



City of Carmel

2025 Proposed Budget

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Outline

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Budget Priorities

- Public Safety
 - New Matrix for Police and Fire Sworn - \$5M
 - 2-year plan that provides pay rates on par with the Hamilton County Sheriff's Department
 - Addresses existing issue where current pay essentially maxes out at 10-years
 - Grows pension base from \$92k to \$111k
 - Fully funds overtime costs at the Fire Department - \$2.9M
 - 41 new police vehicles - \$2.3M (via capital lease)
 - Addressed structural deficit in the Ambulance Fund - \$0.5M
- Infrastructure
 - Multiple projects included in the 2024 Lease Rental Bond
 - Addition of Wheel Tax and Surtax provides over \$9M for paving
 - Additional funding provides long-range funding for path maintenance

Budget Priorities

- Investing in our Employees
 - Enhanced benefits including EAP and more life insurance coverage
 - 3% COLA for Civilian employees
 - Health insurance – \$2M
 - Maintains existing employee premium rates on the HDHP
 - New HealthSync network which offers a 20% lower deductible in exchange for a narrow network
 - An additional HDHP plan (catastrophic coverage) will be offered with low premiums
- Salary Study
 - Restructuring of our classification system and building new ranges
 - Addressing inconsistencies in titles
 - Available funding left unappropriated to accommodate necessary adjustments that would take place on July 1st
- Mobile Integrated Health – funding a new position using the Opioid Settlement Restricted Fund dollars.

Budget Priorities

Financial Sustainability

- An honestly balanced budget without gimmicks
 - Builds no cliffs that need to be addressed in 2026
 - Refinances almost \$22M of General Fund paid debt to lower rates and moves to a more secure funding source outside of the General Fund
 - Provides a slight General Fund annual surplus
 - Maintains overall reserves of over 15%
 - Provides transparency and eliminates “blank checks”
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Responding to Feedback

- Mayor's Office budget – Intergovernmental Affairs position – not Council Liaison
- Marketing (MAC)
 - What has marketing traditionally been? What is it now?
 - Proposed Changes:
 - Remove the funding for the Palladascope - \$100k reduction
 - We requested 4 new positions. Given the feedback from Council, we reprioritized functions and duties and make do with only 2 of the 4 positions - \$252k reduction
 - Reducing Employee Development (travel and training) from \$95,500 down to \$30,000 by changing our assumptions on the number of employees that will receive tuition reimbursements and by lowering planned spending on employee events and conference travel - \$65,500 reduction
 - These reductions of \$417,500 will allow MAC to operate without doing harm to the department
- Economic Development
 - Reduce Carmel Bounce Back program to \$40,000 - \$30k reduction
- Street Department/City Property Maintenance
 - Funding freed up at MAC and Economic Development (\$447,500) can be moved to Streets for preservation and maintenance

Responding to Feedback

Rebranding – What it is. What it isn't.

- Sending a consistent message and story. Looking professional and unified. Carmel is the best at so many things. Why wouldn't we want to get this right?
- Keeping the City's seal. Updating the logo and color pallet
- Chattanooga is spending \$250k on their rebranding as part of a \$1M website overhaul. Our rebrand is \$184,400 and our unrelated website overhaul is \$125k
- Most of the expenses are related to uniforms and clothing.
- \$80k to for updating Police vehicles
- From a Public Safety perspective, it's important that we use the same logo on our Police vehicles.
 - Looking at less expensive options than originally considered
 - My request and pledge is that if Council will maintain this funding, any savings realized will be added to the already fully-funded Police training budget

Budget Overview

Where and Why is the Budget Increasing?

- General Fund
 - This General Fund budget only spends new money on Public Safety
 - All other departmental increases are funded by smartly restructuring our bonds and capital leases at lower rates, outside the General Fund, and without extending the average maturity age
 - General Fund revenues are growing at 5.9%; however, General Fund spending growth is 5.2%
- Overall budget growth
 - 2024 Passed Budget was \$208.2M
 - 2025 Proposed Budget is \$234.8M
 - This \$26.6M of growth comes from addressing our combined priorities and by providing more transparency:
 - Spending \$8M more from the General Fund on Public Safety
 - The creation of the Wheel Tax and Surtax provides a new \$3.6M for infrastructure
 - The 2024 GO and Lease Rental bonds have annual payments of almost \$8.5M and help us to address needs in the General Fund and fund a number of major projects
 - Appropriating \$1M more than what was previously available in the Cum Cap Development Fund
 - Appropriating revenue growth and fund balance in MVH - \$2.3M
 - Reflecting the Park Impact Fee Fund which wasn't previously included on our budget summary - \$1.7M
 - All other fund increases total a combined \$1.3M

