

## Memorandum



**To:** Honorable Mayor and Members of the City Council

**From:** Henry Holling, Interim City Manager

**Date:** November 7, 2008

**Re:** Updated Budget Proposal

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Enclosed with this memorandum is an updated proposal for the FY2009 budget. As you will see, tremendous progress has been made in presenting a balanced budget. Since early this summer, when preliminary budget discussions began, the Council and administration have collaborated on a new and different approach to the City's budget. Three principals were laid out: better alignment with Council goals, better engagement of citizens, and a process that was more transparent and easier to understand.

Under your leadership, this budget process has begun to reflect these principals. In order to better align the budget with Council goals, the administration delivered a budget that fit within the framework of a "maintenance budget" that neither raised taxes nor cut services. Furthermore, Council and staff partnered to review existing projects in an attempt to free money for crucial needs. Citizens became more involved and informed through budget open houses, a questionnaire soliciting priorities, and a website that created access to information. In an effort to be more transparent, staff worked to present the budget in terms that everyone could understand. In addition to discussing the budget in terms of the core functions of government, CIP requests were revamped to be more specific and clear. The result has been an end product that is neither the "administration's budget" nor the "Council's budget," but Peoria's budget.

One of the first key moments of this new process was the delivery of a preliminary budget. On October 7 the City's administrative team presented the Mayor and City Council with a preliminary FY2009 budget that totaled \$174,450,764. Given estimated available funding at \$172,267,601, the result was a *preliminary* budget deficit of \$2,183,163. This gap was compounded by certain budget exceptions that are mandated by agreements or the rise in commodity costs.

City staff, guided by Council's direction, has been working to identify a number of areas for potential cost savings. We are pleased to share with you a plan to basically eliminate the *preliminary* deficit; our current budget calculations show a modest deficit of \$117,771 (representing .07% of the entire budget amount). Of particular note, this figure includes all budget exceptions and additions.

This "closing of the gap" has been accomplished through tremendous teamwork. Staff was challenged to review their own budgets to determine which items could be eliminated or postponed, where savings could be realized and how work could be done more efficiently. The result – nearly \$3 million in reductions – still maintains an excellent level of service to our citizens.

The budget gap has been reduced through the following actions:

- A review of operating budgets to determine positions that can be eliminated or go unfilled;
- A second look at existing CIP projects to find funds that could be made available;
- Reconsideration of proposed CIP projects; and,
- Recalculation of the health care costs based on new information.

In this packet, we have included a summary of the budget reductions and additions; a brief narrative on each item; and an overview of the new FY2009 budget according to core function of government.

In discussions this past week with various members of the City Council, two particular issues arose. The first was concern that there might be a potential budget increase if Council chose to include curbside recycling in the residential waste hauling contract. The existing contract with Waste Management does not expire until the end of 2009. However, a policy discussion will be held in early 2009 so that Council can decide which services, including recycling, will be included in the upcoming bid for residential waste hauling. While there are many variables (number of houses, frequency, type of bin) to consider, Public Works staff estimates that including recycling within the contract might cost to the City by an extra \$1.1 to \$1.6 million per year. Any decision will impact the FY2010 budget.

The second issue involved the sidewalk participation program. Members of the Council correctly pointed out that this program was extremely popular with citizens. More importantly, providing only half the normal funding for this program was not consistent with the stated goal of maintaining services to citizens. The new proposed budget restores full funding for the sidewalk participation program.

We note that the steps taken to present a balanced budget for FY2009 are a “one time fix” rather than a permanent solution. While reductions in operating and benefits costs will save money year over year, savings in the CIP portion of the budget will not. CIP reductions were either the release of funds from existing projects or the delay of necessary projects until a future date. We also know that 2010 will present its own set of challenges. We continue to forecast more capital needs in the future than we have identified funding, and a growth in expenditures that is outpacing the growth in revenues. The Finance Department will continue to closely monitor revenue receipts, and provide routine updates to Council.

A review of newspapers and industry magazines shows that many, if not most municipalities are struggling in this economy. Cities are slashing payrolls, delaying significant projects and reducing services. Prior decisions made by the Mayor and City Council have put Peoria in the position of being able to offer the same level of service to citizens without raising taxes. While the staff has worked hard to reduce our budget deficit, that hard work is a result of your leadership and embrace of a new approach to the City’s budget. We look forward to our continued partnership and the adoption of a final balanced budget.

