



## FY2013-14 Budget Questions & Answers

Prepared by City Administrator Mary McKittrick

March 25, 2013

Page 1

1. **Question:** What kind of equity would the street sweeper have if we sold it and could that money be applied to the increase to customers' utility bills related to outsourcing street sweeping?

**Answer:** We talked to our representative from Standard Equipment that we purchased the sweeper from and who does some of the maintenance. He said that a reasonable return on the sweeper as-is would be approximately \$15,000. If we spend ~\$20,000 to repair it, we may be able to get ~\$40,000 - \$50,000.

However, the funds to purchase the equipment came from the General Fund, not the Refuse Fund. So any recapture on the surplus equipment should go to the General Fund. It would be my recommendation that it go into the newly created Capital Equipment Fund (we started that fund with a portion of the James St. lot-sale monies; \$65,000).

2. **Request:** Check with other government agencies to see if it would be possible to share a communications position.

### **Feedback:**

**School District:** We have a copy of their job description. Dr. Mutchler stated that he believed that the School District's needs are different from the City's needs and they do not need a position to be available to send public communications after regular business hours, or on weekends, which would be a factor in the pay scale. Their position is part time due to budget reductions, although he believes a full time position is needed. He also said that he believed that there is already confusion by the public regarding the various government agencies and by sharing this position, he believed it would confuse people even more (i.e., such a shared position would reinforce the public's belief that the City and School District are the same entity and not separate governing agencies providing differing public services).

**Library District:** We have a copy of their job description. Their position is a Public Relations and Adult Program Associate full time position, responsible for communications and overseeing programming, overseeing volunteers, outreach budget, memorial gift program, etc. Executive Director Matt Teske stated "We really do not have a need for the 24/7 aspect of the position you need, so I am not sure we would really be a good fit to share positions."



## **FY2013-14 Budget Questions & Answers**

Prepared by City Administrator Mary McKittrick

March 25, 2013

Page 2

*Park District:* We have a copy of their job description. They have both full time and part time Marketing and Public Relations positions. Executive Director Sheavoun Lambillotte stated that the positions deal very little with public communications. Their jobs are primarily graphic design of the brochure and all other marketing and advertising of the Park District's programs and facilities.

She stated that she did not believe that the Park District would have the same needs as the City in a shared position since their job functions are primarily marketing and they do not have a need for critical incident communications with the public and these positions do not handle internal staff communications at all.

3. **Question:** Account 457 Restricted Police Fines:

What is the source of this revenue? Why is there such a large jump this year; (from \$4,000.00 in 2013 to \$24,700 in 2014)?

**Answer:**

Restricted Police Fines refer to the DUI, Court Supervision and Drug Fund monies. These are not recognized as revenue until they are used. They can only be used for certain police expenditures. The Police Department wishes to use more of these revenues this year than they have in the past, especially the DUI and Court Supervision Funds. The Court Supervision funds will be used to help purchase a squad car and for repairs to some of the fleet. DUI funds will be used for DUI related equipment and training.

4. **Question:** Account 599 Other Contractual Services, Department 50, Division 51:

Current year is estimated at \$11,000. The 2014 budget amount \$53,900. Why is there such a large increase?

**Answer:** Other Contractual Services in the Building division is up for the most part because of the \$36,000 for the Plumbing Inspector that we are mandated by the State to provide (we show revenue covering the plumber expense since this will be paid by the customer).

5. **Question:** Account 624 Operational Supplies Division 91 Program 05:

The current year estimated amount is \$21,960. The 2014 budget amount \$91,100. Why is there such a large increase?



## **FY2013-14 Budget Questions & Answers**

Prepared by City Administrator Mary McKittrick

March 25, 2013

Page 3

**Answer:** The Street Superintendent (Chris Bong) has determined that a lot of his expenditures fall into the 624 category and has budgeted more in that account. We are trying to consolidate line items, which results in fewer line items but also higher dollar figures in some of them. We have changed all account numbers due to implementation of the new software. The actual amount is likely to be higher in 2013 if we transfer some of the expenditures to the 624 line items where they should be. (He is still trying to figure out where to code items.)

6. **Question:** Does the City have a policy regarding the targeted amount for the fund balance in the SSA's? Some of these funds have 2-3years of expenses in reserves.

**Answer:** The City does not have a policy related to Fund Balances in the SSAs since the money can only be used for certain purposes and since all SSAs do not have the same level of expenditures every year. Fund balances are built up over time in order to accumulate funds for capital expenditures. These fund balances generally take years to build in order to generate the amount needed for capital projects. Building the fund balances over time has less impact on tax payers than levying large capital projects in one year. These funds are restricted and can only be used for the specific purpose as outlined in the ordinance that created the respective SSA.

7. **Question:** I was wondering why we are spending \$25K for city hall gardens? Is there anything that Beautification volunteers can do to offset this cost? I know that the flowers for this area wasn't that expensive.

**Answer:** This figure is an estimate based upon the work done this year (all perennial plants were donated by Midwest Ground Covers) to begin the City Hall gardens. The flowers planted at City Hall by Beautification were annuals and not as extensive as the garden perennial plantings. It was proposed this fiscal year, that the plant materials would be donated, and next fiscal year that they would be purchased. Volunteer assistance in planting the materials would save money and any funds left over could be used for other purposes. The funding is grant money from the Capital Bill funding that we received through Representative Schmitz's initiative of \$300,000, working with the City Administrator. We have received \$225,000 with \$200,000 being allocated for the design and construction of the pedestrian mall to connect shoppers on Third Street to the new Campbell Street public parking lot. The balance of \$25,000 was allocated to be used for the purchase of perennial plants, trees, mulch, hardscape and seating.



