



FY 2023 Adopted Budget

April 11, 2022

FY 2023 BUDGET - HIGHLIGHTS

Total Budgets:

- City Wide: \$269.1M (Increase of \$17.4M / 7% over FY 2022)
- General Fund: \$122.3M (Increase of \$13.2M / 12% over FY 2022)

Other Highlights:

- Capital Projects: \$56.9M (Decrease of \$4.4M / 7% under FY 2022)
- GF Fund Balance: +\$32.0M (2023 Projection with a \$1.8M operating use of fund balance – and pending FY 2022 Final)
- Cash for Equipment: \$6.3M (General Fund all cash - \$4.9M)

FY 2023 BUDGET – GROWTH REVIEW (\$ in millions)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Total City Wide Budget	186.3	207.6	214.1	210.1	227.5	230.3	251.7	269.1
Capital Projects *	20.5	22.1	24.9	26.7	40.1	40.9	61.3	56.9
Strategic Additions **	-	4.7	4.7	4.7	4.7	4.7	4.7	4.7
Nonrecurring: ARPA, Library	-	-	-	-	-	-	-	12.7
Net Operating Budget	165.8	180.8	184.5	178.7	182.7	184.7	185.7	194.8
Actuals-includes encumbrances	172.1	189.4	191.2	189.0	193.6	198.9	N/A	N/A

Growth from 2016	19.90	29.00
Annual Growth Rate	2.0%	2.5%

* Larger projects are paid from accumulated fund savings = can vary significantly year to year.
 In addition, some get rolled / rebudgeted in the following year - due to timing issues etc.

** Non-Capital Strategic Additions since 2016:

HR Sales Tax - Cty / Mntl Hlth FY17	2.3
Utility Tax - Pensions FY17	2.4
	<u>4.7</u>

FY 2023 BUDGET – MAJOR TAX REVENUES

Revenue Source	2022 Budget	2023 Adopted	Dollar Change	Percent Change	Notes
Property Tax Levy	26,008,629	27,254,285	1,245,656	4.79%	Library increase of 850K for bond/expansion, remainder EAV related
Home Rule Sales Tax	22,053,823	27,810,298	5,756,475	26.10%	Increase due to Level the Playing Field Legislation (online retailers)
State Sales Tax	14,500,000	16,500,000	2,000,000	13.79%	Increase due to Level the Playing Field Legislation (online retailers)
Income Tax	8,000,000	9,000,000	1,000,000	12.50%	Increase due to Corporate Income Tax increases. Per capita revenue.
Utility Tax	5,858,063	5,463,016	(395,047)	-6.74%	Reduction in Telecomm
Food & Beverage Tax	4,000,000	4,522,062	522,062	13.05%	Increase due to less COVID restrictions than prior year
Local Motor Fuel Tax	4,000,000	4,100,000	100,000	2.50%	Pre-COVID 4.7M
Local Use Tax	2,400,000	3,030,000	630,000	26.25%	Increase per trend. Per capita revenue.
Franchise Tax	1,922,636	1,922,636	-	0.00%	Agreements in place with utilities/status quo
Replacement Tax	1,600,000	2,500,000	900,000	56.25%	Increase due to Corporate Income Tax / IML estimate
Hotel & Motel Tax	900,000	1,750,000	850,000	94.44%	Increase due to Rivian construction
Package Liquor	1,400,000	1,503,002	103,002	7.36%	Small increase per trend
Amusement Tax	800,000	1,020,000	220,000	27.50%	Increase due to addition of streaming - triggered by State statute change
Video Gaming Tax	850,000	1,200,000	350,000	41.18%	Increase due to COVID restrictions relaxed/betting limit increase
TOTAL MAJOR REVENUES	94,293,151	107,575,299	13,282,148	14.09%	

2022 Redux from 2021

(3,600,000)

Levy

(1,245,656)

Net Increase

8,436,492

(\$+5M due to new sources of online retail tax, cannabis and streaming)

FY 2023 BUDGET – GENERAL FUND - REVENUES

Revenues	2022 Budget	2023 Adopted	Dollar Change	Percent Change	Notes
Use of Fund Balance	3,397,506	2,804,200	(593,306)	-17.5%	Restricted Pension Reserves-\$1M, remainder to Capital
Taxes	86,130,956	92,634,065	6,503,109	7.6%	Increase due to online retail tax, cannabis and streaming
Licenses	621,945	710,045	88,100	14.2%	Liquor license increase
Permits	820,975	813,500	(7,475)	-0.9%	
Intergov Revenue	264,918	6,968,904	6,703,986	2530.6%	American Rescue Plan Act of 5.6M; 600K fire dept grant for equipment
Charges for Services	13,008,054	13,403,037	394,983	3.0%	
Fines & Forfeitures	665,700	736,000	70,300	10.6%	Reflects trend
Investment Income	111,175	160,529	49,354	44.4%	Reflect impact from investment advisor engagement
Misc Revenue	517,865	540,687	22,822	4.4%	
Sale Capital Assets	28,500	24,374	(4,126)	-14.5%	
Transfer In	3,499,107	3,516,411	17,304	0.5%	
TOTAL REVENUE	109,066,701	122,311,750	13,245,049	12.1%	

