

4 1 BILL NO. R-12-12-20

As Amended

2
3 RESOLUTION NO. R-28-13

4 A RESOLUTION TO INVEST IN NEIGHBORHOOD IMPROVEMENTS.

5 **Whereas**, the City of Fort Wayne has created the City of Fort Wayne
6 Community Trust to invest in projects that will have positive long-term community
7 impacts and the long term best interest of the community, and;

8 **Whereas**, the Community Trust came from a Public Work Utility and
9 infrastructure is a Public Work, and;

10 **Whereas**, strong infrastructure is paramount to the City of Fort Wayne
11 Comprehensive Plan, and;

12 **Whereas**, strong infrastructure maintains or increases property values, and;

13 **Whereas**, strong infrastructure builds up neighborhoods and dilapidating
14 infrastructure weakens neighborhoods, and;

15 **Whereas**, strong neighborhoods are the foundation of a great City, and;

16 **Whereas**, catalytic and transformative change cannot be achieved without
17 public infrastructure;

18 **NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE
19 CITY OF FORT WAYNE, INDIANA:**

20 **SECTION 1.** The City of Fort Wayne Common Council hereby authorizes the
21 Board of Trustees of the City of Fort Wayne Community Trust to distribute funds
22 accordingly:

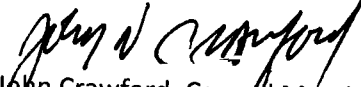
23 **Infrastructure Appropriations: Public Works-** ^{**1,000,000*} **upon receipt of the 2013**
24 **annuity.**

25 This will provide funds for needed neighborhood street repairs and replacements,
26 helping build a stronger community, preserving the attractiveness of Fort Wayne as
27 a wonderful place to live, and provide needed infrastucture.
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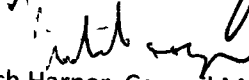
1
2 **SECTION 2.** This Resolution shall be in full force and effect from and after its
3 passage any and all necessary approval by the Mayor.

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Russ Jehl, Council Member

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6 Dr. John Crawford, Council Member

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Mitch Harper, Council Member

8 APPROVED AS TO FORM AND LEGALITY.

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10 Joseph Bonahoom, Council Attorney

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22 *NOTE: Amendment - page 1 -*
23 *Changed dollar amount to \$1,000,000.*

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25 *Passed by all 9 members.*

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51K

Add 1. to the agenda of 3/5/13.

BILL NO. R-12-12-20

As Amended

~~Handwritten scribbles~~

REPORT OF THE COMMITTEE ON FINANCE

JANUARY 8, 2013

- CHAIR
- CO-CHAIR
ALL COUNCIL MEMBERS

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS REFERRED A RESOLUTION APROVING TO INVEST IN NEIGHBORHOOD IMPROVEMENTS. COMMITTEE OF FINANCE HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE

DO PASS

DO NOT PASS

ABSTAIN

NO REC

all (9) members

SANDRA E. KENNEDY
CITY CLERK

Read the first time in full and on motion by *Thomas Court* and duly adopted, read the second time by title and referred to the Committee on *Finance* (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at Room 030 Council Discussion Garden Level - Citizens Square, Fort Wayne, Indiana, on the *12th* day of *March*, 2012, at *10* o'clock the *13th* M.E.S.T.

DATED: *12-11-12*

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by placed on its passage. (PASSED) by the following vote:

LOST and duly adopted,

	AYES	NAYS	ABSTAINED	ABSENT
TOTAL VOTES	<i>9</i>			
BENDER	<i>✓</i>			
CRAWFORD	<i>✓</i>			
DIDIER	<i>✓</i>			
HARPER	<i>✓</i>			
HINES	<i>✓</i>			
JEHL	<i>✓</i>			
PADDOCK	<i>✓</i>			
SHOAFF	<i>✓</i>			
SMITH	<i>✓</i>			

DATED: *12-18-12*

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL) (SPECIAL) (ZONING) ORDINANCE (RESOLUTION) NO. *R-28-13* on the *12th* day of *March*, 2012.

ATTEST:
Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK


SEAL
[Signature]
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the *13th* day of *March*, 2012, at the hour of *2:30* o'clock *PM.* M.E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this *14* day of *MARCH* 2012, at the hour of *9:00* o'clock *AM.* M.E.S.T.


Thomas C. Henry
THOMAS C. HENRY, MAYOR



City of Fort Wayne

Fiscal Policy Project

March 12, 2013



State of the City

Mayor Henry

“City government finances are changing, and they’re becoming more and more challenging.”

“In Fort Wayne, though—through strong fiscal management, leadership and bi-partisan efforts, we’ve been able to weather the storm.”

City of Fort Wayne Fiscal Policy Project | March 2013 2

Approach to Challenges

City government finances have changed.



Community Fiscal Priorities Survey

- 68% of respondents believe the City is headed in the right direction
- Respondents are happy with the services they receive
- There are few, if any, services that a large percentage of respondents would like to see the City stop providing
- Respondents have concerns about new taxes

Approach to Challenges

City government finances have changed.



In 2012, Mayor Tom Henry created the Fiscal Policy Group

Fort Wayne first city in Indiana to assemble a team of local and state experts, members of City Council, and the private sector to develop a framework of strategies.

Approach to Challenges

Guiding Principles



- No reduction of services provided to taxpayers
- Without a reduction in services, there should be no employee layoffs
- Maintain adequate cash reserve
- Determine annual funding source for capital improvement expenditures
- Determine method of paying for backlog of streets and roads

Challenges

City government finances have changed.



