

We Are Columbia

FY 2014 / 2015 Budget Public Hearing

June 10, 2014

BUILDCOLUMBIA

The Blueprint for a World Class City

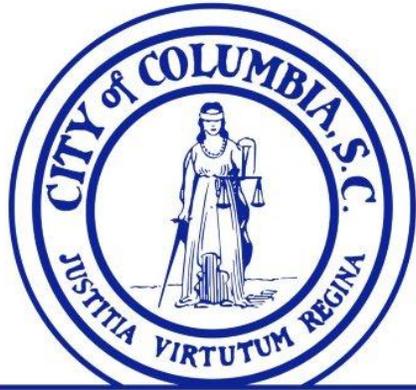
Overall Budget Highlights

- ▶ **No property tax increase.**
 - This is the eighth year that the General Fund budget is presented without a tax increase.

- ▶ **Address Capital and Infrastructure Needs.**
 - Preserving and maintaining city assets is vital to our ability to provide services. Through the use of fund balance and some current year funding, we have proposed capital improvements projects that will help to renovate, replace and enhance our parks, public safety facilities, storm drains and water and sewer system.

- ▶ **Operational Performance, Efficiency and Customer Care**
 - Staff is dedicating time and resources to focusing on how we provide a high level of operational performance and efficiency and improving our overall customer care.

- ▶ **Maintain a competitive pay and benefits plan.**
 - Department budgets reflect funding to either begin the implementation of the compensation and classification study or a 2% Cost-of-living adjustment (COLA), increases in health care and state retirement system increases. We have recently selected a Compensation & Classification consultant and will work with them to determine the best method allocating these funds in a method that moves us towards equitable compensation of our employees.



We Are Columbia

FY 2014 / 2015 **Budget Workshop**

Governmental Funds

Proposed General Fund
Proposed Hospitality Tax Fund
Proposed Accommodations Tax Fund

June 10, 2014

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FY 2014/2015 Proposed General Fund

▶ **Budget is in balance.**

- FY 14/15 Proposed General Fund Budget is \$127,894,947; an increase of \$3,239,707 or 3% above the current year.

▶ **Revenues & Transfers In**

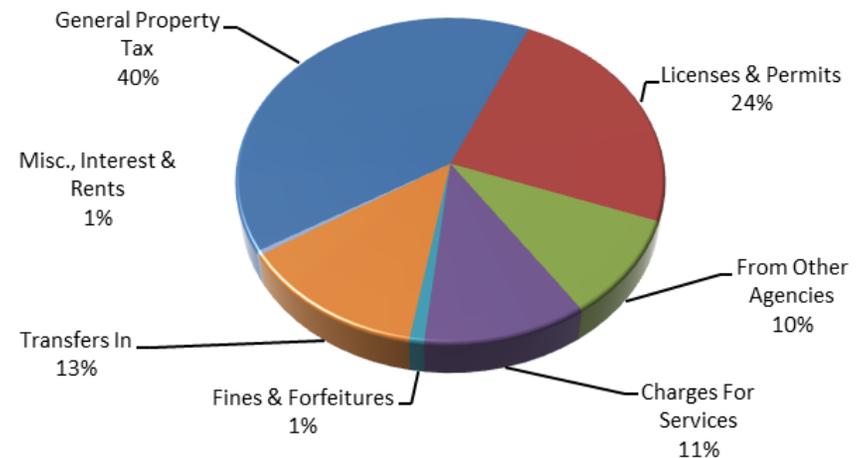
▶ Revenues budgeted at \$111,029,947; an increase of \$4,149,707 or 4% above current year.

- Revenue projections are aggressive and are in line with prior year actuals.
- Proposed Rate Changes:
 - Reduction in Plan Review and Trade Permit Fees; resulting in a projected revenue reduction of \$400,000

▶ Transfers in are budgeted at \$16,865,000; reduction of 5% below current year

- Water & Sewer transfer is budgeted at \$4,000,000; reflects \$250,000 reduction
- Hydro final transfer is budgeted at \$500,000; a reduction \$1,000,000.
 - FY 14/15 is the final year of this transfer.

