

CITY OF FORT WAYNE

BUDGET IN BRIEF

2014



**City of Fort Wayne  
Quadrant Contact Information  
January 2014**

**SOUTHEAST**

Deputy Chief Derrick Westfield	427-1319	SEAP President, Anthony Ridley	c-413-7000
Capt. William Corn	427-1189	1429 Fisher St.	
Community Liaison, Palermo Galindo	427-6214	Fort Wayne, IN 46803	

Meeting Information: 2nd Wed. 6:30 p.m.  
Christian Fellowship Church  
4700 South Anthony (Corner of Anthony & Capitol)

**NORTHEAST**

Deputy Chief James Feasel	427-1260	NEAP Co-Chair, David Kohli	h-485-8652
Capt. Tim Bogenschutz	427-1436	6428 Ashbrook Dr.	w-422-3537
Community Liaison, Palermo Galindo	427-6214	Fort Wayne, IN 46835	

NEAP Co-Chair, Ellen Fox      Hotline 496-2080  
819 Delaware  
Fort Wayne, IN 46805

Meeting Information: 2nd Thurs. 6:30 p.m.  
Good Shepherd United Methodist Church  
4700 Vance Ave.

**SOUTHWEST**

Deputy Chief Steve Haffner	427-1331	SWAP Co-Chair, Carolyn De Voe	437-9427
Capt. Scott Berning	427-1419	1220 West Packard Avenue	
Community Liaison, Palermo Galindo	427-6214	Fort Wayne, IN 46807	

Meeting Information: 3rd Wed. 7:00 p.m.  
Fort Wayne Sports Club  
3102 Ardmore Ave 46809

**NORTHWEST**

Deputy Chief Chief Karl Niblick	427-1206	NWAP Co-Chair, Denny McCoy	489-7006
Capt. P.J. Smith	427-1421	1123 Ludwig Park Dr.	
Community Liaison, Palermo Galindo	427-6214	Fort Wayne, IN 46825	

NWAP Co-Chair, Denny Zimmerman      489-2380  
2312 Graham Dr.  
Fort Wayne, IN 46818

Meeting Information: 3rd Thurs. 6:30 p.m.  
North Ridge Baptist Church  
1300 E. Cook Rd., 46825



# CITY OF FORT WAYNE

TOM HENRY, MAYOR

January 13, 2014

Dear Fellow Citizen:

The City of Fort Wayne is proud once again to have a balanced budget while maintaining a healthy cash reserve that enables City government to deliver high-quality, cost-effective services every day to our residents, businesses and taxpayers. The ingenuity and hard work of the City's employees and elected officials ensures that your City government is a responsible steward of public dollars entrusted to us to provide the core services of municipal government.

For more than a decade, the City of Fort Wayne has worked to do more with less as the City serves more residents with fewer tax dollars. As Indiana's second largest city, Fort Wayne has kept the headcount of city employees steady. We have found smarter ways to do the public's business - from implementing technology and reducing our paper usage to realizing significant cost savings through process improvements.

I remain committed to keeping the public informed about the City's budget and finances, and to making this information accessible. In keeping with our pledge to make all government business more accessible, the city encourages the public to make use of the SmartGov section of our website, available at [www.cityoffortwayne.org/smartgov.html](http://www.cityoffortwayne.org/smartgov.html). There you can find copies of city contracts, budget information and even the City's check register. You have a right to know how your city is spending your money. This website makes that information available 24 hours a day, 7 days a week.

The immediate and long-term financial health of City government allows us to focus on providing key services to you and your neighborhood, including public safety, parks and other essential services, such as streets and lighting. The City of Fort Wayne will continue to work hard to maintain a safe environment that fosters good jobs, vibrant neighborhoods, and grows and attracts businesses and retains 21<sup>st</sup> century talent.

Sincerely yours,

A handwritten signature in black ink that reads "Thomas C. Henry".

Thomas C. Henry  
Mayor

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## **About This Report**

The purpose of this report is to provide a brief description about how City government is organized in Fort Wayne and to describe the City budget process. This report will give the reader an overview of the financial operations and structure of City government.