FY 2023 BUDGET – GENERAL FUND - EXPENSES

Expenditures	2022 Budget	2023 Adopted	Dollar Change	Percent Change	Notes
Salaries	42,318,251	44,712,639	2,394,388	5.7%	Various staffing to advance City initiatives (primarily IT)
Benefits	12,333,409	13,120,079	786,670	6.4%	Staffing increases, health insurance incr of 6%
Contractuals	13,546,742	13,427,602	(119,140)	-0.9%	
Commodities	7,823,700	8,585,060	761,360	9.7%	Increase for concrete, asphalt and fuel
Capital Expenditures	600,000	5,402,485	4,802,485	0.0%	\$4.9M in cash for equipment
Principal Expense	2,357,280	1,776,522	(580,758)	-24.6%	Reduction related to paying cash for equipment
Interest Expense	248,823	143,046	(105,777)	-42.5%	Reduction related to paying cash for equipment
Other Intergov Exp	17,662,606	17,764,149	101,543	0.6%	
Other Expenditures	3,616,894	8,695,369	5,078,476	140.4%	ARPA grant assumed 5.6M expenditure - placeholder
Transfer Out	8,558,997	8,684,800	125,803	1.5%	
TOTAL EXPENSE	109,066,701	122,311,750	13,245,049	12.1%	

FY 2023 CITY WIDE BUDGET - REVENUES

Revenues	2022 Budget	2023 Adopted	Dollar Change	Percent Change	Notes
Use of Fund Balance	34,615,199	33,090,695	(1,524,504)	-4.4%	Restricted Pension Reserves-\$1.0M, \$1.8 GF, \$19.4M MFT projects, \$5.0M Water projects
Taxes	95,522,152	109,574,299	14,052,148	14.7%	Increase due to online retail tax, cannabis, streaming, property tax for Library
Licenses	663,945	752,045	88,100	13.3%	
Permits	836,975	829,500	(7,475)	-0.9%	
Intergov Revenue	12,727,228	21,111,998	8,384,770	65.9%	\$6.7M ARPA, \$500K Grant BCPA Creativity Center, \$600K possible Fire State Grant
Charges for Services	70,643,571	73,195,933	2,552,361	3.6%	Annual increase in Ambulance, Sewer, Storm Water and Solid Waste fees
Fines & Forfeitures	1,131,200	1,177,500	46,300	4.1%	
Investment Income	1,427,471	1,308,111	(119,360)	-8.4%	
Misc Revenue	15,242,536	9,774,748	(5,467,788)	-35.9%	Decrease as pool borrowing was estimated at \$11.7M in FY 2022 Budget
Sale Capital Assets	47,675	43,549	(4,126)	-8.7%	
Capital Lease Proceeds	5,333,115	3,628,844	(1,704,271)	-32.0%	Decrease due to paying cash for equipment in GF-\$4.9M in FY 2023
Transfer In	13,544,622	14,614,664	1,070,042	7.9%	Increase due to Library transfer to City to pay Bond.
TOTAL REVENUE	251,735,690	269,101,886	17,366,196	6.9%	

FY 2023 CITY WIDE BUDGET - EXPENSES

Expenditures	2022 Budget	2023 Adopted	Dollar Change	Percent Change	Notes
Salaries	55,459,768	58,034,667	2,574,899	4.6%	Various staffing to advance City initiatives (primarily IT)
Benefits	16,618,153	17,335,530	717,378	4.3%	Staffing increases, health insurance incr of 6%, decrease in IMRF rate
Contractuals	49,851,182	51,371,561	1,520,379	3.0%	
Commodities	15,485,919	18,627,947	3,142,028	20.3%	Increase for concrete, asphalt and fuel
Capital Expenditures	63,441,995	62,692,654	(749,341)	-1.2%	Capital Projects \$4.4M lower than FY 2022/\$6.3M Cash for equipment in FY 2023
Principal Expense	10,707,328	10,018,828	(688,500)	-6.4%	Reduction related to paying cash for equipment in GF
Interest Expense	2,000,795	1,577,645	(423,150)	-21.1%	Reduction related to paying cash for equipment in GF
Other Intergov Exp	17,743,606	17,845,149	101,543	0.6%	
Other Expenditures	6,882,322	16,983,240	10,100,918	146.8%	ARPA grant assumed \$6.7M expenditure - placeholder. Storm \$1.5M, Sewer \$1.3M, GBI \$1.0 Cont. to FB
Transfer Out	13,544,622	14,614,664	1,070,042	7.9%	Increase due to Library transfer to City to pay Bond.
TOTAL EXPENSE	251,735,690	269,101,886	17,366,196	6.9%	

