

2020 COVID-19 Budget Revisions

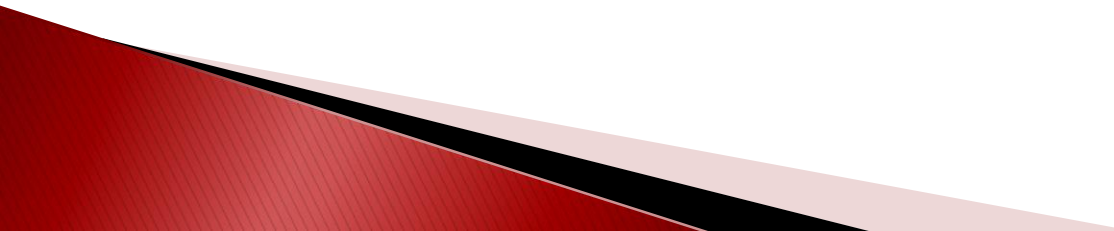
Jeff Fiegenschuh, City Manager

Thank You

- ▶ Mayor & Council
- ▶ Staff



Progression of Events

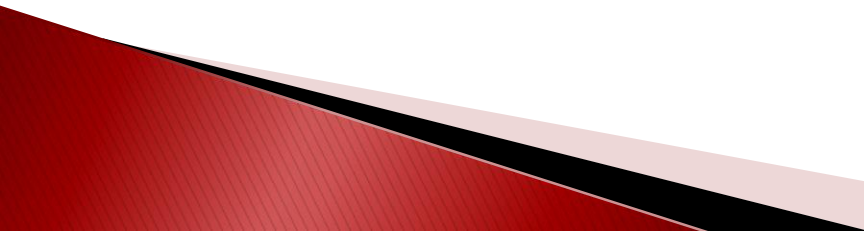
- ▶ Began meetings with Hospital March 2
 - ▶ Staff Meeting March 9th
 - ▶ Irish Hooley Cancellation March 12th
 - ▶ Initial Stay-at-Home Order March 20th
 - ▶ Extended to April 30th
 - ▶ Extended to May 30th with Exceptions
 - ▶ Continue 3x/Week EOC Calls & Weekly Hospital Calls
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COVID-19 Economic Impacts

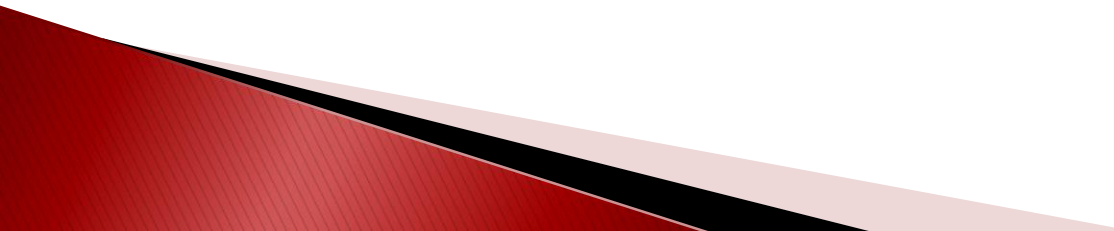
- ▶ Sales Tax
- ▶ Motor Fuel Tax
- ▶ Hotel/Motel Tax
- ▶ Video Gaming Tax
- ▶ Utility Payments

- ▶ Unknowns
 - Local Government Distribution Fund
 - Property Tax Delays
 - Delayed State Receipts
 - Federal Disaster Reimbursement (CARES Act)