Each year, the City of Fort Wayne prepares the Operating Budget book that contains the detailed budgetary information relating to each department of the City. Because the budget book is long and detailed, we will highlight and summarize it in this report.

Comments and suggestions about this report are welcomed by the City Controller. Individuals and organizations can best express concerns about City government by contacting people directly responsible for your area of interest. A list of the City departments is detailed in this report.

## **Form of Government**

Fort Wayne is governed under a Mayor-Council form of government where the elected Mayor serves as head of the executive branch. The Mayor may serve unlimited four-year terms and is the chief executive officer for the City. The legislative oversight body for the City is the Common Council of the City of Fort Wayne. The council is composed of nine elected Council members who serve four-year terms. A council member represents each of the six councilmanic districts and three are elected at-large. The City Clerk's office provides City Council staff support, if needed, under the direction of the City Clerk. The City Clerk is elected by the citizens of Fort Wayne every four years and can serve unlimited terms.

The City of Fort Wayne's 2014 elected officials include:

### **MAYOR**

Thomas C. Henry

### **CITY CLERK**

Sandra E. Kennedy

### **CITY COUNCIL MEMBERS**

District 1	Thomas Smith
District 2	Russell Jehl
District 3	Thomas Didier
District 4	Mitch Harper
District 5	Geoff Paddock
District 6	Glynn Hines
At-Large	Marty Bender
At-Large	John Crawford
At-Large	John Shoaff

## **DIVISIONS OF THE CITY GOVERNMENT**

### **Office of the Mayor**

The Mayor oversees the implementation of policies and the efficient flow of ongoing services through wide appointive powers. This includes the capability to appoint the heads of seven major administrative divisions of the city and many board and commission members. Specific departments under the Office of the Mayor include the Public Information Office, the 311 Citizen Service Center, the Community Liaison's Office, the Law Department, the Internal Audit Department, the Human Resources Department, and Benefits.

### **City Clerk**

The office of the City Clerk is crucial as a liaison between the citizens of Fort Wayne and the Common Council. The City Clerk also acts as a liaison between the Administration and the Common Council. The office includes a number of Indiana Statutory responsibilities and also serves as the administrator of the City of Fort Wayne Violations Bureau.

### **Finance & Administration**

The mission of the Finance & Administration Division is to ensure fiscal responsibility and effective administrative services for the City of Fort Wayne. The departments within the division are the Controller's Office, Risk Management, Payroll, Purchasing, Property Management, Cable, and Information Systems.

### **Public Safety**

The Division provides safety, maintains order and protects the rights of the Citizens of Fort Wayne. The Director of Public Safety retains the responsibility for major policy decisions, budgeting, long-range planning and the day-to-day coordination of six departments: Police, Fire, Animal Control, Weights and Measures and Police Merit Commission.

### **Community Development**

The overall purpose of the Division is to improve Fort Wayne's physical and economic environment. The Division includes the following departments: Administration, Redevelopment, Community Development Corporation, Neighborhood Code, Planning & Policy, and the Office of Housing and Neighborhood Services.

The mission of the Division is *to develop and implement creative community-based strategies to enhance economic opportunity, build strong neighborhoods, and ensure a dynamic framework for quality growth and development.* Economic development, urban revitalization, housing and comprehensive planning continue to be high priorities of the City of Fort Wayne. Growth in the city's assessed value is essential to holding its property tax rate flat and ensuring that the cost of city services is shared by those who use the services.

### **City Utilities**

Producing 12 billion gallons of drinking water and treating 18 billion gallons of wastewater each year, City Utilities is an industry leader serving the Fort Wayne Region.

Our Utility serves more than 300,000 residents in communities throughout Allen and adjacent counties, operates a water filtration plant and a sewage treatment plant and maintains 3000 miles of underground pipe

As the largest municipally owned provider in the State, 100% of the City Utilities \$205 million budget goes to system capital improvement projects and operations. More than 90% of the funds invested in the system and operations goes to Indiana based companies and workers.

The nationally award winning City Utilities is recognized for high quality water and is committed to providing the community's most vital and essential services that support public safety, promote public safety and creating jobs.