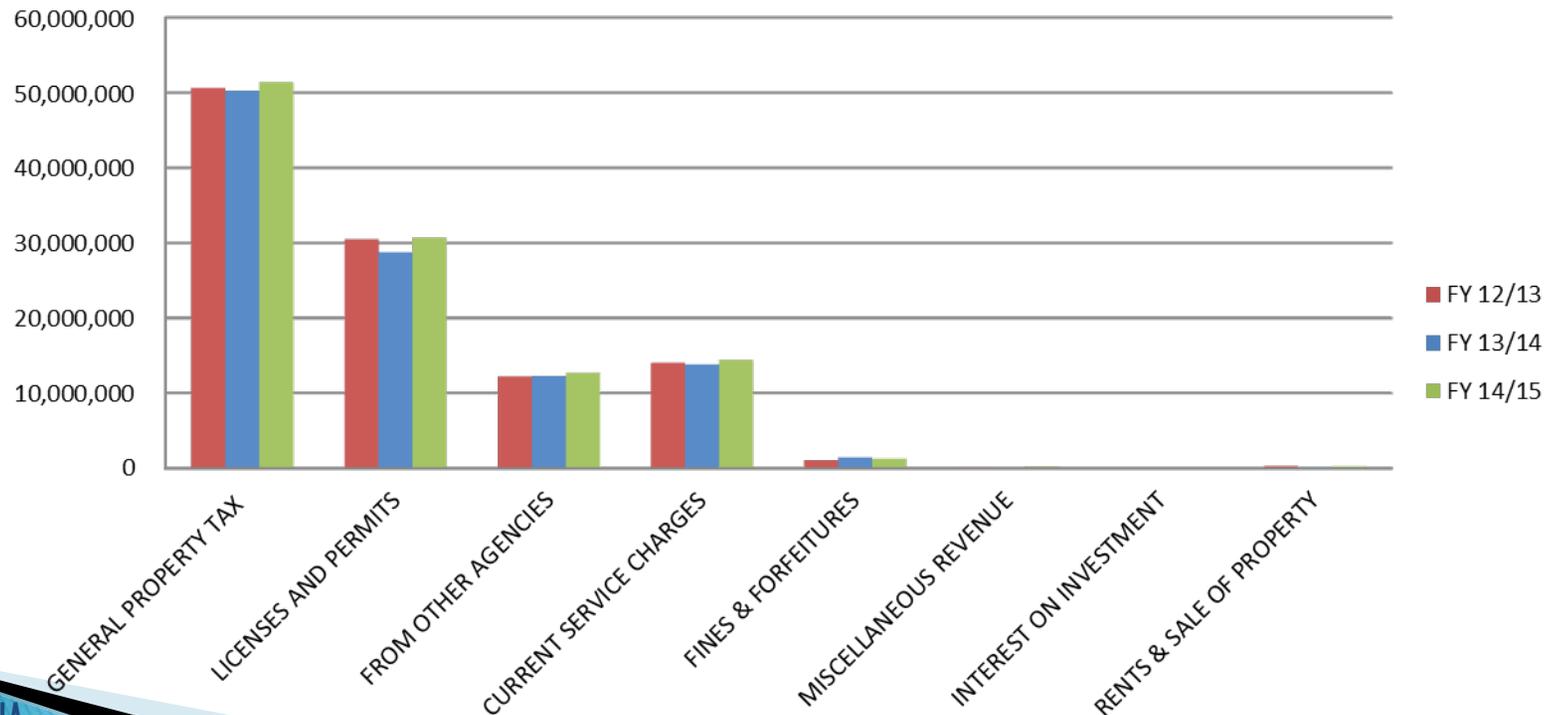
FY 2014/2015 GENERAL FUND REVENUE
\$127,894,947



FY 2014/2015 Proposed General Fund

- ▶ Combined Revenues & Transfers In total \$127,894,947
 - Net \$3.2 million (2.6%) increase over the current year budget.
 - Revenues are 4% above current year.
 - Transfers in reflect a reduction of 5% below current year.

