in 2018, will be conducting property inspections and issuing a license for all rental properties in the City.
 600-1306 - The Building Department regulates the "built environment" through enforcement of current building codes and zoning ordinances.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Revenue: In 2017, \$2.1 million was transferred from the EDIT Fund 408 to cover Code Enforcement and Animal Care & Control activities which, unlike the Consolidated Building Department, are not enterprises by nature. Some revenues are derived from fees for processing abandoned vehicles and animal control activities. The 2018 revenue budget is substantially lower due to the reduced amount transferred in from the EDIT Fund (408). The transfer in was reduced in 2018 since the Consolidated Building Fund has substantial cash reserves, well exceeding the cash reserve target based on the City's cash reserve policy.

Code Enforcement: The main increases in the 2018 budget are personnel costs, due to the standard 2% increase to the non-bargaining salary ordinance; supplies, primarily due to St Joseph County's 125% increase in document recording fees (\$11 per page to \$25 per page); allocations such as IT, liability insurance, and central stores; capital lease payments on new vehicles; fuel costs; and auto repair and maintenance.

Animal Care & Control: Revenues are projected to go up in 2018 based on the increase in services provided as a result of an increase in animal pick ups. The main increases in the 2018 budget are personnel costs, due to the standard 2% increase to the non-bargaining salary ordinance; supplies, driven by a \$16,000 increase for Institutional and Medical Supplies, \$1,000 increase for animal feed, \$1,380 in fuel, and \$1,300 for supplies purchased through Central Stores (i.e. kitty litter, disinfectant, and sanitizer); allocations such as IT, administration, and central stores; and capital lease payments for a new box truck.

Building Department: Revenue is expected to remain close to current levels. The IT allocation increased by over 150% from 2017 to 2018. The 2018 allocation expense is equal to 20% of the 2018 revenue estimate. \$120,000 of the allocation is a one-time expense to implement new software.

Department 600-1201 - Code Enforcement & 600-1208 - Rental Unit Inspection

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Hired a new Deputy Director and filled the position of Executive Assistant.
- We started using the software called Accela in April 2017 for our housing case management. We are experiencing issues, however we are working towards getting the issues resolved.
- Continued the process of moving our housing files to Accela
- Completed our first full year of using Accela for environmental cases. We are experiencing minimal issues with the program.
- Continued to improve our processes to be more efficient
- Inspectors and staff attended training on: meth lab identification and safety, dog fighting identification and safety training, dealing with difficult people, and stress management
- Extensive list was developed and implemented to track training for office staff and inspectors
- Achieved full staffing levels (office staff and inspectors)
- Working with Innovation and Technology to improve the Landlord Registration user portal

2018 Department Goals & Objectives and Linkage to City Results

Well-Governed and Administered City

Priority Based Budgeting Result: Offers excellent services and efficient processes supported by timely and accurate analysis

- To purge and scan all active housing cases into the case management software, Accela
- To purge closed housing files, and then store in archives
- To scan documents and utilize an electronic document storage system
- Resume the collections process for past due invoices and dedicate more staff time to special assessments

Priority Based Budgeting Result: Is a great employer attracting, developing, equipping and retaining great employees

- Train staff to be more efficient and provide training opportunities to advance their skills

Priority Based Budgeting Result: Models our values of excellence, accountability, innovation, transparency, inclusion and empowerment

- Translate current flyers to Spanish
- Continue to build outreach programs
- A goal of a minimum of two outreach events/community contacts/meetings per month, this number is projected to increase

Vibrant & Welcoming Neighborhoods

Priority Based Budgeting Result: Promotes, incentivizes and invests in redevelopment, renovation and repurposing that emphasizes blight reduction and elimination, infill development and abandoned property revitalization

- Compile a database of resources to assist people in need who don't have the means to address code enforcement violations

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Percentage of environmental issues cleaned by owner	Effectiveness	75%	62%	65%	70%
- Percentage of housing issues repaired by owner	Effectiveness	75%	37%	32%	45%
- Percentage of environmental accounts receivables collected	Outcome	35%	8%	10%	24%
- Outreach and networking opportunities (#per month)	Effectiveness	8	N/A	2	6
- Office files purged, scanned, and archived	Technology	Completed	N/A	2,500	5,000

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Transitioning to having the 311 Call Center field phone calls for Code Enforcement
- Moving funding from DCI to the Unsafe Building Fund (219) to fund the demolition of +/- 20 vacant and abandoned properties in 2018
- With our office being fully staffed we can once again we are able to start back on the Vacant and Abandoned Registration as well as other programs.
- Purging and scanning files, to free up floor and office space to allow for more work stations for part-time employees, interns, or volunteer staff

Department 600-1207 - Animal Care & Control

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Animal Control officers and staff attended: meth lab identification and safety, dog fighting identification and safety training, and stress management training.
- Created a better relationship with the animal control commission for setting cases for animal ordinance violations
- Transitioning to having the 311 Call Center field phone calls for Animal Care & Control, still having some issues but the knowledge base articles will improve that relationship
- Changed how we processed animals coming in to the shelter by vaccinating them upon entry, therefore reducing the chance of disease spreading within the shelter and the animal community
- Achieved full staffing levels at the shelter
- Added a fourth animal control officer and reduced internal office staff by one person for that transition
- Continue to reduce euthanasia numbers for the shelter

2018 Department Goals & Objectives and Linkage to City Results

Well-Governed and Administered City

Priority Based Budgeting Result: Offers excellent services and efficient processes supported by timely and accurate analysis

- Tweak and finalize PetPoint usage/dispatching software and case management to better serve the community

Priority Based Budgeting Result: Models our values of excellence, accountability, innovation, transparency, inclusion and empowerment

- Design a "fast track" system to move animals through to the adoption process faster to help overcome hold times and lessen the amount of time an animal is cared for at the Animal Care & Control facility
- Continue to reduce euthanasia rates and increase adoption/rescue rates

Safe Community for Everyone

Priority Based Budgeting Result: Promotes and sustains a thriving, healthy, and sufficiently regulated community with revitalized neighborhoods and commercial areas that are attractive, well-kept and free from blight

- Partner with area businesses and agencies to offer more resources to residents to ease compliance of animal ordinances
- Develop more partnerships regarding animal welfare enforcement within the community while strengthening current ones

All Residents Empowered with Education, Mobility and Technology

Priority Based Budgeting Result: Develops and utilizes current technology to better inform, educate, engage and serve the community

- Improve accessibility and ease of government with online licensing and adoption applications

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Adoptions per year	Outcome	500	289	368	400
- Number of bite cases serviced by Animal Care & Control, per year	Outcome	100	215	232	175
- Percentage of animals returned to owner	Effectiveness	25%	15%	17%	20%
- Percentage of animals sent to rescue/rehab	Effectiveness	50%	29%	43%	50%
- Animal Welfare Alert Notices/Citations Issued	Effectiveness	100	unknown	1,196	1,500
- Animal intake numbers	Outcome	2,000	2,244	2,584	2,200

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Increased intake numbers are a challenge due to limited housing at the facility
- Potential changes to the ordinance could increase intake numbers
- Many opportunities to partner more with D'TSB and the Venues, Parks & Arts Department to intertwine South Bend Animal Care & Control into city functions
- Finding the resources to increase the turn around on spay/neuters in order to increase adoption rate



**SOUTH BEND
ANIMAL CARE
AND CONTROL**

Department 600-1306 - Building Department

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- All commercial and residential files scanned and now accessible via database
- New photovoltaic ordinance prepped and ready for submission
- Full implementation from iPads to Microsoft Surface Pros
- APRA (Access to Public Records Act) request process times from 45 minutes to 20 minutes via accessing documents through the permitting software called Filemaker
- Certified 2 Building Inspectors (Plumbing and HVAC) and 1 Planner

2018 Department Goals & Objectives and Linkage to City Results

Well-Governed and Administered City

Priority Based Budgeting Result: Offers excellent services and efficient processes supported by timely and accurate analysis

- Editing of zoning ordinances to pyramid and reduce redundancy
- Simplify and eliminate antiquated and/or non-essential guidelines

Priority Based Budgeting Result: Is a great employer attracting, developing, equipping and retaining great employees

- Hire/train/rotate new staff into retirement positions
- Work towards certification for all inspectors
- Begin certification incentives for front office personnel
- Rearrange duties of Plan Review Specialist, Chief Building Inspector, Zoning & Business Services Administrator and Building Commissioner to make better use of skills and demands
- Increase attendance at national level building/flood meetings

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Permit Processing Times	efficiency	< 3min.	< 3min.	< 3min.	< 3min.
- Plan Review Turnaround Time	efficiency	< 48hrs.	< 48hrs.	< 48hrs.	< 48hrs.

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Attrition through retirements and replacement from a shortage of qualified workers
- Instilling incentives for inspectors achieving certifications
- Credit Card POS station for office and limited online

Fund 600 - Consolidated Building Fund

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018 Proposed Budget	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual		2019	2020	2021	2022
Non-Bargaining								
Code Enforcement (600-1201)								
Director of Code Enforcement	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Deputy Director of Code Enforcement	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Executive Administrative Assistant	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative Assistant	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Code Inspector	6.0	6.0	6.0	6.0	6.0	6.0	6.0	6.0
Code Inspector - Senior	2.0	2.0	1.0	2.0	2.0	2.0	2.0	2.0
Hearing Secretary	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Data Analyst *	1.0	1.0	1.0	-	-	-	-	-
Director of Financial Services *	1.0	1.0	1.0	-	-	-	-	-
Operations Analyst *	-	-	-	1.0	1.0	1.0	1.0	1.0
Rental Unit Inspection (600-1208)								
Code Inspector (Rental License Insp.)	-	-	-	2.0	2.0	3.0	3.0	3.0
Total Code Enforcement	16.0	17.0	16.0	18.0	18.0	19.0	19.0	19.0
Animal Care & Control (600-1207)								
Shelter Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assistant Shelter Manager	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Animal Control Officer	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0
Animal Control Assistant	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0
Total Animal Care & Control	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Building Department (600-1306)								
Building Commissioner	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Plan/Design Review Specialist	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Zoning & Business Svcs Administrator	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Building Inspector	3.0	3.0	3.0	4.0	3.0	3.0	3.0	3.0
Combo Commercial Inspector	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0
Secretary V	2.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0
Administrative Assistant	2.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Total Building Department	14.0	14.0	14.0	15.0	16.0	16.0	16.0	16.0
Total Non-Bargaining	38.0	39.0	38.0	41.0	42.0	43.0	43.0	43.0

Explain Significant Staffing Changes Below:

Code Enforcement: The Data Analyst will be retitled Operations Analyst to better reflect the job duties of this employee. The Director of Financial Services will be paid out of the Department of Administration & Finance in the General Fund (101-0401) starting in 2018.

Building Department: 2018 includes the addition of a Building Inspector. 2019 includes the addition of a Secretary V.

The NEAT Crew, a division of Code Enforcement, is budgeted in Fund 219.

Fund 601 - Parking Garages

Fund Type	Parking Garages					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	890,228	923,301	1,223,769	593,773	1,162,700		1,122,700	1,122,700	1,122,700	1,122,700	(61,069)	-5%
Fines, Forfeitures, and Fees	78,191	70,396	99,000	27,268	55,700		55,700	55,700	55,700	55,700	(43,300)	-44%
Interest Earnings	6,709	6,786	15,967	4,679	10,000		10,000	10,000	10,000	10,000	(5,967)	-37%
Other Income	20	113	15,117	296	1,200		1,200	1,200	1,200	1,200	(13,917)	-92%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	975,148	1,000,596	1,353,853	626,017	1,229,600		1,189,600	1,189,600	1,189,600	1,189,600	(124,253)	-9%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	632,093	587,790	759,751	268,892	670,000		670,000	670,000	670,000	670,000	(89,751)	-12%
Utilities	-	-	27,106	-	-		-	-	-	-	(27,106)	-100%
Repairs & Maintenance	680,614	11,538	371,634	110,339	300,000		300,000	300,000	300,000	300,000	(71,634)	-19%
Other Interfund Allocations	20,667	57,504	31,644	15,822	32,880		32,880	32,880	32,880	32,880	1,236	4%
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Insurance	8,424	9,420	8,728	4,356	8,064		8,064	8,064	8,064	8,064	(664)	-8%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	3,994	4,740	9,355	1,904	4,400		4,400	4,400	4,400	4,400	(4,955)	-53%
Total Services & Charges	1,345,792	670,992	1,208,218	401,312	1,015,344		1,015,344	1,015,344	1,015,344	1,015,344	(192,874)	-16%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	62,366	-	1,536	-	150,000		-	-	-	-	148,464	9666%
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	-	-	37,500	-	10,000		-	-	-	-	(27,500)	-73%
Infrastructure	-	-	-	-	-		-	-	-	-	-	-
Total Capital	62,366	-	39,036	-	160,000		-	-	-	-	120,964	310%
Total Expenditures	1,408,158	670,992	1,247,254	401,312	1,175,344		1,015,344	1,015,344	1,015,344	1,015,344	(71,910)	-6%
Net Surplus / (Deficit)	(433,010)	329,604	106,599	224,705	54,256		174,256	174,256	174,256	174,256		
Beginning Cash Balance	1,072,477	639,642	968,528		1,075,127		1,129,383	1,303,639	1,477,895	1,652,151	Cash Reserve	
Cash Adjustments	175	(719)	-		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	639,642	968,528	1,075,127		1,129,383		1,303,639	1,477,895	1,652,151	1,826,407		
Cash Reserves Target	281,632	167,748	311,814		293,836		253,836	253,836	253,836	253,836		

Fund Purpose:

This fund accounts for the revenues and expenditures from the various parking garages owned by the City of South Bend. Parking garage operations are under outside contract with Downtown South Bend, Inc. Other contracts are for various repair & maintenance projects among the garages.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Occupancy levels continue to increase with downtown density. 2017 rate changes increased revenue for much needed capital repairs (all surplus reserved for this purpose in the future).

Main & Colfax Parking Garage



Fund 610 - Solid Waste Operations

Fund Type	Solid Waste Operations				Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%
						2019	2020	2021	2022		Change
Revenue											
Charges for Services	5,003,799	5,511,281	6,244,457	2,625,349	5,347,191	5,347,191	5,347,191	5,347,191	5,347,191	(897,266)	-14%
Interest Earnings	2,162	3,096	4,656	1,885	2,800	2,500	2,500	2,500	2,500	(1,856)	-40%
Other Income	361,072	50,678	75,036	51,000	124,200	56,200	151,200	56,200	56,200	49,164	66%
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	5,367,033	5,565,055	6,324,149	2,678,234	5,474,191	5,405,891	5,500,891	5,405,891	5,405,891	(849,958)	-13%
Expenditures by Type											
Personnel											
Salaries & Wages	1,204,219	1,070,937	1,148,826	531,184	1,112,889	1,124,659	1,136,834	1,152,156	1,167,577	(35,937)	-3%
Fringe Benefits	451,964	458,405	632,296	289,541	608,180	638,509	672,020	708,559	747,821	(24,116)	-4%
Total Personnel	1,656,183	1,529,342	1,781,122	820,724	1,721,069	1,763,168	1,808,854	1,860,715	1,915,398	(60,053)	-3%
Supplies	283,987	309,671	237,532	114,016	373,700	240,232	246,309	252,567	259,014	136,168	57%
Services & Charges											
Professional Services	824,308	774,231	483,056	193,592	171,435	174,007	177,487	181,036	184,657	(311,621)	-65%
Printing & Advertising	1,025	37	250	43	250	250	250	250	250	-	0%
Utilities	-	-	6,900	-	-	-	-	-	-	(6,900)	-100%
Education & Training	-	4,101	10,000	2,245	10,000	10,000	10,000	10,000	10,000	-	0%
Travel	118,832	1,371	4,900	1,520	9,900	9,900	9,900	9,900	9,900	5,000	102%
Repairs & Maintenance	720,468	756,162	884,538	362,460	661,500	642,250	643,038	643,864	644,733	(223,038)	-25%
Other Interfund Allocations	142,879	390,777	363,689	181,842	573,717	583,401	595,069	606,971	619,110	210,028	58%
Debt Service											
Principal	49,000	9,700	7,682	-	-	-	-	-	-	(7,682)	-100%
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-
Insurance	98,664	100,476	76,404	38,202	105,956	107,545	109,696	111,890	114,128	29,552	39%
Transfers Out	659,600	925,000	835,613	493,600	1,076,706	1,113,809	1,106,897	808,845	584,393	241,093	29%
Other Services & Charges	915,270	848,840	971,224	401,344	749,400	749,900	750,405	750,915	751,430	(221,824)	-23%
Total Services & Charges	3,530,046	3,810,695	3,644,256	1,674,848	3,358,864	3,391,062	3,402,742	3,123,671	2,918,601	(285,392)	-8%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	5,470,216	5,649,708	5,662,910	2,609,589	5,453,633	5,394,462	5,457,905	5,236,953	5,093,013	(209,277)	-4%
Net Surplus / (Deficit)	(103,183)	(84,653)	661,239	68,645	20,558	11,429	42,986	168,938	312,878		
Beginning Cash Balance	405,863	318,912	193,005		854,244	874,802	886,231	929,217	1,098,155	Cash Reserve	
Cash Adjustments	16,232	(41,254)	-		-	-	-	-	-	-10% of Annual expenditures	
Ending Cash Balance	318,912	193,005	854,244		874,802	886,231	929,217	1,098,155	1,411,033		
Cash Reserves Target	1,094,043	564,971	566,291		545,363	539,446	545,791	523,695	509,301		

Fund Purpose:

This fund accounts for the operations of the Solid Waste Department. It is funded by charging City residents a monthly fee for pick-up and disposal of trash at area landfills and recycling centers. Funds are transferred out to the Solid Waste Capital Fund #611 for the payment of debt service obligations as needed.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Decrease in budgeted revenue is mainly due to the fact that Recycling fees are now on residents' property tax bills instead of being collected by Solid Waste and then paid to Solid Waste Management District. *** Staffing:** Reduced Picker I's by 3, Created one additional Job Leader position, Created one additional Superintendent V - Route Manager position, Reduced Drivers by 1.