Continued tax cap constraints on our budget, we've had to utilize our savings account to fund essential services

Since 2009, the City has lost \$53 million in revenue due to the passage of property tax caps legislation

In 2013 alone, City lost \$14.6 million in revenue or 11% annual operating revenue

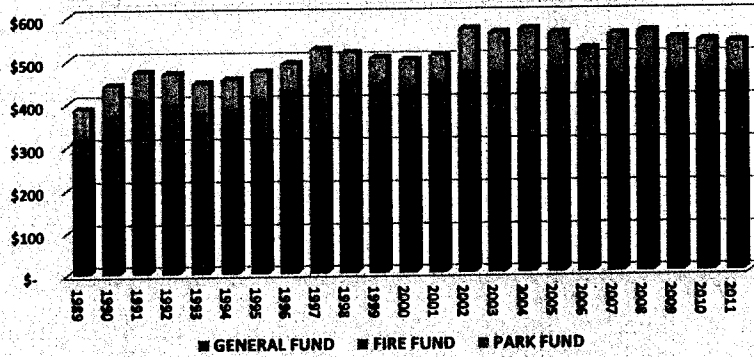
Property Tax Caps



Year	Approved Certified Levy	Effect of Circuit Breaker	Actual Levy to be Collected
2007	\$ 99.4	-	\$ 99.4
2008	\$ 99.4	-	\$ 99.4
2009	\$ 99.5	\$ 1.9	\$ 97.6
2010	\$ 103.3	\$ 9.3	\$ 94.0
2011	\$ 106.0	\$ 13.1	\$ 92.9
2012	\$ 106.0	\$ 13.6	\$ 92.4
2013	\$ 106.0	\$ 15.0	\$ 91.0

Since 2009, Property Tax Relief to Taxpayers = \$ 52.9 million

CITY OF FORT WAYNE GENERAL, FIRE AND PARK FUNDS ANNUAL EXPENDITURES PER CAPITA EXPRESSED IN 2011 DOLLARS



Challenges

City government finances have changed.



Expected cash shortfall (not including capital projects) to be \$11.2 million by December 31, 2014

Annual capital improvements estimated to be \$3 million for Parks and \$12 million for infrastructure for a total of \$15 million—no funding source for past 2 decades

Response to Mayor

What is your commitment?



Fiscal Policy Group developed a framework that has been presented to the Mayor

The alternative is not the status quo

Framework of Ideas



Maintain a cash reserve equal to 7% of operating revenue or \$10.7 million for 2014

Determine method of paying for backlog of streets and roads classified as "poor" or "very poor"

Determine annual funding source of capital improvement expenditures expected to be \$15 million

Reduce operating expenses by \$5.0 million

Framework of Ideas (cont.)



Explore annexations

Allocate \$1 million annually for 5 years from Legacy to be used for streets and road improvements

Annually increase levy by State calculated growth quotient

Recapture "banked levy" of \$1 million annually over the next 6 years

Adopt the Cumulative Capital Development Fund

Use CEDIT to fund backlog of streets and roads classified as "poor" or "very poor"

Framework of Ideas (cont.)



Adopt Local Option Income Taxes

- .25% with property tax relief
- .25% for public safety

Northeast Indiana 2012
LOIT Rate Comparison
by County

Adams	1.124%
Allen	1.000%
DeKalb	1.500%
Huntington	1.750%
Lagrange	1.400%
Noble	1.500%
Steuben	1.790%
Wabash	2.900%
Wells	2.100%
Whitley	1.233%


Format of Rollout



TODAY	Discuss reduction of the City budget by \$5.0 million
NEXT WEEK	Discussion of income taxes
MARCH 26	Discussion of all other options identified in framework
APRIL/MAY	Public input
JUNE	Legislative changes

Framework of ideas

2014 Property Tax Cost Reductions




	Cost Savings (in thousands)
*Removal of the fire protection fees from the property tax budget and added to the City Utility bill	\$ 3,500
Incorporate spousal coordination of benefits	2,000
Change in sick pay policy and purchase of short-term disability policy	850

*decision will be required by May

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Framework of ideas

2014 Budget - Public Safety




	Net Cost (in thousands)
Add Police class of 20 new recruits	\$ (1,450)
Reduction and payout of Police compensatory time	(100)
Add Fire class of 15 new recruits	(1,050)
Reduction of Fire overtime	1,200
Change in retiree benefits for new public safety recruits	-

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Framework of ideas

2014 Additional Revenues




Revenue
(in thousands)

Adoption of Property Tax Relief LOIT @ .25%	
Homestead Distribution (1%)	\$ 3,700
Qualified Distribution (2%)	4,100
Uniform Distribution (3%)	4,900
Adoption of Public Safety LOIT @ .25%	11,000

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Framework of ideas

2014 Additional Revenues (cont.)



Revenue
(in thousands)

Adoption of Cumulative Capital Development Fund	\$ 1,100
Recapture portion of "banked levy" over next 6 years	1,000
Allocate Legacy funds annually for 5 years to be used for streets and road improvements	1,000

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Summary



The City is committed to implementing fiscal strategies that will allow the City of Fort Wayne to remain strong throughout the financial challenges of 2014 and beyond.

- No reduction of services provided to taxpayers
- No employee layoffs

Questions?