FY 14/15 GENERAL FUND - REVENUES

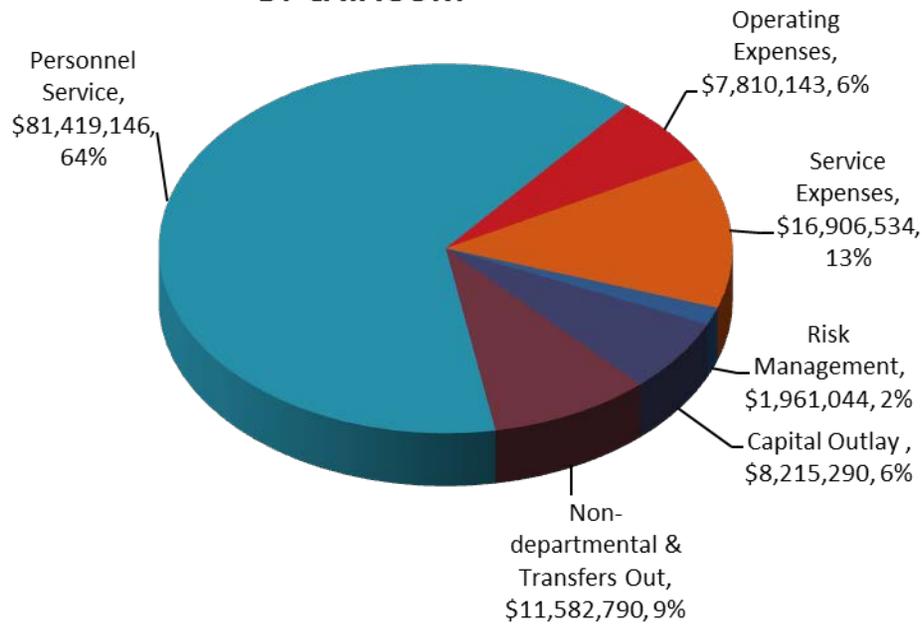


FY 2014/2015 Proposed General Fund

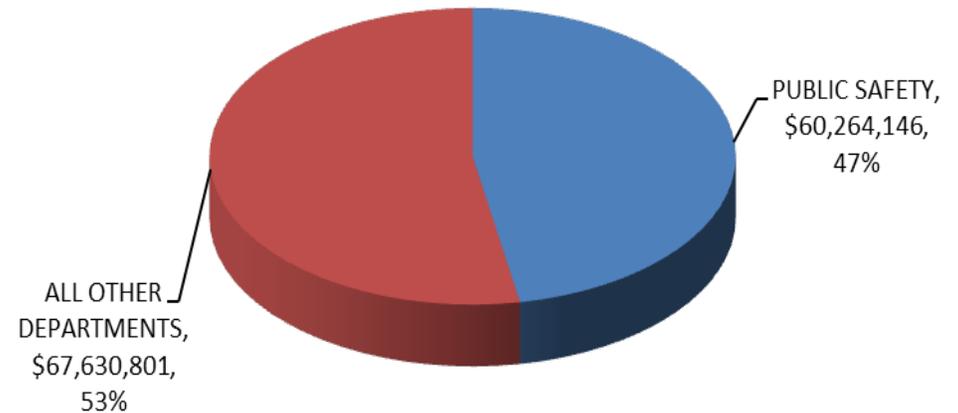


Total Budget \$127,894,947

**FY 14/15 GENERAL FUND
BY CATAGORY**



**FY 2014/2015 GENERAL FUND
BUDGET DISTRIBUTION**



FY 14/15 Proposed General Fund



Strategic Plan Focus Area - Public Safety

- 6 Telecommunicators and 2 Call Takers for the 911 Emergency Communication Center to address current service levels . The 911 Center is funded jointly with Richland County. (\$225,000)
- Youth Crime Prevention – 1 Sergeant and 1 Officer added to the Police Department and an expanded Youth Sports Initiative to include staffing and operational cost in Parks & Recreation. However, the largest impact on the Police Department’s budget is the inclusion of 11 previously grant funded positions that are at the end of the grant. (Police \$143,000; Parks & Recreation \$130,000)
- Funding for residential demolitions for removal of neighborhood blight; \$40,000 in Planning & Development Services.
- Additional funding of \$75,000 for anticipated street lighting requests. This will increase the annual street lighting budget to \$2,035,000.
- Ministerial Recorder position in Municipal Court to allow for 24/7 availability for the issuance of arrest, search and bench warrants. (\$47,000)
- 1 Animal Control Officer and in funding for veterinary services that our shelter is not equipped to perform on site. These additional services will assist us as we strive to be a no-kill shelter. (\$52,000)

FY 14/15 Proposed General Fund



Strategic Plan Focus Area – Economic & Community Development

- Position eliminated based upon organizational changes and restructuring of various community and economic development functions. To date, the City Manager has still overseen these areas.
- Community Development Department's budget reflects the addition of \$5,000 to supplement remaining FY 13/14 funding for Neighborhood Action Grants.
 - 1 Program Specialist position added mid-year for Bank-On, Financial Literacy and other programs. Position is partially funded through federal CDBG grant administered by Community Development.
- Office of Business Opportunities has \$100,000 in CERF (Columbia Economic Renaissance Funds) to apply towards the continuation of the façade improvement grants for a 3rd phase on Two Notch Road. This funding will assist with offering grants to businesses for façade improvements.

