



CITY OF SOUTH BEND

EXCELLENCE | ACCOUNTABILITY | INNOVATION | INCLUSION | EMPOWERMENT

2019 Opening Budget Presentation August 1, 2018

Context for the 2019 City Budget

- **Fiscal challenges ahead**– Fiscal curb in 2020 will tighten city finances as programmed tax cut goes into effect. Property taxes are increasing slightly and the net assessed value is increasing at a modest rate (3.82% in 2017).
- **Growth and strength** – South Bend’s economy and population continue to grow; civic energy is high, and financial reserves remain healthy. Unemployment rate is at 3.6% as of May 2018, which is slightly higher than in May 2017 (3.1%) but remains very low.
- **Major initiatives on track** – e.g. Quality of Place enhancements including streets and sidewalks, MY SB Parks and Trails, Inclusive Economic Growth and Development, Neighborhood Planning, and Diversity, Human Capital and Inclusion Efforts.

Core Values





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.



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.



INNOVATION

Deliver better services more efficiently by introducing creative approaches to government operations, questioning habit and using evidence to continually improve.



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.



EMPOWERMENT

Establish a work environment that enables employees to contribute richly to the administration and the community, taking pride and ownership in our work.

2018 South Bend Common Council's Priorities And Overall 2018 Budget Wins

- *Quality of Life & Neighborhoods*
 - *Stronger Residential Development from Community Investment (Specifically in the most challenging Districts) and Affordable Housing*
 - **Funding for Housing Repair initiative – pilot launched in July 2018**
 - *Expansion of “Light Up South Bend” Initiative*
 - **Light Up South Bend funding**
- *Code Enforcement*
 - **Funding rental inspection program, including 2 additional code inspectors, in Code Enforcement**
 - **Code Enforcement - onboarded with 311 in April 2018**

2018 South Bend Common Council's Priorities And Overall 2018 Budget Wins

- *Quality of Life & Neighborhoods (continued)*
 - *Vacant and Abandoned Housing Phase Development Phase II*
 - **Funding to address vacant & abandoned houses in addition to vacant and abandoned housing grants**
- *Economic Development, Job Training*
 - **Funding for Small Business and Workforce Development (including Pathways Program, WorkOne programs, Lincoln Way Business Center and training & workshops on doing business within the City)**
 - **Funding for South Shore Relocation Feasibility Study**
 - **Funding of Façade Improvement Grants**

2018 South Bend Common Council's Priorities And Overall 2018 Budget Wins

- *Infrastructure/City Corridors (Curbs, Sidewalks, Streets, CSO)*
 - **Funding for median channelization devices for railway Quiet Zones**
 - **Funding for Lincoln Way/Charles Martin Streetscape Project**
 - **Funding for Curbs & Sidewalk Program**
 - **Funding for potential Energy Savings Contracts, including solar, at various City facilities**
 - **Monroe and Studebaker Safe Routes to School program – 8,400 ft of Sidewalk, 5,800 ft of Curb and 545 Curb Ramps installed**
 - **Neighborhood Drainage projects funded**
 - **Traffic Calming pilot projects funded**
 - **Continue funding for water and wastewater operations and capital improvement through user fees**

2018 South Bend Common Council's Priorities And Overall 2018 Budget Wins

- *Public Safety & Traffic Patrols*
 - **Funding for Goodwill Group Violence Intervention (GVI) Team**
 - **Full Funding for Police Officers and related programs**
 - **Community Policing efforts funded (bike patrols, athletic league programs, etc.)**
 - **School lead testing and other lead related projects**
- *Parks & Recreation*
 - **Major investment in MY SB Parks & Trails plan, including \$24.3 million of bonds and \$5 million Regional Cities grant (including many restroom and other park updates)**
 - **Charles Black Center improvements to be completed in August 2018**
 - **Continued work on the Cemetery and related projects**

2018 South Bend Common Council's Priorities And Overall 2018 Budget Wins

- *Diversity in the Workforce*
 - **Continuing to fund diversity efforts for City workforce through various recruitment efforts, training for staff, and Diversity & Inclusion Intern program**
- *Other Budget Wins in 2018*
 - **Parental Leave Program has proven to be a benefit to several employees so far in 2018 (over 20 employees YTD)**
 - **With the help of Council, the City now offers an additional PERF benefit (MyChoice Plan) which allows for additional retirement benefit options to new employees**
 - **Launch of new user-friendly website, that prioritizes most-used services and information, in July 2018**
 - **Permanent Supportive Housing (Oliver Apartments, 32 Units)**
 - **Disparity Study Progress – full report anticipated to be released near 2nd quarter of 2019**

2019 Council Budget Goals

Putting neighborhoods first, by creating a better quality of life for all communities!