## Closing the Budget Gap

### Reductions

| Core Function                 | Item  | Operating          | CIP                  | Benefits           |
|-------------------------------|---|--------------------|----------------------|--------------------|
| Public Safety                 | Reduction in Electronic Shop budget (ECC)                   | (\$40,000)         |                      |                    |
|                               | Withdraw request for bomb suits (PPD)                       |                    | (\$48,000)           |                    |
|                               | Adjustment to Fire Fleet Recapitalization (PFD)             |                    | (\$366,000)          |                    |
|                               | Reduce request for Body Armor (PPD)                         |                    | (\$5,000)            |                    |
| Economy                       | Shift of responsibility for business retention efforts (ED) | (\$15,000)         |                      |                    |
|                               | Reduction in request for research funds (ED)                | (\$10,000)         |                      |                    |
| Neighborhoods                 | Reduce balance in Neighborhood Signs project (PGM)          |                    | (\$68,662)           |                    |
| Infrastructure                | Adjustment to existing building repair project (PW)         |                    | (\$200,000)          |                    |
|                               | Adjustment to existing parking deck repair project (PW)     |                    | (\$300,000)          |                    |
|                               | Adjustment to existing Keller Branch project (PW)           |                    | (\$111,000)          |                    |
|                               | Reduction in Fleet Recapitalization Request (PW)            |                    | (\$377,000)          |                    |
|                               | Reduce project for Police HQ improvements (PPD, PW)         |                    | (\$25,000)           |                    |
|                               | Reduction of 1 FTE - Jr. Mechanic (PW)                      | (\$51,490)         |                      | (\$10,998)         |
|                               | Adjustment to FY2009 Special Assessments request (PW)       |                    | (\$110,000)          |                    |
| Stewardship                   | Reduction of 1 FTE - 6 Sigma Black Belt (CMO)               | (\$65,000)         |                      | (\$13,756)         |
| Other                         | Reduction in health care costs                              |                    |                      | (\$964,625)        |
|                               | Reallocation of previous unrestricted CIP funds             |                    | (\$377,549)          |                    |
| <b>Subtotal of Reductions</b> |   | <b>(\$181,490)</b> | <b>(\$1,988,211)</b> | <b>(\$989,379)</b> |

### Budget Exceptions and Additions

| Core Function                | Item  | Operating        | CIP              | Benefits   |
|------------------------------|---|------------------|------------------|------------|
| Public Safety                | Police PEHP Plan                                  | \$165,175        |                  |            |
|                              | Community Messaging System                        | \$9,550          |                  |            |
| Infrastructure               | Road Salt Increase                                | \$197,444        |                  |            |
|                              | AVL Annual Phone Service                          | \$15,000         |                  |            |
|                              | Restore funding to Sidewalk Participation program |                  | \$240,000        |            |
|                              | Hollyhedges/Devereaux Streambank Stabilization    |                  | \$318,900        |            |
|                              | Building Security System Maintenance Agreement    | \$40,000         |                  |            |
|                              | Fire and Police Commission Exam Materials         | \$95,619         |                  |            |
| Stewardship                  | Mayor/Council Compensation                        | \$7,000          |                  |            |
| Land Use                     | 2010 Census                                       | \$5,000          |                  |            |
| <b>Subtotal of Additions</b> |   | <b>\$534,788</b> | <b>\$558,900</b> | <b>\$0</b> |

### Total

| Area                      | Proposed              | Changes              | New                   |
|---------------------------|-----------------------|----------------------|-----------------------|
| Operating                 | \$ 87,595,320         | \$353,298            | \$ 87,948,618         |
| CIP                       | \$ 21,884,973         | (\$1,429,311)        | \$ 20,455,662         |
| Benefits                  | \$ 41,562,026         | (\$989,379)          | \$ 40,572,647         |
| Debt Service              | \$ 18,738,827         | \$0                  | \$ 18,738,827         |
| Support to Other Agencies | \$ 4,669,618          | \$0                  | \$ 4,669,618          |
| <b>Total</b>              | <b>\$ 174,450,764</b> | <b>(\$2,065,392)</b> | <b>\$ 172,385,372</b> |
| <b>Available Funds</b>    | <b>\$ 172,267,601</b> |                      | <b>\$ 172,267,601</b> |
| <b>Gap</b>                | <b>\$ (2,183,163)</b> |                      | <b>\$ (117,771)</b>   |