FY 14/15 Proposed General Fund



Strategic Plan Focus Area – Environment & Infrastructure

- General Services reflects the addition of \$600,000 for annual roof replacement and repairs to include Police & Fire stations, park buildings and other city buildings.
 - 3 person crew that will be responsible for regular maintenance and renovations to City facilities. (\$80,000)
- Special Projects Administrator for the build out of the Columbia Commons and multi-use venue. Position will be funded across the General Fund, Water & Sewer Fund, Storm Water & Parking Fund. (\$30,000)
- 1 Network Security Analyst added to Information Technology Department's budget to address the City's increasing mobile applications and services that are offered to our customers. (\$100,000)

FY 14/15 Proposed General Fund



Strategic Plan Focus Area – Environment & Infrastructure

- 1 Training Coordinator added to Human Resources to assist other departments by conducting training needs assessments and identifying resources to meet those needs. Training for employees is critical both as a recruitment and retention tool and is especially necessary in order to provide efficient and effective operations. (\$56,000)
- Budget & Program Management Office reflects the addition of 1 position that will focus on business process improvements, performance management and program management. (\$24,000)

Strategic Plan Focus Area – Communications & Customer Service

- 1 Special Projects Coordinator is included in the Public Relations budget that will assist with planning, organizing and implementing various special events for and throughout the City. Other additions to this budget includes services for live streaming of City Council and other meetings; website hosting and design fees for the City's website. (\$60,000)

FY 14/15 Proposed General Fund



Non-Departmental

- Total non-departmental is budgeted at \$3,010,817; a reduction of \$25,000 or less than 1%. Most items are retained at current year funding. Includes items not associated with a specific department or function.
 - Funding for Community Promotions \$75,000; a reduction of \$25,000
 - Solicitor's Office, \$215,817 (total requested is \$306,817; increase \$91,000 for Special City Prosecutor)
 - Homeless Services, \$1,000,000
 - Security Cameras, \$475,000
 - Detention Center per diem, \$450,000
 - Budgeted Emergency Reserve, \$250,000
 - Lady Street lease, \$505,000
 - Tuition Reimbursement, \$40,000
- Council has expressed an interest in identifying funding for Internal Auditor position or function and a full time Annexation Coordinator or function. If these positions (or contracts for professional services) are desired collectively by Council, we recommend that funding come from City Council's contingency (\$75,000) and from the funding originally identified for façade program, but now funded through CERF (\$50,000).

FY 14/15 Proposed General Fund



Transfers Out

- Transfers Out to other funds and is budgeted at \$15,571,973; a net reduction of \$880,814 or 5%.
- Transfer to Storm Water is budgeted at \$500,000; a reduction of \$250,000.
- General Capital Projects
 - \$600,000 of General Capital Projects funding has been shifted to cover the roof repairs and replacements annual funding and remaining security upgrades at Municipal Court and the Animal Shelter.
- Replacement Capital – Capital Lease Purchase
 - Debt Service is budgeted at \$6,203,688; an increase of \$705,000 for the proposed issue of \$7,000,000 in a Capital Lease Purchase for replacement rolling stock and technology.
 - Capital replacement includes 82 replacement vehicles.
 - We anticipate purchasing 10 additional police cars within the current year budget.

FY 2014/2015 Proposed General Capital Projects

- ▶ Total proposed FY 14/15 General Capital Project Budget is \$5,568,483.
- ▶ Funding for the proposed projects includes
 - \$4,766,483 from audited FY 2013 General Fund unassigned fund balance
 - \$802,000 from remaining and available 2003 Hospitality Tax Bond proceeds.

▶ Park Projects Total \$4,168,483

Finlay Park Renovations & Busted Plug

Southeast Park Environmental Education Center

Greenview Pool & Splash Pad

Owens Field / Miracle League

Hampton Park Community Center

Hyatt Park Improvements

▶ Public Safety Projects Total \$1,400,000

Fire Self Contained Breathing Apparatus (SCBAs)