- More Resources for the Lead issue
- Resources for Code Enforcement
- Expansion of “Light Up South Bend” Initiative
- Shot Spotters in neighborhoods that have experienced an increase of criminal activities
- Public Safety & Traffic Patrols
- Stronger Community Investment in the most challenging districts
- Expansion of Traffic Calming efforts in other neighborhoods
- Increase in resources for curbs and sidewalks
- Job Creation
- Resources for Drainage issues
- Infrastructure (Streets, CSO)
- Diversity in the workforce, city programs and planning initiatives

2019 Resident Budget Goals

We have heard the following items as important goals for residents through Budget Meetings and Surveys:

- Care of Sidewalks and Alleys
- Maintenance of neighborhood parks and restroom facilities
- Maintenance of Street Lights
- Traffic Calming in Neighborhoods
- Drainage issues
- Code Enforcement in specific areas of the City

2019 Budget Priorities

- ✓ Safe Community for Everyone
- ✓ Strong, Inclusive Economy
- ✓ Thriving Public Spaces
- ✓ Vibrant, Welcoming Neighborhoods
- ✓ Robust and Well-Planned Infrastructure
- ✓ All Residents Empowered with Education,
Mobility and Technology

2019 Budget Highlights

✓ New Budget Items for 2019

- ✓ Funding for lead, potentially leveraged with pending HUD grant, in addition to AmeriCorp program which has the potential to assist with lead related projects
- ✓ Fire Department – Community Paramedicine program to be developed in 2019
- ✓ Storm Water Funding Requests – New fees to assist with future drainage projects
- ✓ Increase of Housing Repair funds in 2019

2019 Budget Highlights

✓ Significant Departmental Reorganizations

- ✓ Propose to establish City Plan Commission and integrate land use and development functions within the same department, i.e. Building, Planning and Development
 - ✓ Efficiencies and strategic implementation of City planning efforts
- ✓ County GIS proposal to fold into City's Innovation Team in 2019

2019 Budget Highlights

✓ **Personnel Additions for Consideration**

✓ *NOTE: Actual requests will be made during specific departmental budget hearings and on September 19th*

✓ Needs exist in various departments to execute the following:

- ✓ Project Management
- ✓ Community Engagement
- ✓ Zoning Reform
- ✓ Engineering and Inspection Processes (relating to Parks and TIF Projects)
- ✓ Community Paramedicine Program Staff
- ✓ GIS Services
- ✓ Civilian Responsibilities at Police
- ✓ Concrete and Paving
- ✓ Parks Maintenance
- ✓ Administrative Responsibilities for new and existing programs

2019 Budget Highlights

✓ Safe Community for Everyone

✓ **Council Request:** Funding of Public Safety & Traffic Patrols (including ShotSpotter); Resources for the Lead Issue; Resources for Code Enforcement; Expansion of “Light Up South Bend”

✓ What is included in the 2019 Budget:

✓ South Bend Police Department

✓ Full funding for Sworn Police Officers

✓ Funding for ShotSpotter

2019 Budget Highlights

✓ Safe Community for Everyone (continued)

✓ What is included in the 2019 Budget:

✓ South Bend Fire Department

- ✓ Full funding for Sworn Firefighters

- ✓ Funding to develop and maintain a Community Paramedicine Program

- ✓ Funding for lead, potentially leveraged with pending HUD grant, in addition to AmeriCorp program which has the potential to assist with lead related projects

- ✓ Code Enforcement includes funding Rental Unit inspection program

- ✓ Light Up South Bend Program continues to be funded

- ✓ The County and the City continue to work together to fund the 911 Center (PSAP)

2019 Budget Highlights

✓ Strong, Inclusive Economy

✓ **Council Request:** Funding for Job Creation and Diversity in the Workforce, City Programs and Planning Initiatives

✓ What is included in the 2019 Budget:

✓ Funding for Small Business and Workforce Development

(including Pathways Program, WorkOne programs, and training & workshops on doing business within the City)

✓ Funding of Façade Improvement Grants

✓ Housing Financing Gap Assistance and Community Development Financial Institutions (CDFI) funding

✓ Funding for Small Business Microlending

2019 Budget Highlights

✓ Thriving Public Spaces

✓ What is included in the 2019 Budget:

