



FY20 Annual Budget

Public Hearing
June 10, 2019

Long-Range Outlook – General Fund



- Revenues have increased avg. of 0.2% per year over 10 years
- Expenditures have increased avg. of 0.7% per year over 10 years
- Operating Surplus for each of those years
- FY24 Projected Fund Balance
 - \$11,730,385, or approx. 69% of operating expenditures

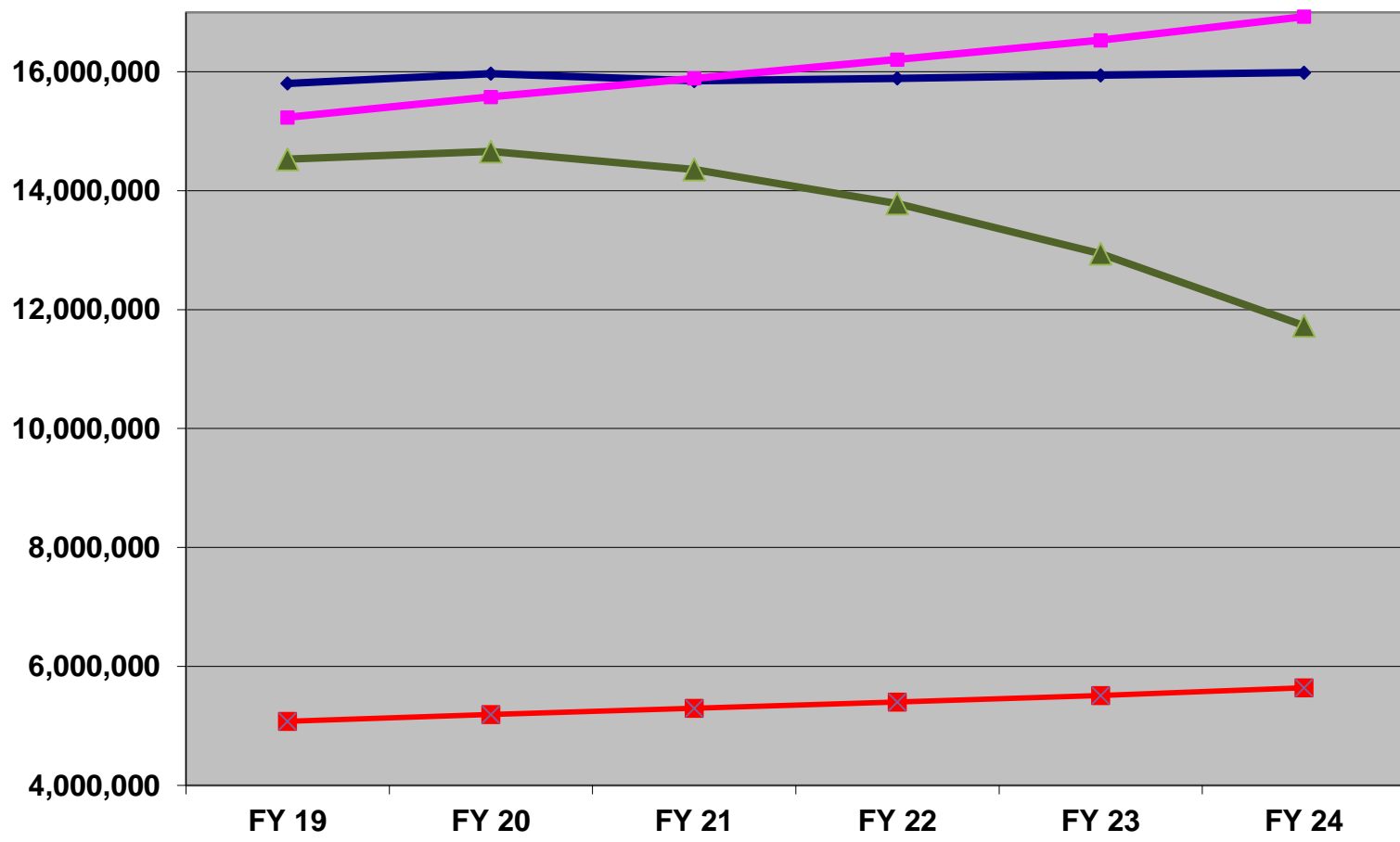
Long-Range Outlook – General Fund (Cont.)