Fire Burn Building

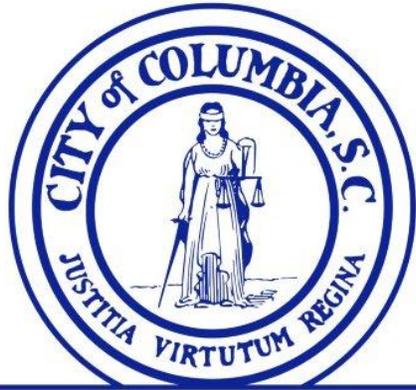
Olympia Fire Station

Busby Street Resource Center & Training Facility



FY 14/15 Proposed General Capital Projects

<u>Available Funding</u>			
	GFB-June 30, 2013 General Fund available Fund Balance		4,766,483
	HTB - 2003 Hospitality Tax Remaining Balance		802,000
Total			\$5,568,483
<u>Project</u>	<u>Funding Source</u>	<u>Estimated Cost</u>	<u>City Manager Recommendations</u>
<u>Parks & Recreation</u>			
Finlay Park - Renovations & Busted Plug	GFB	\$12,000,000	\$310,000
Greenview Pool Replacement & Enhancements	GFB	\$3,210,000	\$2,041,483
Hampton Park Neighborhood Center	GFB	\$752,374	\$200,000
Southeast Park - Environmental Center, bathrooms	HTB	\$1,341,282	\$802,000
Owens Field (improvements needed for Miracle Field)	GFB	\$550,000	\$225,000
Miracle Field	GFB	\$250,000	\$250,000
Hyatt Park - renovations & enhancements	GFB	\$2,000,000	\$340,000
<u>Public Safety</u>			
Fire SCBA replacements	GFB	\$1,250,000	\$300,000
Olympia Fire Station Replacement	GFB	\$2,500,000	\$500,000
Fire Training Center & Burn Building	GFB	\$3,500,000	\$300,000
Police Evidence Facility & Resource Center - Busby Street	GFB	\$5,000,000	\$300,000
TOTAL		\$32,353,656	\$5,568,483



We Are Columbia

- **FY 14/15 Hospitality Tax**
- **FY 14/15 Accommodations Tax**

June 10, 2014

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FY 2014/2015 Proposed Hospitality Tax

- ▶ **FY 14/15 Proposed Budget is \$11,122,187**

- ▶ **Revenues** are projected at \$10,081,994
 - Projections based on steady growth in hospitality tax collections over the past 3-5 years.
 - Revenues reflect an increase of 11.8% over the current year budget, but are only 3.3% above the projected actual for FY 13/14.

- ▶ **Transfers In** reflects the use of \$1,040,193 from fund balance.
 - In order to maintain current spending levels in FY 14/15, this is the amount needed to balance the budget.

- ▶ **Expenditures** are budgeted at \$5,479, 620 and reflects maintaining funding at current levels.
 - Hospitality Tax Committee proposed budget reflects base allocations of \$2,370,000.
 - Line Item agencies are proposed at \$2,049,200 which represents the base allocation to each group.
 - City Council Allocations is proposed at \$ 1,060,420; based on FY 13/14 allocations

- ▶ **Transfers Out** are budgeted at \$ 5,642,567; an increase of 1,295,618; an increase of 30%
 - Includes transfer to the General Fund at current year levels of \$3,000,000
 - Debt service reflects the addition of the future hospitality tax bond to be issued for the multi-use venue. Total debt service is \$2,642,567.

FY 2014/2015 Proposed Accommodations Tax

- ▶ **FY 14/15 Proposed Budget is \$2,071,155.**

- ▶ **Revenues** for FY14/15 are projected at \$2,071,154; increase of \$571,154 over current year budget
 - Budget is \$118,893; 6% over prior year actuals
 - Projected revenues closer to actual collections over the past 2-3 years.

- ▶ **Expenditures** are budgeted at \$2,046,154
 - The majority of Accommodations Tax funds are allocated by the Accommodations Tax committee and subject to approval by City Council.
 - Available for allocation is \$1,943,846.
 - State law also allows for 5% of collections to be allocated for “general use.”
 - Committee expenses are budgeted at \$5,000
 - City’s Together We Can Read partnership is budgeted at \$25,000
 - Available for general use allocation; \$72,438

- ▶ **Transfer Out** to General Fund; \$25,000, as directed by state law.



We Are Columbia

Enterprise Funds

Proposed Water & Sewer Fund Storm Water Fund Parking Fund

Clean Water 2020

 Columbia's Clear Vision For Clean Water

June 10, 2014

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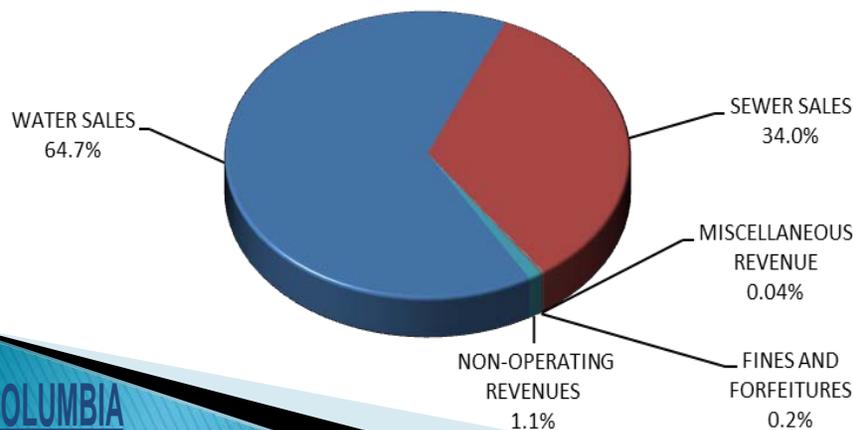
FY 2014/2015 Proposed Water & Sewer