11/7/2008

## Closing the Gap – Narrative Explanation

### Budget Reductions:

- **Electronic Shop (-\$40,000):** As approved by the City Council on October 28, 2008, 1 FTE in the Electronic Shop will be replaced (through attrition) by a third-party vendor. While savings are shown in the Operating budget, some of these savings will likely be in the Benefits budget.
- **Bomb suits (-\$48,000):** The Police Chief will seek to purchase these items through Asset Forfeiture funds.
- **Fire Fleet Recapitalization (-\$366,000):** The original request of \$1.5M would have bought two pumpers and one aerial ladder truck. New request will purchase three pumpers and delay ladder truck for one year.
- **Body armor (-\$5,000):** The Police Chief will seek to purchase these items through Asset Forfeiture funds.
- **Business retention (-\$15,000):** Economic Development will shift the primary responsibility for business retention visits to the Economic Development Council contract.
- **Research (-\$10,000):** Economic Development will streamline its research budget line item.
- **Neighborhood Signs (-\$68,662):** The Neighborhood Sign program has been overfunded and underutilized. A sufficient amount will remain in the project to address needs in the coming year.
- **Building repair, parking deck, and Keller Branch (-\$611,000 combined):** The funds in these existing CIP accounts will be reduced.
- **Fleet Recapitalization (-\$377,000):** The initial request for the purchase of 2 backhoes was improperly calculated. \$320,000 will purchase 4 backhoes, but only 2 were requested. Further, staff is now recommending only one be purchased (-\$240,000 total). Also, one less dump truck will be purchased (-\$137,000).
- **Police HQ improvements (-\$25,000):** The parking lot repair portion of this CIP project will be delayed for at least one year.
- **Junior Mechanic (-\$62,488):** Fleet Management will postpone filling this position for one year.
- **Special Assessment (-\$110,000):** Staff had originally recommended \$600,000, but a total of \$490,000 will allow Public Works to complete 6 of 7 outstanding projects. The additional \$110,000 would not be enough to complete the 7<sup>th</sup> project.
- **6 Sigma (-\$78,756):** One of the two FTE positions allocated for 6 Sigma will be eliminated.
- **Previous unrestricted CIP funds (-\$377,549):** This money was made available by the City Council at its October 14, 2008 meeting.
- **Health care (-\$964,625):** Based on projections from Human Resources, Finance and the City's health care consultant, staff believes the health care budget can be reduced by \$964,625 from the preliminary budget. These final numbers have not yet been brought before the health care committee and may change to some degree.

### Budget Exceptions and Additions:

- **Police PEHP Plan (+\$165,175):** Mandated by collective bargaining agreement.
- **Community Messaging System (+9,550):** This amount will be reimbursed by Peoria County.
- **Road salt (\$197,444):** Reflects projected increase in cost.
- **AVL Phone Service (\$15,000):** Switch funding source from CIP to operating budget.
- **Sidewalk Participation (+\$240,000):** Restores full funding levels to this program.
- **Hollyhedges/Devereaux Streambank Stabilization (+\$391,900):** Adding this amount the CIP budget will allow Public Works to complete needed work on this project. See staff report distributed on October 31, 2008.
- **Fire and Police Commission (+\$95,619):** Mandated by collective bargaining agreement.
- **Building Security (\$40,000):** Consolidation and upgrade to provide system support.
- **Mayor/Council Compensation (\$7000):** As decided at the November 3, 2008 special City Council meeting, the car allowance for the Mayor and Council will be increased.
- **2010 Census (\$5,000):** Work in support of upcoming census efforts.