- Council, Finance Committee, Finance Task Force and Staff reviewed options for revenue enhancements and expenditure reductions
 - Reduce Vacation Buyback (20,000)
 - Increase Employee Pension Contribution 1% (30,000)
 - Use Public Safety Sales Tax for Police Pension (\$131,500)
 - Reduce 1 Police Officer (\$93,765)
 - Go to Quarter-Master Uniform System in PD (\$20,000)



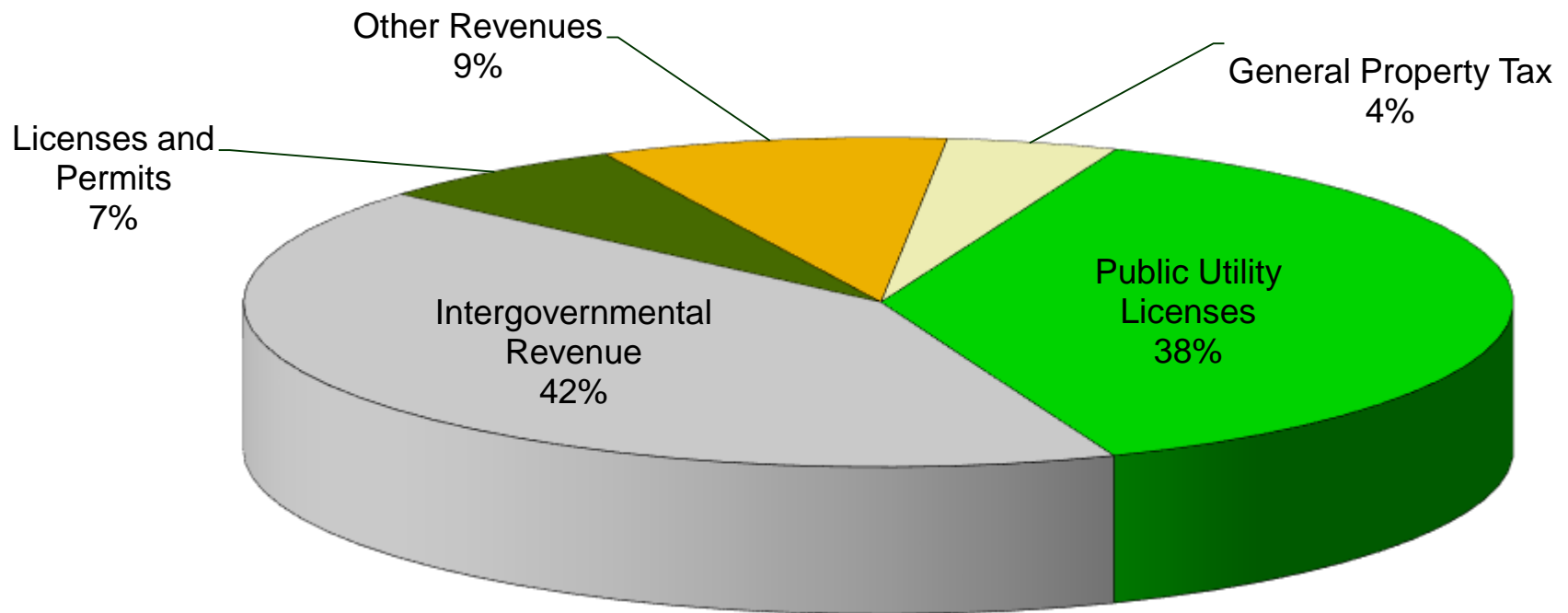
General Fund Projections



◆ Projected Revenues ■ Projected Expenditures ▲ Ending FB ✕ Required FB



General Fund Revenues by Class





FY20 General Fund Revenues

Intergovernmental Rev.	\$6,761,848
Public Utility Tax	\$6,073,309
Licenses & Permits	\$1,030,951
General Property Tax	\$696,369
Municipal Court	\$690,062
Other Revenues	\$441,899
Investment Revenues	\$200,000
Municipal Facilities	\$75,500
Total	\$15,969,938



FY20 Revenue Outlook

- Overall estimated increase of 1.05% in General Fund Revenues
- 1% rate increase for commercial utilities effective November 2018
- 1.5% rate increase for residential electric (effective March 2019) – to its previous level
- Electric utility projected to increase 5.9%
- Telephone utility projected to decrease 8%

FY20 Revenue Outlook *(Cont.)*



- Intergovernmental revenues (including sales tax) is projected to decrease 1%
- Building permit revenues are based on a five-year avg., decrease of 10.6%
- Real Estate Tax rate expected to drop from \$.083 to \$.074 per \$100 assessed value (preliminary)
 - 1% increase in real estate tax revenue projected