- **Proposed budget is \$127,585,095**
 - \$623,290 reduction from the current year operating budget

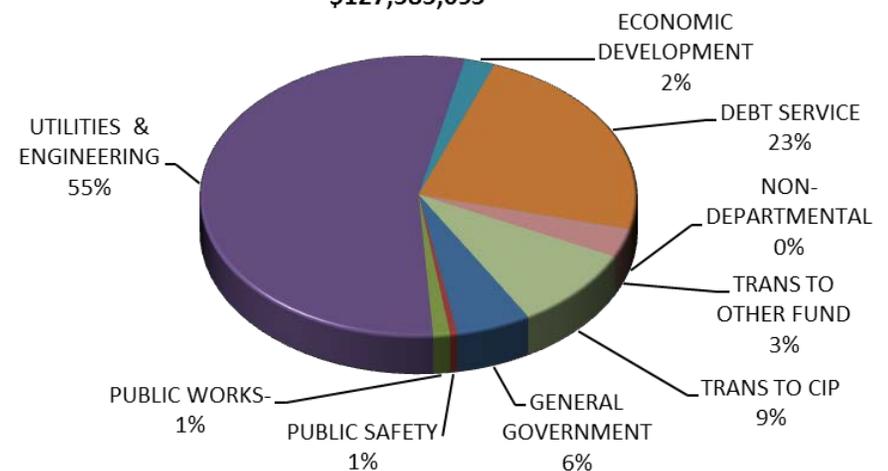
Revenues

- Water & Sewer revenues are proposed at \$127,585,095; a reduction of \$623,290 from the current year
- Does not reflect a rate increase at this time.
- Sewer sales are projected at \$43,385,205; a reduction of \$7,985,910 or -16%. The reduction is due primarily to the sale of a portion of the sewer system.
- Water sales are proposed at \$82,508,290; an increase of \$7,281,020 or 10%. The increase is based on growth in the system, the billing audit that is underway and renegotiated contracts for services

FY 2014/2015 WATER/SEWER FUND REVENUE
\$127,585,095



FY 2014/2015 WATER/SEWER FUND EXPENDITURES
\$127,585,095



FY 2014/2015 Proposed Water & Sewer

Expenditures

- **Department Budgets** total of \$76,956,300; an increase of \$8,973,868 or 13%.
 - Increase is related to non-capital water and sewer system routine maintenance and repairs projects that were previously funded from Capital Project that are part of the operating budget as reflected in the Utilities & Engineering budget.
 - Department budgets reflect very few changes from the current year.
- **Non-operating Departments Budgets** total \$2,828,721; an increase of \$194,208 or 7.4%.
 - Increase is attributed in part to the addition of a full time position at CEZ, Inc. that is split with Eau Claire Development Corporation and the shift of position from OBO to Eau Claire Development Corporation.
 - Economic Development Department budget now reflects the Development & Business Manager that was included in the current year
- **Non-Departmental** is budgeted at \$34,580,592; an increase of \$2,065,042 or 6.4%.
 - Debt Service is \$29,008,192; decrease of \$1,018,858 and reflects no new debt
 - Technology replacements are budgeted at \$250,000; reduction of \$250,000
- **Transfers Out**
 - Budgeted at \$16,628,382; reduction of \$8,447,508
 - Transfer to General Fund budgeted at \$4,000,000; reduction of \$250,000
 - Transfers to capital projects budgeted at \$11,673,149; reduction of \$8,326,851 which is result of transfer of these funds to Utilities & Engineering for non-capital projects.

FY 14/15 Capital Improvement Projects



◦ The requested capital projects budget for FY 14/15 is \$91,990,000.