Staffing (Full-Time Employees only)	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Proposed Budget	Forecast			
Position (*new titles)					2019	2020	2021	2022
Non-Bargaining								
Manager - Solid Waste Operations	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Director - Solid Waste Operations	0.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Administrative Assistant I	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Secretary V	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Superintendent V - Route Manager*	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0
Total Non-Bargaining	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0
Bargaining								
Driver	16.0	16.0	15.0	15.0	15.0	15.0	15.0	15.0
Picker I	5.0	5.0	5.0	2.0	2.0	2.0	2.0	2.0
Job Leader*	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0
Total Non-Bargaining	22.0	22.0	21.0	19.0	19.0	19.0	19.0	19.0
Total Full-Time Employees	26.0	26.0	25.0	24.0	24.0	24.0	24.0	24.0

Fund 610 - Solid Waste Operations

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Reduced complaints by 45%
- Increased customer satisfaction by 53%
- Successfully moved 12,590 alley to curbside collection to date
- Implemented the ELEMOS RFID program
- Increased efficiencies in extra pick ups by 33%
- Reduced yard waste misses by 4%
- Recovered \$151,077.44 per year in inaccurate billing



Yard Waste Pickup

2018 Department Goals & Objectives and Linkage to City Results

Vibrant & Welcoming Neighborhoods

Priority Based Budgeting Result: Offers proactive solid waste management, convenient trash collection and efficient yard debris removal that preserves the health and appearance of the community

- Improve customer service
- Improve route efficiency with the utilization of Route Planner
- Complete alley to curbside transition
- Offer new container cleaning program
- Create education programs for public awareness

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Number of complaints	Efficiency	0	381	296	250
- Customer satisfaction	Quality	80%	43%	66%	70%
- Number of missed Trash collection	Efficiency	0	1,788	2,000	1,248
- Number of missed Yard Waste collection	Efficiency	0	1,377	1,246	750
- Number of Accidents	Effectiveness	0	47	24	15

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Complete alley to curbside transition
- Create a positive work environment where all can thrive

Alley to Curbside Transition



Fund 611 - Solid Waste Capital

Fund Type	Solid Waste Capital					Control	Enterprise Funds				Budget Variance 2017-2018	% Change
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast					
						2019	2020	2021	2022			
Revenue												
Grants/Intergovernmental	-	300,000	-	-	-	-	-	-	-	-	-	
Interest Earnings	113	1,149	1,100	489	800	800	800	800	800	(300)	-27%	
Other Income	-	-	-	-	-	-	-	-	-	-	-	
Transfers In	659,600	925,000	835,613	493,600	1,076,706	1,113,809	1,106,897	808,845	584,393	241,093	29%	
Total Revenue	659,713	1,226,149	836,713	494,089	1,077,506	1,114,609	1,107,697	809,645	585,193	240,793	29%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	
Principal	666,950	851,406	1,078,343	515,114	1,009,386	1,053,577	1,067,533	774,508	576,220	(68,957)	-6%	
Interest & Fees	27,521	38,738	45,270	22,924	67,320	60,232	39,364	34,337	8,173	22,050	49%	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	694,471	890,144	1,123,613	538,038	1,076,706	1,113,809	1,106,897	808,845	584,393	(46,907)	-4%	
Capital	-	-	12,000	-	-	-	-	-	-	(12,000)	-100%	
Total Expenditures	694,471	890,144	1,135,613	538,038	1,076,706	1,113,809	1,106,897	808,845	584,393	(58,907)	-5%	
Net Surplus / (Deficit)	(34,758)	336,005	(298,900)	(43,949)	800	800	800	800	800			
Beginning Cash Balance	35,162	442	335,856		36,956	37,756	38,556	39,356	40,156		Cash Reserve	
Cash Adjustments	38	(591)	-		-	-	-	-	-		No reserve requirement	
Ending Cash Balance	442	335,856	36,956		37,756	38,556	39,356	40,156	40,956			
Cash Reserves Target	-	-	-		-	-	-	-	-			

Fund Purpose:

This fund is used for debt service and capital expenditures related to the Solid Waste Department. This fund receives transfers from the Solid Waste Operations Fund 610.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Solid Waste currently has six equipment leases for trucks and equipment, the oldest of which will be paid off in 2018. In addition, 2018 includes a new lease-purchase request to replace three of the oldest rear load trucks in the fleet with three CNG fueled, front load units. They are also requesting to lease-purchase a trailer mounted power washer for trash and yard waste tote maintenance. Amounts forecast in 2019-2022 are for existing lease payments and new leases to pay for the replacement of one or two trucks per year.

Front-Load, CNG Fueled Trash Truck



Yard Waste Tote



Fund 620 - Water Works Operations

Fund Type	Water Works Operations					Control	Enterprise Funds					
	2017				2018	Forecast				Budget		
	2015	2016	Amended	06/30/17	Adopted	2019	2020	2021	2022	2017-2018	%	
Revenue	Actual	Actual	Budget	Actual	Budget					Variance	Change	
Charges for Services	14,288,227	15,041,060	15,316,213	6,852,156	16,998,852	19,901,962	19,935,818	19,970,360	20,005,597	1,682,639	11%	
Interest Earnings	24,939	30,590	32,000	12,779	35,000	36,050	37,132	38,245	39,393	3,000	9%	
Other Income	61,848	65,874	77,382	19,412	72,500	70,500	70,500	70,500	70,500	(4,882)	-6%	
Transfers In	43,661	45,514	67,500	30,671	63,000	64,950	66,895	68,905	68,965	(4,500)	-7%	
Total Revenue	14,418,675	15,183,038	15,493,095	6,915,018	17,169,352	20,073,462	20,110,345	20,148,010	20,184,455	1,676,257	11%	
Expenditures by Type												
Personnel												
Salaries & Wages	3,291,209	3,493,369	3,745,168	1,709,214	3,783,323	3,871,633	3,927,495	3,983,775	4,040,971	38,155	1%	
Fringe Benefits	1,378,399	1,623,493	1,813,989	848,337	1,936,753	1,976,584	2,010,764	2,045,479	2,080,846	122,764	7%	
Total Personnel	4,669,608	5,116,862	5,559,157	2,557,551	5,720,076	5,848,217	5,938,259	6,029,254	6,121,817	160,919	3%	
Supplies	1,386,062	1,180,467	1,727,233	555,907	1,424,736	1,467,482	1,511,504	1,556,845	1,603,557	(302,497)	-18%	
Services & Charges												
Professional Services	1,592,672	1,310,806	2,110,427	581,486	1,893,510	1,625,341	1,587,602	1,709,101	1,673,871	(216,917)	-10%	
Printing & Advertising	1,971	3,209	4,369	193	5,280	5,439	5,601	5,770	5,943	911	21%	
Utilities	686,836	725,324	757,700	323,490	740,050	762,574	785,451	809,015	833,285	(17,650)	-2%	
Education & Training	7,259	4,249	31,030	9,820	25,175	25,930	26,709	27,509	28,335	(5,855)	-19%	
Travel	4,442	3,031	18,350	2,493	18,750	19,313	19,892	20,489	21,103	400	2%	
Repairs & Maintenance	347,146	344,463	559,799	159,134	380,310	390,605	402,328	414,402	426,833	(179,489)	-32%	
Payment In Lieu of Taxes	1,942,608	2,039,748	1,785,924	892,962	1,730,831	1,765,448	1,800,757	1,836,772	1,873,507	(55,093)	-3%	
Other Interfund Allocations	452,308	741,247	1,189,004	594,498	1,181,266	1,204,891	1,228,990	1,253,568	1,278,641	(7,738)	-1%	
Debt Service												
Principal	6,763	111,630	222,053	104,858	398,008	408,942	416,166	306,184	214,277	175,955	79%	
Interest & Fees	1,361	9,472	23,895	8,128	35,914	24,567	16,932	9,717	4,045	12,019	50%	
Insurance	158,136	134,484	161,532	80,766	158,252	161,417	164,645	167,938	171,297	(3,280)	-2%	
Transfers Out	2,193,528	2,273,521	2,177,716	1,135,272	2,000,217	5,415,041	4,570,986	4,326,083	4,334,522	(177,499)	-8%	
Other Services & Charges	1,405,379	1,458,784	1,399,065	549,699	1,511,170	1,576,398	1,617,837	1,660,569	1,704,497	112,105	8%	
Total Services & Charges	8,800,409	9,159,968	10,440,864	4,442,798	10,078,733	13,385,906	12,643,896	12,547,117	12,570,156	(362,131)	-3%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	14,856,079	15,457,297	17,727,254	7,556,257	17,223,545	20,701,605	20,093,659	20,133,216	20,295,530	(503,709)	-3%	
Net Surplus / (Deficit)	(437,404)	(274,259)	(2,234,159)	(641,239)	(54,193)	(628,143)	16,686	14,794	(111,075)			
Beginning Cash Balance	4,298,441	3,889,248	3,801,473		1,574,703	1,520,510	892,367	909,053	923,847	Cash Reserve		
Cash Adjustments	28,212	186,484	7,389		-	-	-	-	-	5% of Annual expenditures		
Ending Cash Balance	3,889,248	3,801,473	1,574,703		1,520,510	892,367	909,053	923,847	812,772			
Cash Reserves Target	742,804	772,865	886,363		861,177	1,035,080	1,004,683	1,006,661	1,014,777			

Fund Purpose:

This fund was established to account for all revenue and operational expenses of the water utility. This fund provides the monies for debt service obligations, reserve requirements and revenue funded capital improvements through transfer of monies to other funds within the utility operations.

Explain Significant Revenue, Expenditure and Staffing Changes/Variances Below:

Results from an Accounting Report on Rate Study, which was provided in October 2016, reflect an approximate across the board increase in rate and charges of 43.0%. Ordinance 10479-77 was approved in March 2017 with intent of a two year rate phase in. The Water Rate Case is presently underway. Revenue assumptions based on retail water sales and fire protection in 2018 includes nine (9) months of additional revenue at a rate of 22%. Forward projections are 12 months with the additional 21% remaining. Beginning in 2019, annual pay-as-you-go transfers out are forecasted for funding capital improvement expenditures.



Chet Waggoner Drive Water Main

Water Works personnel installed 12" main from Dylan Drive to Mayflower Road.

2400 feet of ductile iron with poly wrap was installed along the new road.



Fund 620 - Water Works Operations

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Drinking Water Compliance - 100%
- Work Orders Completed on Schedule - 96.7%
- Telephone Call Response - 92.3% of calls were answered

2018 Department Goals & Objectives and Linkage to City Results

Safe Community for Everyone

Priority Based Budgeting Result: Ensures access to a safe, reliable and well-maintained utility system that delivers clean drinking water and effectively manages sewage treatment

- 100% compliance with drinking water standards
- Continue to monitor the water conditions, ensuring safe drinking water

Well-Governed and Administered City

Priority Based Budgeting Result: Offers excellent services and efficient processes supported by timely and accurate analysis

- Continue working towards selecting and implementing a new utility billing software
- Continue to improve field service/work order efficiency

Priority Based Budgeting Result: Ensures reliable compliance with regulations and well-managed risk

- Evaluate utility rules and regulations to encourage excellent utility practices

Robust & Well-Planned Infrastructure

Priority Based Budgeting Result: Plans and develops a safe, reliable and well-maintained water and wastewater utility infrastructure

- Continue to improve and develop the water utility infrastructure through capital projects

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Drinking Water Compliance	Quality	100%	100%	100%	100%
- Service Orders completed on time	Efficiency	96%	97%	96%	96%

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

Significant impacts on Water Works budget for past 12 years:

- Reduced staff 16 positions
- Increases in Payment in Lieu of Taxes (PILOT) and allocated city administration fees
- Deferred Maintenance on Capital Equipment
- Pumping capacity has dropped from 70 MGD (millions of gallons per day) to around 40 MGD
- Pumping less water (6.4 billion in 2006, 5.3 billion in 2016)

Fund 620 - Water Works Operations

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual	Proposed Budget	2019	2020	2021	2022
Non-Bargaining								
Assistant Director of Utilities	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Director of Finance (Water Utility)	1.00	-	-	-	-	-	-	-
Director of Distributions * title change	1.00	1.00	1.00	-	-	-	-	-
Manager - Maintenance *	-	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Director of Treatment	1.00	-	-	-	-	-	-	-
Distribution System Specialist	1.00	1.00	-	-	-	-	-	-
Superintendent V	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
System Specialist III	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Utilities System Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Director of Treatment	1.00	-	-	-	-	-	-	-
Financial Specialist Senior	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Financial Specialist IV	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Financial Specialist III	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Treatment Operator PF	2.00	-	-	-	-	-	-	-
Quality Assurance Distribution Tech	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Quality Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service Supervisor	2.00	-	-	-	-	-	-	-
Distribution Records Drafter	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Engineering Aide IV	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Locator	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Director of Customer Service & Billing Office	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Manager - Operations * title change	1.00	1.00	1.00	-	-	-	-	-
Director - Water Works *	-	-	-	1.00	1.00	1.00	1.00	1.00
Manager - Operations Distribution	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Operations Supervisor	-	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Manager - Customer Service	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant Manager - Customer Service	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Non-Bargaining	26.00	25.00	24.00	24.00	24.00	24.00	24.00	24.00
Bargaining								
Job Leader	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Heavy Equipment Operator II	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Heavy Equipment Operator I	3.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00
Machinist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Operator II	2.00	2.00	1.00	2.00	2.00	2.00	2.00	2.00
Operator I	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Field Repairman/Inspector III	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Field Repairman/Inspector II	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Field Repairman/Inspector I	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Group Leader-Meter Reading	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Meter Serviceman IV	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Maintenance Tech II	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Maintenance Tech I	2.00	3.00	2.00	4.00	4.00	4.00	4.00	4.00
Auditor I	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Customer Service & Billing	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Data Processor	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Total Bargaining	40.00	43.00	40.00	43.00	43.00	43.00	43.00	43.00
Total Full-Time Employees	66.00	68.00	64.00	67.00	67.00	67.00	67.00	67.00

Fund 622 - Water Works Capital

Fund Type	Water Works Capital					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	17,400	25,424	24,232	10,849	25,000		25,750	26,525	27,325	28,150	768	3%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	58,000	-	-		3,400,000	2,750,000	2,500,000	2,500,000	(58,000)	-100%
Total Revenue	17,400	25,424	82,232	10,849	25,000		3,425,750	2,776,525	2,527,325	2,528,150	(57,232)	-70%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	73,570	28,427	-		-	-	-	-	(73,570)	-100%
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	-	-	73,570	28,427	-		-	-	-	-	(73,570)	-100%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	-	-	-	-	-		-	-	-	-	-	-
Motor Equipment	246,891	303,642	799,610	278,460	350,000		377,000	473,000	455,000	392,000	(449,610)	-56%
Machinery & Equipment	15,382	14,675	41,286	23,098	18,000		38,000	-	-	-	(23,286)	-56%
Water Meters	-	-	-	-	800,000		3,050,000	2,305,000	2,075,000	2,135,000	800,000	-
Infrastructure	-	-	500,000	8,299	-		-	-	-	-	(500,000)	-100%
Total Capital	262,273	318,317	1,340,896	309,857	1,168,000		3,465,000	2,778,000	2,530,000	2,527,000	(172,896)	-13%
Total Expenditures	262,273	318,317	1,414,466	338,284	1,168,000		3,465,000	2,778,000	2,530,000	2,527,000	(246,466)	-17%
Net Surplus / (Deficit)	(244,873)	(292,893)	(1,332,234)	(327,435)	(1,143,000)		(39,250)	(1,475)	(2,675)	1,150		
Beginning Cash Balance	3,135,399	2,876,026	2,582,972		1,255,759		112,759	73,509	72,034	69,359	Cash Reserve	
Cash Adjustments	(14,500)	(160)	5,021		-		-	-	-	-	No reserve requirement	
Ending Cash Balance	2,876,026	2,582,972	1,255,759		112,759		73,509	72,034	69,359	70,509		
Cash Reserves Target	-	-	-		-		-	-	-	-		

Fund Purpose:

This fund is used for acquiring, constructing, and improving water utility capital assets. Water utility capital assets include Wells, Reservoirs, Transmission and Distribution Mains, Water Meters, Pumping Equipment, Treatment Equipment, Transportation Equipment, and other general plant items.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Pay-as-you-go financing for capital expenditures is expected to increase as a result of an Accounting Report on Rate Study. A proposed annual capital improvement amount of \$4,090,722 is included in the rate case and is based on an approximate across the board rate increase of 43.0%. Approval and phase in of the additional revenues needed will have an impact on the funding availability and timing of those projects. Lease purchase of water meters will discontinue in 2018.

