



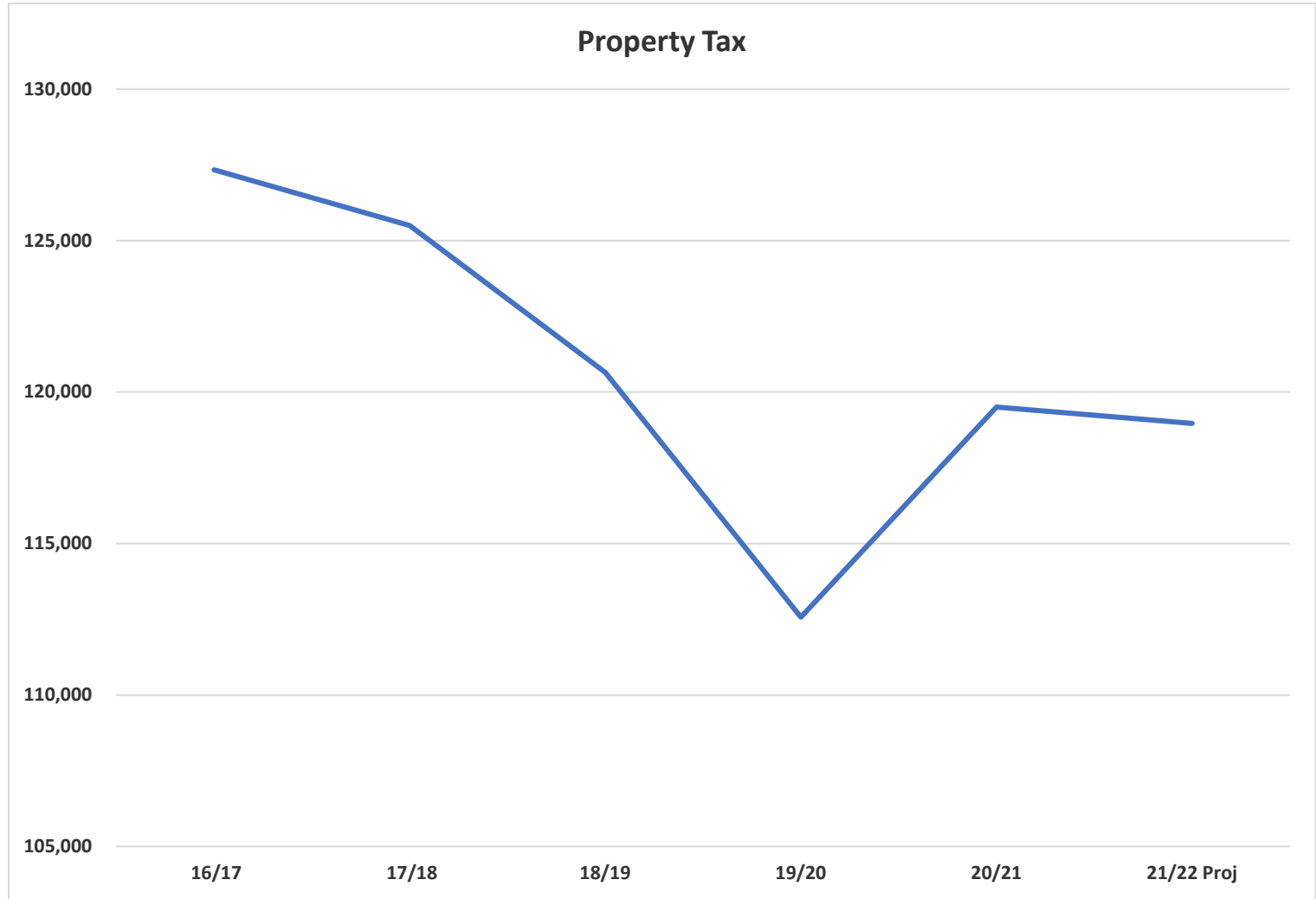
City of
Farmer City
FY 2022-23

FY 2021-22 Review

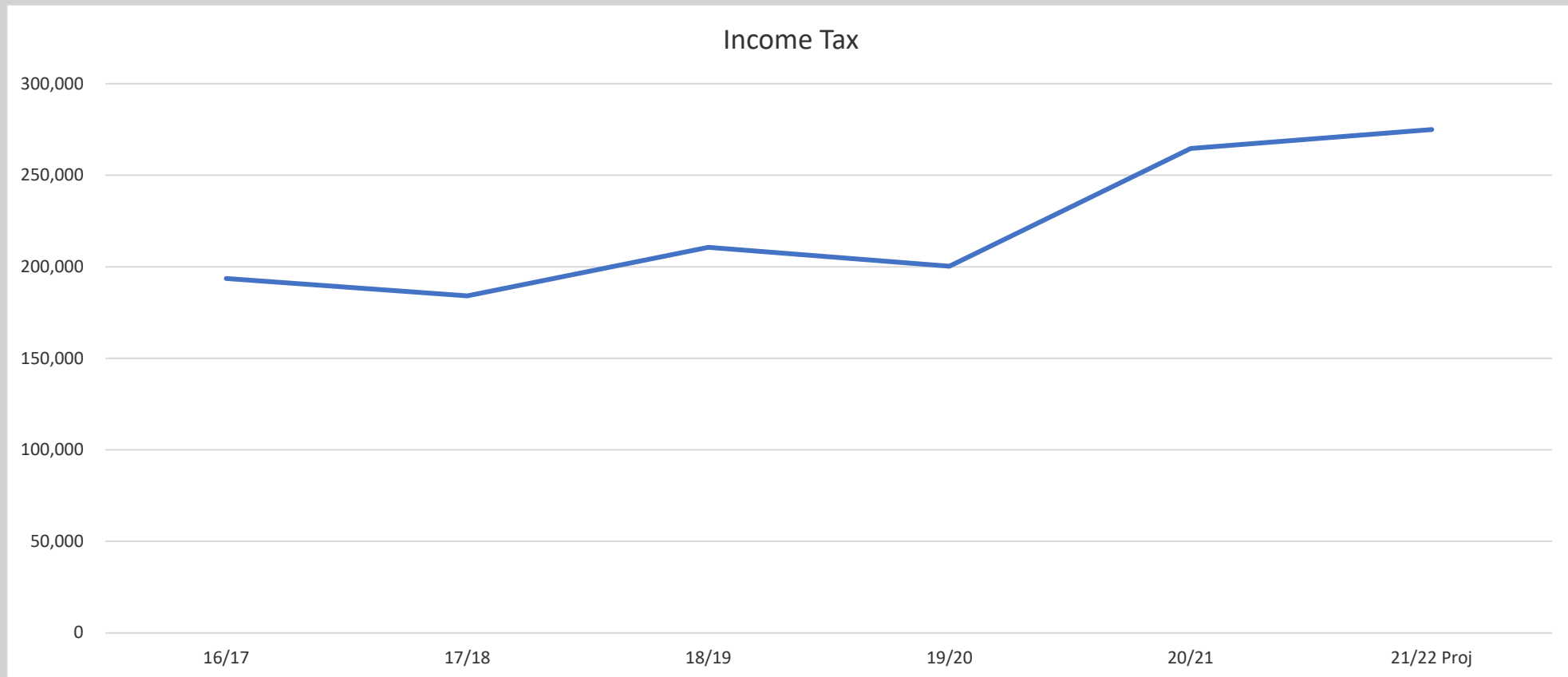
- Post Covid Recovery
 - Revenues 6% up
 - Reduction in Utility transfers into General Fund

| Revenue | FY 2020-2021 | FY 22 Budget | FY 2021-2022 | Vs. FY 21 |
|--------------|--------------|--------------|--------------|-----------|
| Income Tax | 264,610 | 200,000 | 275,000 | 4% |
| Gaming Tax | 44,780 | 39,000 | 70,000 | 36% |
| Sales Tax | 201,364 | 200,000 | 235,000 | 14% |
| Use Tax | 91,639 | 55,000 | 72,000 | 21% |
| Telecomm Tax | 13,903 | 15,000 | 11,000 | 21% |
| Court Fines | 19,989 | 18,000 | 27,200 | 27% |

