

GOODWIN ADMINISTRATION FY20 BUDGET RECOMMENDATIONS HIGHLIGHTS

Mayor Goodwin remains committed to her promise to present the Council with a budget proposal that does not fill budget gaps with one-time monies. The proposed budget was created using a blended approach for cost reduction—meaning the administration looked at different areas of the budget to reduce costs, which avoids taking away disproportionate amounts from any one source. The following four areas were the primary areas of focus:

- ***Departmental operation expenses:*** include things like travel, training, dues and subscriptions, materials and supplies, and contracted and professional services
- ***Capital outlay expenses:*** money used to purchase or repair fixed assets, such as equipment and vehicles
- ***City contributions:*** to certain charitable and non-profit organizations
- ***Personal services expenses (including overtime costs):*** include items such as wages, overtime, FICA, health insurance, retirement contributions, and Uniform Service Pensions.

Departmental Operations Expenses

- The proposed budget reduces contracted service costs by \$201,000, travel costs by \$86,000 and dues and subscriptions by \$19,000.
- Because of this year's very mild winter, the Street Department has not needed to make any salt purchases for the FY19 budget. The administration has authorized the Street Department to make salt purchases with current funds so they will have about 7,000 tons of salt on hand in addition to a recommended \$200,000 for any additional supply in the FY20 budget, should the need arise.
- The proposed budget eliminates the \$400,000 expense for residential Trash & Recycling Bag Vouchers. While this proposed reduction eliminates the voucher program for next fiscal year, the administration will work with the Environmental and Recycling Committee to establish fair, needs-based criteria for future bag distribution until the remaining inventory of bags runs out at which time future need will be reevaluated.
- The proposed budget increases funding for building renovation and demolition by \$225,000 (350% increase).
- The proposed budget also increases the City's paving budget by \$1.5M (for a total of \$3M).

Capital Outlay Expenses

- The Administration met with leaders within the Public Works Department, Police Department and Fire Department to understand capital asset replacement cycles and to review maintenance records for the more expensive types of equipment. The proposed budget calls for the purchase of:

- (15) Police Interceptor SUVs
- (2) Police bicycles
- (1) Fire Department Diesel Ambulance
- (1) Fire Department Pumper Truck
- (2) Street Sweepers
- (1) Refuse - Packer Truck
- No reductions have been made for capital assets relating to Police, Public Grounds, Traffic Engineering, Equipment Maintenance, Refuse and Recycling, and Fire.

City Contribution Expenses

- The proposed budget calls for a 20% reduction in organizational contributions, unless legal enactments establish certain mandatory contributions, such as to the Kanawha County Public Library or to the Charleston Convention & Visitors Bureau.

Personal Services Expenses

- The proposed budget reduces the nearly \$3.9 million FY19 budget overtime line item by nearly \$390,000. This will be accomplished by reducing most department overtime amounts by 20%. Police will be reduced by 10%. No reductions will be made to Fire.
- The proposed budget calls for a reduction of 21 positions. Of these, 11 are vacant or will soon be vacant due to retirements or resignations. The other 10 reductions remove positions that have caused redundancies. For example, it is proposed the City Manager's Construction Department merge with the Building Maintenance Department to become the General Services Department.

Efforts for Increased Revenue Collection

- The top priorities regarding revenue collection include identifying businesses that should be registered with the City and paying their share of taxes and fees, collecting on amounts known to be owed to the City, and educating business owners about City taxes and assessments so that owners may better understand the collection processes.
- The Administration is developing a strategic grant administration process. This Administration plans to aggressively seek out grant funding for City operations, while carefully considering and monitoring its matching and administrative responsibilities.