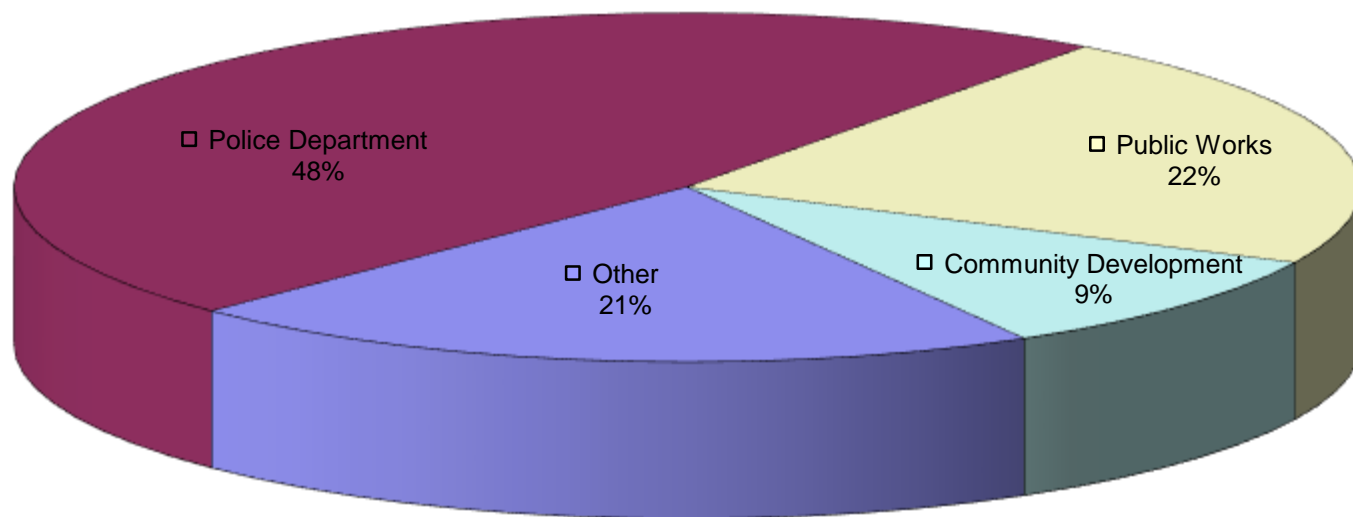


Creve Coeur Tax Rate

Tax Year	<u>2018</u>	<u>2019</u>	<u>\$ Change</u>
<u>Real property</u>			
Market value	400,000	460,000	
Tax rate	0.083	0.074	
Real Estate Tax	\$63.08	\$64.68	\$1.60
<u>Personal property</u>			
Market value	30,000	30,000	
Tax rate	0.000	0.000	
Personal Property Tax	\$0	\$0	\$0
<u>Debt Service Levy</u>			
Police Building & Renovations	0.082	0.082	
Debt Service Levy on Res.	\$62.32	\$71.67	\$9.35
Debt Service Levy on PP	\$8.12	\$8.12	\$0.00
<u>Sewer lateral assessment</u>			
Per Home	\$28	\$28	\$0



General Fund Expenditures By Department





General Fund Expenditures By Category

	FY19 Estimated	FY19 Projected	% Change
Personnel Services	\$10,921,571	\$11,025,590	.95%
Operating Expenses	\$3,988,868	\$4,231,860	6.09%
Capital Outlay	\$322,468	\$319,393	(.95%)
TOTAL	\$15,232,907	\$15,576,842	2.26%



