Peoria is a Safe, Beautiful and Growing City

**Arts, Culture and Education**
Deliver building blocks of a vibrant and diverse community

**Economy Opportunity and Neighborhood Livability**
Provide economic opportunity for all and support strong, diverse neighborhoods

**Environmental Health**
Maintain, protect and enhance a healthy and sustainable environment

**Good Government for All**
Develop effective and efficient city government focused on equitable results while attracting a high-quality workforce

**Public Safety**
Being safe at home, at work, at play and in your community

**Infrastructure and Mobility**
Provide reliable, equitable and safe transportation system throughout the city
The Journey

• **Set direction:** City Council/Department Head Workshop

• **Identify challenges, opportunities and priority issues:** Council and staff interviews

• **Develop challenge statements and measures of success:** 2 Department Strategy Development Sessions

• **Prioritize indicators:** City Councilmember and Department Head survey

• **Prioritize indicators:** City Council/Department Head Workshop

• **Budget development:** 4 Strategy-Budget Alignment Working Sessions
Community Feedback

The Peoria Budget Challenge puts you in the seat of the City Council and challenges you to make difficult budget choices that will impact resident's lives. What are your budget priorities?

Share your ideas for initiatives to address key challenges facing the city and to support ideas shared by other residents and businesses. Your input will help inform both budget decisions and the future direction of Peoria.

City of Peoria Budget Challenge

2020 Budget Challenge

CITY OF PEORIA

Each year, the City Council makes spending decisions or critical services like public safety, infrastructure, and the quality of life in Peoria's neighborhoods. They also determine how to pay for it. The City is required to balance its budget annually, and the City Council has made the number of tough choices in order to live within its means.

Since 2014, the City's population has declined and revenues have as well. To balance the budget, the City has reduced services, trimmed the workforce, and raised new revenues.

The current challenge before the City Council is a $2.3 million budget deficit for 2020. This Budget Challenge is designed to put you in the seat of the City Council. Difficult budget choices remain, including expense and revenue choices that will impact us over the long-term.

What are your budget priorities?

Start Now!
Budget Public Meetings

Budget Sessions, 32 participants

Allocate $100 Exercise:

- Public Safety (38.2%)
- Infrastructure and Mobility (19.8%)
- Environmental Management (12.5%)
- Economic Opportunity and Livability (12.9%)
- Good Government (8.3%)
- Arts, Culture, and Lifelong Learning (8.9%)
Budget Challenge – The Results

Budget Challenge 636 participants

Spending
• Maintain public safety (34%), cut Fire Department $1 M (37%), cut Administration (68%), Economic and Community Development (46%), and leave Transportation status quo (51%)

Revenue
• Maintain current tax rates including Motor Fuel Taxes (84%), Public Safety Pension Fee (77%), Utility Taxes (71%), Sales Taxes (64%), Property Taxes (59%), and the HRA Tax (56%).
• Increases were desired in the Garbage Fee (54%) and Licenses Permits and Fees (43%).
Strategic Indicators

**Arts, Culture, and Lifelong Learning**
- Visitor Rates
- Economic Impact
- Sustainability

**Economic Opportunity and Neighborhood Livability**
- Employment / Unemployment Rate
- Average Income Level
- Property Values
- Housing Quality

**Environmental Health**
- Water Quality Condition
- Environmental Asset Condition
- Recycling Program Performance
- Environmental Maintenance Program Performance

**Good Government for All**
- Balanced Budget
- Staff Diversity
- Staff Longevity
- Leadership Longevity
- Citizen Satisfaction

**Public Safety**
- Crime Index
  - Crime Clearance Rates
  - Call Processing Times
  - Public Safety Staff Diversity
  - Fires Contained to Room of Origin
  - Emergency Call Processing Time
  - Cardiac Arrest Outcomes
  - Shooting Rates
  - Fire prevention outreach
  - Police Community Outreach

**Infrastructure and Mobility**
- Transportation Asset Condition
  - Complete Streets
  - Infrastructure Capital Costs
  - Transportation Safety
## 2020 Budget: Total Sources and Uses

