

**Council Report Back**  
2019 Budget Questions  
Part 6

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<b>Question 6-1</b> Report on Accounts Payable.	<b>Question From</b> Ruckriegel	<b>Answer From</b> Finance
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**Can I get an aging report on our payables including amounts due?**

The City processes accounts payable on a weekly basis with checks being issued on Friday. Invoices are normally processed within 10 to 15 working days upon submission for payment. The City encumbers funds through purchase orders. These obligations are processed when the item is completed and a proper bill or invoice is received for payment. The total encumbrances outstanding at November 18, 2018 is \$21,796,892.80.

**What is the oldest payable waiting for payment?**

Currently our oldest outstanding encumbrance is from 7/10/17 to Infrastructure Engineering relating to the Macarthur Highway Bridge which is a project that is still ongoing. The total contract price was encumbered and has been reduced by pay estimates as the project has progressed. Currently there is \$8,039.32 remaining on the \$105,000 contract.

**How much cash does the City currently have on hand?**

Total cash and investments on hand for all funds (restricted and unrestricted) at 11/18/18 is \$53,235,365.61.

**If the City paid all payables currently due and all that are known under contract or agreement that have been executed but not yet received, what is our cash position?**

Total cash \$53,235,365.61 less current encumbrances \$21,796,892.80 less debt service payments due 12/31/18 \$15,349,970.45 would leave \$15,803,502.36 as our cash position.

**Has the City requested any delays in payments (time to defer their payments) due to any vendor?**

No. The City complies with the prompt payment act established for State Agencies – Illinois Prompt Payment Act 30 ILCS 540/1, which states that any bill approved for payment must be paid or the payment issued to the payee within 60 days of receipt of a proper bill or invoice.

**Has the City requested the payment to the County be delayed for their services to collect our property taxes or garbage fee?**

No. We have already remitted amounts due to the County for the collection of the garbage fee in the amount of \$150,000.

**What is the City's collection rate of the storm water utility fee for those that have been billed?**

As of October 31, 2018, the collection rate on the July, August and September billings is 80.05%. We billed \$1,727,756.07 and have collected \$1,383,018.27 through October 31.

<b>Question 6-2</b> Report on the cost of environmental complaints and the proposed change to 15" instead of 10".	<b>Question From</b> Moore	<b>Answer From</b> Community Development
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**Impact of Increasing Grass and Weed Violation Height to 15 Inches**

Currently, weeds and/or grass taller than ten (10) inches is a violation of City Code. With the proposed elimination of three (3) Code Enforcement positions in 2019, it has been contemplated that the violation level should be increased to fifteen (15) inches.

The reasoning behind this suggestion is that with a reduced number of Code Enforcement staff, those remaining covering larger patrol areas, and no overtime funds available, it will be virtually impossible to catch all properties with growth greater than ten inches. Changing the violation height to fifteen inches would allow the remaining staff to focus on properties that were creating significant blight, without taking the time to immediately address properties with growth less than fifteen inches.

The Community Development Department does not make this suggestion lightly. We know that substantial progress in property maintenance has been made over the past five-six years and do not want to see any back-sliding of property conditions in Peoria. However, with a reduced number of staff positions, some of the work that has been done in the past will have to be reduced or eliminated.

If the change is not made to the violation height, Code Enforcement staff will take longer to respond to complaints and will not be able to originate as many on-sight violation cases.

<b>Question 6-3</b> Report back on building inspections and code enforcement as a stand-alone budget.	<b>Question From</b> Akeson	<b>Answer From</b> Community Development
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**Building Safety and Code Enforcement as a self-funded function**

During the October 29th Council meeting, staff was asked to provide a report back on revenue/expenditures in relation to Code Enforcement and Building Inspections. In addition, staff was asked to look at alternative revenue sources to ensure the same level of service related to Code Enforcement can be delivered in 2019.

(The information below is potential revenue based on actual fines and fees levied by the Community Development Department.) The total below includes Environment Citations, Environmental Work Orders, Housing Fines and Board Up Fees. The numbers for 2018 are through August 31<sup>st</sup>, 2018.