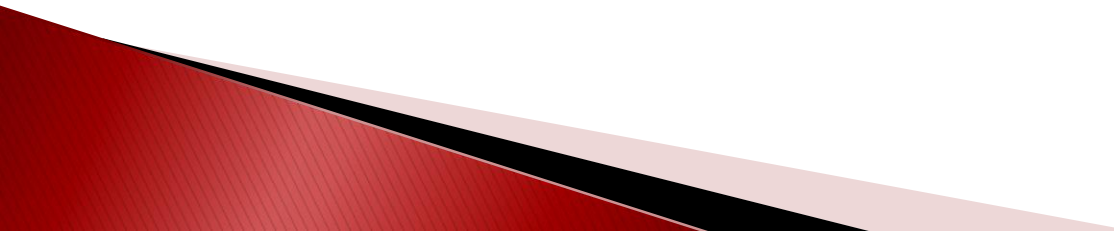
What we've done to help

- ▶ Small Business Assistance Webinars
 - ▶ Expanded Utility Assistance Program
 - ▶ Raised over \$2,000 for the Food Pantry
 - ▶ Hotel/Motel Tax Holiday
 - ▶ Restaurant Gift Card Giveaway
 - ▶ Delayed Utility Shut-Offs
 - ▶ Eliminated Utility Late Fees
 - ▶ Free Wi-Fi in Downtown Parking Lot
 - ▶ Essential Worker Appreciation Signs
 - ▶ Coordinated mask-making for those in need with Rochelle Area Community Foundation
 - ▶ Liquor License Expiration Extension
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Unemployment

- ▶ Economic Policy Institute estimates 16% unemployment by July
 - ▶ Highest unemployment since 1940
 - ▶ In March, over 500,000 unemployment claims in Illinois (more than all of 2019)
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Known Unknowns

- When will those newly unemployed be rehired?
 - When will people return to the roads?
 - When will people resume discretionary spending such as going to restaurants?
 - When will groups be allowed to gather?
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Budget Amendment

- ▶ **General Fund**
 - Projected Revenue Decrease \$1,087,610
 - Projected Expense Decrease \$1,000,381
- ▶ **Utility Fund**
 - Projected Revenue Decrease \$4,790,474
 - Projected Expense Decrease \$2,549,668
- ▶ **Hotel/Motel Fund**
 - Projected Revenue Decrease \$193,700
 - Projected Expense Decrease \$166,989
- ▶ **Airport Fund**
 - Projected Revenue Decrease \$10,000
 - Projected Expense Decrease \$105,675
- ▶ **Railroad Fund**
 - Projected Revenue Decrease Unknown
 - Projected Expense Decrease \$513,600
- ▶ **Golf Course Fund**
 - Projected Revenue Decrease \$28,175
 - Projected Expense Decrease \$35,850

Budget Revisions

City Manager/City Attorney

Item	Fund	% Reduction	\$ Reduction
City Manager/City Attorney Budget	General	13.5%	\$21,650
TOTAL			\$21,650

City Clerk

Item	\$ Reduction
Travel, Training, Conference & Supplies	\$9,910
TOTAL	\$9,910

- ▶ **10% Budget Reduction**

Municipal Building

Item	\$ Reduction
Handicap Entrance Doors	\$44,000
Kitchen	\$10,000
Utilities	\$20,000
LED Sign	\$30,000
Closet Doors in PD	\$2,500
Fireworks Reduction	\$5,000
Carpet Cleaning	\$2,500
Sales Tax Rebate	\$20,000
Transfer to Police Pension	\$20,625
Transfer to Fire Pension	\$20,625
TOTAL	\$175,250

▶ **13% Budget Reduction**

Street & Cemetery Department

Department	Fund	\$ Reduction
Streets & Public Works	General Fund	\$56,500
Streets & Public Works	Capital (General Fund)	\$153,400
Cemetery	General Fund	\$14,900
		\$224,800

- ▶ **10% Budget Reduction**
- ▶ **Capital Reductions Include:**
 - Asphalt repair machine
 - Utility tractor replacement
 - Parkway tree replacements
 - Reduction of sidewalk displacement removals

Engineering Department

Item	\$ Reduction
Part-Time Staff	\$6,000
Building & Vehicle Maintenance	\$1,500
Engineering	\$19,650
Travel & Training	\$1,400
Publications	\$250
Fuel	\$1,100
Community Relations & Misc	\$200
Capital Outlay - Equipment & Furniture	\$3,500
TOTAL	\$33,600