<table>
<thead>
<tr>
<th>Total Sources</th>
<th>$217,738,521</th>
<th>Total Uses</th>
<th>$218,084,228</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>$31,393,151</td>
<td>Personnel Services</td>
<td>$62,422,035</td>
</tr>
<tr>
<td>Home Rule Sales Tax</td>
<td>24,643,600</td>
<td>Employee Benefits</td>
<td>52,736,878</td>
</tr>
<tr>
<td>Other Local Sources</td>
<td>93,303,064</td>
<td>Contractual Services</td>
<td>25,139,904</td>
</tr>
<tr>
<td>State Sales Tax</td>
<td>25,711,700</td>
<td>Supplies</td>
<td>3,783,126</td>
</tr>
<tr>
<td>PPRT/Income Tax</td>
<td>18,300,000</td>
<td>Support to Others</td>
<td>7,843,786</td>
</tr>
<tr>
<td>Other State Sources</td>
<td>6,543,489</td>
<td>Library Operations</td>
<td>6,334,847</td>
</tr>
<tr>
<td>Federal Sources</td>
<td>2,648,517</td>
<td>Capital</td>
<td>$39,705,126</td>
</tr>
<tr>
<td>Bond Proceeds</td>
<td>15,120,000</td>
<td>Debt</td>
<td>$20,118,526</td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>$217,738,521</td>
<td><strong>TOTAL EXPENSES</strong></td>
<td>$218,084,228</td>
</tr>
</tbody>
</table>
Revenue Summary Change 2019 Budget to 2020 Budget

- 2019 Budget: 209
- Property Tax: -0.8
- Sales Tax: 1.5
- Sewers: 3.4
- Garbage: 1.1
- Inc/PPRT: 1.6
- SMFT: 1.4
- Federal/Bonds: -0.9
- 2020 Budget: 217.7
Key Revenue Estimates – 4.2% Increase

- Property Taxes (2.4%)
- TIF Property Tax (1.5%)
- HRA Tax (0.7%)
- Insurance Charges (6.4%)
- Federal (7.2%)
- Bonds (4.5%)
- Home Rule Sales Tax (3.4%)
- Licenses and Permits (16.0%)
- Sewer/Stormwater (23.2%)
- Parking (10.2%)
- Garbage (13.8%)
- State Sales Tax (2.6%)
- Income Tax (8.5%)
- PPRT (11.5%)
- State Motor Fuel Tax (46.1%)
Assessed Values and Growth Rate, 2010-2019

<table>
<thead>
<tr>
<th>Year</th>
<th>EAV</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$2,012</td>
<td>1.36%</td>
</tr>
<tr>
<td>2011</td>
<td>$1,993</td>
<td>-0.97%</td>
</tr>
<tr>
<td>2012</td>
<td>$1,968</td>
<td>-1.21%</td>
</tr>
<tr>
<td>2013</td>
<td>$1,945</td>
<td>-1.42%</td>
</tr>
<tr>
<td>2014</td>
<td>$1,974</td>
<td>1.45%</td>
</tr>
<tr>
<td>2015</td>
<td>$2,030</td>
<td>2.00%</td>
</tr>
<tr>
<td>2016</td>
<td>$2,104</td>
<td>3.77%</td>
</tr>
<tr>
<td>2017</td>
<td>$2,114</td>
<td>0.66%</td>
</tr>
<tr>
<td>2018</td>
<td>$2,060</td>
<td>-2.58%</td>
</tr>
<tr>
<td>2019</td>
<td>$2,009</td>
<td>-2.50%</td>
</tr>
</tbody>
</table>
New Revenue Recommendations

• Miscellaneous Fee Adjustments ($80,000)
  • Tobacco licenses, miscellaneous public safety fees

• Cannabis Sales Tax ($100,000)

• Foreclosure Registration Fee ($300,000)
  • $300 every 6 months, paid by financial institutions holding foreclosed properties
  • $300,000 estimated new revenue

• Garbage Fee ($1,103,923)
  • Increase monthly fee up to $21 per month
Expense Summary Change 2019 Budget to 2020 Budget

2019 Budget: 204.3
Personnel: 2.1
Benefits: 2.3
Contractuals: 1.7
Support: -0.4
Library: -0.2
Capital: 9.5
Debt: -1.2
2020 Budget: 218.1
Operating Budget Highlights

• Personnel Services ($2,112,061)
  • Negotiated raises and overtime aligned with actual expenses