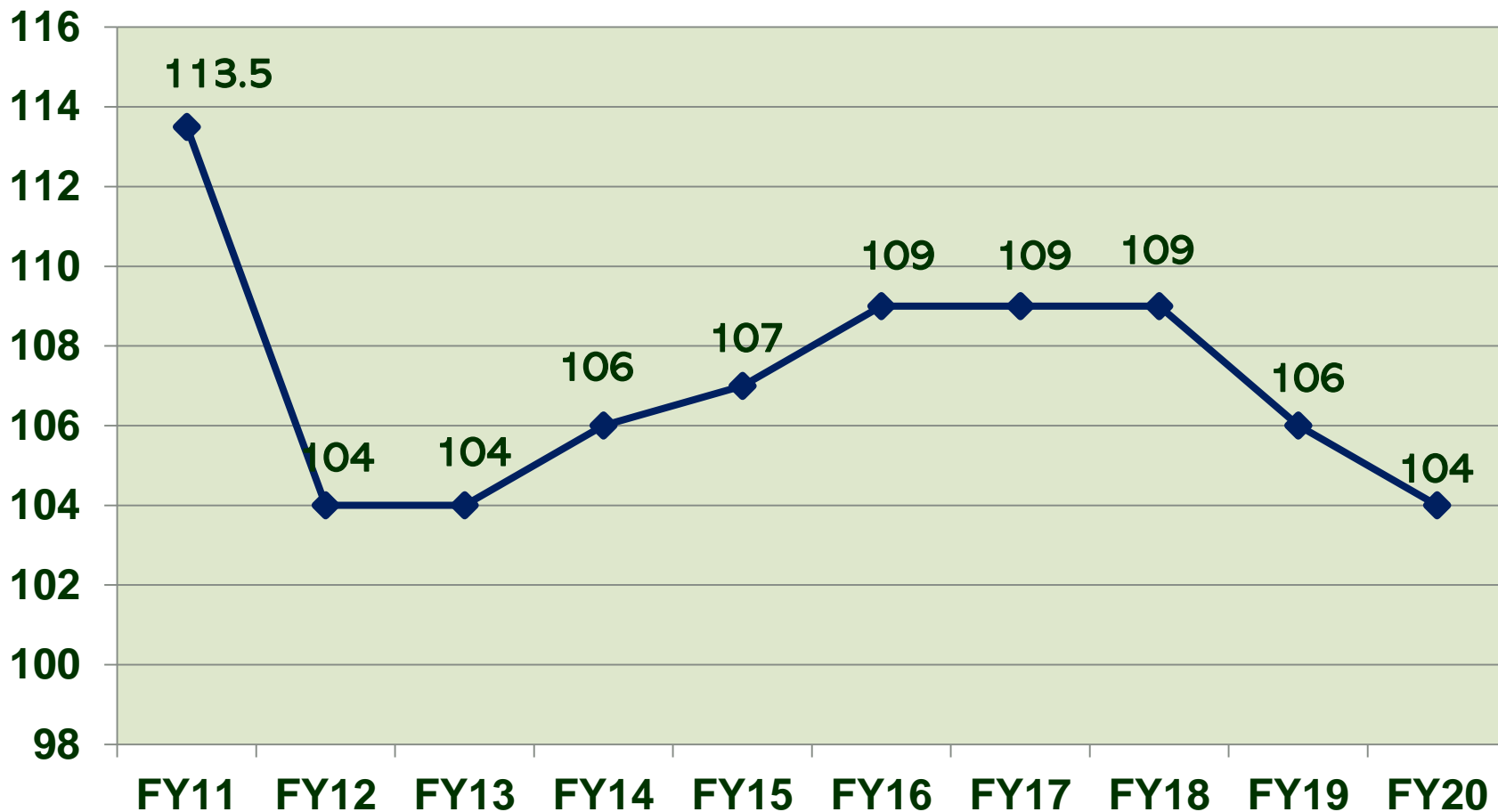
Personnel Expenditures *(continued)*

- Full-time staffing decreased from 106 to 104
 - Police Officer (vacancy) \$93,765 Savings
 - Prosecutor Assistant (retirement) \$64,581 Savings



10-Year Staffing Levels

FULL-TIME PERSONNEL





Personnel Expenditures

- Merit pay, one time merit bonus pay & market equity increases for FY20 are budgeted at \$223,994
- Increase EE contribution in Legacy Retirement Plan from 3% to 4% (\$29,919)
- Contribution for Legacy Retirement Plan (+\$66,310) to \$1,374,065
- \$131,250 of Public Safety Sales Tax being used for the Police portion city's contribution



Local Gov't Employees Retirement System (LAGERS)

- On August 1, 2017, the City closed its Defined Contribution Plan and transitioned employees hired since June 1, 2006 to LAGERS
- Employees contribute 4% of their salary (approximately \$165,000)
- FY20 City contribution is \$342,270
- 62 Active Participants



Health Insurance

- Creve Coeur is 1 of 17 cities/agencies that comprise the St. Louis Area Insurance Trust (SLAIT) self-insured health program
- Budgeted increase of 4% for FY20
- Total City Cost FY20 - \$1.21 million



Operating Expenditures (1 of 2)

- Trash & recycling service for single family homes and condos (\$796,000)
 - 19% of General Fund non-personnel costs
- 4% budgeted increase in FY20 (\$31,000)