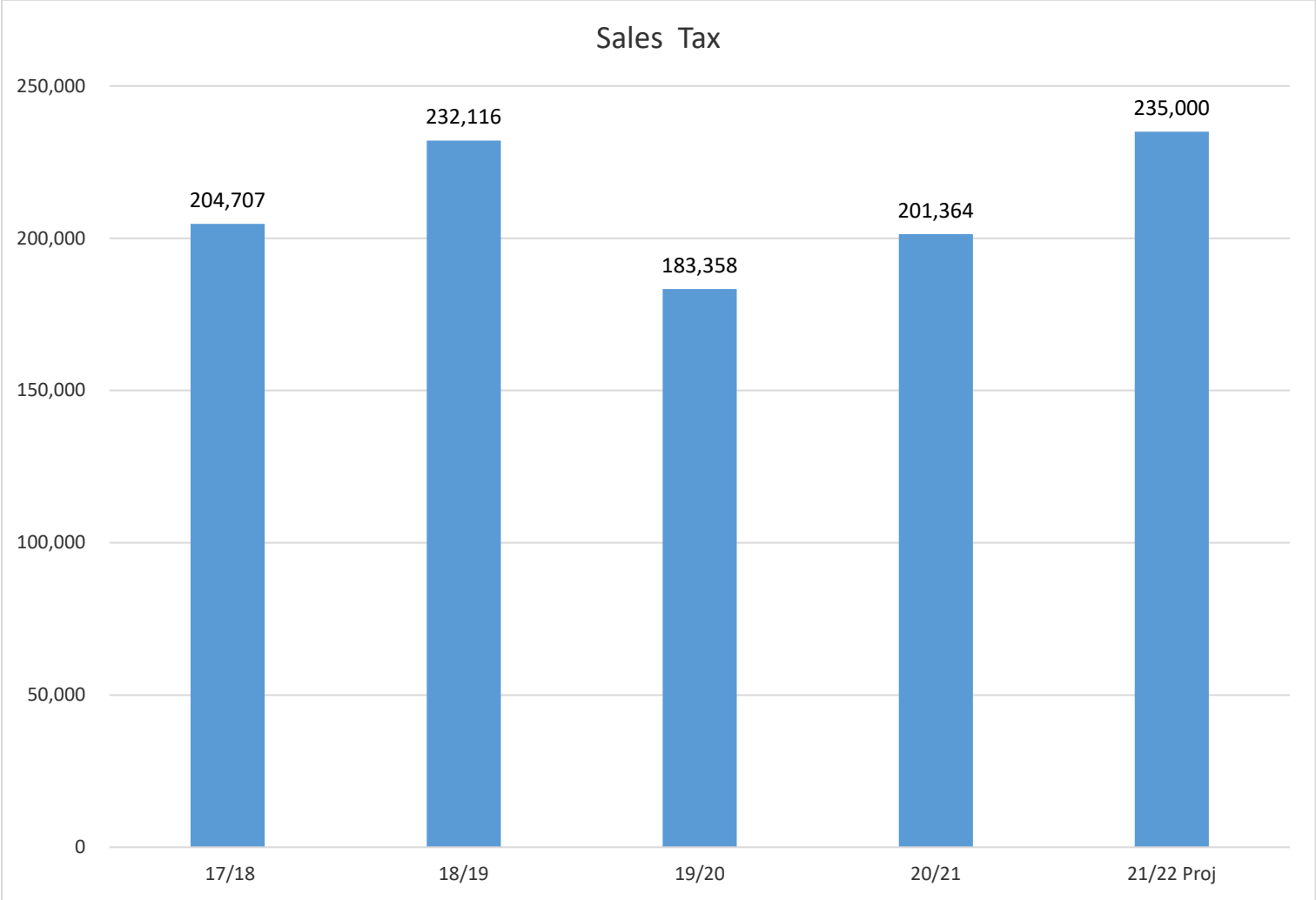
*EAV has dipped here and there but remained fairly steady