• Benefits ($2,279,734)
  • Higher public safety pension offset by lower health insurance costs

• Contractual Services ($1,578,104)
  • Higher garbage collection and disposal costs

• Support to Other Agencies (-$395,132)
  • Dropped DDC contribution, reduced Civic Center subsidy

• Library Operations (-$169,791)
  • Expenses aligned with estimated property tax levy
Headcount

• Current Staffing: 658
  • Recommend Net Four (4) New Positions
  • City Manager: Drop i-Team Project Manager
  • Information Systems: Convert Chief Information Officer Position to Report Writer
  • Community Development: Code Enforcement Officer for License Inspections
  • Legal: Attorney
  • Public Works: Administrative Assistant; Communications Specialist; Fiscal Tech

• Public Safety:
  • Police: Budget reduced, but staffing remains at 249.
  • Fire: 3 overstaffed positions reduced by attrition in late 2019, early 2020
## 2020 Capital Improvement Program

<table>
<thead>
<tr>
<th>Category</th>
<th>%</th>
<th>2019</th>
<th>Category</th>
<th>%</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development</td>
<td>3.7%</td>
<td>$1,740,000</td>
<td>Sewers</td>
<td>22.0%</td>
<td>$8,750,000</td>
</tr>
<tr>
<td>Drainage</td>
<td>8.7%</td>
<td>3,490,000</td>
<td>Sidewalks</td>
<td>7.2%</td>
<td>2,878,244</td>
</tr>
<tr>
<td>Equipment</td>
<td>2.4%</td>
<td>970,500</td>
<td>Streets</td>
<td>37.3%</td>
<td>14,885,000</td>
</tr>
<tr>
<td>Facilities</td>
<td>9.9%</td>
<td>3,943,500</td>
<td>Traffic</td>
<td>0.7%</td>
<td>272,500</td>
</tr>
<tr>
<td>Parking</td>
<td>1.0%</td>
<td>400,000</td>
<td>Vehicles</td>
<td>7.1%</td>
<td>2,849,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$39,908,744</strong></td>
<td><strong>Less Salaries</strong></td>
<td></td>
<td><strong>(203,168)</strong></td>
</tr>
<tr>
<td><strong>TOTAL CIP</strong></td>
<td></td>
<td><strong>$39,705,126</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>2020</td>
<td>2021</td>
<td>2022</td>
<td>2023</td>
<td></td>
</tr>
<tr>
<td>--------------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td></td>
</tr>
<tr>
<td><strong>Sources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local</td>
<td>58.5</td>
<td>60.3</td>
<td>61.4</td>
<td>62.3</td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>38.6</td>
<td>39.3</td>
<td>38.5</td>
<td>40.0</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>1.0</td>
<td>0.9</td>
<td>0.9</td>
<td>0.9</td>
<td></td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td><strong>98.1</strong></td>
<td><strong>100.5</strong></td>
<td><strong>102.0</strong></td>
<td><strong>103.2</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Uses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel</td>
<td>58.4</td>
<td>60.3</td>
<td>61.0</td>
<td>62.2</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>18.0</td>
<td>18.0</td>
<td>17.9</td>
<td>17.8</td>
<td></td>
</tr>
<tr>
<td>Benefits</td>
<td>9.5</td>
<td>9.9</td>
<td>10.2</td>
<td>10.6</td>
<td></td>
</tr>
<tr>
<td>Transfers</td>
<td>10.7</td>
<td>12.3</td>
<td>16.3</td>
<td>18.0</td>
<td></td>
</tr>
<tr>
<td><strong>Total Uses</strong></td>
<td><strong>96.6</strong></td>
<td><strong>100.5</strong></td>
<td><strong>105.4</strong></td>
<td><strong>108.6</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Fund Balance</strong></td>
<td><strong>1.4</strong></td>
<td><strong>0.0</strong></td>
<td><strong>(3.4)</strong></td>
<td><strong>(5.4)</strong></td>
<td></td>
</tr>
</tbody>
</table>

**General Fund**

- $1.4 M added to Fund Balance in 2020
- Balanced in 2021
- By 2023, $1 out of every $9 will be devoted to public safety pensions
- With no change, service levels will need to be reduced in 2022