Operating Expenditures (2 of 2)

- West Central Dispatch Center (\$521,376)
 - Creve Coeur, Town& Country, Frontenac
- IT management outsourcing (\$47,900)
- Employee Retirement Plan and Investment Consultation (\$16,000)



Capital Outlay

- Police:
 - Replacement of (3) Ford Interceptor Utility Patrol (\$108,000) and (1) Ford Hybrid Interceptor Utility Patrol (\$39,040)
 - Tasers and Extended Warranty (\$22,336)

- Public Works:
 - Lift for PD Cars (\$18,000)
 - Replacement of Park Equipment and Furniture (\$36,000)

City Employees Retirement Fund



- Employees hired prior to June 1, 2006
- 8-year normal vesting period
- Unreduced retirement based on rule of 85 formula or age 65 for non-uniformed (55 for police)
- Employee contribution increased from 3% to 4% (effective 7/1/19)
- Employee contribution limited to employees with 30 years or less of city service (effective 7/1/19)

City Employees Retirement Fund



- Employee contribution \$119,676
- City contribution \$1,374,065
- 15% of the Public Safety Sales Tax will go towards the City's Contribution (\$131,250)
- Based on Interest Earnings Assumption of 6.75%



City Employees Retirement Fund

Beginning Year Balance	\$26,202,851
Revenues	\$2,993,741
Expenditures	(\$2,075,320)
Transfers-In GF	\$0
Ending Fund Balance	\$27,121,272



Capital Improvement Fund (1 of 2)

- Funding from half-cent sales tax projected to be \$2,151,761
- Funding from outside sources projected to be \$983,600
- General Fund transfer of \$400,000

Capital Improvement Fund (2 of 2)



- Major projects in the 5-Year CIP program budgeted for FY 2020 include:
 - Building & Improvements (\$81,100)
 - Stormwater Projects (\$250,000)
 - Street Overlay/Repair (\$2,469,250)
 - Capital Equipment (\$210,306)
 - Parks (\$195,000)
 - Personnel (\$89,505) – Project Manager

Capital Improvement Fund (2 of 2)



- Expenditures not purchased in FY 19, re-budgeted in FY20:
 - One-Ton Dump Truck with Plow & Spreader (\$86,358)
 - Concrete Improvements (\$50,000)
 - Ice Arena Office Remodel (\$40,000)
 - Ice Arena Sound System (\$21,100)



Debt Service Fund

- Voters approved \$10.7 million General Obligation bond issue to build a new police building in November 2016
- \$0.082 tax levy on property taxes for 20 years
- Property tax revenues: \$901,000
- Payments on bonds: \$713,006



Police Building Fund

- Expenses in FY20 include:
 - Professional Services (\$25,000)
 - Sitework and Construction (\$304,313)



Public Safety Sales Tax Fund

- Half-cent County-wide sales tax, 5/8ths of revenues are disbursed to cities on per capita basis
- Funding from Sales Tax projected to be \$875,000 in FY20



Public Safety Sales Tax Policy

- Police Operating Costs – 45-55%
 - Future Police Compensation
 - Training
 - Other operating expenditures
- Public Safety Capital Expenditures – 15-25%
 - Police Equipment
 - Public Safety Improvements, such as security enhancements to park facilities
- Police Station Maint. & Operation – 10-20%
- Police Pension Liability – 15-25%

Public Safety Sales Tax Fund (Cont.)



- Expenses in FY20 (\$490,312) include:
 - Continued Personnel Costs to transition from 8 to 12 hour shifts (\$135,102)
 - 15% of sales tax used for offsetting police legacy retirement plan (\$131,250)
 - Operating Costs for the new Police building (\$37,625)
 - Police Training (\$34,925)