### **Public Works**

The Division of Public Works provides essential services that are an important part of our citizens' daily lives. Over 1,164 miles of street are maintained and improved for transportation, street and traffic lighting, leaf collection, street sweeping, snow and ice control. The division also oversees the collection of garbage and recycling for more than 80,000 homes; constructs and preserves an increasing number of greenway trails expanding over 68 miles throughout the city, and provides a well-kept fleet of over 2,000 vehicles for all city departments. An early flood warning system with 34 sites and 15 miles of flood protection structures are maintained through the divisions flood fighting efforts.

Departments within the Division include: Office of the Director, Board of Public Works, Street Department, Traffic Engineering, Street Light Engineering, Street Project Management, Transportation Administration & Support, Solid Waste & Recycling, Flood Control, and City Fleet. Together, we strive to provide exceptional services to our community.

### **Fort Wayne Parks and Recreation**

The Parks and Recreation Division maintains more than 2,800 acres of public park lands and provides numerous recreation facilities, programs and services for the Fort Wayne community. Created in 1905, the Parks and Recreation Department is administered by a four member bipartisan Board of Park Commissioners. Authorized by state statute, the Board of Park Commissioners reviews and approves the annual budget, expenditures and contracts. In addition, they oversee 86 parks, including the Children's Zoo, Headwaters Park, the Botanical Conservatory, and four community centers. The Division maintains the Urban Forestry for the City and Parks which includes 70,000 street and park trees.

The Parks and Recreation Division is accredited under the Commission for Accreditation of Parks and Recreation Agencies and is designated a "Playful City USA" that recognizes outstanding dedication to play. The Fort Wayne Children's Zoo and Headwater's Park are operated through cooperative agreements with the Parks and Recreation Division. These agreements strengthen the organizational effectiveness of all the parties involved and provide outside funding resources to offset a burden to the Park General Fund.

## **THE BUDGET PROCESS**

The Civil City budget process begins with individual departments preparing draft budgets each June for the next calendar/fiscal year. The division of Finance and Administration provides the departments with a set of assumptions. These budget requests are then subjected to internal review and modification. The Common Council actively participates in the examination of the budgets. With the Mayor's approval, a budget ordinance is then prepared for introduction to the Common Council in late September. In addition to the public and televised Common Council sessions, there is a legal public hearing held as part of the budget process at which citizens may provide the administration and Common Council with their comments concerning the budget. According to state law, the Common Council must pass the budget on or before November 1<sup>st</sup> each year. The Common Council has the power to decrease any major category proposed by the Administration, but may not increase any major category in the budget.

The next step is the budget hearing held either in November or December by the Department of Local Government Finance. This is the time for estimates to be verified and a final property tax rate set. The final step is for the Indiana Department of Local Government Finance to certify the rate by February 15th.

The 2014 budget was prepared on a monthly basis. All departments distributed their yearly estimated expenditures into the months they expected each to occur. During 2014, actual expenditures will be compared to the budget each month.

Throughout the year, the City may find that the budget needs to be amended to account for new funds that have become available, or to provide for a revision of objectives. Such revisions are accomplished through quarterly fiscal ordinances in a process that is similar to the one described above. At every appropriate point in the process, the public is notified of the anticipated amounts of the budget revisions.

The schedule of major budget events is as follows:

May	Budget instructions issued by the City Controller
June	Budget requests submitted - Revenue estimates prepared
July / August	Internal reviews and modification of budget submissions
September / October	Budget submitted to Common Council, hearings and adoption
December	Department of Local Government Finance review and approval
January	Budget implementation

The City Utilities internal budget process is similar to the Civil City; however, the Board of Public Works approves the City Utilities budget.



## Budget by Classification

The budgets of all governmental units in Indiana are prepared according to a form prescribed by the Indiana State Board of Accounts. The legal level of budgetary control is by object classifications. Objects are called expense accounts or line items by the private sector. Major classifications of expenditures are as follows:

**Personnel Services** – Expenditures for salaries, wages, and related employee benefits. A 2% salary increase has been approved for non-union employees for 2014.

