

Council Report Back
2019 Budget Questions
Part 2

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Question 2-1 Report on opportunities to share services with the county or other cities.	Question From Cyr	Answer From City Manager
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In the spectrum of shared services, the City and County currently do a lot together. In the area of complete merged services, the City and County own a landfill together. The City provides road striping services and traffic signal maintenance for a fee to the County, while we pay the County to provide bridge inspections for us. We currently have bartered dispatch and jail booking services. The County bills and collects our residential garbage fee. The City used to provide animal control services to the County, but in 2010 got out of the business, and now the County provides the service for the City for a fee. We also cooperate on the provision of services, as the Willow Knolls/Allen Road intersection improvement and the provision of emergency management services.

Several years ago, the Mayor tasked Sheriff Mike McCoy and Police Chief Steve Settingsgaard to look at consolidating police services. The challenge with merging the services were significant. If the County took over the services, the City would have to exit the collective bargaining agreement and any pension liabilities would remain with the City.

We provide dispatch not only to the City and County, but Peoria Heights and Chillicothe for a fee as well. We provide fleet maintenance services to the Peoria Housing Authority. We work closely with the Greater Peoria Sanitary District on sewer services, and they bill our residents for sewer fees.

The City staff are always open to ways to partner with other governments in the provision of services to our residents.

<p>Question 2-2 Report on reviewing a charge for services organizations received from the City's Public Safety Departments, such as helping people from bed, etc. Report on Fire Revenues.</p>	<p>Question From Moore</p>	<p>Answer From City Manager</p>
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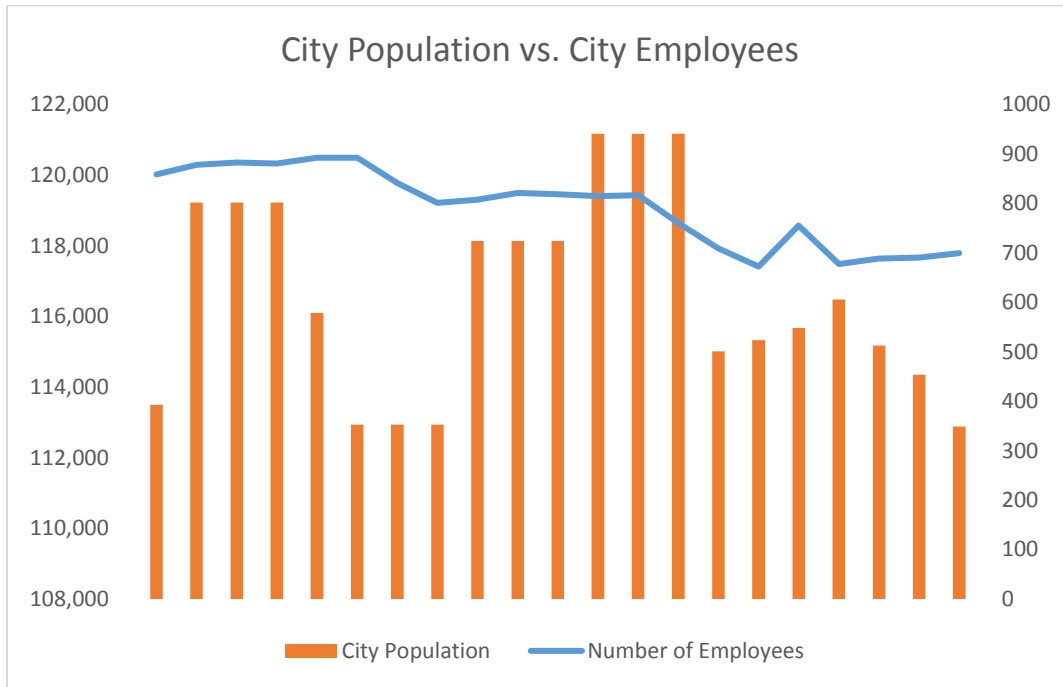
In 2017, the Fire Department collected 67% of its \$643,326 budgeted revenues. During the 2018 budget discussion, various fees for the Fire Department were increased to aid in keeping staff. The amount of new revenue collected to date has been \$150,486 more than 2017. The projected revenues for 2018 anticipates \$195,725 of increased revenue, but still 9% below budgeted amounts.

101 - General Fund	Fiscal Year Totals for 2017			Year To Date 2018			Projected 2018	
	Budget	Actuals	% Budget	Budget	Actuals	% Budget	Projected	% Budget
Fire Prevention	17,800	15,280	85.8%	17,700	18,180	102.7%	19,300	109.0%
Fire Suppression	15,000	11,100	74.0%	15,200	8,400	55.3%	11,200	73.7%
Hazardous Material	437,000	331,440	75.8%	480,200	432,311	90.0%	450,600	93.8%
Permits	6,400	1,985	31.0%	2,500	2,495	99.8%	2,450	98.0%
False Alarms	24,000	4,850	20.2%	15,900	8,550	53.8%	19,200	120.8%
Training Reimbursement	10,800	13,975	129.4%	27,200	3,500	12.9%	5,000	18.4%
Outside Agency Training	35,400	15,616	44.1%	15,700	31,351	199.7%	31,351	199.7%
Outside Agency Rental	5,700	7,550	132.5%	5,800	1,300	22.4%	2,000	34.5%
State Marshall Reimburse	16,200	0	0.0%	16,000	2,310	14.4%	2,500	15.6%
Other	42,000	1,817	4.3%	58,600	22,997	39.2%	35,000	59.7%
HazMat Reimb - Incident	0	3,974	/0	0	6,543	/0	6,500	/0
HazMat Reimb - Equipment	0	0	/0	0	0	/0		/0
Federal Operating Grant	30,276	18,527	/0	30,276	36,738	121.3%	36,738	121.3%
State Grants Operating	0	0	/0	0	0	/0		/0
Non Governmental Grants	2,750	0	/0	0	1,925	/0		/0
TOTAL FIRE	\$643,326	\$426,114	-33.3%	\$685,076	\$576,600	-15.8%	\$621,839	-9.2%

The Department has developed a Request for Proposal for Third Party Billing of EMS calls and non-EMS calls. The Department is seeking a firm that has experience in billing for Medicare, Medicaid, private insurance and individuals. It is estimated that the additional revenues from this type of billing may be \$200,000 annually. This has been built into the revised 2019 budget.