2017-2018 Capital Supported by TIF Funds

- \$1,563,000 2017 Upgrade to South GAC Plant to provide redundancy and direct entry to south pressure zone
- \$747,000 in 2018 to complete the South GAC project
- \$786,000 Upgrade to Olive GAC Plant to update onsite disinfection, replace fluoride addition, and reactivate GAC vessels

Compound Series Meter



HR-E®

The High Resolution 8-dial Encoder (HR-E®) from Badger Meter



Fund 624 - Water Works Customer Deposit

Fund Type	Water Works Customer Deposit					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Charges for Services	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	8,595	13,911	16,500	6,867	15,000		15,500	15,950	16,425	16,915	(1,500)	-9%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	8,595	13,911	16,500	6,867	15,000		15,500	15,950	16,425	16,915	(1,500)	-9%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	9,709	12,228	16,500	6,582	15,000		15,500	15,950	16,425	16,915	(1,500)	-9%
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	9,709	12,228	16,500	6,582	15,000		15,500	15,950	16,425	16,915	(1,500)	-9%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	9,709	12,228	16,500	6,582	15,000		15,500	15,950	16,425	16,915	(1,500)	-9%
Net Surplus / (Deficit)	(1,114)	1,683	-	285	-		-	-	-	-		
Beginning Cash Balance	1,478,773	1,509,816	1,541,423		1,544,420		1,544,420	1,544,420	1,544,420	1,544,420		
Cash Adjustments	32,157	29,924	2,997		-		-	-	-	-		
Ending Cash Balance	1,509,816	1,541,423	1,544,420		1,544,420		1,544,420	1,544,420	1,544,420	1,544,420		
Cash Reserves Target	1,509,816	1,541,423	1,541,423		1,544,420		1,544,420	1,544,420	1,544,420	1,544,420		
											Cash Reserve	
											100% cash reserves for	
											customer deposits	

Fund Purpose:

Security deposits are collected from utility customers and are retained in this separate fund. Upon termination of service, refunds are credit applied to the customers final bill.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Revenue and expenditures are dependent on the frequency of new customers and terminations of service.



Fund 625 - Water Works Sinking (Debt Service)

Fund Type	Water Works Sinking (Debt Service)					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	6,262	7,290	9,661	3,039	9,000	9,275	9,555	9,845	10,140	-	(661)	-7%
Other Income	-	-	12,751	12,750	-	-	-	-	-	-	(12,751)	-100%
Transfers In	2,043,540	2,046,060	1,968,000	984,000	2,000,217	2,015,041	1,820,986	1,826,083	1,834,522	1,834,522	32,217	2%
Total Revenue	2,049,802	2,053,350	1,990,412	999,789	2,009,217	2,024,316	1,830,541	1,835,928	1,844,662	1,844,662	18,805	1%
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service												
Principal	1,312,053	965,231	1,395,954	-	1,431,617	1,487,345	1,338,099	1,383,877	1,434,682	1,434,682	35,663	3%
Interest & Fees	731,735	1,035,073	650,437	254,184	568,600	527,696	482,887	442,206	399,840	399,840	(81,837)	-13%
Transfers Out	6,265	7,294	9,500	3,030	9,000	9,275	9,555	9,845	10,140	10,140	(500)	-5%
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	2,050,053	2,007,598	2,055,891	257,214	2,009,217	2,024,316	1,830,541	1,835,928	1,844,662	1,844,662	(46,674)	-2%
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	2,050,053	2,007,598	2,055,891	257,214	2,009,217	2,024,316	1,830,541	1,835,928	1,844,662	1,844,662	(46,674)	-2%
Net Surplus / (Deficit)	(251)	45,752	(65,479)	742,575	-	-	-	-	-	-		
Beginning Cash Balance	4,650	4,398	50,069	-	28,105	28,105	28,105	28,105	28,105	28,105	Cash Reserve	
Cash Adjustments	(1)	(81)	43,515	-	-	-	-	-	-	-	100% cash reserves per	
Ending Cash Balance	4,398	50,069	28,105	-	28,105	28,105	28,105	28,105	28,105	28,105	bond covenants	
Cash Reserves Target	4,398	50,069	28,105	-	28,105	28,105	28,105	28,105	28,105	28,105		

Fund Purpose:

The purpose of this fund is to disburse principal and interest payments on obligated debt to paying agent trustees. It receives transfers from the Water Works Operations Fund 620. Biannual installments are disbursed at the end of June and December. June's payment includes 50% of the annual interest and December's payment comprises the rest of the interest and all of the principal.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Refunding bonds were issued in 2016 for the current refunding of the Water Works Revenue Bonds of 2000 and the Water Works Revenue Bonds of 2006. Prior issue debt service proceeds totaling \$420,783 were part of the new issue acquisition price.

Fund 626 - Water Works Bond Reserve

Fund Type	Water Works Bond Reserve					Control	Enterprise Funds					
	2015	2016	2017		2018		Forecast				Budget	
	Actual	Actual	Amended	06/30/17	Adopted		2019	2020	2021	2022	Variance	%
			Budget	Actual	Budget						2017-2018	Change
Revenue												
Charges for Services	-	-	-	-	-	-	-	-	-	-	-	-
Interest Earnings	6,166	14,781	16,000	6,432	16,000	16,475	16,975	17,485	18,010	-	0%	
Other Income	-	330,000	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	6,166	344,781	16,000	6,432	16,000	16,475	16,975	17,485	18,010	-	0%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Fees	-	550,448	-	-	-	-	-	-	-	-	-	-
Transfers Out	13,281	6,531	16,000	10,000	16,000	16,475	16,975	17,485	18,010	-	0%	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	13,281	556,979	16,000	10,000	16,000	16,475	16,975	17,485	18,010	-	0%	
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	13,281	556,979	16,000	10,000	16,000	16,475	16,975	17,485	18,010	-	0%	
Net Surplus / (Deficit)	(7,115)	(212,198)	-	(3,568)	-	-	-	-	-			
Beginning Cash Balance	1,644,945	1,637,116	1,424,915		1,427,622	1,427,622	1,427,622	1,427,622	1,427,622			
Cash Adjustments	(714)	(3)	2,707		-	-	-	-	-			
Ending Cash Balance	1,637,116	1,424,915	1,427,622		1,427,622	1,427,622	1,427,622	1,427,622	1,427,622			
Cash Reserves Target	1,637,116	1,424,915	1,424,915		1,427,622	1,427,622	1,427,622	1,427,622	1,427,622			

Cash Reserve
100% cash reserves per bond covenants and Crowe Horwath

Fund Purpose:

The purpose of this fund is to ensure compliance with certain debt service bond covenants. Required balance is determined by debt service financing arrangements at the time of issuance.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Refunding bonds were issued in 2016 for the current refunding of the Water Works Revenue Bonds of 2000 and the Water Works Revenue Bonds of 2006. Additional debt service reserves totaling \$330,000 were part of the new issue acquisition price. The old debt service reserve amount of \$550,448 was part of the bond payout.

Fund 629 - Water Works Reserve Operations & Maintenance

Fund Type	Water Works Reserve Operations & Maintenance					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	12,703	21,912	27,500	11,514	23,000		23,700	24,415	25,150	23,900	(4,500)	-16%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	150,228	227,461	151,500	151,272	-		-	-	-	-	(151,500)	-100%
Total Revenue	162,931	249,373	179,000	162,786	23,000		23,700	24,415	25,150	23,900	(156,000)	-87%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	14,406	19,461	27,500	11,059	23,000		23,700	-	-	-	(4,500)	-16%
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	14,406	19,461	27,500	11,059	23,000		23,700	-	-	-	(4,500)	-16%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	14,406	19,461	27,500	11,059	23,000		23,700	-	-	-	(4,500)	-16%
Net Surplus / (Deficit)	148,525	229,912	151,500	151,727	-		-	24,415	25,150	23,900		
Beginning Cash Balance	2,081,600	2,228,964	2,457,950		2,614,228	2,614,228	2,614,228	2,638,643	2,663,793		Cash Reserve	
Cash Adjustments	(1,161)	(926)	4,778		-	-	-	-	-		Annual operating expenses	
Ending Cash Balance	2,228,964	2,457,950	2,614,228		2,614,228	2,614,228	2,638,643	2,663,793	2,687,693		in Fund 620, net of transfers	
Cash Reserves Target	2,110,847	2,197,735	2,592,108		2,537,729	2,548,270	2,587,630	2,635,049	2,660,700			

Fund Purpose:

The purpose of this fund is to hold cash reserves to serve as fiscal protection against the risk of revenue shortfalls, emergencies, and other economic risks that may impact the Water Utility's ability to meet financial commitments.

Explain Significant Revenue and Expenditure Changes/Variations Below:

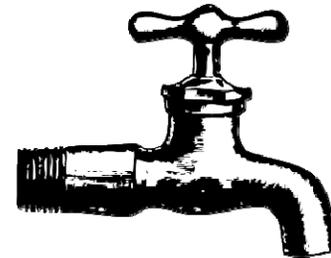
Typically, interest earnings are transferred to Fund 620 Water Works Operations & Maintenance. Starting in 2020, the transfer will be suspended in order to meet the cash reserve requirement for Fund 629.

Fund 640 - Sewer Repair Insurance

Fund Type	Sewer Repair Insurance					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	606,291	626,821	638,754	320,976	615,685		621,842	628,060	634,341	640,684	(23,069)	-4%
Interest Earnings	8,996	15,682	19,057	8,030	10,850		10,959	11,068	11,179	11,291	(8,207)	-43%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	615,287	642,503	657,811	329,006	626,535		632,800	639,128	645,520	651,975	(31,276)	-5%
Expenditures by Type												
Personnel												
Salaries & Wages	115,696	109,978	146,492	71,134	150,324		153,330	156,397	159,525	162,716	3,832	3%
Fringe Benefits	42,802	45,307	73,306	33,326	75,774		77,263	78,782	80,332	81,912	2,468	3%
Total Personnel	158,498	155,285	219,798	104,460	226,098		230,594	235,179	239,857	244,628	6,300	3%
Supplies	18,403	21,234	37,970	10,725	36,859		37,596	38,348	39,115	39,897	(1,111)	-3%
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	242,015	306,038	336,841	141,589	302,500		308,550	314,721	321,015	327,436	(34,341)	-10%
Other Interfund Allocations	16,323	17,520	18,845	9,420	17,763		18,118	18,481	18,850	19,227	(1,082)	-6%
Debt Service												
Principal	27,492	27,908	14,190	14,112	-		-	-	-	-	(14,190)	-100%
Interest & Fees	943	528	107	106	-		-	-	-	-	(107)	-100%
Insurance	120	132	108	54	104		106	108	110	113	(4)	-4%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	6,980	7,073	6,650	2,698	6,072		6,193	6,317	6,444	6,573	(578)	-9%
Total Services & Charges	293,873	359,199	376,741	167,978	326,439		332,968	339,627	346,420	353,348	(50,302)	-13%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	470,774	535,718	634,509	283,163	589,396		601,158	613,155	625,392	637,873	(45,113)	-7%
Net Surplus / (Deficit)	144,513	106,785	23,302	45,843	37,139		31,643	25,974	20,128	14,102		
Beginning Cash Balance	1,505,378	1,647,834	1,752,931		1,776,233		1,813,372	1,845,014	1,870,988	1,891,116		
Cash Adjustments	(2,057)	(1,689)	-		-		-	-	-	-		
Ending Cash Balance	1,647,834	1,752,931	1,776,233		1,813,372		1,845,014	1,870,988	1,891,116	1,905,218		
Cash Reserves Target	94,155	133,929	158,627		147,349		150,289	153,289	156,348	159,468		
											Cash Reserve	
												25% of Annual expenditures

Fund Purpose:

The Sewer Insurance program is funded by a monthly charge on city residents' sewer bills. The city is responsible for the main sewer line; from the main line to the house is the homeowner's responsibility. This program helps residents who have an issue with their lateral that cannot be resolved by a simple clean-out by a plumber, i.e., collapsed line, complete root infiltration, etc. that requires excavation work. The program is set up so that the homeowner pays a maximum \$500.00 deductible toward the cost of the repair and the city pays the rest.



Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

In 2017, three additional companies were added to do excavations. The City plans to continue to look for additional companies to provide second opinions and excavations.

Staffing (Full-Time Employees only)	2017			2018	Forecast			
Position	2016 Actual	Amended Budget	06/30/17 Actual	Proposed Budget	2019	2020	2021	2022
Non-Bargaining								
Superintendent V	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Non-Bargaining	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Bargaining								
Job Leader	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Bargaining	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Full-Time Employees	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00

Fund 641 - Sewage Works Operations

Fund Type	Sewage Works Operations					Control	Enterprise Funds					
	2017				2018	Forecast				Budget		
	2015	2016	Amended	06/30/17	Adopted	2019	2020	2021	2022	Variance	%	
Revenue	Actual	Actual	Budget	Actual	Budget					2017-2018	Change	
Licenses & Permits	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	35,907,389	38,347,605	38,425,442	18,845,566	37,433,610	37,433,610	37,433,610	37,433,610	37,433,610	(991,832)	-3%	
Interest Earnings	45,346	102,607	149,898	64,704	100,000	100,000	100,000	100,000	100,000	(49,898)	-33%	
Other Income	95,750	84,096	207,672	19,087	52,975	52,975	52,975	52,975	52,975	(154,697)	-74%	
Transfers In	23,677	35,808	48,000	20,893	230,000	230,000	110,000	30,000	30,000	182,000	379%	
Total Revenue	36,072,162	38,570,116	38,831,012	18,950,250	37,816,585	37,816,585	37,696,585	37,616,585	37,616,585	(1,014,427)	-3%	
Expenditures by Dept												
Sewer Division (0621)	4,186,890	4,790,891	9,548,100	2,720,115	8,356,901	8,546,596	8,747,384	9,002,051	9,275,910	(1,191,199)	-12%	
Concrete Crew (0625)	313,995	317,794	474,389	162,468	474,916	490,439	507,131	524,611	542,959	527	0%	
Wastewater Division (0630)	30,658,342	27,567,386	33,198,000	14,809,840	36,033,859	27,788,225	27,913,850	26,979,118	27,207,921	2,835,859	9%	
Organic Resources (0631)	893,775	1,174,211	1,608,946	678,515	1,636,658	1,653,603	1,680,313	1,475,575	1,390,757	27,712	2%	
Clay Sewage (0650)	2,915	3,164	1,750	512	250	250	250	250	250	(1,500)	-86%	
Total Expenditures	36,055,917	33,853,446	44,831,185	18,371,449	46,502,584	38,479,113	38,848,927	37,981,605	38,417,797	1,671,399	4%	
Expenditures by Type												
Personnel												
Salaries & Wages	4,761,131	4,812,220	5,312,384	2,445,931	5,449,274	5,558,288	5,670,198	5,784,423	5,907,750	136,890	3%	
Fringe Benefits	1,771,524	2,005,471	2,438,296	1,100,707	2,611,412	2,757,028	2,917,052	3,089,911	3,278,243	173,116	7%	
Total Personnel	6,532,655	6,817,691	7,750,680	3,546,638	8,060,686	8,315,316	8,587,250	8,874,334	9,185,993	310,006	4%	
Supplies	1,394,270	1,675,426	2,671,806	632,842	2,203,090	2,252,642	2,303,857	2,356,803	2,411,558	(468,716)	-18%	
Services & Charges												
Professional Services	1,402,447	2,256,882	3,729,864	1,390,108	3,151,188	3,161,438	3,171,729	3,182,062	3,190,838	(578,676)	-16%	
Printing & Advertising	4,851	2,199	3,820	938	4,300	4,312	4,324	4,337	4,349	480	13%	
Utilities	981,012	1,109,732	1,084,219	598,872	1,109,052	1,121,845	1,134,850	1,148,074	1,161,527	24,833	2%	
Education & Training	18,786	10,729	17,681	4,523	32,500	32,650	32,803	32,959	33,118	14,819	84%	
Travel	14,267	18,326	28,405	2,732	35,200	35,418	35,639	35,864	36,092	6,795	24%	
Repairs & Maintenance	1,525,933	1,689,156	2,401,443	934,658	1,803,545	1,846,409	1,890,926	1,937,167	1,985,209	(597,898)	-25%	
Payment In Lieu of Taxes	3,497,196	3,672,060	4,422,408	2,211,204	4,601,656	4,606,258	4,610,864	4,615,475	4,620,090	179,248	4%	
Other Interfund Allocations	1,084,206	1,313,984	1,594,492	868,112	2,284,817	2,333,553	2,383,365	2,434,278	2,486,314	690,325	43%	
Debt Service												
Principal	354,606	573,954	835,933	340,862	667,094	631,824	602,453	337,979	188,490	(168,839)	-20%	
Interest & Fees	29,939	40,421	55,786	20,636	49,828	32,465	20,092	8,548	2,936	(5,958)	-11%	
Insurance	284,484	276,912	305,809	152,904	329,280	337,066	345,045	353,220	361,596	23,471	8%	
Transfers Out	17,525,877	12,575,437	13,629,745	6,535,540	17,512,379	9,044,676	8,936,015	7,803,089	7,823,319	3,882,634	28%	
Other Services & Charges	1,405,388	1,820,537	6,299,094	1,130,882	4,657,969	4,723,241	4,789,716	4,857,417	4,926,367	(1,641,125)	-26%	
Total Services & Charges	28,128,992	25,360,329	34,408,699	14,191,970	36,238,808	27,911,156	27,957,820	26,750,468	26,820,247	1,830,109	5%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	36,055,917	33,853,446	44,831,185	18,371,449	46,502,584	38,479,113	38,848,927	37,981,605	38,417,797	1,671,399	4%	
Net Surplus / (Deficit)	16,245	4,716,670	(6,000,173)	578,802	(8,685,999)	(662,528)	(1,152,342)	(365,020)	(801,212)			
Beginning Cash Balance	8,982,959	8,996,120	13,289,872	15,620,815	6,934,816	6,272,287	5,119,945	4,754,925	Cash Reserve			
Cash Adjustments	(3,084)	(422,919)	8,331,116	-	-	-	-	-	5% of Annual expenditures			
Ending Cash Balance	8,996,120	13,289,872	15,620,815	6,934,816	6,272,287	5,119,945	4,754,925	3,953,713				
Cash Reserves Target	1,802,796	1,692,672	2,241,559	2,325,129	1,923,956	1,942,446	1,899,080	1,920,890				

Fund Purpose:

This fund accounts for the operations of the following divisions of the Department of Public Works: Wastewater Division, Sewer Division, Organic Resources Division, and Concrete Crew.

Wastewater Division: Facilitates the collection, treatment and disposal of wastewater. Responsible for the operation of the treatment facility, which is a conventional activated sludge plant, the interceptor sewer system, the combined sewer overflow (CSO) system and the remote sewage lift stations.