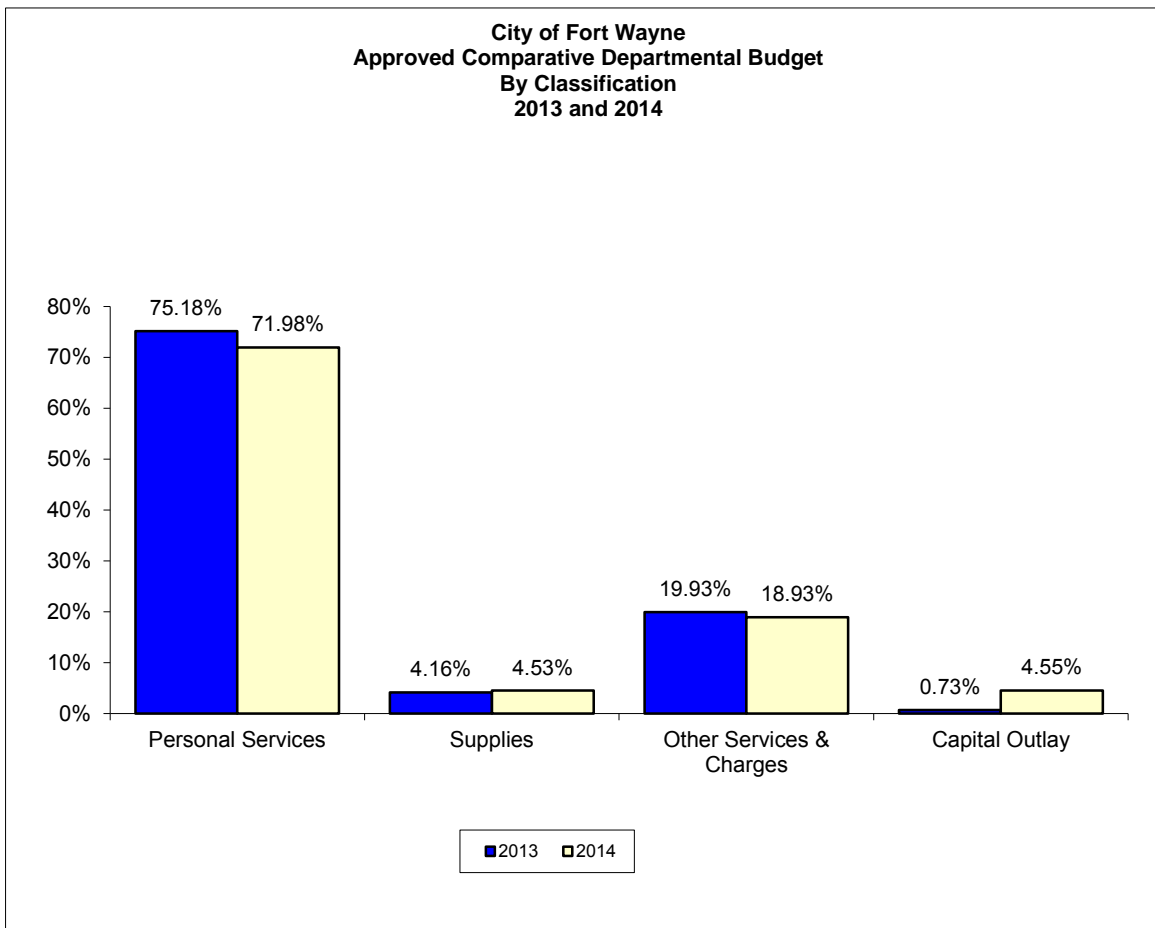
**Supplies** – Office supplies, operating supplies, repair and maintenance supplies. The 2014 budget for this classification shows a 14.83% increase.

**Other Services and Charges** – Professional services, communication and transportation, printing and advertising, insurance, utility services, repairs and maintenance, rental, and debt service. The cost of professional services, contract services, lease, loan and bond payments, primarily related to infrastructure projects, can vary significantly from year to year. The 2014 budget shows a 0.17% increase for Other Services and Charges.

