



City of South Bend
2015 Budget Presentation and Public Hearing
September 22, 2014

What South Bend Must Be



Our goal is to ensure South Bend is a **strong** and **open** city for **everyone**, where:

- Make Basics of Life Easy
- Offer Cost-Effective, Good Government
- Create an Environment Where Everyone Can Thrive



Our strategy to get there



Strategy – Key guide posts to frame long and short-term planning efforts:

1. Measure how well we deliver and make decisions based on good information.
2. Streamline city processes for citizens/customers.
3. Break down bureaucratic walls to deal with complex issues.
4. Welcome innovation and question habit.
5. Form connections and partnerships for economic growth, education, public safety and quality of life.
6. Attract, grow, retain, and engage excellent employees in an excellent work environment.



2015 Administration Priorities



1. Economic Development/
Jobs & Workforce Development
2. Smart Streets & Corridors
3. Vacant & Abandoned Housing
4. Group Violence Intervention
5. Performance Management
6. Information Technology
7. Parks & Recreation
8. Code Enforcement



2015 Council Priorities



1. Economic Development & Job Training
2. Public Safety & Traffic Patrols
3. Parks & Recreation
4. Infrastructure (Curbs, Sidewalks, Streets, CSO)
5. City Corridors
6. Vacant & Abandoned Housing
7. Code Enforcement
8. Quality of Life & Neighborhoods
9. Diversity



City of South Bend 2015 Proposed Budget City Budget Process/Components



- Proposed annual City budget presented by Mayor to Common Council.
- City budget is divided into seven (7) categories of activity (over 100 funds):
 - General Fund
 - Special Revenue Funds
 - Debt Service & Capital Funds
 - Enterprise Funds
 - Internal Service Funds
 - Trust & Agency Funds
 - Redevelopment Funds (approved by the Redevelopment Commission)
- Common Council holds budget hearings to review budget submissions.
- Common Council approval required for each Civil Fund – deadline Nov 3rd.
- State DLGF approval required for certain “controlled funds” (i.e. Gen Fund).



City of South Bend 2015 Proposed Budget Budget Summary



Key Assumptions:

- Recognize reality of current and expected municipal funding levels
- Fund Administration & Council priorities.
- Balanced budget for the General Fund and EDIT Fund
- Invest in City infrastructure/quality of life (Smart Streets, Parks, CSO, Curb & Sidewalk, Light Up South Bend).
- Continue to leverage and invest in technology for improved delivery of City services.
- Fully fund Public Safety (Police and Fire).
- Focus on efficiency and provide a 2% pay increase for all employee groups (police & fire contracts are pending).
- Provide funding for a 27th payroll during 2015 (over \$2.0 million dollars).



Investment Ready Places



- Proposed 2015 Investments
 - \$820,000 for Corridor Plan Implementation
 - \$950,000 for Smart Streets Implementation
 - \$165,000 for Workforce Development
- KPIs
 - 1,294 announced jobs from new projects assisted by DCI efforts so far 2014
 - \$23.6M public investment leveraged \$173M in private investment thus far in 2014
 - 19/25 SMART Graduates employed
- We must create the kind of places where people want to live and business want to invest.



Vacant and Abandoned Housing



- Proposed 2015 Investments
 - \$3m for repair and demolitions
 - \$1.6m Indiana Blight Elimination Funds (BEP)
- 2015 KPIs
 - Take action on remaining 402 properties
 - Realize additional private rehabilitations and/or demolitions
- Increasing the value and improving the quality of life in our neighborhoods is critical.