Sewer Division: Responsible for sewer maintenance preventative program that cleans and inspects the storm and sanitary sewer system in the City and Clay Township and sewer construction program that repairs sewer mains, catch basins, manholes, and structure raising for the Street Department paving program.

Organic Resources Division: Recycles collected yard waste, leaves, and brush for compost and mulch products.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

- Sewer rates have increased recently due to higher operating costs and to cover the costs for the EPA-mandated Long Term Control Plan (LTCP), a construction project designed to address overflow issues.

- The Cash Adjustment of \$8,331,116 is to bring cash balance to \$14,250,557 actual at 6/30/2017.

- Sewage Works capital expenditures are reported in the Sewage Works Capital Fund #642.

Fund 641 - Sewage Works Operations

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Wastewater - Maintained WWTP NPDES Permit parameters to 100% compliance
- Wastewater - Maintained CSO EmNet uptime above 90%
- Wastewater - Had ten CSO dry weather overflows in 2016
- Sewers - 35 mainline digs YTD
- Sewers - Reduced mainline back-ups vs 2016

2018 Department Goals & Objectives and Linkage to City Results

Robust & Well-Planned Infrastructure

Priority Based Budgeting Result: Plans and develops a safe, reliable and well-maintained water and wastewater utility infrastructure

- Maintain WWTP NPDES Permit parameters to 100% compliance
- Sewer- Double the mileage of sewer lines filmed vs. 2017; Also film lines we are currently not capable of filming.

Safe Community for Everyone

Priority Based Budgeting Result: Ensures access to a safe, reliable and well-maintained utility system that delivers clean drinking water and effectively manages sewage treatment

- Goal of zero CSO dry weather overflows for permit compliance

Well-Governed and Administered City

Priority Based Budgeting Result: Offers excellent services and efficient processes supported by timely and accurate analysis

- Maintain CSO EmNet uptime at 90%

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- W - Maintain WWTP NPDES Permit parameters to 100% compliance	output	0	0	0	0
- W - Goal of zero CSO dry weather overflows for permit compliance	output	0	10	0	0
- W - Maintain CSO EmNet uptime of 90%	output	90%	95.84%	97.35%	90%

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- Wastewater - Bring recommendations forward that will help combine the Water & Wastewater Departments into a Utility Department
- Sewers - Challenged by aging infrastructure, which increases digs and infiltration

South Bend Wastewater Treatment Plant



Fund 641 - Sewage Works Operations

Staffing (Full-Time Employees only)

Position (* New title or additional position)	2017			2018	Forecast			
	2016 Actual	Amended Budget	06/30/17 Actual	Proposed Budget	2019	2020	2021	2022
Non-Bargaining								
Sewer Division (0621)								
Manager of Sewer Operations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Superintendent V	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Superintendent III	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Accounting Clerk IV	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant II	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Wastewater Division (0630)								
Director of Utilities	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Director of Wastewater Maintenance	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Manager-Maintenance	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Manager-Operations	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00
Superintendent V	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Manager-Environmental Compliance	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Director of Financial Services	1.00	-	-	-	-	-	-	-
Industrial Pretreatment Specialist I	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Manager-Industrial Pretreatment	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Director of Utility Safety	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Chemist	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Chemist Lead	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Assistant City Engineer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Director of SCADA Information Syst.	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Systems Specialist IV*	1.00	1.00	1.00	-	-	-	-	-
Asst Director of SCADA Information Syst. *	-	-	-	1.00	1.00	1.00	1.00	1.00
Manager-Utility Purchasing & Storeroom	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
SCADA Instrument Specialist	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Director of Water Quality & Lab	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant I	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Director of CSO Project Management	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Organic Resources (0631)								
Supervisor-Operations	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant I	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total Non-Bargaining	30.00	29.00	29.00	30.00	30.00	30.00	30.00	30.00
Bargaining								
Sewer Division (0621)								
Job Leader	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Equipment Operator II	8.00	7.00	7.00	5.00	5.00	5.00	5.00	5.00
Equipment Operator III	8.00	8.00	8.00	9.00	9.00	9.00	9.00	9.00
Heavy Equipment Operator I	7.00	7.00	7.00	10.00	10.00	10.00	10.00	10.00
Heavy Equipment Operator II	4.00	4.00	4.00	-	-	-	-	-
Concrete Crew (0625)								
Job Leader	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Concrete Finishers	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Wastewater Division (0630)								
Lead Operator	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Senior Operator	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
General Operator	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Maintenance Lead	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Maintenance Repair IV	2.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Maintenance Electrician V	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sanitation Operator	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Lift Station Rep. II	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
CSO Rep II	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
General Laborer	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Organic Resources (0631)								
Heavy Equipment Operator II	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Total Bargaining	61.00	64.00	64.00	62.00	62.00	62.00	62.00	62.00
Total Full-Time Employees	91.00	93.00	93.00	92.00	92.00	92.00	92.00	92.00

Fund 642 - Sewage Works Capital

Fund Type	Sewage Works Capital					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Interest Earnings	34,993	71,137	69,464	28,132	45,000		45,000	45,000	45,000	45,000	(24,464)	-35%
Other Income	-	-	400,000	400,000	-		-	-	-	-	(400,000)	-100%
Transfers In	8,000,000	2,487,000	4,442,000	1,442,000	9,855,000		1,263,000	1,147,000	-	-	5,413,000	122%
Total Revenue	8,034,993	2,558,137	4,911,464	1,870,132	9,900,000		1,308,000	1,192,000	45,000	45,000	4,988,536	102%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	37,895	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	37,895	-	-	-	-		-	-	-	-	-	-
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	-	-	-	-	-		-	400,000	400,000	-	-	-
Motor Equipment	1,036,942	178,256	1,536,224	704,424	1,545,000		1,613,000	1,147,000	751,000	1,312,500	8,776	1%
Machinery & Equipment	1,975,527	3,899,220	6,515,031	2,119,321	5,310,000		650,000	600,000	750,000	700,000	(1,205,031)	-18%
Infrastructure	-	-	-	-	3,000,000		-	-	-	-	3,000,000	-
Total Capital	3,012,469	4,077,476	8,051,255	2,823,745	9,855,000		2,263,000	2,147,000	1,901,000	2,012,500	1,803,745	22%
Total Expenditures	3,050,364	4,077,476	8,051,255	2,823,745	9,855,000		2,263,000	2,147,000	1,901,000	2,012,500	1,803,745	22%
Net Surplus / (Deficit)	4,984,629	(1,519,339)	(3,139,791)	(953,613)	45,000		(955,000)	(955,000)	(1,856,000)	(1,967,500)		
Beginning Cash Balance	3,747,697	8,723,058	7,204,341		6,277,064	6,322,064	5,367,064	4,412,064	2,556,064		Cash Reserve	
Cash Adjustments	(9,267)	622	2,212,514		6,322,064	-	-	-	-		No Reserves - transfer from	
Ending Cash Balance	8,723,058	7,204,341	6,277,064		6,322,064	5,367,064	4,412,064	2,556,064	588,564		operating account as needed	
Cash Reserves Target	-	-	-		-	-	-	-	-			

Fund Purpose:

This fund is used to purchase capital equipment and fund major renovations/restorations for the Wastewater and Sewer Departments.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Various capital expenditures include pickup trucks, sweeper trucks for leaf pickup, back hoe, chipper, generators for Wastewater Treatment Plant, sewer extension for South Bend Chocolate Cafe expansion, and sewer lining and other Long-Term Control Plan projects

The 2018 budget includes \$1.5 million dollars in revenue transferred from TIF for improvements related to the expansion of the South Bend Chocolate Café.

Cash adjustment of \$2,212,514 is to bring cash balance to \$6,263,400 actual at 6/30/17.



Secondary Treatment Improvements

Est. Completion November 2017

Current Cost: \$13,983,645

Final Clarifier 6 & 7 Mechanisms

Return Activated Sludge Pump Station

RAS Process Pipe Modifications

Aeration Influent, Aeration Effluent and Final Clarifier Influent Channel Modifications

Scum Pump Station and Force Main

Automated Gates and Actuators

Automation with SCADA System

Fund 643 - Sewage Works Reserve Operations & Maint.

Fund Type	Sewage Works Reserve Operations & Maint.					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		
Revenue												
Interest Earnings	20,869	39,734	52,806	21,748	35,000		35,000	35,000	35,000	35,000	(17,806)	-34%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	256,086	957,725	516,755	516,755	-		-	-	-	-	(516,755)	-100%
Total Revenue	276,955	997,459	569,561	538,503	35,000		35,000	35,000	35,000	35,000	(534,561)	-94%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	23,677	35,808	60,000	20,893	35,000		35,000	35,000	35,000	35,000	(25,000)	-42%
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	23,677	35,808	60,000	20,893	35,000		35,000	35,000	35,000	35,000	(25,000)	-42%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	23,677	35,808	60,000	20,893	35,000		35,000	35,000	35,000	35,000	(25,000)	-42%
Net Surplus / (Deficit)	253,278	961,651	509,561	517,611	-		-	-	-	-		
Beginning Cash Balance	3,416,919	3,668,277	4,627,379		5,145,935	5,145,935	5,145,935	5,145,935	5,145,935	5,145,935	Cash Reserve	
Cash Adjustments	(1,920)	(2,549)	8,995		-	-	-	-	-	-	Annual operating expenses	
Ending Cash Balance	3,668,277	4,627,379	5,145,935		5,145,935	5,145,935	5,145,935	5,145,935	5,145,935	5,145,935	in Fund 641, net of transfers	
Cash Reserves Target	3,088,958	3,547,044	5,201,280		4,832,667	4,906,721	4,986,483	5,030,759	5,100,099			

Fund Purpose:

The purpose of this fund is to hold the equivalent of two month's of Sewage Works (Sewers & Wastewater) budgeted operating expenses in reserve.

Explain Significant Revenue and Expenditure Changes/Variations Below:

No adjustment to the reserve balance is budgeted for 2018. Due to increased capital spending, transfers out of Fund 641 to Fund 642 have reduced the net operating budget total subject to O&M reserve requirements.



Grit 7 Screening Improvements

Completed in 2017

Final Cost: \$1,172,917

New Solids Conveyor System

New Compactor Equipment

Two (2) Hydrogritters with Cyclones and Grit Washers

Process Pipe & Automated Valves

Automation with SCADA System Electrical Upgrades

Fund 649 - Sewage Sinking (Debt Service)

Fund Type	Sewage Sinking (Debt Service)					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Interest Earnings	30,727	37,483	46,179	10,902	13,000		13,000	13,000	13,000	13,000	(33,179)	-72%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	9,269,791	9,141,954	9,164,024	4,576,785	9,166,379		7,780,676	7,788,015	7,802,089	7,822,319	2,355	0%
Total Revenue	9,300,518	9,179,437	9,210,203	4,587,687	9,179,379		7,793,676	7,801,015	7,815,089	7,835,319	(30,824)	0%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	6,103,712	6,863,032	6,997,472	-	7,147,038		5,931,732	6,076,557	6,236,519	6,406,619	149,566	2%
Interest & Fees	3,182,402	2,305,483	2,166,282	1,081,626	2,009,341		1,848,944	1,711,458	1,565,570	1,415,700	(156,941)	-7%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	9,286,114	9,168,515	9,163,754	1,081,626	9,156,379		7,780,676	7,788,015	7,802,089	7,822,319	(7,375)	0%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	9,286,114	9,168,515	9,163,754	1,081,626	9,156,379		7,780,676	7,788,015	7,802,089	7,822,319	(7,375)	0%
Net Surplus / (Deficit)	14,404	10,922	46,449	3,506,061	23,000		13,000	13,000	13,000	13,000		
Beginning Cash Balance	789,489	804,674	814,230		860,679		883,679	896,679	909,679	922,679		
Cash Adjustments	781	(1,366)	-		-		-	-	-	-		
Ending Cash Balance	804,674	814,230	860,679		883,679		896,679	909,679	922,679	935,679		
Cash Reserves Target	804,674	814,230	860,679		883,679		896,679	909,679	922,679	935,679		
											Cash Reserve	
											100% cash reserves per	
											bond covenants	

Fund Purpose:

This fund is used to pay all debt service obligations for Wastewater and Sewers. Mandatory transfers from Sewage Works Operating Fund #641 are done in specified amounts each month to satisfy bond covenants.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Per the City amortization schedules, payments due in 2019-2022 on the 2013A Bond (debt schedule 105) will be significantly lower than the amounts budgeted in 2018.



Primary Clarifier Rehabilitation

Complete in 2015/2016

Final Cost: \$5,150,540

Clarifier Equipment and Motors

Hydrogritter Equipment

Process Piping in Primary Tunnel

Electrical Upgrades at Headworks

Automation with SCADA System

Fund 653 - Sewage Debt Service Reserve

Fund Type	Sewage Debt Service Reserve					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Charges for Services	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	3	6,009	23,481	6,777	14,700		14,700	14,700	14,700	14,700	(8,781)	-37%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	3	6,009	23,481	6,777	14,700		14,700	14,700	14,700	14,700	(8,781)	-37%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	3,181,211	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	3,181,211	-	-	-	-		-	-	-	-	-	-
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	3,181,211	-	-	-	-		-	-	-	-	-	-
Net Surplus / (Deficit)	(3,181,208)	6,009	23,481	6,777	14,700		14,700	14,700	14,700	14,700		
Beginning Cash Balance	7,286,832	4,105,624	4,111,633		4,135,114	4,149,814	4,164,514	4,179,214	4,193,914		Cash Reserve 100% cash reserves per bond covenants and Crowe Horwath	
Cash Adjustments	-	-	-		-	-	-	-	-			
Ending Cash Balance	4,105,624	4,111,633	4,135,114		4,149,814	4,164,514	4,179,214	4,193,914	4,208,614			
Cash Reserves Target	4,105,624	4,111,633	4,135,114		4,149,814	4,164,514	4,179,214	4,193,914	4,208,614			

Fund Purpose:

This fund accounts for required debt service reserves as required by bond documents.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Increase in interest income is based on year to date trend in 2017.

Fund 655 - Project ReLeaf

Fund Type	Project ReLeaf					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	438,225	440,649	444,693	221,371	439,680		444,077	448,518	453,003	457,533	(5,013)	-1%
Interest Earnings	6,133	7,817	9,188	3,866	6,120		6,181	6,243	6,305	6,368	(3,068)	-33%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	444,358	448,466	453,881	225,237	445,800		450,258	454,761	459,308	463,901	(8,081)	-2%
Expenditures by Type												
Personnel												
Salaries & Wages	35,997	25,817	57,120	-	47,124		47,595	48,071	48,552	49,037	(9,996)	-18%
Fringe Benefits	2,902	1,975	4,486	-	3,605		3,641	3,677	3,714	3,751	(881)	-20%
Total Personnel	38,899	27,792	61,606	-	50,729		51,236	51,749	52,266	52,789	(10,877)	-18%
Supplies	847	1,754	4,344	876	4,344		4,387	4,431	4,476	4,520	-	0%
Services & Charges												
Professional Services	11,796	12,432	13,740	6,870	13,734		17,823	18,002	18,182	18,364	(6)	0%
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	10,100	10,034	10,606	591	10,606		10,712	10,819	10,927	11,037	-	0%
Other Interfund Allocations	12,783	16,968	18,252	9,126	17,647		13,871	14,010	14,150	14,292	(605)	-3%
Debt Service												
Principal	68,587	69,615	70,659	35,198	48,405		48,889	49,378	49,872	50,370	(22,254)	-31%
Interest & Fees	3,631	2,603	1,561	911	577		583	589	594	600	(984)	-63%
Insurance	480	540	408	204	-		-	-	-	-	(408)	-100%
Transfers Out	350,000	350,000	350,000	175,000	550,000		550,000	430,000	330,000	320,000	200,000	57%
Other Services & Charges	5,765	5,456	5,995	2,714	6,000		6,060	6,121	6,182	6,244	5	0%
Total Services & Charges	463,142	467,648	471,221	230,614	646,969		647,939	528,918	429,907	420,906	175,748	37%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	502,888	497,194	537,171	231,490	702,042		703,562	585,098	486,649	478,216	164,871	31%
Net Surplus / (Deficit)	(58,530)	(48,728)	(83,290)	(6,253)	(256,242)		(253,304)	(130,337)	(27,341)	(14,314)		
Beginning Cash Balance	978,745	920,836	871,573		788,283		532,041	278,737	148,399	121,058	Cash Reserve	
Cash Adjustments	621	(535)	-		-		-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	920,836	871,573	788,283		532,041		278,737	148,399	121,058	106,744		
Cash Reserves Target	100,578	124,298	134,293		175,511		175,891	146,275	121,662	119,554		

Fund Purpose:

This fund accounts for the fall and spring leaf collection program. The program is financed by a \$0.99 per month charge on residents' utility bills.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

In the 2018 budget, Transfers Out consists of \$350,000 to the Motor Vehicle Highway Fund (202) and \$200,000 to the Wastewater/Organic Resources Fund for costs incurred in the operating the Project Releaf program. Unless additional revenue is generated in this fund, the amount of transfers out may need to be reduced in future years to maintain adequate cash reserves in the fund.