The State of Illinois provided LGDF (Municipal share of income tax) at 8% in 2015. It was reduced to 5.45% in 2017-18. It now sits at 6.06%



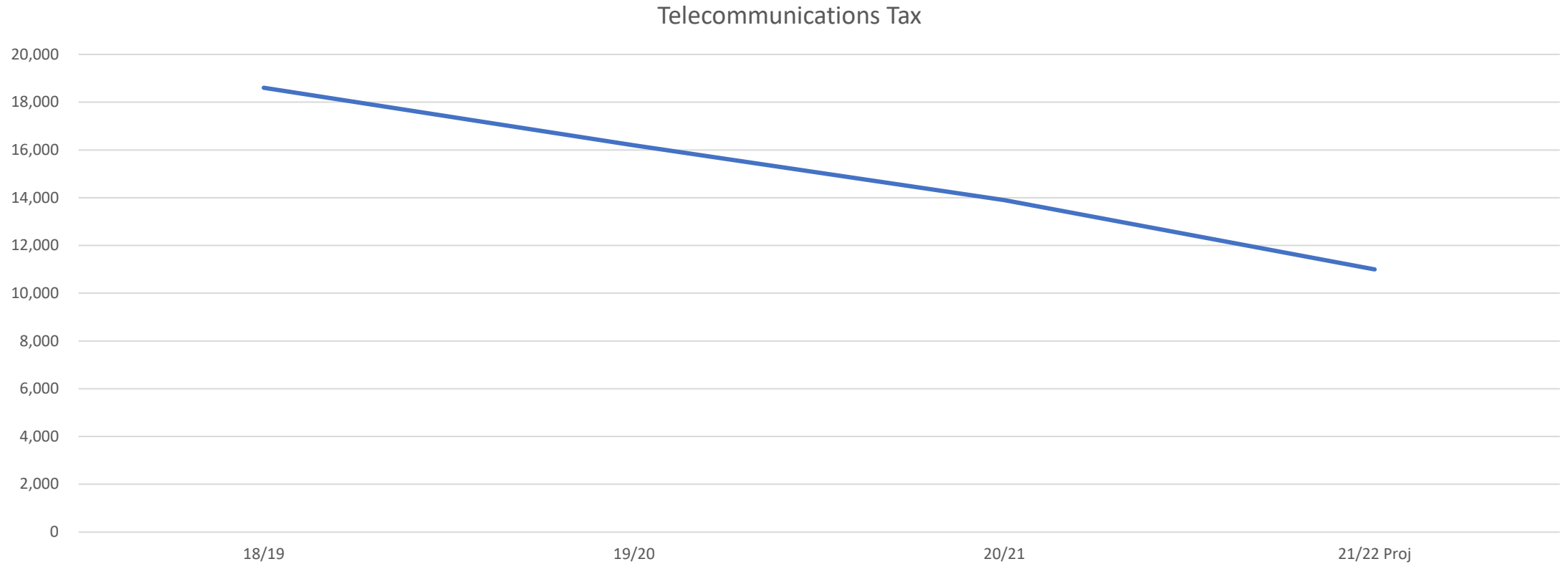
*Sales tax obviously took a dip during COVID but has made a slow and steady recovery