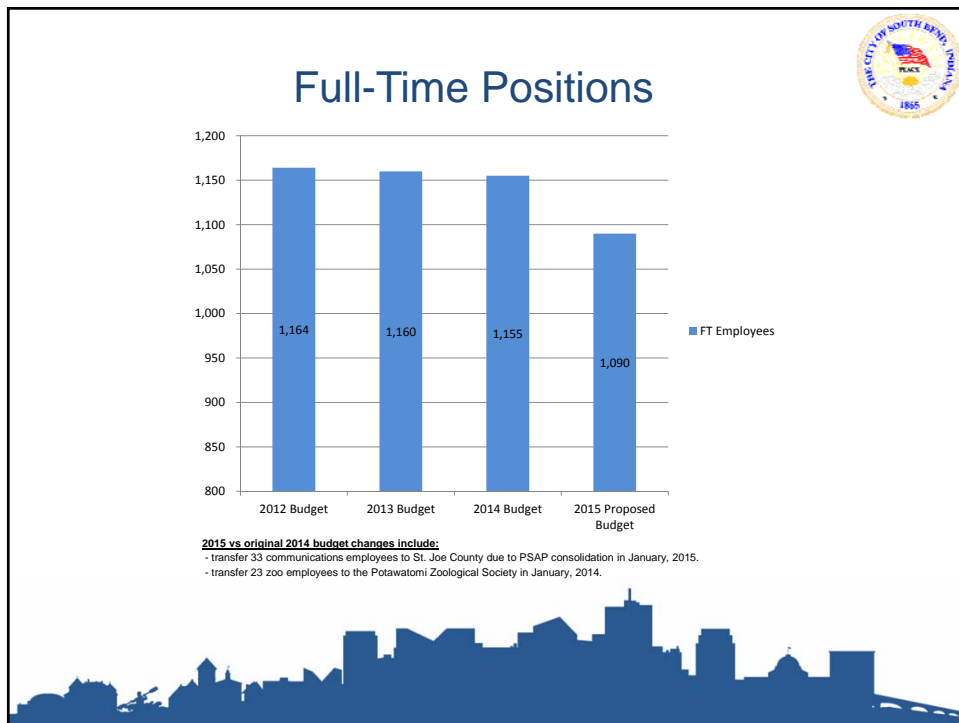
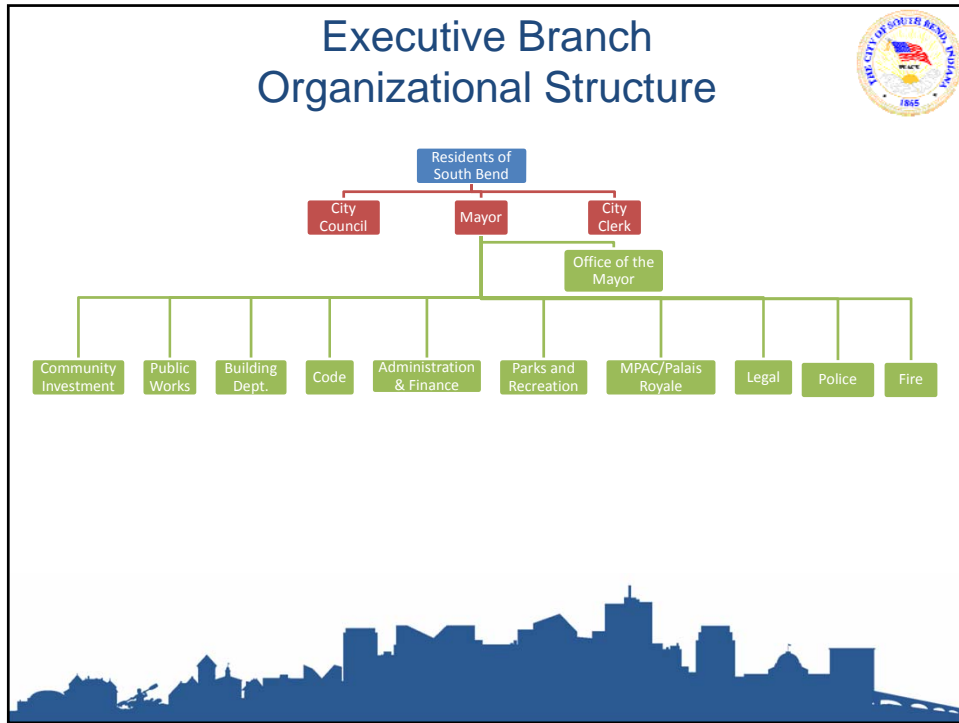