## Updated Budget By Core Function

| Core Functions        | Preliminary Proposal | Updated Proposal     | Difference           | Updated Proposal % of Total |
|-----------------------|----------------------|----------------------|----------------------|-----------------------------|
| <b>Public Safety</b>  |                      |                      |                      |                             |
| Operating             | \$47,186,784         | \$47,321,509         | \$134,725            |                             |
| CIP                   | \$2,559,600          | \$2,140,600          | (\$419,000)          |                             |
| <b>Subtotal</b>       | <b>\$49,746,384</b>  | <b>\$49,462,109</b>  | <b>(\$284,275)</b>   | 28.7%                       |
| <b>Infrastructure</b> |                      |                      |                      |                             |
| Operating             | \$21,607,727         | \$21,808,681         | \$200,954            |                             |
| CIP                   | \$16,616,167         | \$16,052,067         | (\$564,100)          |                             |
| Debt                  | \$10,419,393         | \$10,419,393         | \$0                  |                             |
| <b>Subtotal</b>       | <b>\$48,643,287</b>  | <b>\$48,280,141</b>  | <b>(\$363,146)</b>   | 28.0%                       |
| <b>Neighborhoods</b>  |                      |                      |                      |                             |
| Operating             | \$9,365,508          | \$9,365,508          | \$0                  |                             |
| CIP                   | \$2,067,706          | \$1,999,044          | (\$68,662)           |                             |
| Debt                  | \$1,871,417          | \$1,871,417          | \$0                  |                             |
| <b>Subtotal</b>       | <b>\$13,304,631</b>  | <b>\$13,235,969</b>  | <b>(\$68,662)</b>    | 7.7%                        |
| <b>Economy</b>        |                      |                      |                      |                             |
| Operating             | \$725,660            | \$700,660            | (\$25,000)           |                             |
| CIP                   | \$236,500            | \$236,500            | \$0                  |                             |
| Debt                  | \$6,448,017          | \$6,448,017          | \$0                  |                             |
| Support               | \$4,108,147          | \$4,108,147          | \$0                  |                             |
| <b>Subtotal</b>       | <b>\$11,518,324</b>  | <b>\$11,493,324</b>  | <b>(\$25,000)</b>    | 6.7%                        |
| <b>Land Use</b>       |                      |                      |                      |                             |
| Operating             | \$985,290            | \$990,290            | \$5,000              |                             |
| Support               | \$285,471            | \$285,471            | \$0                  |                             |
| <b>Subtotal</b>       | <b>\$1,270,761</b>   | <b>\$1,275,761</b>   | <b>\$5,000</b>       | 0.7%                        |
| <b>Stewardship</b>    |                      |                      |                      |                             |
| Operating             | \$7,724,351          | \$7,761,970          | \$37,619             |                             |
| CIP                   | \$405,000            | \$405,000            | \$0                  |                             |
| Support               | \$276,000            | \$276,000            | \$0                  |                             |
| <b>Subtotal</b>       | <b>\$8,405,351</b>   | <b>\$8,442,970</b>   | <b>\$37,619</b>      | 4.9%                        |
| <b>Other</b>          |                      |                      |                      |                             |
| Benefits              | \$41,562,026         | \$40,572,647         | (\$989,379)          |                             |
| CIP                   | \$0                  | -\$377,549           | (\$377,549)          |                             |