**Capital Outlay** – All lands, buildings, improvements, machinery and equipment purchases that are not financed through leases or bond issues. This classification increased \$7.06 million from 2013 to 2014 due mainly to increased budgeted construction fees in the Public Works and Street Departments.

## City of Fort Wayne Budget by Classification

	<u>2013 Approved Budget</u>	<u>2014 Approved Budget</u>	<u>% Change</u>
Personal Services	\$ 130,253,158	\$ 131,511,274	0.97%
Supplies	7,209,667	8,278,771	14.83%
Other Services & Charges	34,535,540	34,594,936	0.17%
Capital Outlay	<u>1,264,035</u>	<u>8,320,825</u>	<u>558.27%</u>
 Total Departmental Budget	 \$ 173,262,400	 \$ 182,705,806	 5.45%
 CEDIT	 <u>19,636,392</u>	 <u>22,502,015</u>	 <u>14.59%</u>
 Total Budget	 <u>\$ 192,898,792</u>	 <u>\$ 205,207,821</u>	 <u>6.38%</u>



**City of Fort Wayne  
Budget by Department**

	<b>2013 Approved Budget</b>	<b>2014 Approved Budget</b>	<b>% Change</b>
<b><u>Mayor's Office</u></b>			
* Mayor (1)	\$ 2,233,853	\$ 2,278,750	2.0%
* Internal Audit (4)	74,972	276,862	269.3%
* Law	527,711	510,809	-3.2%
<b>Total</b>	<b>\$ 2,836,536</b>	<b>\$ 3,066,421</b>	<b>8.1%</b>
<b><u>City Clerk</u></b>			
Parking Administration	\$ 607,701	\$ 620,856	2.2%
* City Council	478,904	488,714	2.0%
* City Clerk	535,456	532,298	-0.6%
<b>Total</b>	<b>\$ 1,622,061</b>	<b>\$ 1,641,868</b>	<b>1.2%</b>
<b><u>Finance &amp; Administration</u></b>			
Cable Television	1,114,000	1,114,000	0.0%
* Finance & Administration (2)	8,204,221	8,717,064	6.3%
<b>Total</b>	<b>\$ 9,318,221</b>	<b>\$ 9,831,064</b>	<b>5.5%</b>
<b><u>Community Development</u></b>			
* Redevelopment Commission	\$ 596,893	\$ 614,122	2.9%
* Community Development	4,270,104	4,300,452	0.7%
<b>Total</b>	<b>\$ 4,866,997</b>	<b>\$ 4,914,574</b>	<b>1.0%</b>
<b><u>Department of Public Works</u></b>			
* Board of Works (3)	\$ 6,395,223	\$ 12,510,035	95.6%
Street Project Management/MVH	1,044,073	1,181,512	13.2%
Street Department/MVH	12,066,897	14,361,568	19.0%
Traffic Engineering/LRS	3,222,376	3,002,676	-6.8%
<b>Total</b>	<b>\$ 22,728,569</b>	<b>\$ 31,055,791</b>	<b>36.6%</b>
<b><u>Public Safety - Police</u></b>			
* Police	\$ 54,904,317	\$ 51,472,152	-6.3%
Public Safety - LOIT (5)	-	4,729,415	100.0%
* Police Merit	22,700	5,000	-78.0%
* Domestic Violence	7,300	7,300	0.0%
* Communications	3,650,000	2,318,848	-36.5%
* Animal Control	2,654,957	2,714,265	2.2%
Law Enforcement Training	184,800	188,000	1.7%
<b>Total</b>	<b>\$ 61,424,074</b>	<b>\$ 61,434,980</b>	<b>0.0%</b>
<b><u>Public Safety - Fire</u></b>			
* Fire	\$ 39,852,650	\$ 36,743,812	-7.8%
* Weights & Measures	251,509	150,529	-40.1%
<b>Total</b>	<b>\$ 40,104,159</b>	<b>\$ 36,894,341</b>	<b>-8.0%</b>
<b><u>Pensions</u></b>			
Police Pension	\$ 8,373,889	\$ 7,680,423	-8.3%
Fire Pension	7,259,978	7,101,222	-2.2%
* Sanitary Officers Pension	471,568	484,943	2.8%
	<b>\$ 16,105,435</b>	<b>\$ 15,266,588</b>	<b>-5.2%</b>
<b><u>Parks &amp; Recreation</u></b>			
*	<b>Total \$ 12,956,492</b>	<b>\$ 15,854,520</b>	<b>22.4%</b>
<b><u>Metro Human Relations Commission</u></b>			
*	<b>Total \$ 649,856</b>	<b>\$ 660,659</b>	<b>1.7%</b>
<b><u>Cumulative Capital Development (5)</u></b>			
*	\$ -	\$ 1,400,000	100.0%
<b><u>Cumulative Capital Improvement</u></b>			
	<b>\$ 650,000</b>	<b>\$ 685,000</b>	<b>5.4%</b>
<b>Total Departmental Budget</b>	<b>\$ 173,262,400</b>	<b>\$ 182,705,806</b>	<b>5.5%</b>
<b><u>CEDIT Income Tax Fund</u></b>			
	\$ 19,636,392	\$ 22,502,015	14.6%
<b>Total Budget</b>	<b>\$ 192,898,792</b>	<b>\$ 205,207,821</b>	<b>6.4%</b>