	<u>2017</u>	<u>2018</u> <u>(through</u> <u>08/31)</u>	<u>2019</u>
Environmental Work Order	\$852,785	\$497,365	
Environmental Citations	\$324,150	\$224,800	
Housing Fines	\$1,469,200	\$806,950	
Board up fees	\$53,146	\$24,273	
Re-Hearing Fees	\$5,840	\$1,680	
Code Enforcement Total General Fund Revenue	\$2,707,138	\$1,555,068	
Code Enforcement General Fund Budget (Entire Code Division)			\$1,366,907
HVAC Contractor License	\$19,650	\$4,950	
Electrical Contractor License	\$23,850	\$6,600	
Building Permit Fees	\$885,156	\$1,052,872	
Zoning Fees	\$80,000	\$55,000	
Building Inspections/Development Total Revenue	\$1,008,656	\$1,119,422	
Building Inspections/Development Total GF Budget (Building and Planning)			\$1,261,045
Non-Owned Occupied Property Registration (collected by Finance)	\$1,056,570	\$1,008,690	
<b>Total General Fund Potential Revenue (without Property Registration)</b>	<b>\$3,713,777</b>	<b>\$2,674,490</b>	
<b>Total General Fund Potential Revenue (with Property Registration)</b>	<b>\$4,770,347</b>	<b>\$3,683,180</b>	
<b>Total General Fund Budget</b>			<b>\$2,627,952</b>

Several factors need to be taken into consideration when discussing the potential for the Building Safety and/or Code Enforcement function as a self-funded operation.

1. Revenue attributed to Building and Code Enforcement Inspectors does not take into consideration the “back office” support positions within the Community Development Department.
2. To be completely self-funded, costs incurred by support departments (Legal, Finance, HR, PW, etc.) would have to be charged against Community Development revenue.

3. On the Code Enforcement side, the collection rate for fines and fees would have to increase substantially over the collection rates of the past few years.

**Revenue per Code Enforcement Inspector**

A question was asked during the meeting about how much revenue could be attributed on a per code inspector basis. The average Code Enforcement Inspector salary is \$57,257 (entry level Code Enforcement Inspector salary is \$49,199) and the average Code Enforcement Environmental Inspector salary is \$33,500.

	<b><u>2017 Average Per Inspector</u></b>	<b><u>2018 Average Per Inspector Through 08/31</u></b>
Environmental Work Order	\$77,525	\$45,215
Environmental Citations	\$29,468	\$20,436
Housing Fines	\$209,885	\$115,278
Board up fees	\$7,592	\$3,467
Re-Hearing Fees	\$834	\$240
Total	\$325,304	\$184,636
The average was based on 11 Inspectors doing Environmental Work.		
The average was based on 7 Inspectors doing Housing Work.		

**Revenue per Building Safety Inspector**

The Community Development Department is authorized for three (3) Building Safety Inspectors and one (1) Plumbing Inspector. Based on this staffing level, the per position annual permit revenue is approximately \$275,000. The factors listed earlier (back office support, etc.) would also need to be taken into consideration for a complete analysis of a self-supporting building safety function.

**Examples of Self-Funded Community Development Departments**

There are numerous examples of self-funded Building Safety functions in other communities. In some cases, the function remains in-house, in others it is out sourced to a private company. In every case, the permit fees are adjusted to cover the cost of the service. Several years ago, the City explored outsourcing the Building Safety function. At that time, a significant issue was that our building permit fees were not high enough to cover the anticipated cost of the service. Since that time, the Council has reduced permit fees.

There are very few examples of self-funded Code Enforcement functions. This is most likely due to the challenges involved in the collection of fines and fees. Unlike Building Safety, Code Enforcement is not charging for a service delivered. However, with a robust collection effort, we believe that all, or most of the costs associated with the enforcement of City Property Maintenance Codes could be recovered.

It should also be mentioned that a substantial portion of the total Code Enforcement cost incurred by the City is paid using federal CDBG funds and as such, has limited impact on the general fund budget.

**Shared Building Services with Peoria County**

City staff discussed the potential for shared building inspections services with Peoria County staff. At this point, we believe that there would be no savings, and significant challenges in combining or sharing services.

Peoria County currently employs two (2) Building Inspectors and one (1) Plans Examiner. The City employs three (3) Building Inspectors, one (1) Plumbing Inspector, and does not have a Plans Examiner. The City issues approximately 2,200 permits per year, the County issues approximately 1,300 permits. With a general average of 600 permits per inspector per year, there is no slack in either the City or County operation that could be allocated to the other jurisdiction. The City and County have different pay scales and job descriptions that would require alignment prior to any shared services operation. The County also has the challenge of significant travel time to job sites in all areas of unincorporated Peoria County, thus reducing the opportunity to provide additional services.