| <b>Subtotal</b>       | <b>\$41,562,026</b>  | <b>\$40,195,098</b>  | <b>(\$1,366,928)</b> | 23.3%                       |
| <b>Total</b>          | <b>\$174,450,764</b> | <b>\$172,385,372</b> | <b>-\$2,065,392</b>  | 100.0%                      |

## Proposed FY2009 Budget (Updated 11/7/08)

| Item   | 10/14/08<br>Proposal | Change             | 11/7/08<br>Proposal | Core Function  |
|--|----------------------|--------------------|---------------------|----------------|
| <b><u>Operating Budget</u></b>                 |                      |                    |                     |                |
| Police   | \$24,617,526         | \$165,175          | \$24,782,701        | Public Safety  |
| Fire   | \$17,907,175         | \$0                | \$17,907,175        | Public Safety  |
| Emergency Communications                       | \$2,653,678          | (\$30,450)         | \$2,623,228         | Public Safety  |
| Inspections (Building Inspections)             | \$986,538            | \$0                | \$986,538           | Public Safety  |
| Inspections (Animal Control)                   | \$1,021,867          | \$0                | \$1,021,867         | Public Safety  |
| Public Works                                   | \$21,607,727         | \$200,954          | \$21,808,681        | Infrastructure |
| Planning and Growth (Neighborhoods)            | \$604,419            | \$0                | \$604,419           | Neighborhoods  |
| Inspections (Code Enforcement)                 | \$2,029,948          | \$0                | \$2,029,948         | Neighborhoods  |
| Library  | \$6,639,253          | \$0                | \$6,639,253         | Neighborhoods  |
| Municipal Band                                 | \$91,888             | \$0                | \$91,888            | Neighborhoods  |
| Economic Development                           | \$591,857            | (\$25,000)         | \$566,857           | Economy        |
| Equal Opportunity                              | \$133,803            | \$0                | \$133,803           | Economy        |
| Planning and Growth (Planning)                 | \$985,290            | \$5,000            | \$990,290           | Land Use       |
| Mayor/Council Office                           | \$300,780            | \$7,000            | \$307,780           | Stewardship    |
| City Manager                                   | \$591,456            | (\$65,000)         | \$526,456           | Stewardship    |
| City Clerk                                     | \$360,776            | \$0                | \$360,776           | Stewardship    |
| Finance  | \$1,366,662          | \$0                | \$1,366,662         | Stewardship    |
| Treasurer                                      | \$362,296            | \$0                | \$362,296           | Stewardship    |
| Human Resources                                | \$1,493,606          | \$95,619           | \$1,589,225         | Stewardship    |
| Information Systems                            | \$1,927,814          | \$0                | \$1,927,814         | Stewardship    |
| Legal  | \$913,739            | \$0                | \$913,739           | Stewardship    |
| Commissions                                    | \$407,222            | \$0                | \$407,222           | Stewardship    |
| <b>Operating Subtotal</b>                      | <b>\$87,595,320</b>  | <b>\$353,298</b>   | <b>\$87,948,618</b> |                |
| <b>Benefits Budget</b>                         | <b>\$41,562,026</b>  | <b>(\$989,379)</b> | <b>\$40,572,647</b> | Benefits       |
| <b><u>Support to Other Agencies Budget</u></b> |                      |                    |                     |                |
| Land Use - Support to Other Agencies           | \$285,471            | \$0                | \$285,471           | Land Use       |
| Economy - Support to Other Agencies            | \$4,108,147          | \$0                | \$4,108,147         | Economy        |
| Stewardship - Support to Other Agencies        | \$276,000            | \$0                | \$276,000           | Stewardship    |
| <b>Support to Other Agencies Subtotal</b>      | <b>\$4,669,618</b>   | <b>\$0</b>         | <b>\$4,669,618</b>  |                |