<p>Question 2-3 Report on the last 25-30 years on the City's population versus City employees and the services provided.</p>	<p>Question From Cyr</p>	<p>Answer From Finance</p>
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The following chart shows the City population as bar chart and the number of City employees. Over the last 10 years, while the population has declined, the City has dropped more than 117 positions. When we include this year, with the VSI implemented in the fall of 2017 and the mid-year layoffs this year, we have reduced more than 125 positions in since having 816 employees in 2009.



<p>Question 2-4 Report how many employees could have their salary reduced \$10,000 if they make more than \$100,000, and how many employees could have their salary reduced if they make more than \$70,000.</p>	<p>Question From Jensen</p>	<p>Answer From City Manager</p>
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The following table reflects the number of employees by management, bargaining unit or commissioned management and identifies employees earning under \$70,000, employees making between \$70,000 and \$99,999, and those employees making more than \$100,000.

	Under \$70,000	Between \$70,000 and \$99,999	Over \$100,000	Total
Elected	11		2	13
Management/ Unrepresented	26	29	17	72
AFSCME	91	15	4	110
Crafts and Trades	45	12		67
Police Management (Commissioned)			4	4
Fire Management (Commissioned)			5	5
Police (Commissioned)	49	130	44	223
Fire (Commissioned)	39	91	65	195
Total	261	277	141	679

A \$10,000 pay cut to those 141 employees earning more than \$100,000 would be \$1,410,000, and a \$5,000 pay cut to those 277 employees earning more than \$70,000 would be \$1,385,000, for a total of \$2,795,000. The vast majority of those employees (330, or 78%) are commissioned police and fire employees. This would require a negotiation and likely arbitration with the unions in order to accomplish this request. It is not likely that this would be a successful endeavor. Further, due to pensions being calculated for commissioned police and fire on their last day of pay, a reduction to the police and fire management employees would likely see these individuals retire rather than take a pay cut that would affect their pensions.

There are 31 employees in AFSCME and Crafts and Trades earning more than \$70,000. Since these contracts are up for negotiation this year, this can be a topic of discussion. The 29 unrepresented employees earning more than \$70,000 and the 17 unrepresented employees earning more than \$100,000 are the easiest to cut, and could generate \$317,000 should the Council desire to implement this action.

Question 2-5 Report back on the Chicago Motor Vehicle Registration Ordinance	Question From Akeson	Answer From City Manager
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The Chicago City Clerk is responsible for the administration of the Chicago Wheel Tax Ordinance. On their website (<http://www.chicityclerk.com/city-stickers-parking/about-city-stickers>), they state: “All Chicago residents driving, parking, leasing and/or owning a vehicle for which they are responsible in the City of Chicago are subject to the Chicago Wheel Tax and must purchase a Chicago City Vehicle Sticker. *This includes Chicago residents that maintain their registration outside of the City of Chicago, but use the vehicle in the City.*” [Emphasis Added]

Section 3-56-020 of the Chicago Wheel Tax Ordinance (attached) makes it unlawful in Chicago for any motor vehicle owner residing in the City to operate a vehicle without a license. In this same section, they make clear that “if the owner of a motor vehicle or any other vehicle resides in the City but maintains situs or base for such vehicle located outside the City”, such owner shall be subject to getting a license but is entitled to credit for any vehicle license paid in another municipality.

The Chicago fees, effective February 1, 2018 are as follows:

Chicago Vehicle License Type	Fee
Antique	\$30.99
Senior	\$31.00
Motorcycle, Motorcycle Dealer and Neighborhood Electric Vehicle	\$46.49
Dealer or Manufacturer	\$92.97
Small Passenger	\$87.82
Large Passenger	\$139.48
Small Truck or Other	\$206.63
Large Truck or Other	\$464.92
Charitable	\$0.00
Disability	\$0.00
Disabled, Purple Heart, or POW Veteran	\$0.00
Government	\$0.00
Municipal	\$0.00

While it is clear from their ordinance that they do not require non-residents to obtain a vehicle license, they also do charge commercial vehicles. Should the City Council decide to implement a wheel tax that included commercial vehicles, it would increase the revenues, conservatively another 25% or \$250,000.

Question 2-6	Question From	Answer From
Report on what assets could the City explore selling.	Cyr	Finance

The City could divest itself of assets that produce revenue or are likely to produce revenue:

- City parking decks, or even the entire parking system throughout the City;
- The Township Assessor and Township Supervisor offices;
- The Gateway Building;
- City property such as the Twin Towers office space, the Washington Street maintenance facility, vacant city lots, and other property currently owned by the City.

The Water Company has offered to purchase and assume the liabilities of our combined sewer system. If the Council wanted to explore this option, the City could look at this as an option. Further, the public private partnership model may be utilized for the CSO problem. Several parties have expressed interest in partnering with the City in fixing the CSO issues. This would require the City to give up direct control and oversight and allow another entity to work to potentially to design, build, finance, operate and maintain the sewers for a period of time.