Telecommunications Tax

*Loss of landlines – no tax on mobile phones

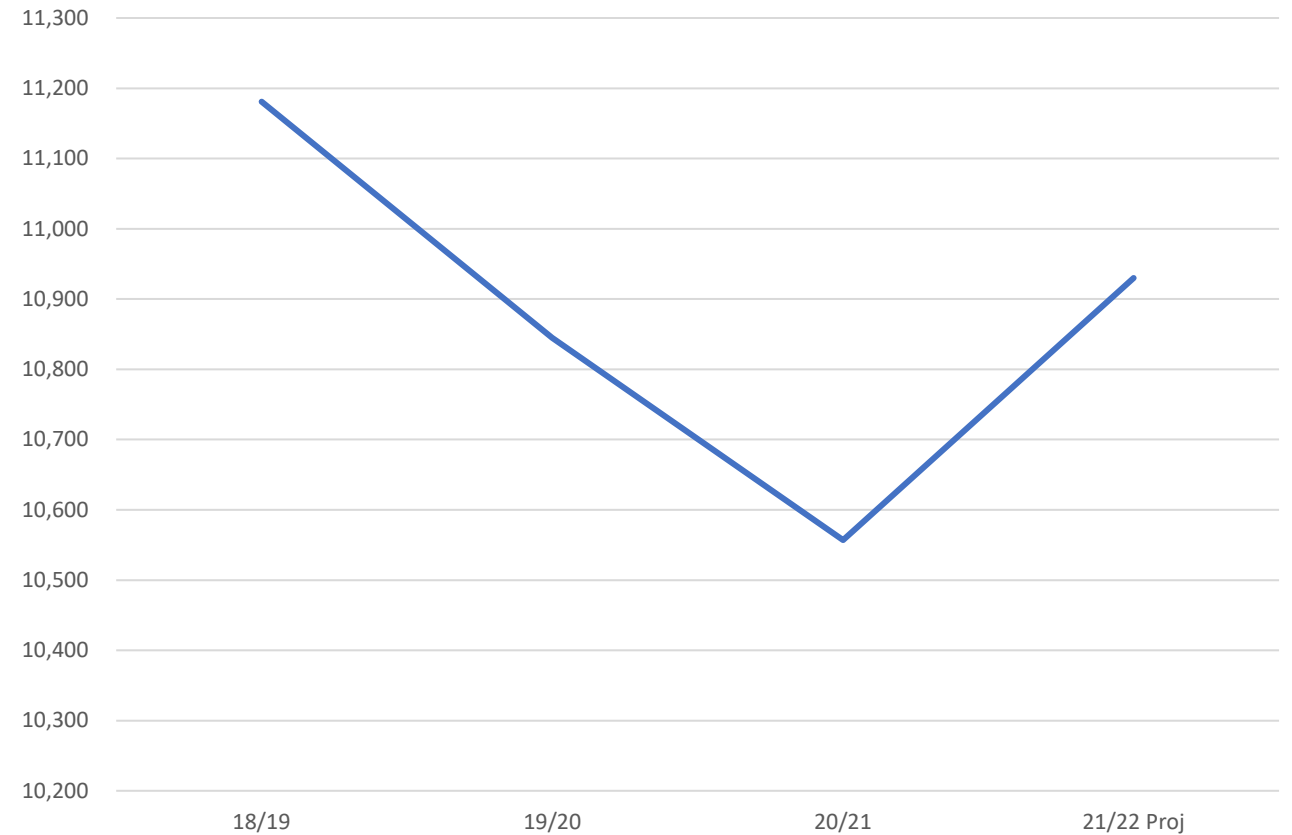
*Will need to consider replacement of this revenue source in future (1% of GF)