## Proposed FY2009 Budget (Updated 11/7/08)

| Item                                       | 10/14/08<br>Proposal | Change     | 11/7/08<br>Proposal | Core Function  |
|--|----------------------|------------|---------------------|----------------|
| <b><u>Debt Service Budget</u></b>          |                      |            |                     |                |
| 2001A GO Bond                              | \$340,683            | \$0        | \$340,683           | Infrastructure |
| 2001B GO Bond                              | \$20,201             | \$0        | \$20,201            | Infrastructure |
| 2001B GO Bond                              | \$478,068            | \$0        | \$478,068           | Infrastructure |
| 2001C GO Bond                              | \$157,585            | \$0        | \$157,585           | Infrastructure |
| 2001C GO Bond                              | \$41,366             | \$0        | \$41,366            | Infrastructure |
| 2001C GO Bond                              | \$47,275             | \$0        | \$47,275            | Infrastructure |
| 2001D GO Bond                              | \$205,290            | \$0        | \$205,290           | Infrastructure |
| 2002B GO Bond                              | \$262,389            | \$0        | \$262,389           | Infrastructure |
| 2003A GO Bond                              | \$318,980            | \$0        | \$318,980           | Infrastructure |
| 2003B GO Bond                              | \$1,053,200          | \$0        | \$1,053,200         | Infrastructure |
| 2004 A Downtown Parking Redevelopment Bond | \$618,750            | \$0        | \$618,750           | Infrastructure |
| 2004 B GO Bond                             | \$176,356            | \$0        | \$176,356           | Infrastructure |
| 2004 B GO Bond                             | \$224,453            | \$0        | \$224,453           | Infrastructure |
| 2004 C GO Bond                             | \$1,270,450          | \$0        | \$1,270,450         | Infrastructure |
| 2005 B GO Bond                             | \$553,320            | \$0        | \$553,320           | Infrastructure |
| 2005 B GO Bond                             | \$179,075            | \$0        | \$179,075           | Infrastructure |
| 2005 B GO Bond                             | \$278,450            | \$0        | \$278,450           | Infrastructure |
| 2005 B GO Bond                             | \$1,420,550          | \$0        | \$1,420,550         | Infrastructure |
| 2006 Special Assessment Bonds              | \$279,370            | \$0        | \$279,370           | Infrastructure |
| 2007 A GO Bond                             | \$1,110,431          | \$0        | \$1,110,431         | Infrastructure |
| 2007 A GO Bond                             | \$350,663            | \$0        | \$350,663           | Infrastructure |
| 2007 Special Assessment Bonds              | \$168,415            | \$0        | \$168,415           | Infrastructure |
| IEPA Sewer Loan                            | \$14,733             | \$0        | \$14,733            | Infrastructure |
| Other                                      | \$75,440             | \$0        | \$75,440            | Infrastructure |
| Southtown School District 150 Obligation   | \$236,000            | \$0        | \$236,000           | Infrastructure |
| WeaverRidge Special Service Area Tax Bond  | \$537,900            | \$0        | \$537,900           | Infrastructure |
| 2008 A GO Library Bond                     | \$1,871,417          | \$0        | \$1,871,417         | Neighborhoods  |
| 1998C GO Bond                              | \$81,915             | \$0        | \$81,915            | Economy        |
| 1998D GO Bond                              | \$281,520            | \$0        | \$281,520           | Economy        |
| 2001B GO Bond                              | \$325,955            | \$0        | \$325,955           | Economy        |
| 2001B GO Bond                              | \$294,226            | \$0        | \$294,226           | Economy        |
| 2001C GO Bond                              | \$101,534            | \$0        | \$101,534           | Economy        |
| 2001D GO Bond                              | \$138,739            | \$0        | \$138,739           | Economy        |
| 2002A GO Bond                              | \$259,890            | \$0        | \$259,890           | Economy        |
| 2005 A GO Bond                             | \$3,041,888          | \$0        | \$3,041,888         | Economy        |
| 2005 B GO Bond                             | \$1,132,250          | \$0        | \$1,132,250         | Economy        |
| 2005 B GO Bond                             | \$130,000            | \$0        | \$130,000           | Economy        |
| 2005 B GO Bond                             | \$321,100            | \$0        | \$321,100           | Economy        |
| Other                                      | \$91,680             | \$0        | \$91,680            | Economy        |
| PMP Fermentation Loan                      | \$247,320            | \$0        | \$247,320           | Economy        |
| <b>Debt Service Subtotal</b>               | <b>\$18,738,827</b>  | <b>\$0</b> | <b>\$18,738,827</b> |                |