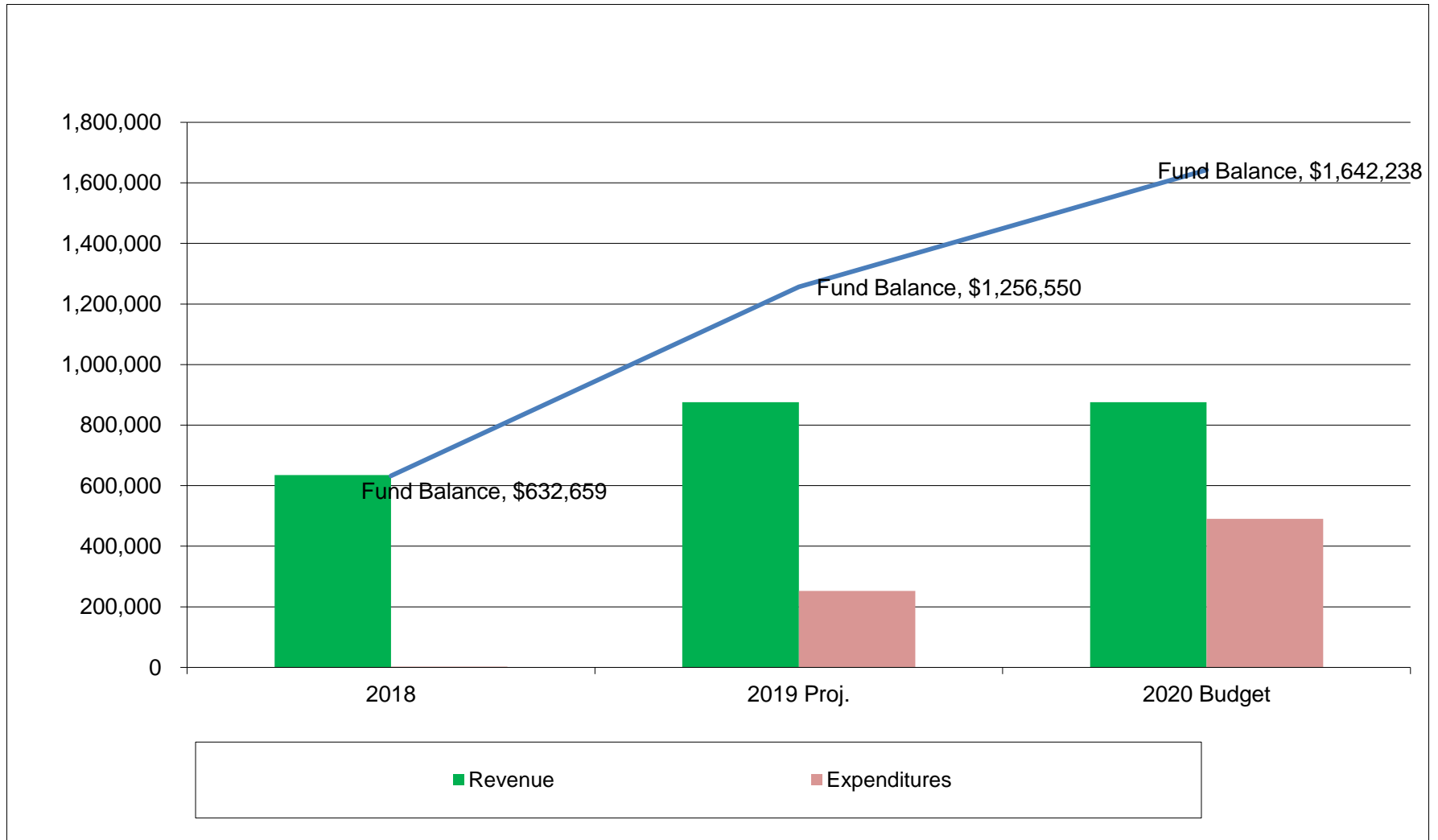
Public Safety Sales Tax Fund (Cont.)



Capital Expenses

- Motorcycle (\$20,000)
- 2020 Ford Interceptor for Admin (\$36,000)
- Drone (\$19,500)
- Evidence Barcoding System (\$29,150)
- Body Cameras (\$13,160)
- Mobile License Plate Recognition System (\$15,000)

Public Safety Sales Tax Fund Balance





Enterprise Fund

- Golf Course & Ice Arena budgets are accounted for independent of General Fund
- No transfers from General Fund to Enterprise Fund anticipated in FY20
- Goal is for Enterprise Fund to cover all operating costs with user fees.