Fund 661 - Sewer Bond 2012

Fund Type	Sewer Bond 2012					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Interest Earnings	92,792	96,136	50,000	12,292	10,000		-	-	-	-	(40,000)	-80%
Bond Proceeds	-	-	-	-	-		-	-	-	-	-	-
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	5	-	-	-	-		-	-	-	-	-	-
Total Revenue	92,797	96,136	50,000	12,292	10,000		-	-	-	-	(40,000)	-80%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	1,937	-	50,000	-	-		-	-	-	-	(50,000)	-100%
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	10,000		-	-	-	-	10,000	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	1,937	-	50,000	-	10,000		-	-	-	-	(40,000)	-80%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	520,250	9,470,447	1,121,450	497,305	-		-	-	-	-	(1,121,450)	-100%
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-		-	-	-	-	-	-
Infrastructure	2,479,833	1,649,375	1,838,914	351,244	-		-	-	-	-	(1,838,914)	-100%
Total Capital	3,000,083	11,119,822	2,960,364	848,549	-		-	-	-	-	(2,960,364)	-100%
Total Expenditures	3,002,020	11,119,822	3,010,364	848,549	10,000		-	-	-	-	(3,000,364)	-100%
Net Surplus / (Deficit)	(2,909,223)	(11,023,686)	(2,960,364)	(836,256)	-		-	-	-	-		
Beginning Cash Balance	16,801,222	13,888,878	2,881,288	-	-		-	-	-	-	Cash Reserve	
Cash Adjustments	(3,120)	16,096	79,076	-	-		-	-	-	-	Bond fund - spend down to	
Ending Cash Balance	13,888,878	2,881,288	-	-	-		-	-	-	-	zero - no reserves required	
Cash Reserves Target	-	-	-	-	-		-	-	-	-		

Fund Purpose:

This fund accounts for expenditures of bond proceeds.

Explain Significant Revenue and Expenditure Changes/Variations Below:

This bond has been fully encumbered in 2017. Any expenses recorded in 2018 will be from purchase order carry overs. Some interest revenue will likely be earned until cash balance is completely spent. Any interest earned will be transferred to the debt service Fund 649 to be applied to future payments.

Fund 670 - Century Center

Fund Type	Century Center				Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance	%
						2019	2020	2021	2022	2017-2018	Change
Revenue											
Other Taxes	1,313,450	1,313,450	1,275,000	637,500	1,275,000	1,275,000	1,275,000	1,275,000	1,275,000	-	0%
Charges for Services	2,474,913	2,925,028	3,122,248	1,383,555	3,269,598	3,333,548	3,397,499	3,523,564	3,587,516	147,350	5%
Interest Earnings	-	-	-	-	-	-	-	-	-	-	-
Other Income	22,368	10,038	11,000	1,000	12,516	12,766	13,017	13,517	13,768	1,516	14%
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	3,810,731	4,248,516	4,408,248	2,022,055	4,557,114	4,621,314	4,685,516	4,812,082	4,876,284	148,866	3%
Expenditures by Type											
Personnel											
Salaries & Wages	1,772,611	1,868,413	1,949,364	941,405	1,952,374	1,991,422	2,030,469	2,069,517	2,108,564	3,010	0%
Fringe Benefits	322,351	364,505	385,042	198,217	445,408	454,315	463,223	472,131	481,039	60,366	16%
Total Personnel	2,094,962	2,232,918	2,334,406	1,139,623	2,397,782	2,445,736	2,493,692	2,541,648	2,589,603	63,376	3%
Supplies	593,542	663,722	566,540	280,080	799,598	815,591	831,583	847,575	863,567	233,058	41%
Services & Charges											
Professional Services	543,963	531,836	538,803	244,454	310,471	316,680	322,890	329,099	335,309	(228,332)	-42%
Printing & Advertising	59,673	45,958	40,200	26,455	40,000	40,800	41,600	42,400	43,200	(200)	0%
Utilities	318,446	284,631	322,450	163,021	325,164	331,667	338,171	344,674	351,177	2,714	1%
Education & Training	5,356	3,120	2,000	2,015	5,000	5,100	5,200	5,300	5,400	3,000	150%
Travel	31,328	28,116	26,200	17,655	34,250	34,935	35,620	36,305	36,990	8,050	31%
Repairs & Maintenance	129,622	136,579	58,139	32,860	101,600	103,632	105,664	107,696	109,728	43,461	75%
Other Interfund Allocations	-	-	-	-	2	-	-	-	-	2	-
Insurance	135,195	116,120	124,370	41,171	85,996	87,716	89,436	91,156	92,876	(38,374)	-31%
Transfers Out	-	79,676	82,167	-	89,175	92,317	95,550	98,872	102,492	7,008	9%
Other Services & Charges	107,516	100,729	120,806	35,768	175,242	178,748	182,253	185,757	189,262	54,436	45%
Total Services & Charges	1,331,099	1,326,765	1,315,135	563,399	1,166,900	1,191,595	1,216,383	1,241,259	1,266,434	(148,235)	-11%
Capital	-	-	126,529	-	192,834	168,391	143,858	181,600	156,680	66,305	52%
Total Expenditures	4,019,603	4,223,405	4,342,610	1,983,102	4,557,114	4,621,314	4,685,516	4,812,082	4,876,284	214,504	5%
Net Surplus / (Deficit)	(208,872)	25,111	65,638	38,953	-	-	-	-	-		
Beginning Cash Balance	892,876	1,096,892	1,380,151		1,445,789	1,445,789	1,445,789	1,445,789	1,445,789	Cash Reserve	
Cash Adjustments	412,889	258,148	-		-	-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	1,096,892	1,380,151	1,445,789		1,445,789	1,445,789	1,445,789	1,445,789	1,445,789		
Cash Reserves Target	803,921	1,055,852	1,085,653		1,139,279	1,155,328	1,171,379	1,203,021	1,219,071		

Fund Purpose:

This fund accounts for the operating costs of Century Center, the City's convention center.

Explain Significant Revenue, Expenditure and Staffing Changes/Variations Below:

Charges for Services has been budgeted to increase due to new business generated by the two new hotels opening in downtown South Bend in 2018. The increase in supplies cost is largely due to reclassification of Audio Visual Expense. This expense in previous years was categorized as a Professional Service, however in order to stay consistent with other cost of sales items it was reclassified as supplies. This reclassification is also the reason Professional Services decreased by a large amount. Utilities in previous years did not include telephone or communication lines. These two were reclassified to utilities from professional services (communication lines) and Travel (telephone). This reclassification is the reason for the decrease in the travel amount for 2018. Insurance decreased due to the incident free history that Century Center has enjoyed in recent history. The increase in Other Services & Charges is largely due the Food & Beverage (F&B) Management Fee being included within this category as it was not in the past.



Fund 670 - Century Center

Accomplishments, Goals, KPI's

2017 Accomplishments & Outcomes

- Successfully moved from a Cash Basis accounting method to an Accrual Basis accounting method
- Continued to create partnership opportunities for self promoted events (Meet Me on the Island, Brewfest)
- Improved client/customer relations - 2016 Net Promoter Score 74%
- Increased booking in the year for future years
- Continued focus on yield management assessment opportunities
- Increases convention business potential with current and future improvements

2018 Department Goals & Objectives and Linkage to City Results

Thriving Public Spaces and Culture

Priority Based Budgeting Result: Promotes and supports a variety of affordable, accessible, and safe community events, entertainment opportunities, and shopping and dining venues that attract and welcome residents and visitors alike

- Continue to create partnership opportunities for self-promoted events
- Improve client/customer relations through streamlines communication objectives
- Increase booking in the year for future years

Strong, Inclusive Economy

Priority Based Budgeting Result: Encourages and supports the attraction, retention and expansion of a well-balanced mix of thriving business and industry that contributes to the economic sustainability of the community

- Increase convention business potential with current and future improvements to enhance overall economic impact for Downtown South Bend

Key Performance Indicators (KPI's)

Measure	Type	Long Term Goal	2016 Actual	2017 Estimated	2018 Target
- Decrease the Net Operating Loss	Outcome	(699,999)	(878,930)	(1,050,000)	(900,000)
- Total amount of Hotel/Motel Room Nights	Outcome	10,000	8,074	8,100	8,200
- Net Promoter Score (on a scale of 100)	Quality	85	74	80	80

Types: output, efficiency, effectiveness, quality, outcome, technology

2018 Significant Changes/Challenges/Opportunities

- The addition of both the Aloft and Courtyard Hotels to downtown allows the Century Center to attract bigger, more profitable events
- The current low unemployment rate means that it may be more difficult to attract additional staff when it is needed for bigger events
- Century Center has been selected to host 125 meeting planners in September which could lead to a greater presence outside of the local market
- Decrease year over year net operating loss

Century Center
Annual RV Show



Fund 671 - Century Center Capital

Fund Type	Century Center Capital					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	-	-	-	-	-		-	-	-	-	-	-
Interest Earnings	809	932	793	430	900		1,000	1,000	1,000	1,000	107	13%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	809	932	793	430	900		1,000	1,000	1,000	1,000	107	13%
Expenditures by Type												
Supplies	41,156	9,181	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	62,735	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	130,000	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	50,000	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	242,735	-	-	-	-		-	-	-	-	-	-
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	-	-	-		-	-	-	-	-	-
Buildings & Bldg Improve.	105,423	6,771	-	-	-		-	-	-	-	-	-
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	28,086	121,066	-	-	-		-	-	-	-	-	-
Infrastructure	-	-	-	-	-		-	-	-	-	-	-
Total Capital	133,509	127,837	-	-	-		-	-	-	-	-	-
Total Expenditures	417,400	137,018	-	-	-		-	-	-	-	-	-
Net Surplus / (Deficit)	(416,591)	(136,086)	793	430	900		1,000	1,000	1,000	1,000		
Beginning Cash Balance	1,418,663	1,002,072	865,986		866,779	867,679	868,679	869,679	870,679		Cash Reserve	
Cash Adjustments	1	0	-		-	-	-	-	-		\$800,000 Minimum per	
Ending Cash Balance	1,002,072	865,986	866,779		867,679	868,679	869,679	870,679	871,679		Board of Managers	
Cash Reserves Target	800,000	800,000	800,000		800,000	800,000	800,000	800,000	800,000			

Fund Purpose:

This fund was established in 2012 to account for capital expenditures at Century Center. The funds are accounted for in a separate capital bank account. The fund received a capital contribution of \$575,000 during 2013 that has been used to pay for capital improvements at the Century Center.

Explain Significant Revenue and Expenditure Changes/Variations Below:

This fund's only current activity is interest revenue. There are no capital expenditures planned to be spent out of this fund in the foreseeable future.

The Century Center's capital needs are being met by an allocation from the Saint Joseph County Hotel/Motel Tax Board. These capital expenditures for the Century Center are paid directly from the County budget and do not pass through the City's accounting system. For 2018, the Century Center is requesting \$909,000 for capital expenditures to be paid from the Hotel/Motel Tax Fund Budget. This request is subject to St Joseph County appropriation.



Fund 672 - Century Center Energy Conservation Debt Svc

Fund Type	Century Center Energy Conservation Debt Svc					Control	Enterprise Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%	
						2019	2020	2021	2022		Change	
Revenue												
Other Taxes	-	-	-	-	221,437	221,437	221,437	221,437	221,437	221,437	-	
Grants/Intergovernmental	-	-	-	-	-	-	-	-	-	-	-	
Interest Earnings	32	163,588	110,957	26	109,512	103,618	96,079	88,392	80,552	(1,445)	-1%	
Other Income	-	-	-	-	-	-	-	-	-	-	-	
Transfers In	50,000	79,676	82,167	-	89,175	92,317	95,550	98,872	102,492	7,008	9%	
Total Revenue	50,032	243,264	193,124	26	420,124	417,372	413,066	408,701	404,481	227,000	118%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	-	111	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	-	22,585	46,606	22,585	162,702	280,090	285,614	291,274	297,175	116,096	249%	
Interest & Fees	-	213,547	145,691	72,543	144,035	136,333	126,482	116,437	106,192	(1,656)	-1%	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	-	236,243	192,297	95,128	306,737	416,423	412,096	407,711	403,367	114,440	60%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	-	236,243	192,297	95,128	306,737	416,423	412,096	407,711	403,367	114,440	60%	
Net Surplus / (Deficit)	50,032	7,021	827	(95,102)	113,387	949	970	990	1,114			
Beginning Cash Balance	-	50,032	57,152		57,979	171,366	172,315	173,285	174,275	Cash Reserve		
Cash Adjustments	-	99	-		-	-	-	-	-	No reserve requirement		
Ending Cash Balance	50,032	57,152	57,979		171,366	172,315	173,285	174,275	175,389			
Cash Reserves Target	-	-	-		-	-	-	-	-			

Fund Purpose:

This fund was established in 2015 to account for debt service payments of the 2015 Century Center Energy Conservation bonds. The bond proceeds were used to make improvements at the Century Center including a new roof and other energy efficiency projects. The bonds will be paid off over a 15 year period and the final payment is due on May 1, 2031. This fund receives revenue in the following ways: a pledge of hotel/motel tax revenue from Saint Joseph County in the amount of \$221,437 per year starting in 2018; an operating transfer from Century Center; and a federally-subsidized interest rebate of approximately 80% of interest paid.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Hotel/motel tax revenue of \$221,437 has been pledged by the Saint Joseph County Hotel/Motel Tax Board starting in 2018. The principal on the bonds increased accordingly during 2018.



Fund 677 - Hall of Fame Capital

Fund Type	Hall of Fame Capital					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	% Change
							2019	2020	2021	2022		
Revenue												
Interest Earnings	3,112	4,607	5,000	2,174	5,000		5,000	5,000	5,000	5,000	-	0%
Other Income	-	48,709	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	3,112	53,316	5,000	2,174	5,000		5,000	5,000	5,000	5,000	-	0%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	314	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	41,690	36,118	47,147	22,537	42,000		-	-	-	-	(5,147)	-11%
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	10,888	18,838	33,944	6,767	85,000		-	-	-	-	51,056	150%
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Insurance	6,564	5,796	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	59,456	60,752	81,091	29,304	127,000		-	-	-	-	45,909	57%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	59,456	60,752	81,091	29,304	127,000		-	-	-	-	45,909	57%
Net Surplus / (Deficit)	(56,344)	(7,436)	(76,091)	(27,130)	(122,000)		5,000	5,000	5,000	5,000		
Beginning Cash Balance	558,620	502,111	494,570		418,479		296,479	301,479	306,479	311,479		Cash Reserve
Cash Adjustments	(165)	(106)	-		-		-	-	-	-		No reserve requirement
Ending Cash Balance	502,111	494,570	418,479		296,479		301,479	306,479	311,479	316,479		
Cash Reserves Target	-	-	-		-		-	-	-	-		

Fund Purpose:

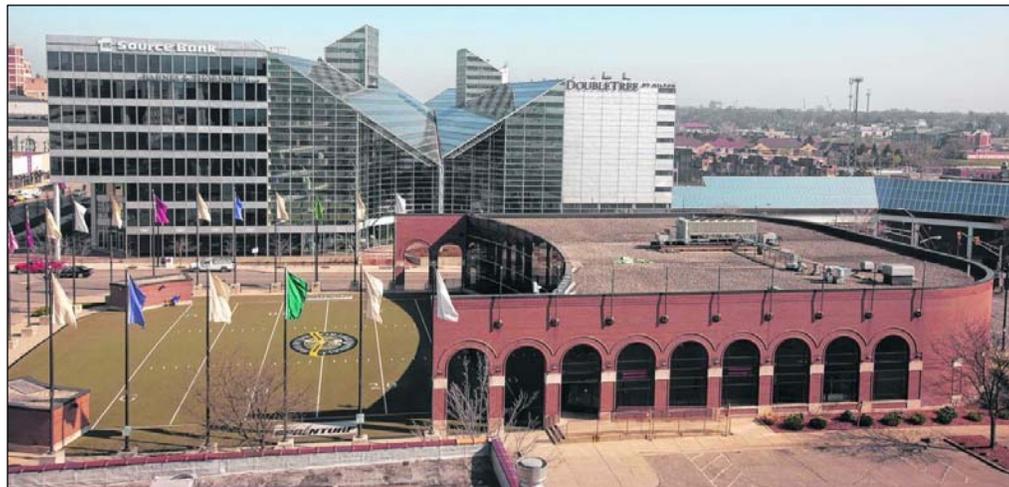
This fund was established to provide capital repairs and improvements at the former College Football Hall of Fame building. The fund received distributions from the PSDA Tax Fund (377) through 2010.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Utilities on-going until sale finalized--hoping to occur yet in 2017. Possible HVAC repairs if needed.

The College Football Hall of Fame relocated to Atlanta, Georgia in 2012. The building has been vacant since then.

Former College Football Hall of Fame



Fund 701 - Fire Pension

Fund Type	Fire Pension					Control	Trust Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Other Taxes	5,039,025	4,866,271	4,920,712	2,461,856	5,212,638		4,930,500	4,900,600	4,900,600	4,887,000	291,926	6%
Interest Earnings	2,660	2,858	4,500	419	4,500		4,500	4,500	4,500	4,500	-	0%
Other Income	2,667	6,279	1,889	-	-		-	-	-	-	(1,889)	-100%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	5,044,352	4,875,408	4,927,101	2,462,275	5,217,138		4,935,000	4,905,100	4,905,100	4,891,500	290,037	6%
Expenditures by Type												
Personnel												
Salaries & Wages	4,990,812	5,175,988	5,091,119	2,339,338	5,105,307		4,920,392	4,890,392	4,987,392	4,831,392	14,188	0%
Fringe Benefits	216,576	-	-	-	-		-	-	-	-	-	-
Total Personnel	5,207,388	5,175,988	5,091,119	2,339,338	5,105,307		4,920,392	4,890,392	4,987,392	4,831,392	14,188	0%
Supplies	-	27	200	10	200		200	200	200	200	-	0%
Services & Charges												
Professional Services	3,000	3,000	5,000	3,000	5,000		5,000	5,000	5,000	5,000	-	0%
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	350	-	350		350	350	350	350	-	0%
Repairs & Maintenance	-	-	100	-	100		100	100	100	100	-	0%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	964	1,125	1,500	440	1,500		1,500	1,500	1,500	1,500	-	0%
Total Services & Charges	3,964	4,125	6,950	3,440	6,950		6,950	6,950	6,950	6,950	-	0%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	5,211,352	5,180,140	5,098,269	2,342,788	5,112,457		4,927,542	4,897,542	4,994,542	4,838,542	14,188	0%
Net Surplus / (Deficit)	(167,000)	(304,732)	(171,168)	119,487	104,681		7,458	7,558	(89,442)	52,958		
Beginning Cash Balance	638,442	471,586	167,278		1,889	106,570	114,028	121,585	32,143		Cash Reserve	
Cash Adjustments	144	424	5,779		-	-	-	-	-		10% of Annual expenditures	
Ending Cash Balance	471,586	167,278	1,889		106,570	114,028	121,585	32,143	85,101			
Cash Reserves Target	1,302,838	518,014	509,827		511,246	492,754	489,754	499,454	483,854			

Fund Purpose:

This fund accounts for the operation of a pension plan for former Fire Department employees and receives reimbursement from the State of Indiana. Retiree health insurance payments are not paid through this fund; this cost is not reimbursed by the state. Retiree health payments are paid through the regular Fire Department budget. Pension relief payments are received from the state in arrears based on costs incurred in the prior year. Payments are typically received in June and December.