## Proposed FY2009 Budget (Updated 11/7/08)

| Item  | 10/14/08<br>Proposal | Change      | 11/7/08<br>Proposal | Core Function  |
|---|----------------------|-------------|---------------------|----------------|
| <b><u>Community Investment Plan Budget</u></b>      |                      |             |                     |                |
| Alley Light Program                                 | \$25,000             | \$0         | \$25,000            | Public Safety  |
| Body Armor Replacement                              | \$5,000              | (\$5,000)   | \$0                 | Public Safety  |
| Fire Department Operational Equipment               | \$25,000             | \$0         | \$25,000            | Public Safety  |
| Fire Fleet Replacement                              | \$1,500,000          | (\$366,000) | \$1,134,000         | Public Safety  |
| Enhanced Riverfront/Downtown Public Safety          | \$10,000             | \$0         | \$10,000            | Public Safety  |
| Bomb Squad Armored Suits                            | \$48,000             | (\$48,000)  | \$0                 | Public Safety  |
| Fleet Recapitalization (Police, PAWS)               | \$454,600            | \$0         | \$454,600           | Public Safety  |
| Outdoor Warning System                              | \$37,000             | \$0         | \$37,000            | Public Safety  |
| Police Technology                                   | \$200,000            | \$0         | \$200,000           | Public Safety  |
| Radios  | \$100,000            | \$0         | \$100,000           | Public Safety  |
| Self Contained Breathing Apparatus (SCBA)           | \$30,000             | \$0         | \$30,000            | Public Safety  |
| Self Contained Breathing Apparatus (SCBA) Harness   | \$55,000             | \$0         | \$55,000            | Public Safety  |
| Squad Car Emergency Equipment                       | \$40,000             | \$0         | \$40,000            | Public Safety  |
| Stand-By Emergency Generators                       | \$30,000             | \$0         | \$30,000            | Public Safety  |
| Arterial Street Overlay (Local MFT)                 | \$224,750            | \$0         | \$224,750           | Infrastructure |
| Arterial Street Overlay (State MFT)                 | \$815,250            | \$0         | \$815,250           | Infrastructure |
| Bridge Structure Repair Program                     | \$25,000             | \$0         | \$25,000            | Infrastructure |
| CBD Streetscape Program                             | \$55,000             | \$0         | \$55,000            | Infrastructure |
| Combined Sewer Overflow Long Term Control Plan      | \$800,000            | \$0         | \$800,000           | Infrastructure |
| Dr. Martin Luther King, Jr. Drive (Local MFT)       | \$200,000            | \$0         | \$200,000           | Infrastructure |
| Drainage Improvements                               | \$160,000            | \$0         | \$160,000           | Infrastructure |
| Fire Station 16 Upgrades                            | \$133,000            | \$0         | \$133,000           | Infrastructure |
| Fire Station 4 Upgrades                             | \$46,000             | \$0         | \$46,000            | Infrastructure |
| Fire Station Relocation/Refurbishment               | \$16,995             | \$0         | \$16,995            | Infrastructure |
| Fire Training Academy                               | \$50,000             | \$0         | \$50,000            | Infrastructure |
| Fleet Recapitalization (PW)                         | \$2,115,400          | (\$377,000) | \$1,738,400         | Infrastructure |
| Geographic Information System (GIS)                 | \$99,000             | \$0         | \$99,000            | Infrastructure |
| GPSD Capital Sewer Maintenance                      | \$721,000            | \$0         | \$721,000           | Infrastructure |
| Growth Management                                   | \$250,000            | \$0         | \$250,000           | Infrastructure |
| Jefferson Avenue Street Enhancement                 | \$540,000            | \$0         | \$540,000           | Infrastructure |
| Jefferson Parking Deck                              | \$35,000             | \$0         | \$35,000            | Infrastructure |
| Lake Sidewalk Improvement                           | \$90,000             | \$0         | \$90,000            | Infrastructure |
| Landfill  | \$789,772            | \$0         | \$789,772           | Infrastructure |
| Municipal Services Building                         | \$40,000             | \$0         | \$40,000            | Infrastructure |
| Niagara Deck Parking Deck                           | \$35,000             | \$0         | \$35,000            | Infrastructure |
| Northmoor Rd & Sheridan Rd Intersection Improvement | \$340,000            | \$0         | \$340,000           | Infrastructure |
| Pennsylvania Avenue Roadway Improvement             | \$825,000            | \$0         | \$825,000           | Infrastructure |
| Peoria Pekin Urbanized Area Transportation Study □  | \$40,000             | \$0         | \$40,000            | Infrastructure |
| Police Headquarters Improvements                    | \$70,000             | (\$25,000)  | \$45,000            | Infrastructure |
| Private Drainage Program                            | \$200,000            | \$0         | \$200,000           | Infrastructure |
| Public Works Dries Lane Facility                    | \$30,000             | \$0         | \$30,000            | Infrastructure |
| Riverfront Village Stairs                           | \$75,000             | \$0         | \$75,000            | Infrastructure |
| Safer Neighborhood Sidewalks                        | \$275,000            | \$0         | \$275,000           | Infrastructure |
| Sanitary Sewer Rehabilitation                       | \$6,032,000          | \$0         | \$6,032,000         | Infrastructure |
| Sheridan and Lake Intersection Improvement          | \$125,000            | \$0         | \$125,000           | Infrastructure |
| Sidewalk In Need of Repair Program - SINR           | \$190,000            | \$0         | \$190,000           | Infrastructure |
| Sidewalk In Need of Repair Program - SINR           | \$100,000            | \$0         | \$100,000           | Infrastructure |
| Sidewalk Participation                              | \$240,000            | \$240,000   | \$480,000           | Infrastructure |
| Special Assessment Program                          | \$600,000            | (\$110,000) | \$490,000           | Infrastructure |