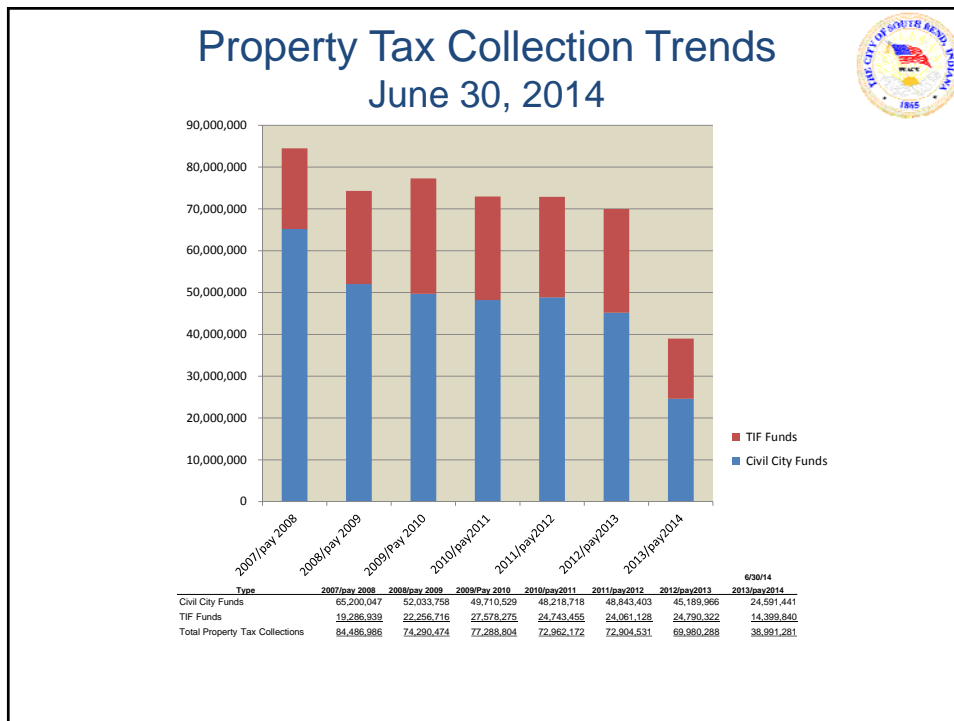
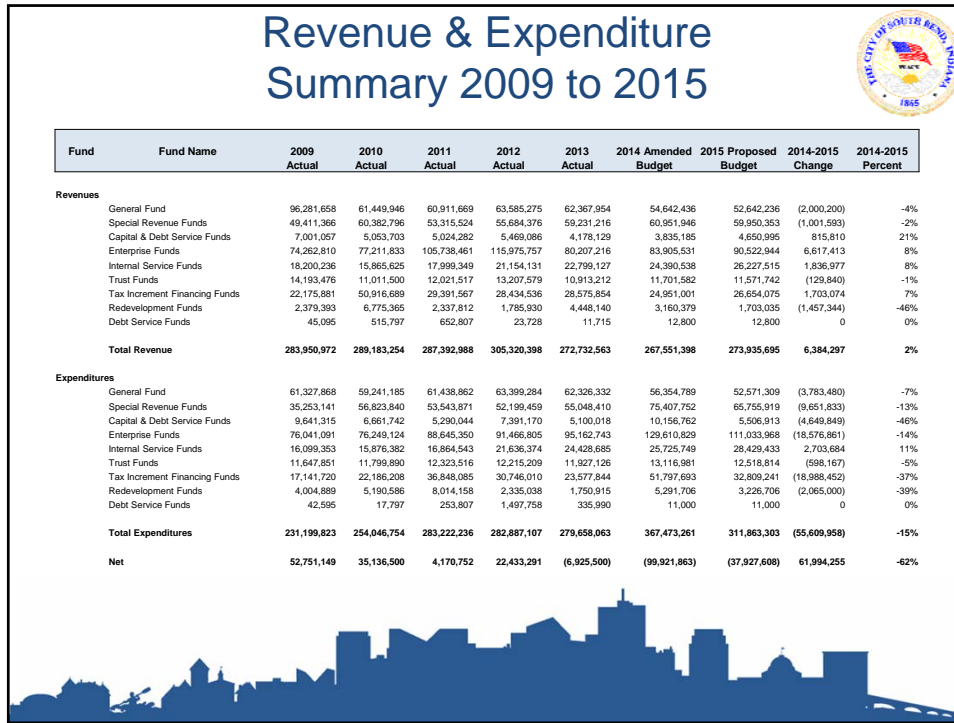
Information Technology/ Performance Management



- Proposed 2015 Investments
 - \$5.4m investment to continue building IT infrastructure while adding value to residents and city
 - Chief Technology Officer
 - Chief Innovation Officer
- KPIs
 - Future measure: IT Technology IQ/training
 - Future Measure: lower costs and less time per transaction
 - 191% increase in billing rate for all violations from this time last year
- Enables us to provide more effective and efficient services.