Explain Significant Revenue and Expenditure Changes/Variations Below:

In 2018, one firefighter will retire under the DROP plan. This will be an increase of \$124,914.96. There is only one active firefighter (1937 Plan) eligible for DROP after year 2019 and only three more active firefighters that are part of the old conversion plan.

Fund 702 - Police Pension

Fund Type	Police Pension				Control	Trust Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%
						2019	2020	2021	2022		Change
Revenue											
Other Taxes	6,378,359	5,991,750	6,204,179	3,103,590	5,993,000	6,807,268	6,721,393	6,572,943	6,657,943	(211,179)	-3%
Interest Earnings	4,335	6,695	7,646	1,628	4,500	4,500	4,500	4,500	4,500	(3,146)	-41%
Other Income	62	14,482	15,000	14,080	8,000	8,000	8,000	8,000	8,000	(7,000)	-47%
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	6,382,756	6,012,927	6,226,825	3,119,297	6,005,500	6,819,768	6,733,893	6,585,443	6,670,443	(221,325)	-4%
Expenditures by Type											
Personnel											
Salaries & Wages	6,092,378	6,142,121	6,412,012	3,086,899	6,571,535	6,819,768	6,733,893	6,585,443	6,670,443	159,523	2%
Fringe Benefits	239,738	231,533	3,677	342	3,717	-	-	-	-	40	1%
Total Personnel	6,332,116	6,373,654	6,415,689	3,087,241	6,575,252	6,819,768	6,733,893	6,585,443	6,670,443	159,563	2%
Supplies	-	67	800	-	800	-	-	-	-	-	0%
Services & Charges											
Professional Services	3,000	3,000	5,500	3,000	5,500	-	-	-	-	-	0%
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Education & Training	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	500	-	500	-	-	-	-	-	0%
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	992	1,073	1,400	460	1,400	-	-	-	-	-	0%
Total Services & Charges	3,992	4,073	7,400	3,460	7,400	-	-	-	-	-	0%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	6,336,108	6,377,794	6,423,889	3,090,701	6,583,452	6,819,768	6,733,893	6,585,443	6,670,443	159,563	2%
Net Surplus / (Deficit)	46,648	(364,867)	(197,064)	28,596	(577,952)	-	-	-	-		
Beginning Cash Balance	1,109,579	1,155,658	791,162		594,098	16,146	16,146	16,146	16,146	Cash Reserve	
Cash Adjustments	(569)	371	-		-	-	-	-	-	10% of Annual expenditures	
Ending Cash Balance	1,155,658	791,162	594,098		16,146	16,146	16,146	16,146	16,146		
Cash Reserves Target	1,584,027	637,779	642,389		658,345	681,977	673,389	658,544	667,044		

Fund Purpose:

This fund accounts for the operation of a pension plan for former Police Department employees and receives reimbursement from the State of Indiana. Retiree health insurance was paid from this fund through 2016; that cost was not reimbursed by the state and was transferred to the regular Police Department budget. The fund receives state pension relief reimbursement two times per year—typically in June and December.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The police pension budget increased, including an increase of \$ 84,770 for a DROP retirement in 2018. Beginning in 2019, pension administration expenditures will be paid from the Police budget in the General Fund (101-0801). Revenue and expenditures are budgeted to agree, but this will depend on the actual pension relief revenue received and benefits paid.

Fund 705 - Police K-9 Unit

Fund Type	Police K-9 Unit					Control	Special Revenue Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	% Change
							2019	2020	2021	2022		
Revenue												
Interest Earnings	20	33	36	13	20		22	25	28	30	(16)	-44%
Donations	1,500	-	2,000	-	2,000		-	-	-	-	-	0%
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	1,520	33	2,036	13	2,020		22	25	28	30	(16)	-1%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-		-	-	-	-	-	-
Utilities	-	-	-	-	-		-	-	-	-	-	-
Education & Training	-	-	-	-	-		-	-	-	-	-	-
Travel	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	970	1,044	2,020	-	2,020		-	-	-	-	-	0%
Total Services & Charges	970	1,044	2,020	-	2,020		-	-	-	-	-	0%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	970	1,044	2,020	-	2,020		-	-	-	-	-	0%
Net Surplus / (Deficit)	550	(1,011)	16	13	-		22	25	28	30		
Beginning Cash Balance	3,315	3,863	2,853		2,869	2,869	2,891	2,916	2,944			
Cash Adjustments	(2)	1	-		-	-	-	-	-			
Ending Cash Balance	3,863	2,853	2,869		2,869	2,891	2,916	2,944	2,974			
Cash Reserves Target	194	261	505		505	-	-	-	-			
												Cash Reserve 25% of Annual expenditures

Fund Purpose:

This fund was established to account for donations for the Police K-9 unit and track expenditures of those funds.



Fund 711 - Self-Funded Employee Benefits

Fund Type	Self-Funded Employee Benefits					Control	Internal Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Charges for Services	14,235,582	16,552,451	17,909,776	8,900,923	18,441,596		19,095,828	19,774,960	20,479,964	21,211,848	531,820	3%
Interest Earnings	28,482	49,659	93,244	36,261	60,000		60,000	60,000	60,000	60,000	(33,244)	-36%
Other Income	115,449	1,590,096	112,848	4,952	10,000		10,000	10,000	10,000	10,000	(102,848)	-91%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	14,379,513	18,192,206	18,115,868	8,942,135	18,511,596		19,165,828	19,844,960	20,549,964	21,281,848	395,728	2%
Expenditures by Type												
Personnel												
Salaries & Wages	-	-	-	-	-		-	-	-	-	-	-
Fringe Benefits	10	-	-	-	-		-	-	-	-	-	-
Total Personnel	10	-	-	-	-		-	-	-	-	-	-
Supplies	14,540	61,085	138,935	52,363	163,000		163,000	163,000	163,000	163,000	24,065	17%
Services & Charges												
Professional Services	295,411	1,363,248	1,190,290	563,864	1,359,000		1,400,440	1,443,538	1,488,359	1,534,973	168,710	14%
Education & Training	1,118	349	2,000	-	-		-	-	-	-	(2,000)	-100%
Travel	2,382	422	2,600	-	-		-	-	-	-	(2,600)	-100%
Other Interfund Allocations	431,763	-	-	-	-		-	-	-	-	-	-
Insurance	13,320,803	14,399,305	16,464,575	6,739,868	16,205,444		16,786,698	17,390,960	18,019,148	18,672,214	(259,131)	-2%
Transfers Out	-	-	-	-	413,714		413,714	-	-	-	413,714	-
Other Services & Charges	1,407	6,048	4,800	1,382	4,360		4,360	4,360	4,360	4,360	(440)	-9%
Total Services & Charges	14,052,884	15,769,372	17,664,265	7,305,113	17,982,518		18,605,212	18,838,858	19,511,867	20,211,548	318,253	2%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	14,067,434	15,830,457	17,803,200	7,357,476	18,145,518		18,768,212	19,001,858	19,674,867	20,374,548	342,318	2%
Net Surplus / (Deficit)	312,079	2,361,749	312,668	1,584,659	366,078		397,616	843,102	875,097	907,301		
Beginning Cash Balance	4,052,663	4,362,460	6,719,046		7,031,714		7,397,792	7,795,408	8,638,511	9,513,608		
Cash Adjustments	(2,282)	(5,163)	-		-		-	-	-	-		
Ending Cash Balance	4,362,460	6,719,046	7,031,714		7,397,792		7,795,408	8,638,511	9,513,608	10,420,908		
Cash Reserves Target	3,516,859	3,957,615	4,450,800		4,536,380		4,692,053	4,750,465	4,918,717	5,093,637		
												Cash Reserve 25% of Annual expenditures

Fund Purpose:

This fund handles expenses relating to insurance and claims relating to employees, including medical, dental, life, flex spending, etc.

An Employee Wellness Center was opened on January 18, 2016, which was set in place with the understanding that the City should see a drop in claims expenses over time.

Explain Significant Revenue and Expenditure Changes/Variations Below:

For 2018, the City will pay the Wellness Center approx. \$996,000. Claims are relatively flat in nature due to the Wellness Clinic and other cost savings measures. Estimating increase in costs of 4% per year to be conservative.



Fund 713 - Unemployment Compensation

Fund Type	Unemployment Compensation					Control	Internal Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Charges for Services	101,681	89,142	-	-	-	-	-	80,000	80,000	80,000	-	-
Interest Earnings	1,397	2,564	2,800	1,230	2,000	2,000	2,000	2,000	2,000	2,000	(800)	-29%
Other Income	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	103,078	91,706	2,800	1,230	2,000	2,000	2,000	82,000	82,000	82,000	(800)	-29%
Expenditures by Type												
Personnel												
Salaries & Wages	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	54,970	56,152	63,000	28,604	60,000	60,000	60,000	60,000	60,000	60,000	(3,000)	-5%
Total Personnel	54,970	56,152	63,000	28,604	60,000	60,000	60,000	60,000	60,000	60,000	(3,000)	-5%
Supplies	-	-	-	-	-	-	-	-	-	-	-	-
Services & Charges												
Professional Services	13,200	11,000	17,397	2,200	20,000	20,000	20,000	20,000	20,000	20,000	2,603	15%
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Other Interfund Allocations	6,796	7,284	3,708	1,854	-	-	-	-	-	-	(3,708)	-100%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	19,996	18,284	21,105	4,054	20,000	20,000	20,000	20,000	20,000	20,000	(1,105)	-5%
Capital	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	74,966	74,436	84,105	32,658	80,000	80,000	80,000	80,000	80,000	80,000	(4,105)	-5%
Net Surplus / (Deficit)	28,112	17,270	(81,305)	(31,428)	(78,000)	(78,000)	2,000	2,000	2,000	2,000		
Beginning Cash Balance	240,912	268,873	286,049		204,744	126,744	48,744	50,744	52,744		Cash Reserve	
Cash Adjustments	(151)	(94)	-		-	-	-	-	-		25% of Annual expenditures	
Ending Cash Balance	268,873	286,049	204,744		126,744	48,744	50,744	52,744	54,744			
Cash Reserves Target	14,993	18,609	21,026		20,000	20,000	20,000	20,000	20,000			

Fund Purpose:

This fund was established in 2011 to account for unemployment claims and outplacement services paid. All unemployment claims and outplacement services are paid through this fund.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Typically, this fund charges an allocation of 0.25% of payroll to most departments to cover the cost of unemployment claims paid. However, beginning in November 2016, the charge of 0.25% of payroll costs was suspended indefinitely due to the fund's high cash reserves. The allocation will likely remain suspended during 2017 - 2019 and will resume in 2020. The City prepares a monthly report to track unemployment compensation claims paid and cash reserve balances.

Fund 714 - Parental Leave

Fund Type	Parental Leave				Control	Internal Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance	%
						2019	2020	2021	2022	2017-2018	Change
Revenue											
Charges for Services	-	-	-	-	155,694	165,000	170,000	175,000	180,000	155,694	-
Interest Earnings	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	-	-	-	-	155,694	165,000	170,000	175,000	180,000	155,694	-
Expenditures by Type											
Personnel											
Salaries & Wages	-	-	-	-	131,000	134,000	136,540	139,000	141,520	131,000	-
Fringe Benefits	-	-	-	-	24,694	25,000	25,460	26,000	26,480	24,694	-
Total Personnel	-	-	-	-	155,694	159,000	162,000	165,000	168,000	155,694	-
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	-	-	155,694	159,000	162,000	165,000	168,000	155,694	-
Net Surplus / (Deficit)	-	-	-	-	-	6,000	8,000	10,000	12,000		
Beginning Cash Balance	-	-	-	-	-	-	6,000	14,000	24,000	Cash Reserve	
Cash Adjustments	-	-	-	-	-	-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	-	-	-	-	-	6,000	14,000	24,000	36,000		
Cash Reserves Target	-	-	-	-	38,924	39,750	40,500	41,250	42,000		

Fund Purpose:

Beginning in 2018, the City plans to offer a Parental Leave Program to its employees to provide additional paid time off for employees for the child or adoption of a child. The Parental Leave Program is currently being developed based on the models of other progressive, best-in-class employers and will be implemented during 2018.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The program will be funded by a 0.25% charge against gross departmental wages. This charge may increase or decrease based on the financial needs of the program and the performance of the fund. As a note, the Unemployment Compensation Fund 713 charge of 0.25% of gross payroll has been suspended indefinitely due to significant fund reserves and will offset the costs of the Parental Leave Program to the departments in the 2018 budget.

Fund 730 - City Cemetery Trust

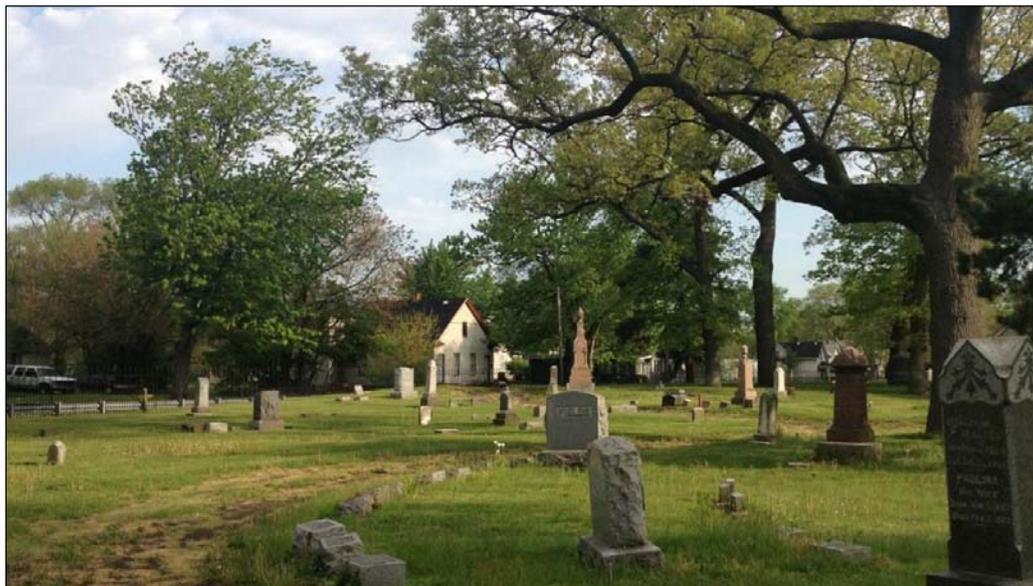
Fund Type	City Cemetery Trust					Control	Trust Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Interest Earnings	164	261	303	129	250		-	-	-	-	(53)	-17%
Donations	-	-	-	-	-		-	-	-	-	-	-
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	164	261	303	129	250		-	-	-	-	(53)	-17%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	-	-	-		-	-	-	-	-	-
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	6,000	-	25,000		-	-	-	-	19,000	317%
Total Services & Charges	-	-	6,000	-	25,000		-	-	-	-	19,000	317%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	-	-	6,000	-	25,000		-	-	-	-	19,000	317%
Net Surplus / (Deficit)	164	261	(5,697)	129	(24,750)		-	-	-	-		
Beginning Cash Balance	28,347	28,498	28,752		24,773	23	23	23	23	23	Cash Reserve	
Cash Adjustments	(13)	(7)	1,718		-	-	-	-	-	-	25% of Annual expenditures	
Ending Cash Balance	28,498	28,752	24,773		23	23	23	23	23	23		
Cash Reserves Target	-	-	1,500		6,250	-	-	-	-	-		

Fund Purpose:

This trust fund is designated for expenses specifically for the City Cemetery. Revenue was originally derived from the sale of cemetery plots and burial expenses. There are few sites available for sale and most plots are occupied, resulting in little burial activity. This fund is managed by Venues Parks and Arts.

Explain Significant Revenue and Expenditure Changes/Variations Below:

\$25,000 to be spent on headstone repair during 2018.