\* Property Tax Supported Funds

(1) Mayor includes: 311 Citizen Service Center and Human Resources

(2) Finance & Administration includes: Controller's Office, Property Mgmt, Payroll, Purchasing, and Information Services.

(3) Board of Works includes: Board of Works, Flood Control, Street Light Engineering and Transportation Administration & Support.

(4) Total final appropriated amount for 2013 was \$272,971.

(5) This is a new fund in 2014

## **City Government Revenues**

As shown in the Revenues by Source schedule, the City has many sources of revenue to pay for the cost of operations and services. The majority of City revenues are generated from taxes. The three largest tax revenue sources are Property Tax, County Option Income Tax (COIT), and County Economic Development Income Tax (CEDIT).

State statutes and/or local ordinances define how each type of revenue may be used. Below is a brief explanation of the use of the City's larger revenue streams.

### **Taxes**

Property Tax, Commercial Vehicle Excise Tax (CVET), Financial Institution Tax, COIT (.6%), LOIT and Auto/Aircraft (license) Excise Tax are used exclusively to fund operations of certain City departments. These departments perform executive/finance, public safety, parks, and community development work, and include administrative/engineering departments in the Public Works Division. Most of these funds go into the City's property tax supported funds.

CEDIT (.4%) – In July 2005, SEA (Senate Enrolled Act) 100 was passed which provides that a county, city, or town may use county economic development income tax revenue for any lawful purpose.

The Excise Surtax and Wheel Tax revenue is derived from Allen County vehicle owners who pay annual motor license excise tax. A distribution to the county, and cities and towns within the county is based on the same formula as used for Local Road & Street fund distributions. These funds must be used to construct, reconstruct, repair and maintain streets and roads. These funds are used in the City's Motor Vehicle Highway fund.

The Gas Tax revenue is generated from the sale of gasoline and other fuels. A distribution to the county, and cities and towns within the county is based on the same formula as used for Motor Vehicle Highway fund distributions. These funds are used to support the Motor Vehicle Highway and Local Roads & Street funds.

### **Licenses & Permits**

The largest revenue in the Licenses & Permits category is the Cable Franchise Fees. These fees are added to cable subscriber bills. Forty percent of this revenue is used to pay for the operation of the government access channel with the remainder going into the City's General Fund for operating costs. All other fees listed go into the general fund.

### **Intergovernmental Revenues**

Governmental revenues are primarily provided by the State to pay the annual costs of the Pre '77 'pay-as-you-go" public safety pension plans (\$15.03M), and to pay for the Street Department operating costs and projects (\$9.04M) and the Traffic Engineering operating costs and projects (\$2.56M).