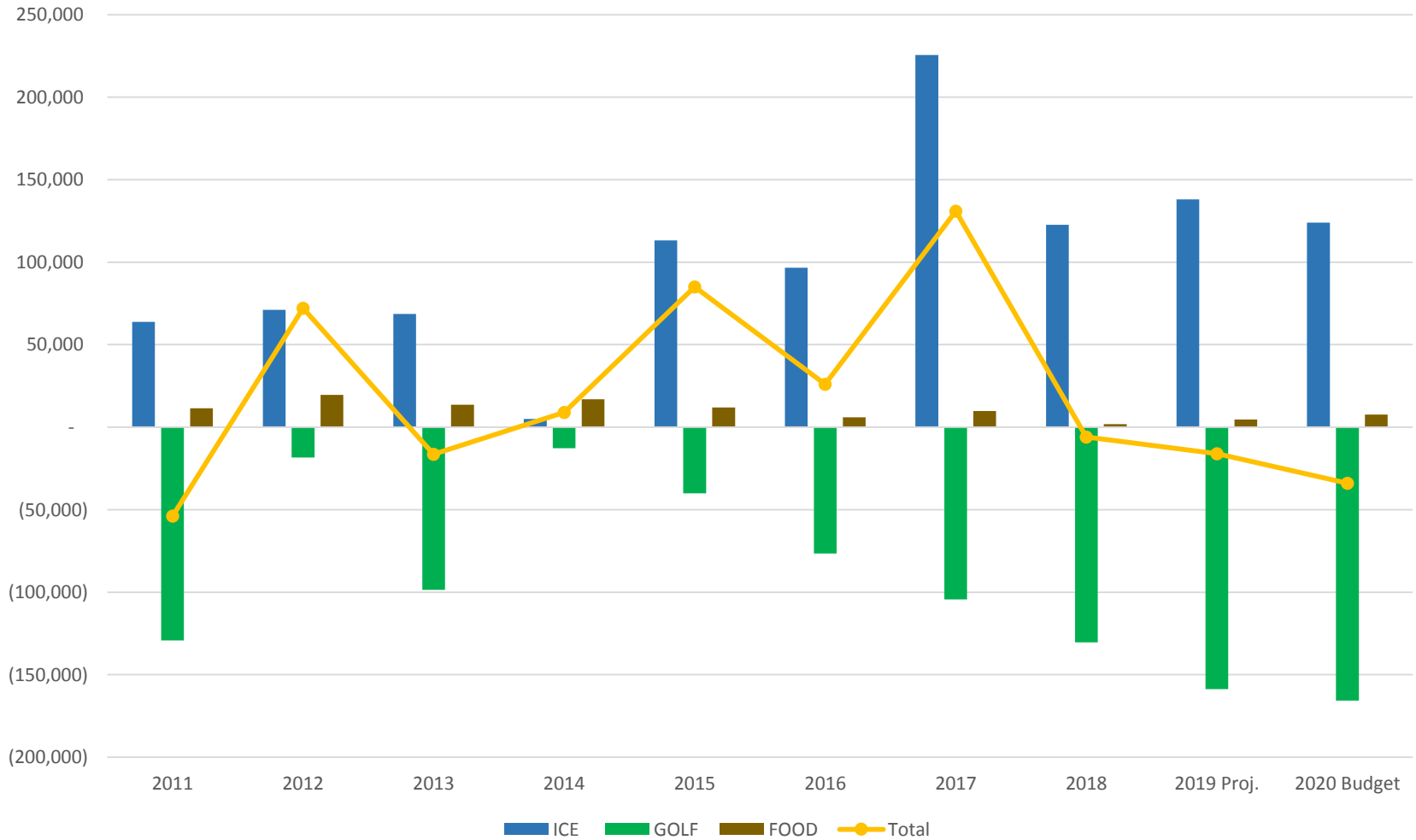
Enterprise Fund

- Revenues have increased avg. of 1.1% per year over 10 years
- Expenditures have increased avg. of 1.2% per year over 10 years



Enterprise Fund

SURPLUS/DEFICIT





Enterprise Fund Revenues

	FY19 Estimate	FY20 Projected	% Change
Ice Arena	\$645,788	\$643,185	-.40%
Food Service	\$56,500	\$60,700	7.43%
Golf Course	\$358,339	\$363,535	1.45%
Transfer from GF	\$0	\$0	0%
TOTAL REVENUES	\$1,060,627	\$1,067,420	.64%



Enterprise Fund Expenditures by Category

	FY19 Estimate	FY20 Projected	% Change
Personnel Services	\$584,716	\$606,138	3.67%
Operating Expenses	\$435,136	\$432,077	-0.7%
Capital Outlay	\$56,804	\$63,154	11.2%
TOTAL EXPENSES	\$1,076,656	\$1,101,369	2.3%



Enterprise Fund Capital Outlay

- Commercial Fridge for Storage (\$6,000)
- Golf Course Plantings/Landscape (\$7,200)
- Golf Cart Lease (\$30,144)