Fund 750 - Equipment/Vehicle Leasing

Fund Type	Equipment/Vehicle Leasing				Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance	%
						2019	2020	2021	2022	2017-2018	Change
Revenue											
Interest Earnings	-	-	7,572	1,640	3,000	3,000	3,000	3,000	3,000	(4,572)	-60%
Bond Proceeds	-	-	5,499,000	2,916,500	4,601,750	4,084,300	3,979,150	4,685,700	3,623,555	(897,250)	-16%
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	-	-	5,506,572	2,918,140	4,604,750	4,087,300	3,982,150	4,688,700	3,626,555	(901,822)	-16%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	-	-	186	-	-	-	-	-	-	(186)	-100%
Interest & Fees	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	186	-	-	-	-	-	-	(186)	-100%
Capital											
Motor Equipment	-	-	4,528,132	1,414,345	4,344,750	3,827,300	3,717,150	4,418,700	3,346,555	(183,382)	-4%
Machinery & Equipment	-	-	852,197	388,296	260,000	260,000	265,000	270,000	280,000	(592,197)	-69%
Water Meters	-	-	1,075,155	-	-	-	-	-	-	(1,075,155)	-100%
Total Capital	-	-	6,455,484	1,802,641	4,604,750	4,087,300	3,982,150	4,688,700	3,626,555	(1,850,734)	-29%
Total Expenditures	-	-	6,455,670	1,802,641	4,604,750	4,087,300	3,982,150	4,688,700	3,626,555	(1,850,920)	-29%
Net Surplus / (Deficit)	-	-	(949,098)	1,115,499	-	-	-	-	-		
Beginning Cash Balance	-	-	1,705,941	-	756,843	756,843	756,843	756,843	756,843		
Cash Adjustments	-	-	-	-	-	-	-	-	-		
Ending Cash Balance	-	-	756,843	-	756,843	756,843	756,843	756,843	756,843		
Cash Reserves Target	-	-	756,843	-	756,843	756,843	756,843	756,843	756,843		
										Cash Reserve	
										100% cash reserves per	
										bond covenants	

Fund Purpose:

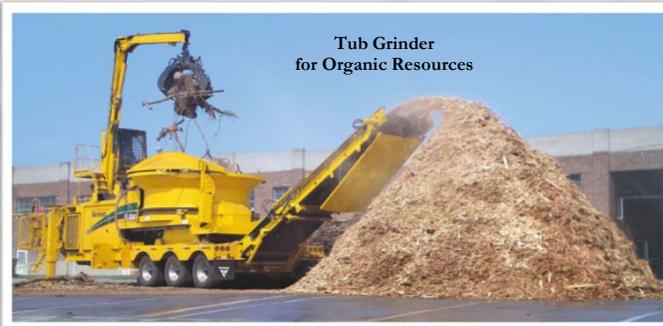
This fund is used to pay for City vehicles and equipment that are financed by a lease. The funds are maintained by trustee financial institutions and expended upon the provision by the City of a proper claim form and invoice. The trustee escrow accounts have been maintained by the City for many years. This fund was established in 2017 to integrate these trustee accounts into the City's regular accounting system. All expenditures in this fund are approved by the Board of Public Works before they are submitted to the trustee bank for payment. In the past, the lease financing has been for five years and the interest rate has been under 2%. Debt service payments are budgeted in individual departments.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The City leases certain vehicles and equipment for the Police Department, Public Works and other departments and pays them through capital lease proceeds that are accounted for in this fund. See the capital summary for the estimate of vehicles and equipment to be purchased for each department.



**CNG Powered Quad Axle Dump Trucks
for Organic Resources**



**Tub Grinder
for Organic Resources**



**Articulating Boom Lift
for Parks Dept**

Fund 751 - Parks Bond Capital

Fund Type	Parks Bond Capital					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Interest Earnings	-	-	7,500	2,541	4,500		-	-	-	-	(3,000)	-40%
Bond Proceeds	-	-	-	-	-		-	-	-	-	-	-
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	-	-	7,500	2,541	4,500		-	-	-	-	(3,000)	-40%
Expenditures by Type												
Supplies	-	-	70,000	840	-		-	-	-	-	(70,000)	-100%
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Repairs & Maintenance	-	-	71,500	-	-		-	-	-	-	(71,500)	-100%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	128,500	-	-		-	-	-	-	(128,500)	-100%
Total Services & Charges	-	-	200,000	-	-		-	-	-	-	(200,000)	-100%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	2,380,000	75,207	1,504,500		-	-	-	-	(875,500)	-37%
Buildings & Bldg Improve.	-	-	700,000	380,538	1,500,000		-	-	-	-	800,000	114%
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	-	-	150,000	89,738	-		-	-	-	-	(150,000)	-100%
Infrastructure	-	-	-	-	-		-	-	-	-	-	-
Total Capital	-	-	3,230,000	545,482	3,004,500		-	-	-	-	(225,500)	-7%
Total Expenditures	-	-	3,500,000	546,322	3,004,500		-	-	-	-	(495,500)	-14%
Net Surplus / (Deficit)	-	-	(3,492,500)	(543,782)	(3,000,000)		-	-	-	-		
Beginning Cash Balance	-	-	4,063,750		3,271,224	271,224	271,224	271,224	271,224	271,224		
Cash Adjustments	-	-	2,699,974		-	-	-	-	-	-		
Ending Cash Balance	-	-	3,271,224		271,224	271,224	271,224	271,224	271,224	271,224		
Cash Reserves Target	-	-	3,271,224		271,224	271,224	271,224	271,224	271,224	271,224		

Cash Reserve
100% cash reserves per bond covenants

Fund Purpose:

This fund is used to account for the bond proceeds and expenditures of the 2015 Parks/EDIT bond that is accounted for by US Bank in trustee accounts. The City submits pay requests for costs incurred under the bond to US Bank. This fund was established in 2017 to integrate these trustee accounts into the City's regular accounting system.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The original bond was issued in 2015 for \$5,605,000. Bond proceeds are spent on parks projects and capital. The unspent balance at December 31, 2017 will be re-appropriated in 2018 and will be used primarily for improvements at the Charles Black Center. Funds expected to fully spent in 2018.

Artistic Rendering of the Renovated Charles Black Recreation Center



NEOS 360 Playground Equipment



Fund 752 - South Bend Redevelopment Authority

Fund Type	South Bend Redevelopment Authority					Control	Debt Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%	
						2019	2020	2021	2022		Change	
Revenue												
Interest Earnings	-	-	3,771	1,358	2,700	2,700	2,700	2,700	2,700	(1,071)	-28%	
Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	
Other Income	-	-	-	-	-	-	-	-	-	-	-	
Transfers In	-	-	3,887,000	2,206,500	3,364,500	2,869,500	2,870,500	2,866,000	2,865,000	(522,500)	-13%	
Total Revenue	-	-	3,890,771	2,207,858	3,367,200	2,872,200	2,873,200	2,868,700	2,867,700	(523,571)	-13%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Utilities	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	-	-	2,605,000	1,705,000	1,915,000	1,725,000	1,790,000	1,850,000	1,925,000	(690,000)	-26%	
Interest & Fees	-	-	1,263,164	645,409	1,190,829	1,136,269	1,072,612	1,005,669	931,281	(72,335)	-6%	
Grants & Subsidies	-	-	-	-	-	-	-	-	-	-	-	
Insurance	-	-	-	-	-	-	-	-	-	-	-	
Transfers Out	-	-	735,241	735,240	260,000	-	-	-	-	(475,241)	-65%	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	-	-	4,603,405	3,085,650	3,365,829	2,861,269	2,862,612	2,855,669	2,856,281	(1,237,576)	-27%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	-	-	4,603,405	3,085,650	3,365,829	2,861,269	2,862,612	2,855,669	2,856,281	(1,237,576)	-27%	
Net Surplus / (Deficit)	-	-	(712,634)	(877,791)	1,371	10,931	10,588	13,031	11,419			
Beginning Cash Balance	-	-	502,462		0	1,371	12,302	22,890	35,921	Cash Reserve		
Cash Adjustments	-	-	210,172		-	-	-	-	-	100% cash reserves per		
Ending Cash Balance	-	-	0		1,371	12,302	22,890	35,921	47,340	bond covenants		
Cash Reserves Target	-	-	0		1,371	12,302	22,890	35,921	47,340			

Fund Purpose:

The South Bend Redevelopment Authority Funds records debt service payments received by the City that are passed through to the paying agent bank and the bondholders per bond agreements. The South Bend Redevelopment Authority is a separate legal entity that is recorded in the Comprehensive Annual Financial Report (CAFR). This fund was established in 2017 to integrate this activity into the City's formal accounting system.

Explain Significant Revenue and Expenditure Changes/Variations Below:

This fund is used to pay debt service payments for the 2011 Center Center Bond Refunding (debt schedule #7), the 2013 Century Center Bond Refunding (debt schedule #62), and the 2015 Eddy Street Commons Bond Refunding (debt schedule #54).

Fund 753 - Smart Streets Bond Capital

Fund Type	Smart Streets Bond Capital					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
							2019	2020	2021	2022	2017-2018	Change
Revenue												
Interest Earnings	-	-	17,000	2,962	1,500		-	-	-	-	(15,500)	-91%
Bond Proceeds	-	-	-	-	-		-	-	-	-	-	-
Other Income	-	-	83,579	-	-		-	-	-	-	(83,579)	-100%
Transfers In	-	-	-	-	-		-	-	-	-	-	-
Total Revenue	-	-	100,579	2,962	1,500		-	-	-	-	(99,079)	-99%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	-	-	-		-	-	-	-	-	-
Interest & Fees	-	-	1,500	1,500	1,500		-	-	-	-	-	0%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	-	-	1,500	1,500	1,500		-	-	-	-	-	0%
Capital												
Land	-	-	-	-	-		-	-	-	-	-	-
Land Improvements	-	-	9,998,500	2,742,248	2,100,000		-	-	-	-	(7,898,500)	-79%
Buildings & Bldg Improve.	-	-	-	-	-		-	-	-	-	-	-
Motor Equipment	-	-	-	-	-		-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-		-	-	-	-	-	-
Infrastructure	-	-	-	-	-		-	-	-	-	-	-
Total Capital	-	-	9,998,500	2,742,248	2,100,000		-	-	-	-	(7,898,500)	-79%
Total Expenditures	-	-	10,000,000	2,743,748	2,101,500		-	-	-	-	(7,898,500)	-79%
Net Surplus / (Deficit)	-	-	(9,899,421)	(2,740,786)	(2,100,000)		-	-	-	-		
Beginning Cash Balance	-	-	4,658,178		1,040,156		-	-	-	-		
Cash Adjustments	-	-	6,281,399		1,059,844		-	-	-	-		
Ending Cash Balance	-	-	1,040,156		-		-	-	-	-		
Cash Reserves Target	-	-	1,040,156		-		-	-	-	-		
											Cash Reserve	
											100% cash reserves per	
											bond covenants	

Fund Purpose:

This fund accounts for the remaining expenditures of the bond proceeds from the \$25 million Smart Streets Bond issued in 2015 (debt schedule #135; expected to pay off January 2037). The bond proceeds are in a trustee account. This fund was established in 2017 to integrate this trustee account into the City's formal accounting system.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The bond was secured to change 1-way streets to 2-way—primarily Main, Michigan and St. Joseph streets. This project includes elements of complete streets concepts to encourage walkability, bike riding, as well as easier driving throughout downtown and entryway streets. Spending down bond proceeds until exhausted. The only revenue anticipated is interest revenue and is not expected to be significant.

In August 2017, the City received a \$20,000 reimbursement from a developer.



**Michigan and Bartlett Street
Roundabout**



**Michigan Street
Two-way Conversion**

Fund 754 - Industrial Revolving Fund

Fund Type	Industrial Revolving Fund					Control	Debt Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change	
						2019	2020	2021	2022			
Revenue												
Interest Earnings	-	-	195,671	53,565	183,000	183,000	183,000	183,000	183,000	(12,671)	-6%	
Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	
Other Income	-	-	44,034	4,824	27,000	27,000	27,000	27,000	27,000	(17,034)	-39%	
Transfers In	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue	-	-	239,705	58,389	210,000	210,000	210,000	210,000	210,000	(29,705)	-12%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	-	-	136,400	45,568	45,000	45,000	45,000	45,000	45,000	(91,400)	-67%	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	
Other Interfund Allocations	-	-	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	-	-	-	-	-	-	-	-	-	-	-	
Interest & Fees	-	-	15,000	3,876	15,000	15,000	15,000	15,000	15,000	-	0%	
Grants & Subsidies	-	-	-	-	-	-	-	-	-	-	-	
Insurance	-	-	-	-	-	-	-	-	-	-	-	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	-	-	5,600	-	97,000	97,000	97,000	97,000	97,000	91,400	1632%	
Total Services & Charges	-	-	157,000	49,444	157,000	157,000	157,000	157,000	157,000	-	0%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	-	-	157,000	49,444	157,000	157,000	157,000	157,000	157,000	-	0%	
Net Surplus / (Deficit)	-	-	82,705	8,945	53,000	53,000	53,000	53,000	53,000			
Beginning Cash Balance	-	-	2,724,543		2,807,248	2,860,248	2,913,248	2,966,248	3,019,248	Cash Reserve No City reserve requirement; there are program requirements		
Cash Adjustments	-	-	-		-	-	-	-				
Ending Cash Balance	-	-	2,807,248		2,860,248	2,913,248	2,966,248	3,019,248	3,072,248			
Cash Reserves Target	-	-	-		-	-	-	-	-			

Fund Purpose:

The Industrial Revolving Fund is a loan fund for small businesses. It is governed by a separate Board of Directors which contracts with the City's Community Investment Department for administrative services. The fund is reported in the City's Comprehensive Annual Financial Report (CAFR) and was integrated into the City's formal accounting system during 2017. A City cash reserve target has not been established for the fund, but it operates under federal guidelines with respect the amount of loans and cash balances that must be maintained.

Fund 755 - South Bend Building Corp

Fund Type	South Bend Building Corp				Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	% Change
						2019	2020	2021	2022		
Revenue											
Interest Earnings	-	-	4,000	597	1,000	1,000	1,000	1,000	1,000	(3,000)	-75%
Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	2,650,500	1,326,750	2,635,025	2,630,894	2,628,085	2,305,705	1,954,780	(15,475)	-1%
Total Revenue	-	-	2,654,500	1,327,347	2,636,025	2,631,894	2,629,085	2,306,705	1,955,780	(18,475)	-1%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	-	-	-	-	-	-	-	-	-
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-
Other Interfund Allocations	-	-	-	-	-	-	-	-	-	-	-
Debt Service											
Principal	-	-	2,040,000	1,130,000	2,100,000	2,175,000	2,250,000	2,000,000	1,735,000	60,000	3%
Interest & Fees	-	-	603,214	307,970	536,025	456,894	379,085	306,705	220,780	(67,189)	-11%
Grants & Subsidies	-	-	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	2,643,214	1,437,970	2,636,025	2,631,894	2,629,085	2,306,705	1,955,780	(7,189)	0%
Capital	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	-	-	2,643,214	1,437,970	2,636,025	2,631,894	2,629,085	2,306,705	1,955,780	(7,189)	0%
Net Surplus / (Deficit)	-	-	11,286	(110,623)	-	-	-	-	-		
Beginning Cash Balance	-	-	651,115		662,401	662,401	662,401	662,401	662,401	Cash Reserve	
Cash Adjustments	-	-	-		-	-	-	-	-	100% cash reserves per	
Ending Cash Balance	-	-	662,401		662,401	662,401	662,401	662,401	662,401	bond covenants	
Cash Reserves Target	-	-	662,401		662,401	662,401	662,401	662,401	662,401		

Fund Purpose:

The South Bend Building Corporation receives debt service payments from the City and passes them through to trustee banks and bondholders. The accounting records are maintained in trustee bank accounts. This fund was established in 2017 to integrate these trustee accounts into the City's regular accounting system.
 The South Bend Building Corporation is a separate legal entity, but is reported as a fund in the City's Comprehensive Annual Financial Report (CAFR).
 The fund pays the debt service on the 2012 Police and Fire Building Refunding Bonds, 2010 Public Works Facility Refunding Bonds and 2013 EMS/Fire Training Tower and Fire Station Bond.

Explain Significant Revenue and Expenditure Changes/Variations Below:

Final payment dates: 2012 Police/Fire Bonds - 02/01/2033, 2010 Public Works Bonds - 02/01/2021, and 2013 EMS/Fire bonds - 02/01/2033.

Fund 756 - Smart Streets Debt Service

Fund Type	Smart Streets Debt Service					Control	Debt Service Funds					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance 2017-2018	%
							2019	2020	2021	2022		Change
Revenue												
Interest Earnings	-	-	3,271	1,134	2,500		2,500	2,500	2,500	2,500	(771)	-24%
Bond Proceeds	-	-	-	-	-		-	-	-	-	-	-
Other Income	-	-	-	-	-		-	-	-	-	-	-
Transfers In	-	-	856,500	-	1,714,000		1,715,500	1,716,500	1,716,500	1,715,000	857,500	100%
Total Revenue	-	-	859,771	1,134	1,716,500		1,718,000	1,719,000	1,719,000	1,717,500	856,729	100%
Expenditures by Type												
Supplies	-	-	-	-	-		-	-	-	-	-	-
Services & Charges												
Professional Services	-	-	-	-	-		-	-	-	-	-	-
Debt Service												
Principal	-	-	460,000	-	940,000		970,000	1,000,000	1,030,000	1,060,000	480,000	104%
Interest & Fees	-	-	792,284	394,784	769,794		741,369	712,044	681,819	650,694	(22,490)	-3%
Transfers Out	-	-	-	-	-		-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-		-	-	-	-	-	-
Total Services & Charges	-	-	1,252,284	394,784	1,709,794		1,711,369	1,712,044	1,711,819	1,710,694	457,510	37%
Capital	-	-	-	-	-		-	-	-	-	-	-
Total Expenditures	-	-	1,252,284	394,784	1,709,794		1,711,369	1,712,044	1,711,819	1,710,694	457,510	37%
Net Surplus / (Deficit)	-	-	(392,513)	(393,650)	6,706		6,631	6,956	7,181	6,806		
Beginning Cash Balance	-	-	1,714,097		926,800		933,506	940,138	947,094	954,275		
Cash Adjustments	-	-	(394,784)		-		-	-	-	-		
Ending Cash Balance	-	-	926,800		933,506		940,138	947,094	954,275	961,081		
Cash Reserves Target	-	-	926,800		933,506		940,138	947,094	954,275	961,081		
											Cash Reserve	
											100% cash reserves per	
											bond covenants	

Fund Purpose:

The Smart Streets Debt Service Reserve Fund accounts for debt service reserve on the 2015 Smart Streets bond that had a par amount of \$25 million. The accounting records are maintained in trustee bank accounts. This fund was established in 2017 to integrate these trustee accounts into the City's regular accounting system.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The final payment is due February 1, 2037.