The City and County have adopted the same building code and are both currently migrating to the same software system (Tyler EnerGov). We believe that having the same software system could allow for an even closer working relationship in 2019 and beyond.

**Use of TIF Funds for Building Safety and Code Enforcement Purposes**

A question was asked about the use of TIF funds for Building Safety and/or Code Enforcement staff. The TIF Act does permit TIF funds to be used toward the cost of implementing the redevelopment plan;

“Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services...”

A determination would have to be made as to whether building code plan review and inspection, and code enforcement activities could be classified as either “professional service costs,” or as “other services.”

<b>Question 6-4</b> Report back on comparable fire department statistics.	<b>Question From</b> Jensen	<b>Answer From</b> Fire
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City	Square Miles	# of Personnel	Fire Department Budget	Fire Incidents	EMS Incidents	Cost Per Incident	Response times
Aurora	44.9	204	\$44,487,296	275	14,523	\$2,422	Did not report
Elgin	37.71	133	\$29,681,811	328	8,999	\$2,479	4:45
Joliet	62.76	209	\$38,878,492	300	17,166	\$1,949	5:30
Naperville	35.52	191	\$36,558,624	216	8,215	\$2,672	To 90% 6:00
Rockford	65.54	260	\$46,454,162	534	22,390	\$1,637	4:48
Springfield	115.52	225	\$37,568,989	507	10,317	\$2,130	4:22
Peoria	50.23	192	\$34,027,644	575	16,263	\$1,722	5:03

The Peoria Fire Department budget is second lowest in the comparable fire departments in Illinois. The Peoria Fire Department has the second lowest cost per call within the comparable cities. The Peoria Fire Department runs to the greatest number of fires of all the comparable cities

All numbers reflect 2017 figures except Response Times which are 2018 numbers.

<b>Question 6-5</b> Report back on the response times of the Fire Department.	<b>Question From</b> Moore	<b>Answer From</b> Fire
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The table below reflects the calls undertaken by each machine from 2015-2017 for fire, medical and other. Annual Average calls are also listed. Calls handled by multiple machines are reflected in the data below:

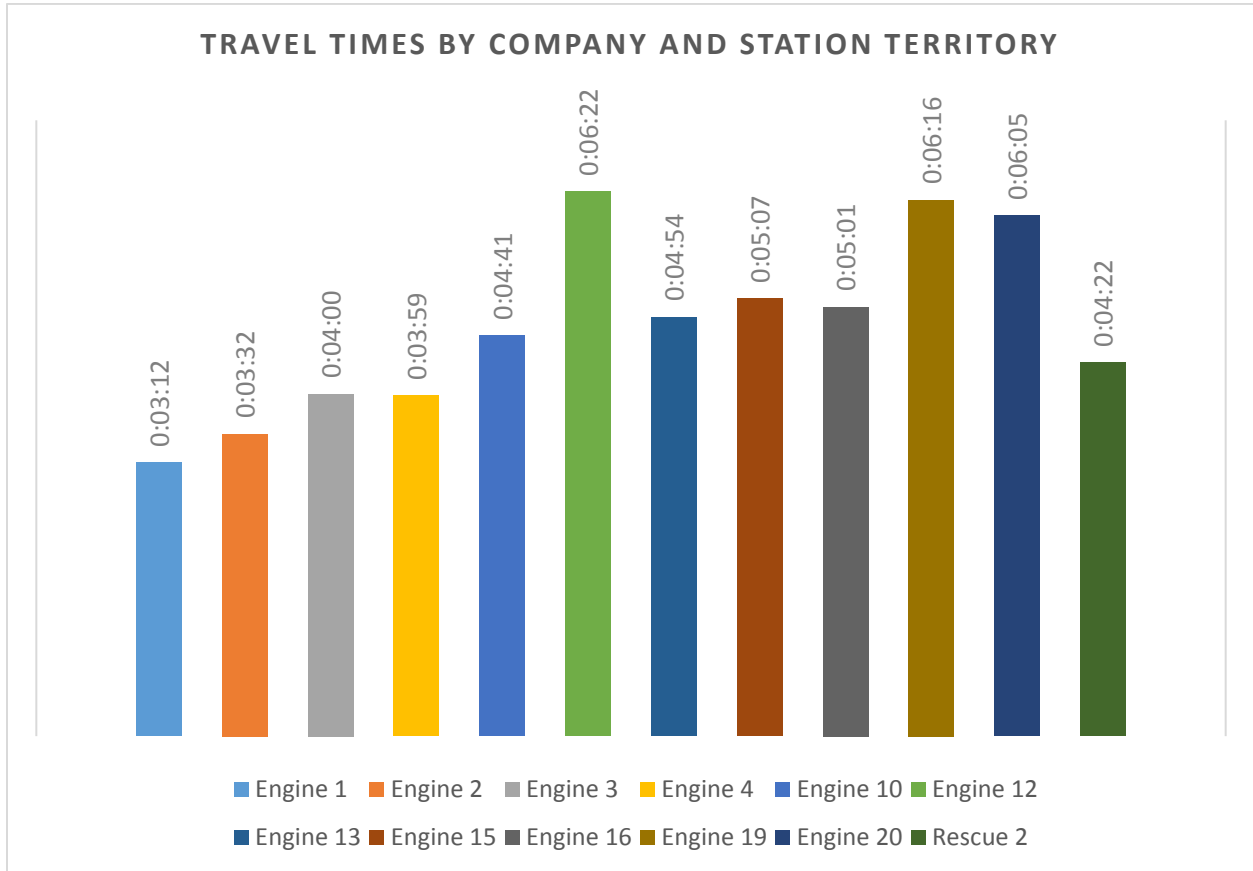
2015-2017	Fire	Medical	Other	Ann. Avg. Fire	Ann. Avg. Medical	Ann. Avg. Other
Engine 1	642	3,546	2,358	214	1,182	786
Engine 2	421	3,280	1,871	140	1,093	624
Engine 3	600	4,023	2,720	200	1,341	907
Engine 4	380	6,625	1,074	127	2,208	358
Engine 10	498	4,103	2,082	166	1,368	694
Engine 12	224	2,205	728	75	735	243
Engine13	386	5,729	1,884	129	1,910	628
Engine 15	182	1,336	1,087	61	445	362
Engine 16	253	4,115	2,038	84	1,372	679
Engine 19	190	2,304	1,192	63	768	397
Engine 20	95	1,197	979	32	399	326
Rescue 1	479	5,927	2,207	160	1,976	736
Rescue 2	350	3,775	1,883	117	1,258	628
Truck 1	376	669	1,852	125	223	617
Truck 3	297	878	2,072	99	293	691
Truck 4	232	1,135	745	77	378	248
Truck 14	185	1,134	1,810	62	378	603