Franchise Fees

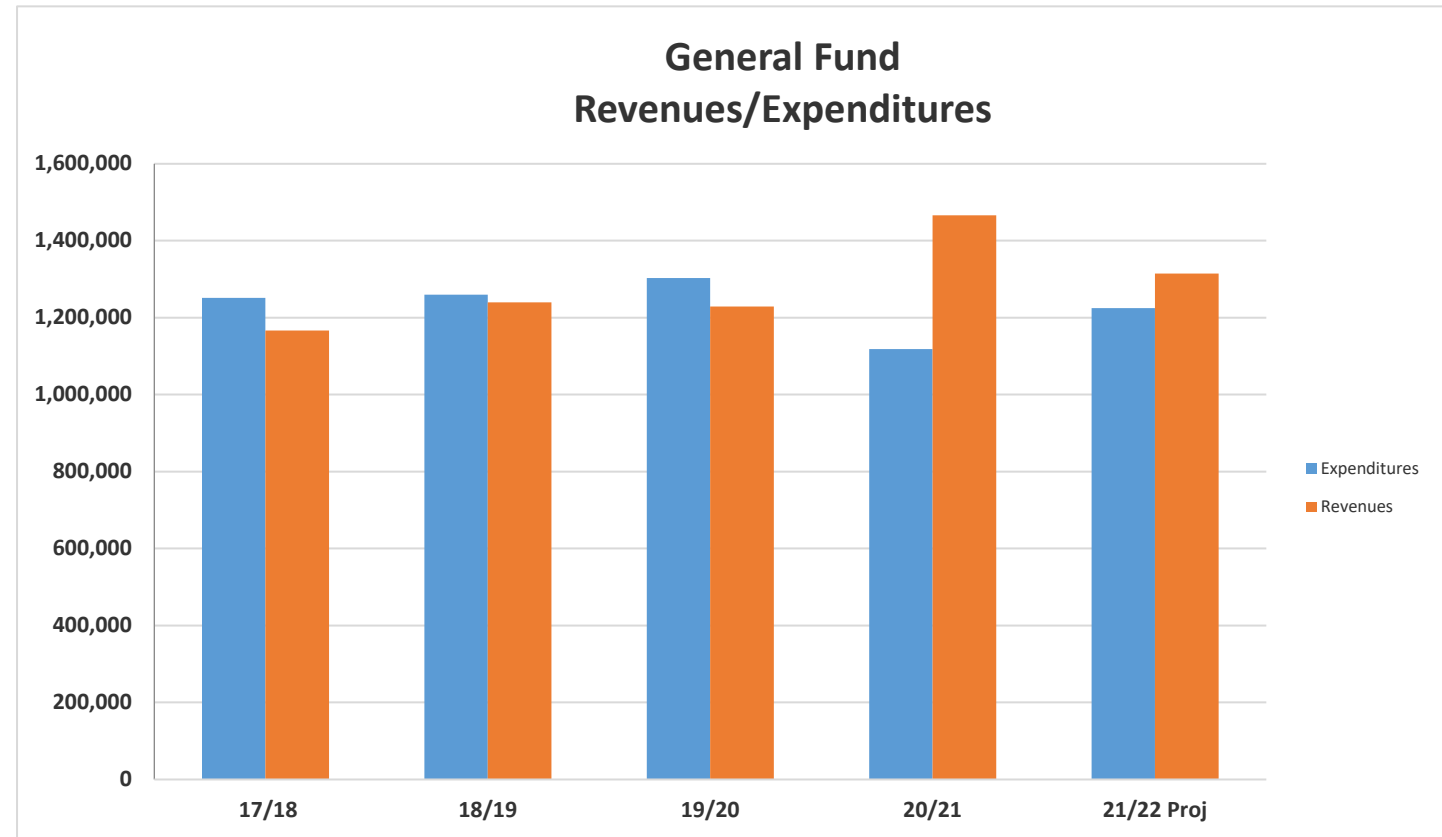
*MINOR increase this year, but steady decline due to streaming services
*Pending court case may require addition of streaming services to tax requirement
*Azavar to review as well