2015 Proposed Budget Assessed Value/Revenue Projections



\$ Millions	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Estimated	2015 Budgeted	2014-2015 Percent Change
Assessed Value \$(000)	\$2,453,505.6 -8%	\$2,324,451.9 -5%	\$2,380,874.1 +2%	\$2,371,087.1 -.4%	\$2,181,510.1 -8	\$2,181,510.1 0%	0%
Tax Rate (cert) \$	2.7951%	3.0268%	3.0748%	3.1707%	3.4292%	3.5462%	3.4%
Tax Levy \$ DLGF	\$68.6	\$70.3	\$72.0	\$74.1	\$74.8	\$77.4	3.5%
Circuit Breaker	(\$14.7)	(\$18.1)	(\$20.0)	(\$26.3)	(\$27.3)	(\$28.6)	4.8%
Net Tax/\$ Abstract	\$53.9	\$52.2	\$52.0	\$47.8	\$47.5	\$48.8	2.7%
Collection Rate	92.3%	92.3%	93.8%	94.5%	94.5%	95.0%	0.5%
Collected \$ Budget	\$49.7	\$48.2	\$48.8	\$45.2	\$44.9	\$46.4	3.3%

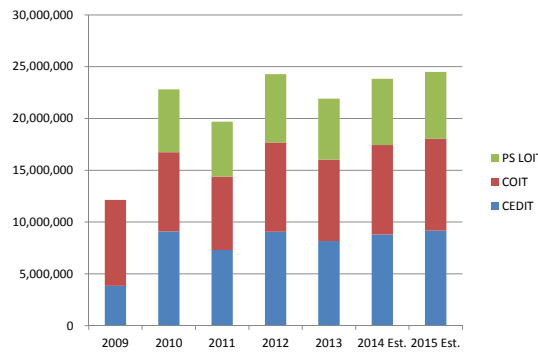
Notes:

Civil City Funds: General Fund (101), Parks & Recreation Fund (201), Cumulative Capital Development (406), and Hall of Fame Debt Service Fund (313).