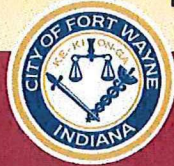
**City of Fort Wayne  
Revenues by Source**

	<u>2013 Budget</u>		<u>2014 Budget</u>	<u>% Change</u>
<b>Miscellaneous Taxes:</b>				
Financial Institution Tax	655,364	*	655,370	0.0%
Auto/Aircraft Excise	6,773,833	*	6,806,724	0.5%
Wheel Tax/Surtax	4,244,825	*	4,213,283	-0.7%
COIT	14,171,040	*	15,178,870	7.1%
LOIT	-		4,729,415	100.0%
CEDIT	21,586,815	*	23,407,000	8.4%
CVET	585,155	*	617,066	5.5%
<b>Total Taxes</b>	<b>\$ 48,017,032</b>		<b>\$ 55,607,728</b>	15.8%
<b>Licenses &amp; Permits:</b>				
Cable Franchise Fees	\$ 2,668,000		\$ 2,818,000	5.6%
Pet, Building & Right of Way Permits	395,090		385,115	-2.5%
Tax Abatement Filing Fees	11,000		13,000	18.2%
Miscellaneous Fees, Licenses & Permits	111,125		156,485	40.8%
<b>Total Licenses &amp; Permits</b>	<b>\$ 3,185,215</b>		<b>\$ 3,372,600</b>	5.9%
<b>Intergovernmental Revenue:</b>				
State	29,307,604		29,651,619	1.2%
Local	7,363,436		7,573,693	2.9%
<b>Total Intergovernmental Revenue</b>	<b>\$ 36,671,040</b>		<b>\$ 37,225,312</b>	1.5%
<b>Charges for Services &amp; Fees:</b>				
Services	\$ 3,390,200		\$ 3,281,093	-3.2%
Fees	2,137,878		2,347,659	9.8%
<b>Total Services &amp; Fees</b>	<b>\$ 5,528,078</b>		<b>\$ 5,628,752</b>	1.8%
<b>Fines &amp; Forfeitures:</b>				
Traffic/Parking Fines	\$ 594,000		\$ 588,000	-1.0%
Court Settlements	120,000		24,000	-80.0%
Misc. Violations	79,300		79,300	0.0%
<b>Total Fines &amp; Forfeitures</b>	<b>\$ 793,300</b>		<b>\$ 691,300</b>	-12.9%
<b>Miscellaneous Revenue:</b>				
Interest	\$ 49,746		\$ 28,746	-42.2%
Contributions & Donations	68,000		74,000	8.8%
Rental Income	434,080		430,188	-0.9%
Other	269,521		257,838	-4.3%
<b>Total Miscellaneous Revenue</b>	<b>\$ 821,347</b>		<b>\$ 790,772</b>	-3.7%
<b>Transfers From Other Funds</b>	<b>\$ 1,383,040</b>		<b>\$ 4,153,469</b>	200.3%
<b>Total Departmental Revenue</b>	<b>\$ 96,399,052</b>		<b>\$ 107,469,933</b>	11.5%
<b>Property Taxes</b>	<b>\$ 106,017,165</b>	*	<b>\$ 116,765,804</b>	10.1%
<b>Total Revenues</b>	<b>\$ 202,416,217</b>		<b>\$ 224,235,737</b>	10.8%

\* Certified by State of Indiana, Department of Local Government Finance (may be different than what was submitted in budget book)