✓ Continued efforts on major park improvements through
My SB Parks & Trails

(<http://sbvpa.org/mysbparksandtrails/>)

✓ Continued work on the Cemetery and related projects

✓ Funding for Zoo Bond related to a new entry way into the
Zoo and various improvements to be issued in late 2018

✓ Parking Garage Elevator Upgrades and other
improvements

2019 Budget Highlights

✓ Vibrant, Welcoming Neighborhoods

✓ **Council Requests:** Funding for Quality of Life & Neighborhoods including stronger community investment in most challenging districts and traffic calming

✓ What is included in the 2019 Budget:

- ✓ Funding for New Housing Construction initiative and Housing Repair initiatives
- ✓ Increased funding for Traffic Calming
- ✓ Funding to address Vacant & Abandoned houses and related grants
- ✓ Substantial TIF investment in neighborhood plans

2019 Budget Highlights

✓ **Robust and Well-Planned Infrastructure**

✓ **Council Request:** Funding for Curbs & Sidewalks and Streets/City Corridors

✓ What is included in the 2019 Budget:

- ✓ Complete Streets project on Bendix Drive – matching grant to be received to assist with funding on this project
- ✓ Funding for median channelization devices for railway Quiet Zones
- ✓ Significant funding for Curbs & Sidewalks as well as a reimbursement program for homeowners
- ✓ Continue funding for water and wastewater operations and capital improvement through user fees

2019 Budget Highlights

✓ All Residents Empowered with Education,

Mobility and Technology

- ✓ Funding for Fire Department High School Dual Credit program (self-funding program through payments from High Schools)
- ✓ Funding of MetroNet Build Out
- ✓ Funding of expanded Free Wifi
- ✓ Funding for new City Wide Financial (ERP) system to allow for even greater transparency for the Administration, Council and City Residents
- ✓ Workforce Transportation Barriers Pilot Program – Bloomberg grant potential for this project in 2019

2019 Budget Highlights

✓ **Great Employer with Great Employees**

– What is included in the 2019 Budget:

- Funding for TRANSPRO bus passes for employees
- Continuing to fund diversity efforts for City workforce through various recruitment efforts, training for staff, and paid intern programs
- Continued funding for Employee Recognition and Employee Resource Groups
- Parental Leave Program for all full-time employees will be funded
- Education for all employees around harassment and other related topics
- SB Academy – various training options for employees regarding technology, leadership, and other important topics
- Health & Wellness Center and access to community centers continue to save the City costs on medical expenses for employees and their families

✓ **Excellent Services and Efficient Processes**

- Working towards the acceptance of credit cards in all departments by the end of 2019

✓ **Modeling our Values (Excellence, Accountability, Innovation, Inclusion and Empowerment)**

- Including funding in the 2019 budget for paid intern positions across all City departments
- Working towards paid internship policy for all City departments to follow in 2019

2019 Budget Highlights

✓ **Robust Physical and Technological Capital Assets**

- Funding for the replacement of the City's outdated Financial (ERP) System which should be implemented by 1Q2020

✓ **Reliable Compliance with Regulations and Well-Managed Risk**

- Proactive claims investigation and evaluation leading to lower claims being paid out by the City
- 24-48 hour average turn around time for APRA requests in 2018