FY 2023 CITY WIDE BUDGET – BY FUND

Fund	2022 Budget	2023 Adopted	Dollar Change	2023 Adopted as % of total	Dollar Change Notes
General Fund	\$109,066,701	\$122,311,750	\$13,245,049	45.45%	\$5.6M ARPA, \$4.9M Cash for Eq., \$3.2 Comp
MFT	\$20,272,966	\$25,205,000	\$4,932,034	9.37%	Capital Projects
Library	\$5,698,096	\$9,069,231	\$3,371,135	3.37%	Increase for FF&E & Bond for Expansion
Bond (debt service)	\$5,938,439	\$6,485,013	\$546,574	2.41%	
Capital Funds	\$25,739,615	\$14,859,210	(\$10,880,405)	5.52%	O'Neil Pool in FY 2022-\$11.7M
Water	\$29,654,428	\$26,238,252	(\$3,416,176)	9.75%	\$5M less in Capital Projects than FY 2022
Sewer	\$11,134,398	\$11,561,675	\$427,277	4.30%	\$1M less in Capital Projects, Cont. to FB \$1.3M
Storm Water	\$5,535,000	\$7,839,853	\$2,304,853	2.91%	Increase in Capital Projects vs. FY 2022
Solid Waste	\$8,237,505	\$8,194,055	(\$43,451)	3.04%	Decrease due to recycle/air burner
Golf	\$2,512,220	\$2,776,522	\$264,302	1.03%	Increase for 2 small capital projects
Grossinger Motors Arena	\$5,122,444	\$7,852,176	\$2,729,732	2.92%	RTU Units
Insurance (internal service)	\$18,350,860	\$19,975,829	\$1,624,969	7.42%	Premiums
All Other Funds	\$4,473,018	\$6,733,320	\$2,260,302	2.50%	\$750K increase CDBG, \$600K increase Abraham Lincoln Parking Deck work, \$550K increase BEC
TOTAL EXPENSE	\$251,735,690	\$269,101,886	\$17,366,196	100.00%	

FY 2023 – Budget at Work – Capital Improvements

Fund	FY2022	FY2023	Change
Capital Improvement	13,206,500	4,230,366	(8,976,134)
Asphalt and Concrete	7,200,000	7,000,000	(200,000)
MFT (State)	20,272,966	25,205,000	4,932,034
Water	12,938,750	7,901,750	(5,037,000)
Sewer	5,861,000	4,792,000	(1,069,000)
Storm Water	1,711,000	2,642,000	931,000
Arena	100,000	3,800,000	3,700,000
BCPA Capital Campaign	-	500,000	500,000
Lincoln Parking Deck	-	600,000	600,000
Golf Fund	-	235,000	235,000
	61,290,216	56,906,116	(4,384,100)

FY 2023 BUDGET

Highlights - Net McLean County Museum Support

Total Budgets:

➤ City Wide:	\$269,101,886
Museum	<u>-\$45,000</u>
Net Adoption	\$269,056,886
➤ General Fund:	\$122,311,750
Museum	<u>-\$45,000</u>
Net Adoption	\$122,266,750

FY 2023 FUND BALANCE

Fund	Budgetary Fund Balance 4/30/2021	Projected Budgetary Fund Balance 4/30/2022	FY 2023 Adopted Budget	Net Changes to Fund Balance	Projected Fund Balance Ending 4/30/2023	Projected Fund Balance Percent
General Fund Total:	\$ 27,684,356	\$ 34,469,760	\$ 122,266,750	\$ (1,803,196)	\$ 32,666,564	26.71%
Special Revenue Total:	\$ 23,527,029	\$ 29,433,709	\$ 39,031,411	\$ (21,879,176)	7,554,534	19.36%
Debt Service Total:	\$ 5,644,448	\$ 5,683,977	\$ 6,485,013	\$ 1,005,020	\$ 6,688,996	103.15%
Capital Project Total:	\$ 2,350,532	\$ 1,110,423	\$ 14,859,210	\$ (1,282,329)	\$ (171,906)	-1.16%
Enterprise Total:	\$ 31,463,171	\$ 21,060,948	\$ 65,438,337	\$ (3,344,905)	\$ 17,716,044	27.07%
Internal Service Fund Total:	\$ 5,537,624	\$ 5,313,972	\$ 19,975,829	\$ 99,182	\$ 5,413,155	27.10%
Fiduciary Fund Total:	\$ 17,268,538	\$ 17,311,373	\$ 1,000,335	\$ (104,301)	\$ 17,207,072	1720.13%
Total:	\$ 113,475,700	\$ 114,384,162	\$ 269,056,886	(27,309,704)	\$ 87,074,458	32.36%

FY 2023 Budget

Resources

- The Proposed Budget can be viewed in detail - Via the Web at: www.cityblm.org/budget
- Budget Book Highlights:
 - Book 1 - Budget Overview section: Year over Year Summary of Revenues / Expenditures
 - Book 2 - Capital Improvement Program section: Summary and Details on Infrastructure Projects
 - Both Books - Department - Fund Narratives: Department - Fund description and highlights
 - The Adopted Budget Books will be available on the City website by May 31, 2022
- Additional Resources: Budget Video Series, City Comprehensive Annual Financial Report, Statistical Section, which describes assets and services supported by the Budget. All can be located on the City's website at: www.cityblm.org/government/departments/finance

FY 2023 BUDGET

Recommend

Adopt the FY2023 Budget as presented in the amount of:

\$269,056,886

FY 2023 Budget

Questions - Comments