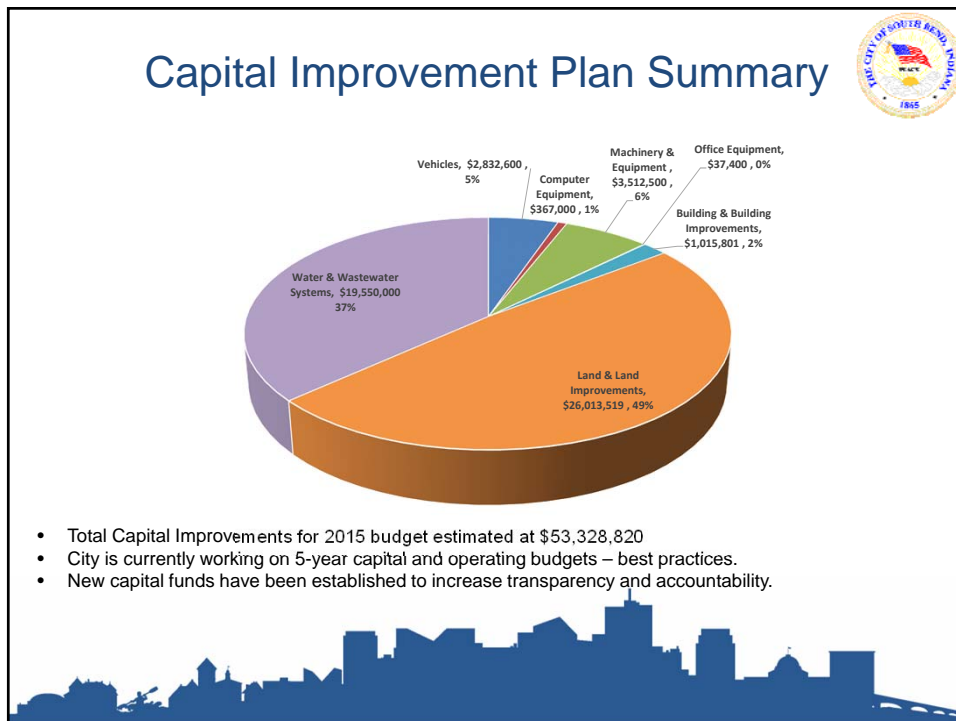
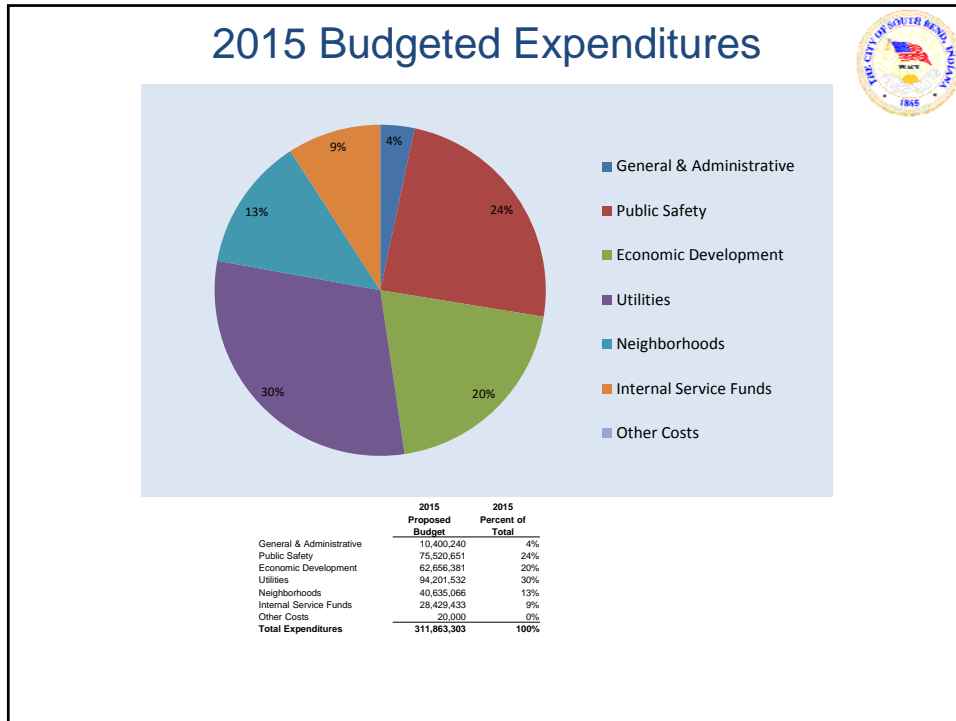
2015 State-wide Growth Quotient - 2.7%



Local Income Tax Revenue Trends 2009 - 2015



Year	CEDIT	COIT	PS LOIT	Total
2009	3,843,912	8,302,694	0	12,146,606
2010	9,090,415	7,648,824	6,078,454	22,817,693
2011	7,300,866	7,097,462	5,293,619	19,691,947
2012	9,068,785	8,610,742	6,605,601	24,285,128
2013	8,177,352	7,846,939	5,892,386	21,916,677
2014 Est.	8,796,821	8,645,811	6,380,029	23,822,661
2015 Est.	9,179,061	8,857,724	6,464,911	24,501,696



City of South Bend
2015 Proposed Budget
Final Thoughts



- Overall City budget of \$311.9 million – deficit of \$ 37.9 million is primarily timing of spending of bond proceeds for CSO sewer projects and investments in City infrastructure
- General Fund budget of \$52.6 million and has a small surplus.
- City budget reflects:
 - investing in our City infrastructure to create investment ready places
 - improving our neighborhoods
 - leveraging technology
 - responding more effectively to residents
 - measuring our performance
- We respectfully ask Council to approve our budget request.