**Proposed FY2009 Budget (Updated 11/7/08)**

| <b>Item</b>  | <b>10/14/08<br/>Proposal</b> | <b>Change</b>        | <b>11/7/08<br/>Proposal</b> | <b>Core Function</b> |
|--|------------------------------|----------------------|-----------------------------|----------------------|
| Springdale Cemetery                                    | \$35,000                     | \$0                  | \$35,000                    | Infrastructure       |
| Storm Water Management - Clean Water Act               | \$100,000                    | \$0                  | \$100,000                   | Infrastructure       |
| Tech Deck Parking Deck                                 | \$35,000                     | \$0                  | \$35,000                    | Infrastructure       |
| Twin Towers Parking Deck                               | \$35,000                     | \$0                  | \$35,000                    | Infrastructure       |
| Wildcat Sewer Assistance                               | \$28,000                     | \$0                  | \$28,000                    | Infrastructure       |
| Citizens' Academy/Neighborhood College                 | \$2,000                      | \$0                  | \$2,000                     | Neighborhoods        |
| East Bluff Special Service District                    | \$58,000                     | \$0                  | \$58,000                    | Neighborhoods        |
| Glen Oak School Impact Zone Infrastructure             | \$200,000                    | \$0                  | \$200,000                   | Neighborhoods        |
| Guide to Neighborhood Division Programs                | \$2,000                      | \$0                  | \$2,000                     | Neighborhoods        |
| National Night Out Against Crime                       | \$7,000                      | \$0                  | \$7,000                     | Neighborhoods        |
| Neighborhood Leadership Awards Banquet                 | \$5,000                      | \$0                  | \$5,000                     | Neighborhoods        |
| Neighborhood Newsletters                               | \$10,000                     | \$0                  | \$10,000                    | Neighborhoods        |
| Neighborhood Ornamental Repairs                        | \$25,000                     | \$0                  | \$25,000                    | Neighborhoods        |
| Neighborhood Watch Program                             | \$7,000                      | \$0                  | \$7,000                     | Neighborhoods        |
| Adopt A Ramp Program                                   | \$65,000                     | \$0                  | \$65,000                    | Neighborhoods        |
| Common Place Home Improvement Program (HIP)            | \$87,550                     | \$0                  | \$87,550                    | Neighborhoods        |
| Community Housing Development Organizations            | \$120,000                    | \$0                  | \$120,000                   | Neighborhoods        |
| Down Payment Assistance Program                        | \$200,000                    | \$0                  | \$200,000                   | Neighborhoods        |
| Emergency Housing Repair Program                       | \$150,000                    | \$0                  | \$150,000                   | Neighborhoods        |
| Emergency Shelter Grant Program                        | \$85,165                     | \$0                  | \$85,165                    | Neighborhoods        |
| Rebuilding Together - Peoria                           | \$30,000                     | \$0                  | \$30,000                    | Neighborhoods        |
| Rejuvenate Peoria                                      | \$300,000                    | \$0                  | \$300,000                   | Neighborhoods        |
| Systems Repair Program                                 | \$250,000                    | \$0                  | \$250,000                   | Neighborhoods        |
| Whole House Rehab Program (Glen Oak)                   | \$300,000                    | \$0                  | \$300,000                   | Neighborhoods        |
| Fleet Recapitalization (PGM)                           | \$30,000                     | \$0                  | \$30,000                    | Neighborhoods        |
| Unobligated CDBG Funds                                 | \$25,682                     | \$0                  | \$25,682                    | Neighborhoods        |
| Unobligated HOME Funds                                 | \$108,309                    | \$0                  | \$108,309                   | Neighborhoods        |
| Business Development Loan                              | \$100,000                    | \$0                  | \$100,000                   | Economy              |
| West Main Street Façade Improvement Program            | \$50,000                     | \$0                  | \$50,000                    | Economy              |
| Support to Other Agencies (Park District - Riverfront) | \$86,500                     | \$0                  | \$86,500                    | Economy              |
| Copiers  | \$25,000                     | \$0                  | \$25,000                    | Stewardship          |
| Furniture & Office Equipment                           | \$30,000                     | \$0                  | \$30,000                    | Stewardship          |
| Information Systems - Computers                        | \$350,000                    | \$0                  | \$350,000                   | Stewardship          |
| Holyhedges/Devereaux                                   | \$0                          | \$318,900            | \$318,900                   | Infrastructure       |
| <b>CIP Subtotal</b>                                    | <b>\$21,884,973</b>          | <b>(\$372,100)</b>   | <b>\$21,512,873</b>         |                      |
| Adjustment to Keller Branch Project                    | n/a                          | (\$111,000)          |                             |                      |
| Adjustment to parking deck repairs project             | n/a                          | (\$300,000)          |                             |                      |
| Adjustment to building repairs project                 | n/a                          | (\$200,000)          |                             |                      |
| Closing of Neighborhood Signs project                  | n/a                          | (\$68,662)           |                             |                      |
| Reallocation of previous CIP funds                     | n/a                          | (\$377,549)          |                             |                      |
| <b>Additional CIP Funds Available</b>                  |                              | <b>(\$1,057,211)</b> |                             |                      |
| <b>New FY2009 CIP Request</b>                          |                              |                      | <b>\$20,455,662</b>         |                      |
| <b>Total FY2009 Budget Request</b>                     | <b>\$174,450,764</b>         | <b>(\$2,065,392)</b> | <b>\$172,385,372</b>        |                      |
| <b>Funds Available</b>                                 | <b>\$172,267,601</b>         |                      | <b>\$172,267,601</b>        |                      |
| <b>Gap</b>   | <b>(\$2,183,163)</b>         |                      | <b>(\$117,771)</b>          |                      |