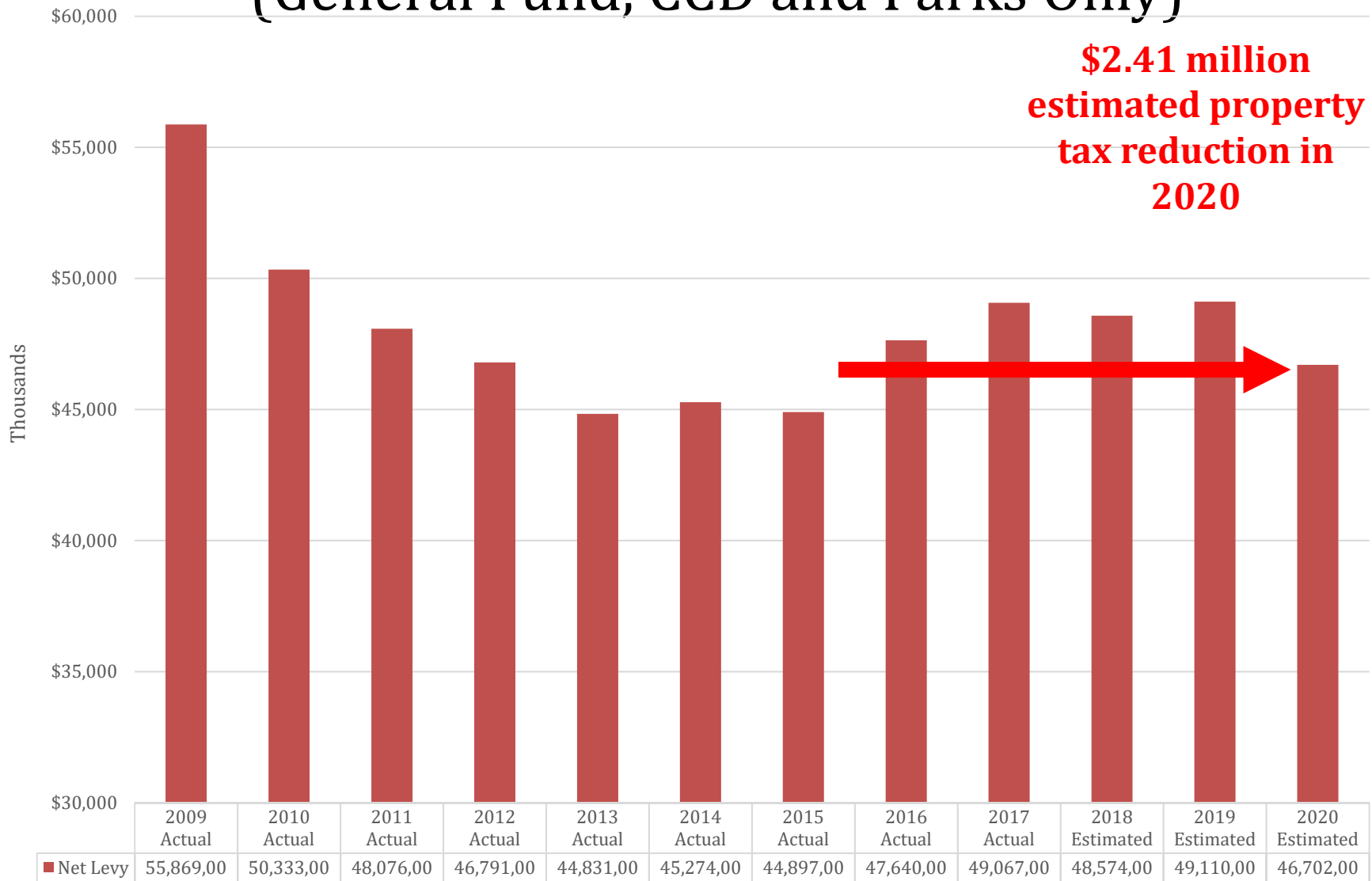
✓ **Effective, Responsive Leadership and Communication**

- Continuing to promote transparency and responsiveness with residents and business owners
- Further integrating improvements based on 311 data

✓ **Enduring Financial Strength**

- Working to balance the budget for General Fund, PS LOIT, EDIT, and COIT
- Keeping other funds on track for long term balance

Flat Projected Property Tax Revenues Due to State Circuit Breakers Tax Cut (General Fund, CCD and Parks Only)



2020 Fiscal Curb Discussions

- ✓ To get ahead of the 2020 Fiscal Curb (where we are estimating a loss in property tax revenues of roughly \$2.41 million in the General, Cumulative Capital, and Parks Funds) we are looking at the some of the following options:
 - ✓ Ongoing Organizational Refinements
 - ✓ Hiring Freeze in 2019 – all positions being filled will be required to go through a rigorous process to determine need prior to the ability to refill any vacancy
 - ✓ Public Private Partnerships where possible
 - ✓ Investigate additional funding sources (i.e. grants, opportunity zones)
 - ✓ Looking internally at the budget as a two-year budget

City of South Bend 2019 Proposed Budget Concluding Thoughts

- Working diligently to get ahead of the 2020 tax cut/fiscal curb
- Overall City budget of approximately \$388 million
- Aiming for a balanced budget in the General Fund, Public Safety LOIT, EDIT and COIT budget
- Moving towards long-term balance while relying on modest reserves in certain other funds to sustain key expenditures
- City budget maintains our city's growth through:
 - continued investment in our neighborhoods, city center, and people
 - use of technology and efficiency to drive results
 - maintaining resources needed to keep high levels of service
 - measuring our performance for continuous improvement
- We look forward to working with Council on the 2019 budget request