Smarts Streets One-way to Two-way Conversion Completed in front of South Bend Art Museum & Century Center



Fund 757 - Parks Bond Debt Service

Fund Type	Parks Bond Debt Service					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance 2017-2018	%	
						2019	2020	2021	2022		Change	
Revenue												
Interest Earnings	-	-	1,409	457	800	1,000	1,100	1,200	1,300	(609)	-43%	
Bond Proceeds	-	-	-	-	-	-	-	-	-	-	-	
Other Income	-	-	-	-	-	-	-	-	-	-	-	
Transfers In	-	-	390,482	194,232	379,107	382,732	381,032	374,182	372,257	(11,375)	-3%	
Total Revenue	-	-	391,891	194,689	379,907	383,732	382,132	375,382	373,557	(11,984)	-3%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	
Other Interfund Allocations	-	-	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	-	-	215,000	110,000	210,000	220,000	225,000	225,000	230,000	(5,000)	-2%	
Interest & Fees	-	-	176,482	88,566	170,107	163,732	157,132	150,382	143,557	(6,375)	-4%	
Grants & Subsidies	-	-	-	-	-	-	-	-	-	-	-	
Insurance	-	-	-	-	-	-	-	-	-	-	-	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	-	-	391,482	198,566	380,107	383,732	382,132	375,382	373,557	(11,375)	-3%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	-	-	391,482	198,566	380,107	383,732	382,132	375,382	373,557	(11,375)	-3%	
Net Surplus / (Deficit)	-	-	409	(3,876)	(200)	-	-	-	-			
Beginning Cash Balance	-	-	428,664		429,073	428,873	428,873	428,873	428,873			
Cash Adjustments	-	-	-		-	-	-	-	-			
Ending Cash Balance	-	-	429,073		428,873	428,873	428,873	428,873	428,873			
Cash Reserves Target	-	-	429,073		428,873	428,873	428,873	428,873	428,873			

Cash Reserve
100% cash reserves per bond covenants

Fund Purpose:

This fund accounts for the receipt of monthly lease rental payments from the City's EDIT Fund (408) and the subsequent semi-annual payment of debt service principal and interest to the bondholders. The accounting records are maintained in trustee bank accounts. This fund was established in 2017 to integrate these trustee accounts into the City's regular accounting system. The par amount of the 2015 Parks/EDIT bond was \$5,605,000 and the final payment is due August 1, 2035.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The principal and interest payments are set forth in the 20 year debt amortization schedule with the first payment made on February 1, 2016 and the final payment on August 1, 2035. The bond requires semi-annual payments and the City EDIT Fund (408) transfers money into this fund on a monthly basis, as per the bond ordinance. Capital expenditures of this bond are tracked in Fund 751.

Fund 759 - Eddy Street Commons Capital

Fund Type	Eddy Street Commons Capital				Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget	Forecast				Budget Variance	% Change
						2019	2020	2021	2022	2017-2018	
Revenue											
Interest Earnings	-	-	-	-	2,000	-	-	-	-	2,000	-
Bond Proceeds	-	-	22,500,000	-	-	-	-	-	-	(22,500,000)	-100%
Other Income	-	-	-	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	-	-	22,500,000	-	2,000	-	-	-	-	(22,498,000)	-100%
Expenditures by Type											
Supplies	-	-	-	-	-	-	-	-	-	-	-
Services & Charges											
Professional Services	-	-	396,250	-	-	-	-	-	-	(396,250)	-100%
Transfers Out	-	-	-	-	-	-	-	-	-	-	-
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-
Total Services & Charges	-	-	396,250	-	-	-	-	-	-	(396,250)	-100%
Capital											
Land	-	-	-	-	-	-	-	-	-	-	-
Land Improvements	-	-	-	-	17,000,000	-	-	-	-	17,000,000	-
Buildings & Bldg Improve.	-	-	22,103,750	-	-	-	-	-	-	(22,103,750)	-100%
Motor Equipment	-	-	-	-	-	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-	-	-
Total Capital	-	-	22,103,750	-	17,000,000	-	-	-	-	(5,103,750)	-23%
Total Expenditures	-	-	22,500,000	-	17,000,000	-	-	-	-	(5,500,000)	-24%
Net Surplus / (Deficit)	-	-	-	-	(16,998,000)	-	-	-	-		
Beginning Cash Balance	-	-	-	-	16,998,000	-	-	-	-		Cash Reserve
Cash Adjustments	-	-	16,998,000	-	-	-	-	-	-		100% cash reserves per
Ending Cash Balance	-	-	16,998,000	-	-	-	-	-	-		bond covenants
Cash Reserves Target	-	-	16,998,000	-	-	-	-	-	-		

Fund Purpose:

This fund accounts for the expenditures of the bond proceeds from the \$25 million Eddy Street Commons Bond issued in 2017 (closing date 8/14/17, debt schedule #163). The funds will be spent on Phase II of the Eddy Street Commons, a mixed-use development area just south of the University of Notre Dame.

Explain Significant Revenue and Expenditure Changes/Variations Below:

In July 2007, the South Bend Common Council unanimously approved the rezoning of 25 acres of vacant land south of Notre Dame for the nearly \$200 million Eddy Street Commons project.

Phase I

As part of the Phase I development deal, Kite Realty Group agreed to invest \$161.9 million while South Bend city officials agreed to invest \$36.7 million to help with, among other costs, a parking garage and street and utility upgrades. Phase I included retail/restaurant/office space, apartment units, condo units, townhomes, a 1,276-vehicle multi-level parking garage, a Fairfield Inn & Suites and an Embassy Suites.

Phase II

Designed with input from the University, City of South Bend and nearby home and business owners, Phase II consists of five main buildings: two graduate-style apartment buildings and a new Robinson Community Learning Center on the east side of Eddy Street and two market-rate apartment buildings on the west side of Eddy Street. A stand-alone grocery store is proposed for the southwest corner of Howard and Indiana 23, where the Robinson Center now sits. The Robinson Center, an off-campus educational initiative of the University, will move to a new one-story, 13,000-square-foot building across the street. Phase II is a joint effort between the university and Kite Realty.



Fund 760 - Eddy Street Commons Debt Service

Fund Type	Eddy Street Commons Debt Service					Control	Capital Fund					
	2015 Actual	2016 Actual	2017 Amended Budget	06/30/17 Actual	2018 Adopted Budget		Forecast				Budget Variance	%
						2019	2020	2021	2022	2017-2018	Change	
Revenue												
Interest Earnings	-	-	1,479	-	-	-	-	-	-	(1,479)	-100%	
Bond Proceeds	-	-	2,500,000	-	-	-	-	-	-	(2,500,000)	-100%	
Other Income	-	-	-	-	-	-	-	-	-	-	-	
Transfers In	-	-	-	-	1,279,472	1,299,125	1,391,625	1,711,875	1,927,375	1,279,472	-	
Total Revenue	-	-	2,501,479	-	1,279,472	1,299,125	1,391,625	1,711,875	1,927,375	(1,222,007)	-49%	
Expenditures by Type												
Supplies	-	-	-	-	-	-	-	-	-	-	-	
Services & Charges												
Professional Services	-	-	-	-	-	-	-	-	-	-	-	
Printing & Advertising	-	-	-	-	-	-	-	-	-	-	-	
Repairs & Maintenance	-	-	-	-	-	-	-	-	-	-	-	
Other Interfund Allocations	-	-	-	-	-	-	-	-	-	-	-	
Debt Service												
Principal	-	-	2,450,000	-	25,000	50,000	145,000	475,000	720,000	(2,425,000)	-99%	
Interest & Fees	-	-	50,000	-	1,254,472	1,249,125	1,246,625	1,236,875	1,207,375	1,204,472	2409%	
Grants & Subsidies	-	-	-	-	-	-	-	-	-	-	-	
Insurance	-	-	-	-	-	-	-	-	-	-	-	
Transfers Out	-	-	-	-	-	-	-	-	-	-	-	
Other Services & Charges	-	-	-	-	-	-	-	-	-	-	-	
Total Services & Charges	-	-	2,500,000	-	1,279,472	1,299,125	1,391,625	1,711,875	1,927,375	(1,220,528)	-49%	
Capital	-	-	-	-	-	-	-	-	-	-	-	
Total Expenditures	-	-	2,500,000	-	1,279,472	1,299,125	1,391,625	1,711,875	1,927,375	(1,220,528)	-49%	
Net Surplus / (Deficit)	-	-	1,479	-	-	-	-	-	-			
Beginning Cash Balance	-	-	-	-	2,501,479	2,501,479	2,501,479	2,501,479	2,501,479		Cash Reserve	
Cash Adjustments	-	-	2,500,000	-	-	-	-	-	-		100% cash reserves per	
Ending Cash Balance	-	-	2,501,479	-	2,501,479	2,501,479	2,501,479	2,501,479	2,501,479		bond covenants	
Cash Reserves Target	-	-	2,501,479	-	2,501,479	2,501,479	2,501,479	2,501,479	2,501,479			

Fund Purpose:

This fund accounts for the receipt of payments from the City's North East Residential Area TIF Fund (436) and the subsequent semi-annual payment of debt service principal and interest to the bondholders. The par amount of the 2017 Eddy Street Commons Bond was \$25 million and the final payment is due February 15, 2037. This fund will hold a minimum of \$2.5 million in cash reserves per the bond covenant. The bonds were closed on August 14, 2017 and the first debt service payment is due on February 15, 2018. A debt service reserve amount of \$2.5 million dollars was established at the debt closing.

Explain Significant Revenue and Expenditure Changes/Variations Below:

The principal and interest payments are set forth in the 20 year debt amortization schedule with the first payment made on February 15, 2018 and the final payment on February 15, 2037. The bond was issued for Phase II of the Eddy Street Commons, a mixed-use development area just south of the University of Notre Dame. Capital expenditures related to the project are tracked in Fund 759.

Eddy Street Commons Apartments & Town Homes



Glossary

Activity Budget(s): Cost centers or specific and commonly recognized service functions within a fund or department to which specific expenses are to be allocated.

Ad Valorem: Imposed at a rate percent of the value as stated in determining property taxes.

Appropriation: An expenditure authorization made by the Common Council, which permits charges against specified funding sources. Appropriations are usually made for fixed amounts and are typically approved for the entire fiscal year unless otherwise amended by the City Council.

Approved/ Adopted Budget: The City's budget & expenditure authority as adopted by the Common Council in a vote conducted after a City Charter-required public hearing to collect public input on the Proposed Budget.

Assessed Valuation: The estimated value placed upon real and personal property by the County Assessor.

Assets: Property owned by the City, which has monetary value.

Audit: A systematic examination of resource utilization concluding in a written report. It is a test of management's internal controls and is intended to:

- Ascertain whether financial statements fairly present financial positions and results of operations;
- Test whether transactions have been legally performed;
- Identify areas for possible improvements in accounting practices and procedures;
- Ascertain whether transactions have been recorded accurately and consistently;
- Ascertain the stewardship of officials responsible for governmental resources.
- Certain audited funds related to trustee accounts, bonding and capital leases are not budgeted or included in this document.

Balanced Budget: The budgeted revenues (plus available cash reserves) are equal or more than the budgeted expenditures.

Base Budget: The budget predicated on maintaining the existing level of service.

Bond (Debt Instrument): A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital improvements.

Budget Amendment: Adjustments made to the budget or approved expenditure authority during the fiscal year by the Common Council to properly account for unanticipated changes, which occur either in revenues or expenditures or for programs or policy objectives initially approved for the fiscal year.

Budget (Operating): A plan of financial operations embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates). The term is also sometimes used to denote the officially approved expenditure ceiling under which the City and its departments operate.

Budget Basis: The basis by which a City determines its budget. The budget basis may be cash, accrual, modified accrual or some other basis. The City of South Bend uses the cash basis for budgeting.

Budget Calendar: The schedule of key dates or milestones that the City follows in the preparation and adoption of the budget.

Budgetary Control: The level at which expenditures cannot legally exceed the appropriated amounts.

Budgeted Funds: Funds that are planned for certain uses. The budget document that is submitted for Common Council approval is composed of budgeted funds.

Budget Message: Initially, a general discussion of the proposed budget document presented in writing as a supplement to the budget document. The budget message explains principle budget issues against the background of financial experience in recent years and presents recommendations.

Capital Expenditures: The expenditures for the acquisition of capital assets; whether major assets with long-term useful life spans or shorter-term operational capital needs such as office equipment, small tools & machinery. The expenditures are financed by either capital debt or cash-pay-as-you-go. Generally, equipment with a cost of \$10,000 or more and a useful life of at least one year is considered a capital expenditure.

Cash Management: The management of cash necessary to pay for government services while investing temporarily idle cash in order to earn interest. Cash management refers to the activities of forecasting the inflows and outflows of cash, mobilizing cash to improve its availability for investment, establishing and maintaining banking relationships, and investing funds safely in order to achieve the highest interest on temporary cash balances.

CIP: Abbreviation for Capital Improvement Program.

COIT: Abbreviation for County Option Income Tax. COIT is based on wages paid in the County.

Contingency: An estimated amount of funds needed for deficiency or emergency purposes. An annual appropriation to cover short falls in revenue and/or underestimation of expenditures.

Contractual Services: Items of expenditure from services that the City receives from an outside company. HVAC, maintenance, custodial services, Building, Mechanical, and Plumbing Inspectors are examples of contractual services.

CPI: Abbreviation for Consumer Price Index.

Debt Service: The City's obligation to pay the principal and interest of all bonds and other debt instruments according to a pre-determined payment schedule.

Department: A major activity of the City, which indicates overall management responsibility for an operation of a group of related operations within a functional area.

Depreciation: That portion of the cost of a capital asset, used during the year to provide service.

DLGF: Abbreviation for the Indiana Department of Local Government Finance. The DLGF is a state agency that approves the budgets and property tax rates.

EDIT: Abbreviation for Economic Development Income Tax. EDIT is based on wages paid in the County. Also referred to as County Economic Development Income Tax or “CEDIT”.

Enterprise Fund: A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to ensure that revenues are adequate to meet all necessary expenses. Enterprise funds are established for services such as water and sewer utilities.

Estimated Revenue: The amount of projected revenue to be collected during the fiscal year.

Expenditure: The cost of Governmental Fund goods delivered and services rendered, whether paid or unpaid.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance: For financial reporting, fund balance is the difference between assets and liabilities in a governmental fund. Fund balance is required to be reported in two components—reserved and unreserved. When fund balance is reserved, it either means that the resources are in a form that cannot be appropriated and spent or that the resources are legally limited to being used for a particular purpose. For instance, grant monies from the federal government that may be used only for a road project would be reported as reserved fund balance in a street fund. Likewise, the City’s cemetery trust funds in the General Fund are nonexpendable resources that can be invested but not spent—as reserved fund balance. The portion of fund balance that is not reserved is fittingly called unreserved fund balance. For budgeting, fund balance is equal to cash balance as the City utilizes the cash basis of budgeting.

GAAP: Abbreviation for Generally Accepted Accounting Principles.

GASB: The Governmental Accounting Standards Board, which provides direction in accounting and reporting requirements for units of government.

Gateway: The State of Indiana budget and financial reporting program that local units of government are required to use.

General Fund: The largest fund within the City, the General Fund accounts for most of the financial resources of the government that may be used for any lawful purpose. General Fund revenues include property taxes, licenses and permits, service charges, and other types of revenue. This fund usually includes most of the basic operating services, such as police protection, finance, public services and general administration.

General Obligation Bonds: When the City pledges its full faith and credit to the repayment of the bonds it issues, those bonds are General Obligation (G.O.) bonds.

GFOA: Abbreviation for Government Finance Officers Association.

Investment: Securities purchased and held for the production of income in the form of interest.

KPI: Abbreviation for Key Performance Indicator. Also known as Performance Measure.

Liabilities: Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed or refunded at some future date. The term does not include encumbrances.

Long Term Debt: Debt with a maturity of more than one year.

Maturities: The date on which the principal or stated values of investments or debt obligation mature and may be reclaimed.

Net Assessed Value: Total value of property less certain deductions like homestead deductions, tax abatements, exempt property, and TIF property.

Net Debt: All City Debt net of special assessment, transportation fund and revenue bond debt.

Per Capita Basis: Per unit of population.

Revenue: An addition to the assets of a fund, which does not increase a liability, does not represent the recovery of an expenditure, does not represent the cancellation of a liability without a corresponding increase in any other liability or a decrease in assets, and does not represent a contribution of fund capital in an enterprise.

SBOA: Abbreviation for the Indiana State Board of Accounts. The SBOA is a state agency that performance the function of private accounting firms in other states.

Surplus Funds: Liquid or Non-Liquid Funds not immediately needed to pay demands against vendors and other claimants as determined by management.

Structurally Balanced Budget: A budget that is sustainable for multiple years into the future.

Tax Base: The total value of taxable property in the City.

TIF: Abbreviation for Tax Increment Financing. A fund that captures the increase in net assessed value on properties in an area to provide property tax revenue for economic development projects.

Transfers- In/Out: A legally authorized funding transfer between funds in which one fund is responsible for the initial receipt and the other fund is responsible for the actual disbursement.

Trust and Agency Fund: Trust and Agency funds are used to account for assets held by the city in a trustee capacity or as an agent for individuals, organizations, other governments, or other funds.

Utilities Fund: This enterprise fund is used to account for the provision of water, sewer and solid waste services to the customer financed primarily by user charges.

Working Capital: Working Capital is generally defined as current assets less current liabilities; however, this is to some extent, an abstract concept. If all of the current assets were converted to cash at their book value and all the current liabilities paid, then working capital would be the amount of cash remaining. For the City's Utilities Fund, current assets are comprised of cash and cash equivalents, receivables and inventory; and current liabilities are comprised of accounts payables, accrued liabilities and the current portion of next fiscal year's long-term debt.