

FY 2022 Budget Discussion

January 25, 2021

FY 2022 Budget

Highlights

Total Budgets:

- ▶ City Wide: \$245.3M (Increase of \$15M / 6.5% over FY 2021)
- ▶ General Fund: \$109.1M (Decrease of \$1.2M / 1.1% under FY 2021)

Other Highlights:

- ▶ Capital Projects: \$54.3M (Increase of \$13.3M / 32.6% over FY 2021)
- ▶ GF Fund Balance: +\$24.3M (2022 Projection with a \$598K operating use of fund balance - and pending FY 2021 Final)
- ▶ Cash for Equipment: \$536K (Non-General Funds only)

FY 2022 Major Tax Revenue Summary

Revenue Source	2021 Budget	2022 Proposed	Dollar Change	Percent Change	Notes
Property Tax Levy	25,852,373	26,008,629	156,256	0.60%	Increase in EAV
Home Rule Sales Tax	23,448,442	22,053,823	(1,394,619)	-5.95%	Decrease due to COVID-19
State Sales Tax	14,500,000	14,500,000	-	0.00%	FY2021 Trend
Income Tax	8,000,000	8,000,000	-	0.00%	FY2021 Trend
Utility Tax	5,980,777	5,858,063	(122,714)	-2.05%	Reduction in Telecomm
Food & Beverage Tax	4,575,000	4,000,000	(575,000)	-12.57%	Decrease due to COVID-19
Local Motor Fuel Tax	4,700,000	4,000,000	(700,000)	-14.89%	Decrease due to COVID-19
Local Use Tax	2,400,000	2,400,000	-	0.00%	Online Retail Use Tax to Home Rule with 1/1/21 legislation
Franchise Tax	2,000,000	1,922,636	(77,364)	-3.87%	Slight decrease due to cable
Replacement Tax	1,795,400	1,600,000	(195,400)	-10.88%	Slight decrease/IML estimate
Hotel & Motel Tax	1,650,000	900,000	(750,000)	-45.45%	Decrease due to COVID-19
Package Liquor	1,300,000	1,400,000	100,000	7.69%	Increase due to COVID-19, purchasing for in home consumption
TOTAL MAJOR REVENUES	96,201,992	92,643,152	(3,558,840)	-3.70%	

FY 2022 General Fund Budget - Revenues

Revenues	2021 Budget	2022 Proposed	Dollar Change	Percent Change	Notes
Use of Fund Balance	786,361	3,377,756	2,591,395	329.5%	Restricted Pension Reserves-\$2.8M, \$598K COVID related shortfall
Taxes	89,966,418	86,130,956	(3,835,463)	-4.3%	Decrease due to COVID-19 - see Major Tax Exhibit
Licenses	626,070	621,945	(4,125)	-0.7%	
Permits	820,975	820,975	-	0.0%	
Intergov Revenue	240,289	264,918	24,629	10.2%	
Charges for Services	13,020,069	13,008,054	(12,015)	-0.1%	
Fines & Forfeitures	792,400	665,700	(126,700)	-16.0%	Small decrease due to COVID-19
Investment Income	531,675	111,175	(420,500)	-79.1%	Declining Interest rates
Misc Revenue	532,805	517,865	(14,940)	-2.8%	
Sale Capital Assets	31,500	28,500	(3,000)	-9.5%	
Transfer In	2,892,090	3,518,857	626,768	21.7%	Increase in charges to Enterprise Funds - Software cost & Credit Card fees
TOTAL REVENUE	110,240,652	109,066,701	(1,173,951)	-1.1%	

FY 2022 General Fund Budget - Expenses

Expenditures	2021 Budget	2022 Proposed	Dollar Change	Percent Change	Notes
Salaries	41,993,893	42,318,251	324,358	0.8%	Net of Vacancy offset, Increase of 1.31%
Benefits	11,545,824	12,333,409	787,585	6.8%	Increase in insurance costs, slight decrease in IMRF
Contractuals	13,237,341	13,546,742	309,400	2.3%	
Commodities	8,478,600	7,823,700	(654,900)	-7.7%	Decrease for fuel \$200k, Rock Salt \$250K, Electricity \$250K
Capital Expenditures	648,848	-	(648,848)	0.0%	Capital Lease paying for GF machinery, equipment & vehicle in FY 2022
Principal Expense	2,337,004	2,357,280	20,276	0.9%	
Interest Expense	317,685	248,823	(68,862)	-21.7%	Decrease related to capital leases
Other Intergov Exp	15,676,376	17,662,606	1,986,230	12.7%	Increase in Public Safety Pensions
Other Expenditures	4,519,479	4,216,894	(302,585)	-6.7%	Decrease in Ambulance Bad Debt and Insurance adjustments
Transfer Out	11,485,603	8,558,997	(2,926,605)	-25.5%	Decrease Asphalt/Concrete due to less LMFT & HR , CIF using fund balance
TOTAL EXPENSE	110,240,652	109,066,701	(1,173,951)	-1.1%	

FY 2022 - Capital Improvement Totals - By Fund

- ▶ Capital Improvement: \$11.9M (\$10.3M borrowing)
- ▶ Asphalt and Concrete: \$ 7.2M (4 LMFT, 2.2 HRST, 1 FB)
- ▶ Motor Fuel Tax: \$13.8M
- ▶ Water: \$12.9M
- ▶ Sewer: \$ 5.8M
- ▶ Storm Water: \$ 1.7M
- ▶ Library: \$ 750K
- ▶ Arena: \$ 100K

- ▶ Total Capital Projects: \$54.3M (rounding adjs)

FY 2022 Budget

Next Steps

- ▶ Remaining FY 2022 Budget Schedule:
 - ▶ Budget Update February 22, 2021
 - ▶ Proposed Budget Presentation: March 8, 2021
 - ▶ Proposed Budget Public Hearing: March 22, 2021
 - ▶ Final Budget Adoption: April 12, 2021