▶ 12% Budget Reduction

Capital Projects

Item	Funding
2 nd Avenue Reconstruction	Bond Proceeds
6 th Street Reconstruction, Municipal Lot, Alley behind Distillery	Bond Proceeds
Mulford Road	Landfill funds, bond proceeds
Seal Coat	Motor Fuel Tax Fund
Storm Sewer Inlet Reconstruction	Bond Proceeds

- ▶ **All other projects funded by utility taxes and non-home rule sales tax will be deferred until next year.**

Community Development

Item	Fund	% Reduction	\$ Reduction
Community Development	General Fund	11.7%	\$59,148
TOTAL			\$59,148

▶ **Reductions include:**

- Re-Branding
- Travel & Training
- Part-Time Summer Staff
- Façade Improvement Program

- ▶ Façade Improvement Program will be re-instated if revenues rebound

Economic Development

Item	Fund	% Reduction	\$ Reduction
Economic Development	General	50%	\$11,000
TOTAL			\$11,000

Fire Department

Item	\$ Reduction
Parking Lot, Doors & Concrete	\$57,750
PT Staff due to Transfer Program	\$200,000
Professional Services	\$40,580
Fuel	\$16,000
Travel	\$9,420
TOTAL	\$323,750

- ▶ **11% Budget Reduction**
- ▶ **City Receiving \$150,000 in CARES Act Funding**

Utilities:

Includes 10% Reduction in Budgeted Residential & Industrial Revenues and 20% Reduction in Commercial Revenues

RMU Customer Service

Item	Fund	% Reduction	\$ Reduction
RMU Customer Service	Utility	10%	\$62,000
TOTAL			\$62,000

▶ **Reductions include:**

- Supervisor salary, Intern, Overtime
- On-site training
- Tuition
- Office supplies
- Advertising
- Furniture & Equipment

Water Department

Item	\$ Reduction
Skid Loader	\$50,000
Water Meters	\$118,000
Maintenance Blanket	\$155,000
Portion of Well 4	\$421,725
TOTAL	\$744,725

- ▶ Represents 10% Budget Reduction
- ▶ Projects are delayed and still included in CIP

Water Reclamation Department

Item	\$ Reduction
Manhole Lining	\$61,800
Meters	\$118,000
Maintenance Blanket	\$133,462
Skid Loader	\$50,000
Rehab Sand Filters	\$500,000
TOTAL	\$863,262

- ▶ Represents 10% Budget Reduction
- ▶ Projects are delayed and still included in CIP

Electric Distribution Department

Item	\$ Reduction
Partial Substation	\$650,000
TOTAL	\$650,000

- ▶ Represents 10% Budget Reduction
- ▶ Projects are delayed and still included in CIP

Electric Generation Department

Item	\$ Reduction
Main Rod Bearings (Partial)	\$235,000
TOTAL	\$235,000

- ▶ Represents 10% Budget Reduction
- ▶ Projects are delayed and still included in CIP

Other Funds:

Golf Course

Item	Fund	% Reduction	\$ Reduction
Staffing, Utilities & Travel	Golf Course	10%	\$35,500
TOTAL			\$35,500

Hotel/Motel Fund

Item	% Reduction	\$ Reduction
Projected Revenue	60%	\$193,700

Item	\$ Reduction
Operating Transfer	10,000
Travel & Conference	1,118
Advertising	12,058
Railroad Park	51,300
Visitors Center	12,100
Community Events	30,413
Capital Projects	50,000
TOTAL	\$166,989

▶ **52% Budget Reduction**

Railroad

Item	Fund	% Reduction	\$ Reduction
Railroad	Utility	16%	\$93,600
Railroad CIP	Utility	100%	\$420,000
TOTAL			\$513,600

- ▶ CIP Reduction represents a delayed land purchase from GREDCO

▶ **78% Budget Reduction**

Airport

Item	\$ Reduction
Salaries	\$5,500
Maintenance	\$3,950
Office	\$625
Fuel	\$26,000
Utilities	\$3,000
Training	\$1,600
Capital Outlay	\$65,000
TOTAL	\$105,675

- ▶ Airport CIP Reductions include vehicle purchase and RV Park
- ▶ Federally funded runway projects will proceed as planned
- ▶ Airport Receiving \$30,000 COVID-19 Grant

Q&A