- Water Capital Improvement Projects are \$35,350,000
- Sewer Capital Improvement Projects are \$57,640,00

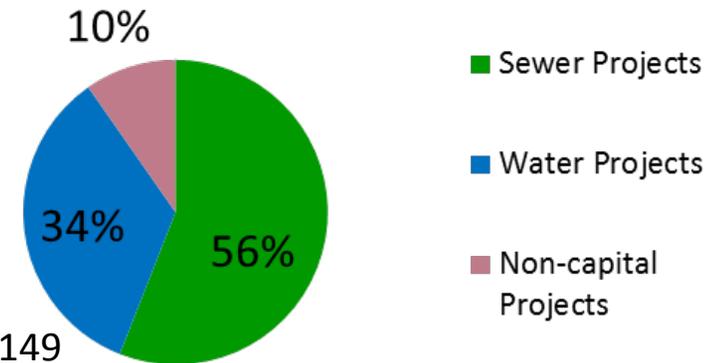
◦ Total available funding of \$40,000,000

- Transfers from FY 14/15 Water & Sewer Operating budget; \$11,673,149
- Use of fund balance or cash for capital projects is \$28,675,925
- Staff will review the proposed Capital Improvement Projects and be prepared to make revisions based upon available funding.

◦ Utilities and Engineering Department budget includes more than \$10,000,000 in non-capital projects that are in addition to the Capital Budget.

◦ Management is working with Utilities and Engineering, CDM Smith, and rate consultant to evaluate options and the projects that can be completed during FY 14/15 in order to continue making investments to improve the system and to meet our obligations. We plan to bring this back for City Council discussion in July.

Water & Sewer Projects



FY 14/15 Water Capital Projects



<u>Project</u>	<u>Description</u>	<u>Proposed</u>
WM	North Main Street Streetscape	\$ 2,000,000
WM3069	Doris Drive	\$ 950,000
WM3099	700 L.F of 8" W.M from Exc. Centre to Cornhill Rd. via Eastlawn Rd.	\$ 75,000
WM3870	3,000 LF 16" WM & 4,500 LF of 12" along Longtown Road West	\$ 1,000,000
WM300013	Annexations (Annual)	\$ 200,000
WM300113	Water Quality Projects City Wide (Services & 2-inch water line replacement) (Annual)	\$ 1,000,000
WM3091	Lawand, Morninghill and Lotenia Drives (Annual water line rehab)	\$ 600,000
WM335513	Utility Conflicts (Annual)	\$ 500,000
WM335813	Pay Difference Agreements Various Subdivisions (Annual)	\$ 150,000
WM363701	20,000 LF of 16 inch and 5000 LF of 12 inch from Chapin I-26 Exit to New Tank at Broom Straw	\$ 4,000,000
WM3767	2,000 LF of 18" WM from Rimer Pond Rd along Longtown Rd & 9,800 LF of 12" along Longtown Rd	\$ 2,000,000
WM379102	Sylvan Drive from Briarwood to Trenholm Road to Rockbridge Road	\$ 1,375,000
WM396513	Major Utility Cut Repairs (Annual on-going Resurfacing DOT Streets via CIP work) (Annual)	\$ 500,000
WM4000-02	Lake Katherine Waterline Improvements Phase 2(Annual Rehab)	\$ 3,000,000
WM4164	Water System SCADA improvements	\$ 2,500,000
WM4269	Lakecrest	\$ 550,000
WM_MISC	Unforeseen Projects	\$ 2,000,000
WM_BS	Bull Street Water System Improvements	\$ 3,000,000
WM3993	Covenant Road and Harrison Road Area Water System Improvements (Engineering Only)	\$ 400,000
WM3906	Satchel Ford (Including work from WM3043)	\$ 1,400,000
WM409202	Lincolnshire II	\$ 600,000
WM4134		
&WM4135	Eng. Design of 54-inch and 36-inch Waterline from the Canal WTP	\$ 3,800,000
WM4133	Eng. Design of 42-inch Waterline from the Canal WTP	\$ 2,500,000
WM4298	Waterline Extension to Service State Park Acres (Engineering Only)	\$ 250,000
TOTAL WATER PROJECTS		\$ 34,350,000