The following table shows the average fire and EMS calls by month:

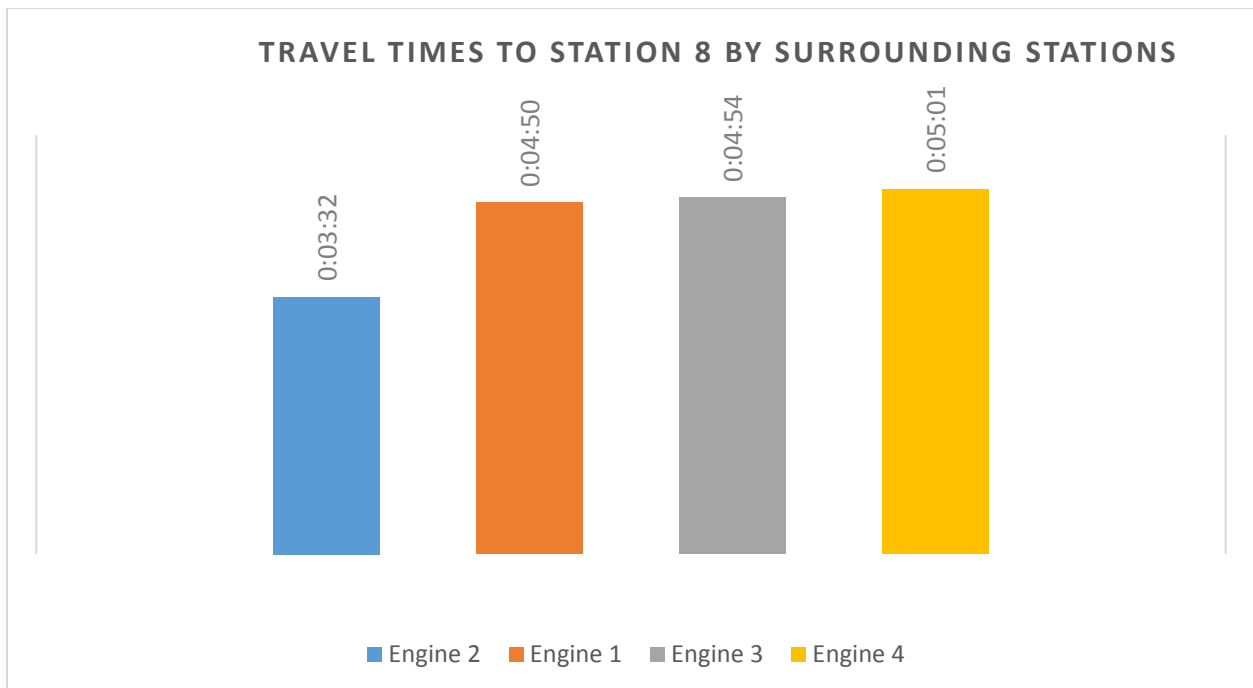
Month	Fire Calls	EMS Calls
January	192	1,874
February	188	1,777
March	173	1,816
April	239	1,891
May	248	1,870
June	236	1,927
July	261	2,100
August	239	2,028
September	257	1,919
October	236	1,894
November	212	1,828
December	240	1,974