# 311 One Call to City Hall

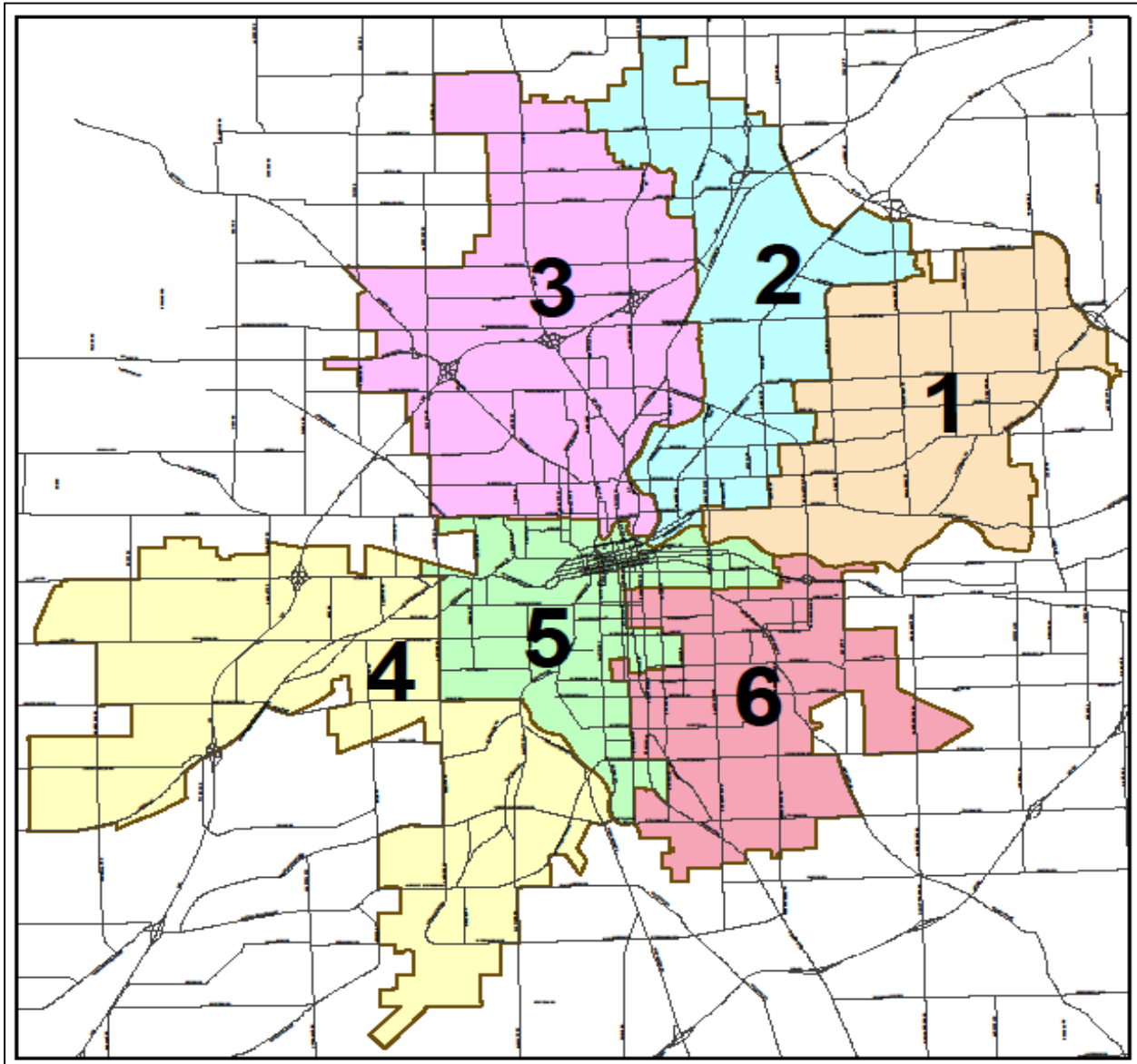
**NON-EMERGENCY CITY SERVICES  
AND INFORMATION**



MAYOR TOM HENRY  
[www.cityoffortwayne.org](http://www.cityoffortwayne.org)

**DIAL 3-1-1 OR DIAL 427-8311  
FOR NON-EMERGENCY SERVICES  
MONDAY THRU FRIDAY 7:30AM TO 5:30PM  
EMAIL: [311@ci.ft-wayne.in.us](mailto:311@ci.ft-wayne.in.us)**

## FORT WAYNE CITY COUNCIL DISTRICTS



**Councilmanic Districts**

<b>Thomas Smith</b>	<b>1st</b>	<b>Thomas Didier</b>	<b>3rd</b>	<b>Geoff Paddock</b>	<b>5th</b>
<b>Russell Jehl</b>	<b>2nd</b>	<b>Mitch Harper</b>	<b>4th</b>	<b>Glynn Hines</b>	<b>6th</b>

**Council-At-Large**

<b>Marty Bender</b>	<b>John Crawford</b>	<b>John Shoaff</b>
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