FY 14/15 Sewer Capital Projects



Project	Description	Proposed
SS7288	Unforeseen & Miscellaneous Projects	\$ 1,000,000
SS7282	FM Field Condition Assessment - Project A	\$ 600,000
SS7283	FM Field Condition Assessment - Project B	\$ 600,000
SS7292	Zoom Camera Rapid Assessment	\$ 500,000
SS723614	CD Program Management	\$ 5,400,000
SS7275	Metro WWTP - Non-Potable Water System Improvements	\$ 3,200,000
SS7285	Thickening & Dewatering Improvements	\$ 2,500,000
SS7284	Liquid Treatment Train 1 Upgrades	\$ 2,500,000
SS706012	Pump Station Improvements at 6 Sites	\$ 1,500,000
SS7260	Annual General Services Maintenance	\$ 1,500,000
SS6786	Annual for Gravity Sewer Manhole Lining & Replacement	\$ 1,500,000
SS696614	Annual Rehab on Manholes and lines less than 15"	\$ 2,500,000
SS691601	North Main Street Streetscape Sewer	\$ 1,000,000
SS695401	Crane Creek Phase I	\$ 9,000,000
SS6000	Sewer Service for City Annexations	\$ 150,000
SS6099	Sewer Utility Conflicts	\$ 600,000
SS7286	CE Projects not yet Defined	\$ 2,000,000
SS676402	30" Forcemain from Mill Creek PS to WWTP	\$ 12,500,000
SS6833	Upgrade Piney Grove Lift Station	\$ 1,100,000
SS7281	Pump Station Rehab (Various Sites)	\$ 500,000
SS7287	Collection System SSES	\$ 1,000,000
SS6864	Major Utility Cut Repairs	\$ 150,000
SS7259	Replacement of 24" Smith Branch Outfall underneath I-277	\$ 1,340,000
TBA	MMS Software	\$ 500,000
TBA	Bull Street	\$ 1,000,000
SS7251	Blossom Street & Huger Street (Phase II)	\$ 3,500,000
TOTAL SEWER CAPITAL PROJECTS		\$ 57,640,000



We Are Columbia

FY 14/15 Proposed Storm Water Operating

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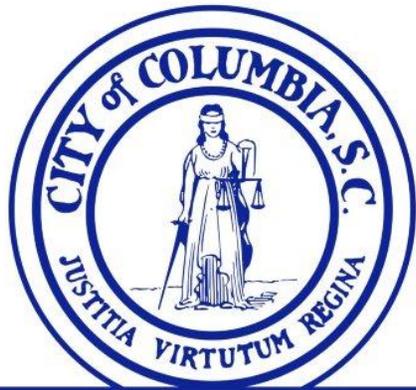
FY 2014/2015 Proposed Storm Water Operating

- ▶ **Budget is in balance.**
 - ▶ The total FY 14/15 Proposed Storm Water Budget is \$7,589,000; a decrease of \$315,872 or -4%.
 - Decrease is reduction in transfer from General Fund (\$250,000) and interest earnings.
 - ▶ **Revenues** from storm water fees, inspections and reviews are budgeted at \$6,939,000; a minimal increase of \$9,128.
 - No rate or fee changes are proposed with this budget.
 - ▶ **Transfers In** reflects a reduction of the transfer from the General Fund by \$250,000 or 33%.
-
- ▶ **Expenditures** include department budgets in the amount of \$4,730,766; an increase of \$294,345 or 7% which is primarily attributed to capital replacements.
 - ▶ **Transfers Out** to Storm Water Capital Projects for \$2,808,234 in proposed projects.



FY 14/15 Storm Water Capital Projects

Project	Description	Proposed
SD38701, -03, -04	EPA Mandated Supplemental Environmental Project - Gills Creek	\$300,000
SD38701, -03, -04	EPA Mandated Supplemental Environmental Project - Smith Branch	\$300,000
SD38701, -03, -04	EPA Mandated Supplemental Environmental Project - Rocky Branch	\$300,000
SD8264	Storm Drainage Improvements at Greenview Subdivision	\$1,800,000
SD8389	Devil's Ditch Joint Maintenance Project (w/ Richland County)	\$450,000
SDXXXX	Bull Street Storm Drainage Improvements	\$1,000,000
SD8371	Penn Branch Drainage Improvements	\$550,000
SD8386	Harlem Heights	\$100,000
SD8260	North Main	\$900,000
SD8388	Water Quality for Public Works	\$300,000
SD8398	Emergency Stormwater Maintenance/Improvements	\$500,000
Total Capital Projects		\$6,500,000



We Are Columbia

FY 14/15 Proposed Parking Fund

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FY 2014/2015 Proposed Parking Fund

- ▶ **Budget is in balance.**
- ▶ The FY 14/15 Proposed Parking Fund Budget is \$6,925,300; a reduction of \$281,550 or -4%.
 - Reductions in parking meter revenues and non-moving violations (parking tickets). Area improvements have resulted in decreased on-street parking and better use of parking garages has result in an impact on parking ticket revenues.
- ▶ Parking Fund budget reflects very little changes
- ▶ Many efforts underway to evaluate the overall parking system and maximize its impact on economic development opportunities.
 - Parking Study Master Plan is well underway and is expected to be complete early in the 14/15 FY.
 - Discussions and initiatives underway regarding utilizing public private partnerships to meet commitments related to the expansion of the parking system.
 - Interest in evaluating possibilities regarding vertical development above existing parking structures.
 - Discussions underway that will allow the City to increase parking in areas that are impacted by the significant development underway in the downtown area.