The following chart shows the travel times within each station territory:



The following table shows Engine travel times into Station 8 Territory by surrounding Engines:



<b>Question 6-6</b> Report back on additional tiers in the public safety pension fee.	<b>Question From</b> Akeson	<b>Answer From</b> City Manager
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The following table takes the \$50/\$300 public safety pension fee and adds an additional tier for properties with a structure over 10,000 square feet and for parcels with no structure. The estimated revenues assume a \$50 annual increase for parcels with a structure over 5,000 square feet, and a \$5 annual increase for parcels with a structure under 5,000 square feet. The estimated revenues assume an 80% collection rate.

<b>48,894</b>		<b>City Parcels</b>		
43,538	Non-City Owned with Structures	<b>2019 Fee</b>	<b>Total Fee</b>	<b>80% Collection Rate</b>
1,390	Greater than 10,000 SF	300	417,000.00	333,600.00
1,240	Greater than 5,000 SF	250	310,000.00	248,000.00
38,819	Less than 5,000 SF	50	1,940,950.00	1,552,760.00
2,089	No Structure	15	31,335.00	25,068.00
			<b>2,699,285.00</b>	<b>2,159,428.00</b>
		<hr/>		
43,538	Non-City Owned with Structures	<b>2020 Fee</b>	<b>Total Fee</b>	<b>80% Collection Rate</b>
1,390	Greater than 10,000 SF	350	486,500.00	389,200.00
1,240	Greater than 5,000 SF	300	372,000.00	297,600.00
38,819	Less than 5,000 SF	55	2,135,045.00	1,708,036.00
2,089	No Structure	15	31,335.00	25,068.00
			<b>3,024,880.00</b>	<b>2,419,904.00</b>
		<hr/>		
43,538	Non-City Owned with Structures	<b>2021 Fee</b>	<b>Total Fee</b>	<b>80% Collection Rate</b>
1,390	Greater than 10,000 SF	400	556,000.00	444,800.00
1,240	Greater than 5,000 SF	350	434,000.00	347,200.00
38,819	Less than 5,000 SF	60	2,329,140.00	1,863,312.00
2,089	No Structure	15	31,335.00	25,068.00
			<b>3,350,475.00</b>	<b>2,680,380.00</b>
		<hr/>		
43,538	Non-City Owned with Structures	<b>2022 Fee</b>	<b>Total Fee</b>	<b>80% Collection Rate</b>
1,390	Greater than 10,000 SF	450	625,500.00	500,400.00
1,240	Greater than 5,000 SF	400	496,000.00	396,800.00
38,819	Less than 5,000 SF	65	2,523,235.00	2,018,588.00
2,089	No Structure	15	31,335.00	25,068.00
			<b>3,676,070.00</b>	<b>2,940,856.00</b>
		<hr/>		
43,538	Non-City Owned with Structures	<b>2023 Fee</b>	<b>Total Fee</b>	<b>80% Collection Rate</b>
1,390	Greater than 10,000 SF	500	695,000.00	556,000.00
1,240	Greater than 5,000 SF	450	558,000.00	446,400.00
38,819	Less than 5,000 SF	70	2,717,330.00	2,173,864.00

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2,089	No Structure	15	<u>31,335.00</u>	<u>25,068.00</u>
			<b>4,001,665.00</b>	<b>3,201,332.00</b>

Total revenues collected would be approximately \$24,532 less annually than the original proposal.