Overview of the Budget – Appropriations – General Fund

Department	Personal Services	Supplies	Other Services and Charges	Capital Outlay	Transfers	Total
1110 Police	\$32,407,428	\$821,190	\$1,913,568	\$1,628,087	\$0	\$36,770,273
1115 Technology	\$3,170,232	\$105,500	\$3,113,668	\$246,296	\$0	\$6,635,696
1120 Fire	\$39,062,074	\$571,800	\$3,022,428	\$0	\$0	\$42,656,302
1125 Parks	\$4,115,919	\$222,770	\$2,064,530	\$12,500	\$264,000	\$6,679,719
1150 Public Works and Safety	\$25,850	\$0	\$0	\$1,100	\$0	\$26,950
1160 Mayor	\$1,181,700	\$20,400	\$278,600	\$9,500	\$0	\$1,490,200
1180 Corporation Counsel	\$2,255,243	\$22,500	\$799,391	\$34,576	\$0	\$3,111,710
1192 Community Services	\$3,012,861	\$34,775	\$847,522	\$108,354	\$0	\$4,003,512
1201 Human Resources	\$1,916,568	\$4,000	\$1,016,600	\$16,000	\$0	\$2,953,168
1203 Marketing & Community Relations	\$2,370,197	\$12,250	\$2,172,126	\$129,462	\$0	\$4,684,035
1205 Facilities Management	\$489,777	\$56,450	\$800,150	\$187,425	\$0	\$1,533,802
1206 City Property Maintenance	\$0	\$186,000	\$2,582,500	\$0	\$0	\$2,768,500
1207 Brookshire Golf Course	\$993,705	\$79,800	\$590,100	\$292,283	\$0	\$1,955,888
1208 Arts Support and Operations	\$0	\$0	\$8,926,969	\$0	\$0	\$8,926,969
1301 City Court	\$890,350	\$0	\$65,000	\$0	\$0	\$955,350
1401 City Council	\$421,375	\$950	\$243,178	\$0	\$0	\$665,503
1501 Economic Development	\$311,264	\$36,150	\$350,920	\$1,000	\$0	\$699,334
1701 Finance	\$1,333,983	\$12,750	\$16,191,813	\$14,142	\$0	\$17,552,688
1702 City Clerk	\$764,062	\$11,000	\$127,500	\$18,500	\$0	\$921,062
1801 Redevelopment	\$858,953	\$6,790	\$173,645	\$6,455	\$0	\$1,045,843
Total	\$95,581,541	\$2,205,075	\$45,280,208	\$2,705,680	\$264,000	\$146,036,504

Overview of the Budget – Appropriations – Other Funds

Motor Vehicle Highway Fund (201)

Department	Personal Services	Supplies	Other Services and Charges	Capital Outlay	Transfers	Total
2200 Engineering	\$2,878,437	\$20,000	\$465,583	\$21,512	\$0	\$3,385,532
2201 Street	\$9,299,118	\$2,009,500	\$11,989,000	\$1,430,275	\$0	\$24,727,893
Total	\$12,177,555	\$2,029,500	\$12,454,583	\$1,451,787	\$0	\$28,113,425

Total Proposed Budget for 2025 - \$234.8M

* Total proposed budget does not reflect funding for the Utilities Department (enterprise fund, not on the City's books).

Surplus Statement

Balances will grow as reversions (underspent appropriations) come back to the General Fund at the end of 2024 and 2025.

City of Carmel
General Fund and Rain Day Fund
Surplus and Reserves Statement
Proposed Budget for 2025

	Actual 2023	Estimated 2024	Estimated 2025
General Fund Beginning Balance	8,971,649	8,671,690	7,122,160
Current Year Revenues			
Property Taxes	45,607,205	47,551,435	48,318,794
Certified LIT	46,878,600	54,595,344	64,950,661
Supplemental LIT	9,884,596	15,631,782	12,219,135
Other Revenues	21,128,572	21,293,571	21,755,296
Total Current Year Revenues	123,498,973	139,072,132	147,243,886
<i>Growth Rate</i>	4.4%	12.6%	5.9%
Current Year Expenses			
DLGF Approved/Proposed Budget	128,630,596	120,215,067	146,036,504
Supplemental Appropriation to Comply with DLGF	-	17,343,102	-
Supplemental Appropriations Approved by Council	-	1,247,997	-
Other	101,431	74,905	-
Reversions	(5,967,387)	-	-
Total Current Year Expenses	122,764,640	138,881,072	146,036,504
<i>Growth Rate</i>	7.0%	13.1%	5.2%
Annual Surplus / (Deficit)	734,333	191,061	1,207,382
Other Sources and Uses of Cash Reserves			
Reconciliations (PY encumbrances, transfers, etc.)	-	-	-
Transfers (to) from the Rainy Day Fund	(1,034,292)	(1,740,590)	-
General Fund Balance	8,671,690	7,122,160	8,329,542
Rainy Day Fund Balance	12,863,060	14,603,650	14,603,650
Combined Reserve Balances	21,534,750	21,725,811	22,933,193
<i>Rainy Day Fund Balance as a % of CY Expenses</i>	10.5%	10.5%	10.0%
<i>Combined Reserve Balance as a % of CY Expenses</i>	17.5%	15.6%	15.7%

Budget Summary

- The Proposed Budget for 2025:
 - General Fund budget = \$146.0M
 - Total budget (all funds) = \$234.8M
- It is honestly balanced and maintains healthy reserves
- It provides a significant increase in funding for Public Safety (more and better paid Police Officers and Firefighters).
- It provides a significant increase for roads and infrastructure
- It protects Carmel's taxpayers by:
 - Using a zero-based methodology to provide the necessary funding to achieve our programmatic objectives
 - Refinancing debt at lower rates without extending the maturity dates
 - Providing more transparency by showing how their dollars are spent
 - Reduces the volume of "blank checks"