## **FY2013-14 Budget Questions & Answers**

Prepared by City Administrator Mary McKittrick

March 25, 2013

Page 4

8. **Question:** Also, this year from what I can tell Beautification (and I think you mentioned it in your presentation) is not receiving any money, correct? Is this going to be the normal? We are fortunate that even without the fundraiser we managed to keep our balance quite healthy which was the result of very generous memorials. I don't foresee this happening in the future (or let's hope it does, we lost some great people who were friends of Beautification) and as I've mentioned numerous times, our group consist of gardeners not fundraisers. Still

unable to get a chair! And it's not promising. So, if action was taken because of our healthy balance, that's understandable, but hope this doesn't jeopardize future years if the funding is needed. If it will please advise.

**Answer:** Each year, I look at overall budget needs and in the case of our advisory committees, take into consideration whether or not they do fundraising, how much fundraising they can do, consider the purpose of the funds raised (i.e., are the funds restricted), their needs for the upcoming fiscal year, and the ability of the individual committees to exist without a City contribution. The only advisory committee that received funds this year was SPAC which received \$5,000. That is because they have subcommittees that do no fundraising and need assistance to maintain their programs (such as Student Government and the Bike/Ped Committees) as well as SPAC's expenses related to the annual Town Meeting and (this year) the Strategic Plan Update public meetings. Funds raised by their Natural Resources subcommittee have recently been spent purchasing trees for the City. The NRC funds have only been spent on NRC related items and have not been raised or used to maintain other subcommittees.

I cannot propose a standing policy regarding future year's contributions to Beautification from the General Fund. Each year is evaluated on its own, depending on revenue projections, the level of need for upcoming expenditures, and priorities set by the Council.

9. **Question:** On the Classification Plan, it's states that questions are directed to Human Resources Division is that Stephanie?

**Answer:** The Human Resources Division Manager is Lisa Jepson at [ljepson@geneva.il.us](mailto:ljepson@geneva.il.us). If the question is budget related, it should go to me or Stephanie. If it is operational it should go to Lisa.

10. **Question:** It looks like we are counting on some increases, specifically, a 19.67% increase in the State Income Tax? We saw a 6.17% increase in 2012, and only 2.57% at best in 2013. Has the economy picked up that much?



## **FY2013-14 Budget Questions & Answers**

Prepared by City Administrator Mary McKittrick

March 25, 2013

Page 5

**Answer:** We are using IML projections. We, and the IML, underestimated projections for this fiscal year (and have been extremely conservative in past years). Actual income tax revenues are currently 12.1% higher than last year, so our budget numbers are based on the actual dollars received, not last year's budget. Also, the IML has increased their projections to a 10.5% increase over last year. Consequently, their FY2014 estimate is \$95.40 per person and presumes 6.0% growth over Fiscal Year 2013. Their calculations would equate to projected income tax revenues in the amount of \$2,046,330. Our estimate is slightly less at \$2,037,750.

11. **Question:** There is a huge increase in Restricted Police Fines, to \$24,700 from an expected \$4,000 in 2013. What are these?

**Answer:** See Question and Answer # 3 above.

12. **Question:** There is a hefty increase in Com Dev Fees, from \$5,000 in 2013 to \$37,000?

**Answer:** See Question and Answer # 4 above; these are fees that will be collected from customers to pay for the plumbing inspections required by State legislation.

13. **Question:** Travel has gone up in most departments. Where are we going?

**Answer:** For the past 5 years, we have reduced and/or eliminated travel related to professional development in all departments. It is necessary that we begin investing in training and educating our staff. These fees cover meeting expenses as well as travel (i.e., Metro West meetings and events such as the Legislative Breakfast), and associated training-related costs such as meals, tolls, car rental, hotel, and mileage. In the past, some of these items were included in training, dues, general expense, etc. so the increase is also a result of attempting to be more precise in coding expenditures to this line item.

14. **Question:** What is the 5% or 6% Wage increase in Admin Services? Is this the Communications person and hour increase for the Payroll person?

**Answer:** The increase includes the projected merit 2.5% wage adjustment as well as an increase from 15 hours a week to 20 hours a week for the payroll specialist position. The Communications position is included in the City Administrator's budget and not the Administrative Services Budget. Also, we



## **FY2013-14 Budget Questions & Answers**

Prepared by City Administrator Mary McKittrick

March 25, 2013

Page 6

added 10% of the IT Analyst's wage allocation to the General Fund. Previously the IT Analyst position was funded in only the enterprise funds. However, in conducting our annual wage allocation analysis, it was determined that it is appropriate for the General Fund to share in this expense since work is conducted by the IT Analyst for General Fund departments as well as the enterprise related divisions.

15. **Question:** Why a \$4,000 increase in office supplies for the Police Dept?

**Answer:** The PD has an increase in office supplies if you compare budget to budget due to our conversion to New World. Items that may have been charged to "Other Expenses" or "Misc Expense" in the past were, in fact, office supplies and are currently being charged to office supplies under this account. Again, we are trying to be more accurate in where we code expenditures.

16. **Question:** Is the Classification Plan different than last year?

**Answer:** The classification and compensation plan is the formal system for classifying and compensating unrepresented (non-union) positions in the City and was adopted in 2006. The plan itself has not changed; however the ranges are modified each year to reflect the results of the market survey and the proposed market adjustment. The minimum amount of the wage ranges has increased by 1.5% and the maximum by 2.5% in the proposed budget. The Classification plan is used as a guide when hiring or promoting an employee to determine proper placement within the plan. This is determined by conducting a point factor evaluation of the job functions of each position as defined in the job descriptions. Current non-union employees are eligible for a market adjustment of up to 2.5% based upon their performance appraisal provided they do not exceed the maximum of their range. Employees at the maximum are eligible for the market increase in a lump sum (not added to base).