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LOCAL

South Bend projects 16% budget increase as it adds new positions amid inflation



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SOUTH BEND — The city's 2023 budget is expected to rise 16% from 2022's figure and reach about \$425 million, city officials said in an initial overview Wednesday.

The strategic goals of this year's budget are essentially the same as those set by the 2022 plan. Chief among them are to improve road and wastewater infrastructure, to increase public safety along with trust in law enforcement and to revitalize neighborhoods.

The South Bend Common Council will vote on the budget Oct. 10. Until then, the city will host a series of hearings for each department that the public is invited to attend.

Several specific priorities for 2023 highlighted by South Bend Mayor James Mueller are:

Venues Parks & Arts is set to receive a 51% boost in funding, bringing it to \$46 million — nearly even with the South Bend Police Department's budget. The department would enhance its community programming and create a new arts equity position.

The city plans to increase SPBD's budget by 4% to more than \$50 million and add eight budgeted officers, despite its ongoing shortage of more than two dozen officers. New positions have also been created for crime analysts to staff a real time crime center, which is meant to lower incidence of crime through increased surveillance.

The Department of Public Works would receive a 25% budget boost and consume the largest chunk of the city budget at \$178 million. The popular Rebuilding Our Streets initiative will remain fully funded in spite of rising paving and labor costs. The city also proposed two new positions for maintaining alleyways, doubling its capacity in response to concerns from residents.

Budgeted money for traffic calming is proposed to double in 2023 to \$800,000.

About \$300,000 will be devoted to mental health initiatives, in addition to \$1.3 million from the American Rescue Plan to be spent in 2023 and 2024 on the creation of a behavioral crisis center at Epworth Hospital. In partnership with St. Joseph County and Beacon Health System, the center will provide treatment for people with mental health issues rather than keeping them in jail. Direct funding for a mobile crisis response team led by Oaklawn Psychiatric Center is still in question.

New inspectors will be hired to bolster the city's Rental Safety Verification Program and its code enforcement efforts. The goal is to issue landlords safety certificates to ensure they're maintaining their properties according to code.

Venues Parks & Arts: Booming crowds at Howard Park bring more nuisance calls and a debate on how to handle them

A projected budget deficit

The city plans to spend about \$19 million more than it earns in revenue, meaning it projects a budget deficit larger than any in recent years.

City Controller Dan Parker noted that deficits were projected in each of the last two years, but the city actually earned surpluses. Higher-than-expected revenues and staffing levels below full capacity can lead to such miscalculations, he said.

Overall expenses are projected to be inflated because of rising costs of fuel for more than 1,000 city vehicles, higher prices on chemicals for treating water and fertilizing lawns, and increases in competitive wage rates needed to hire and retain municipal employees.

Crisis response: South Bend residents push for mental health crisis units after fatal police shooting

About 115 city positions are open among more than 1,100 budgeted roles, Parker said. That shortage is nearly twice the 60-70 spots that are typically unfilled. The city's plan to address the issue includes 3% wage increases for non-bargaining personnel, with potentially higher wage increases for union members such as police officers, and a doubling of the annual \$1,000 bonus awarded to employees who live within South Bend city limits.

Parker said South Bend is stable because the city has about \$233 million in cash reserves, some of which are to be spent this year. And the mayor remains positive about the infusion of federal and state funding the city has received. About \$37.6 million of the \$58.9 million the

city received through the American Rescue Plan has been spent or committed to projects such as the Dream Center, which was allotted \$11.1 million.

"There are still a number of historic opportunities for transformation with federal funding and state funding, things we just haven't seen for a long time," Mueller said. "We need to continue to be bold and aggressive to pursue these opportunities."

"There are a lot of costs to implement these plans," he added. "We're going to fall behind if we don't act aggressively to get the financing in place."

How to participate in budgeting

The city will host in-person feedback sessions and compile responses submitted through surveys and voicemails as part of the second year of its Build the Budget initiative.

To submit feedback on the budget, take 10 minutes to fill out the survey at https://southbendin.co1.qualtrics.com/jfe/form/SV_bKGbTrfUE3OKONM or call the city's 311 hotline and leave a voicemail.

The full schedule of 2023 budget hearings, most of which occur on Wednesdays, is listed on the city's website and is as follows:

Aug. 24, 5-7 p.m.: Police department and fire department

Aug. 31, 5-7 p.m.: Venues Parks & Arts

Sept. 6, 5-7 p.m.: Common Council working session No. 1

Sept. 7, 5-7 p.m.: Department of Public Works

Sept. 14, 5-7 p.m.: Department of Community Investment

Sept. 20, 5-7 p.m.: Common Council working session No. 2

Sept. 21, 5-7 p.m.: Administrative departments (Administration and Finance, Diversity and Inclusion, Innovation and Technology)

Sept. 26, 7 p.m.: Formal budget overview at Common Council meeting

Sept. 28, 5-7 p.m.: Mayor's Office, Legal Department, City Clerk, Common Council

Oct. 5, 5-7 p.m.: Transpo, budget wrap-up and final questions

Oct. 10, 5-7 p.m.: Final vote on 2023 budget