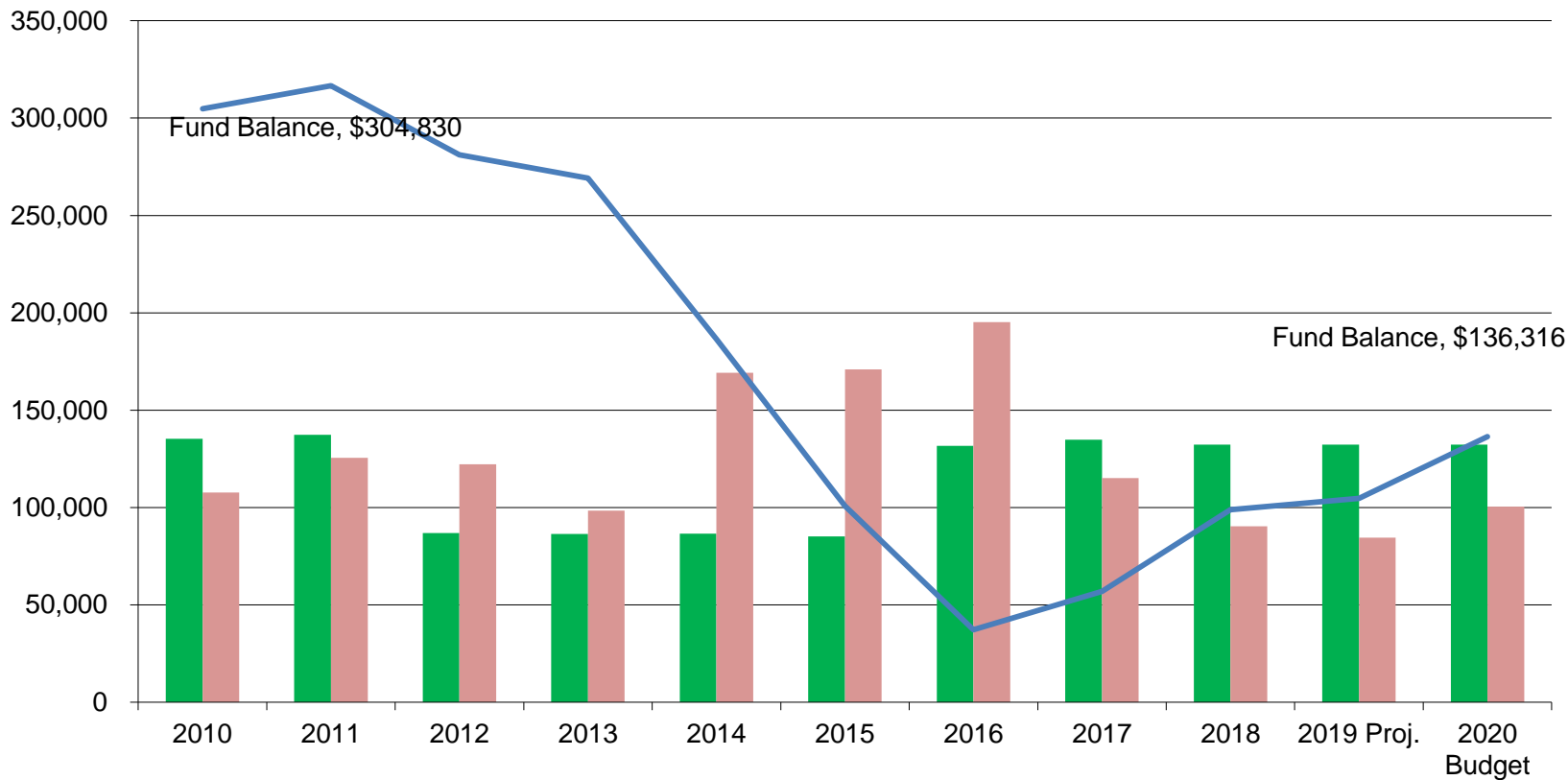


Sewer Lateral Fund

- As of January 1, 2017, provides reimbursement of 50% or up to \$7,500 for costs associated with broken lateral lines
- Funded by \$28 property tax assessed on all residential property
- FY20 estimated operating revenues \$132,200; expenditures \$100,500



Sewer Lateral Revenues Expenses & Fund Balance



■ Revenue

■ Expenditures



Finance Committee & City Council Review

- Finance Committee reviewed on April 23rd and on May 7th
- Letter of recommendation submitted to the City Council on May 13th
- City Council had Work Sessions on May 13th and May 28th



Questions & Answers