Franchise Fees

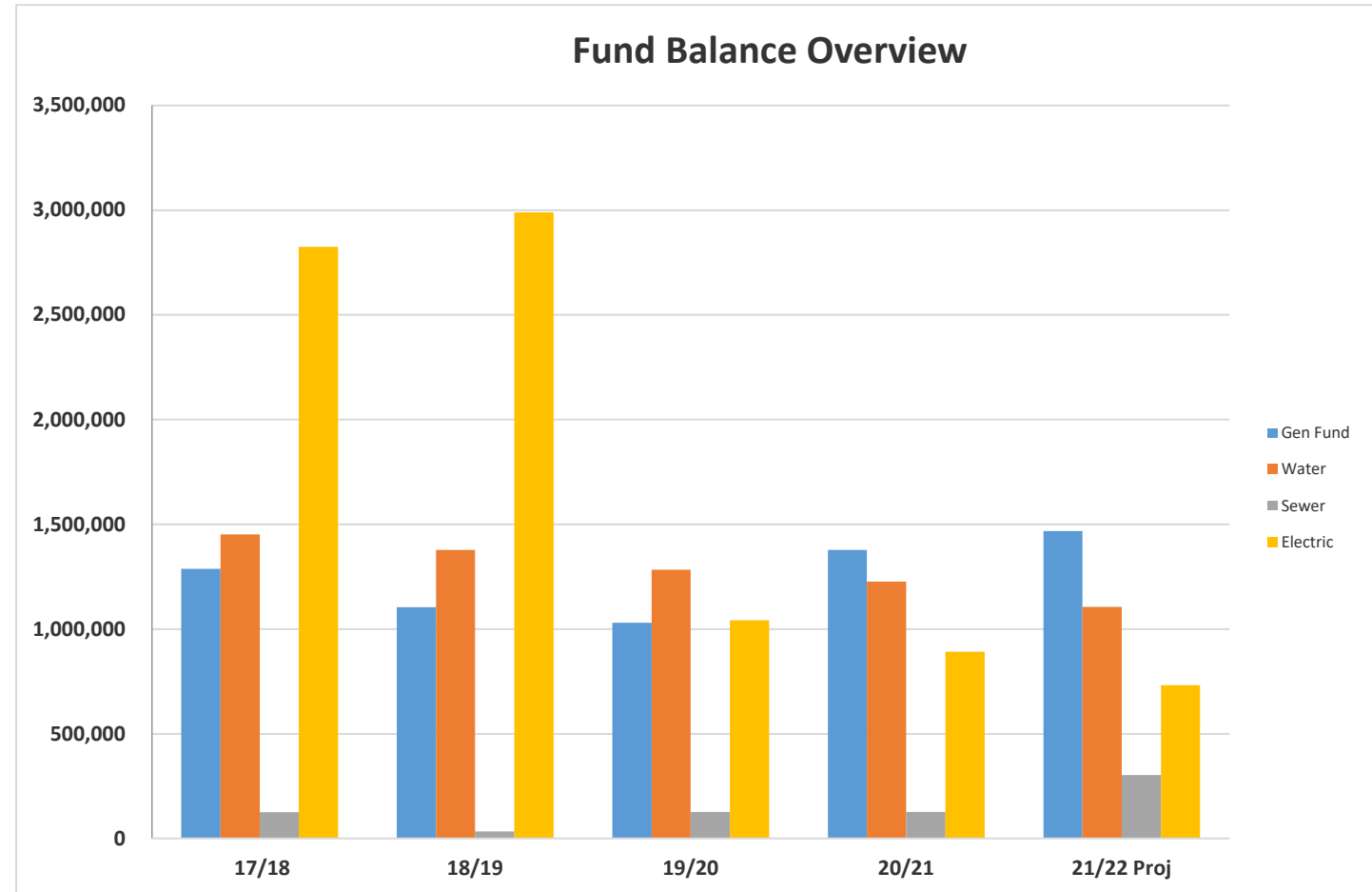


*Between grants and higher tax revenue, we are seeing a change in revenue over expenditures.

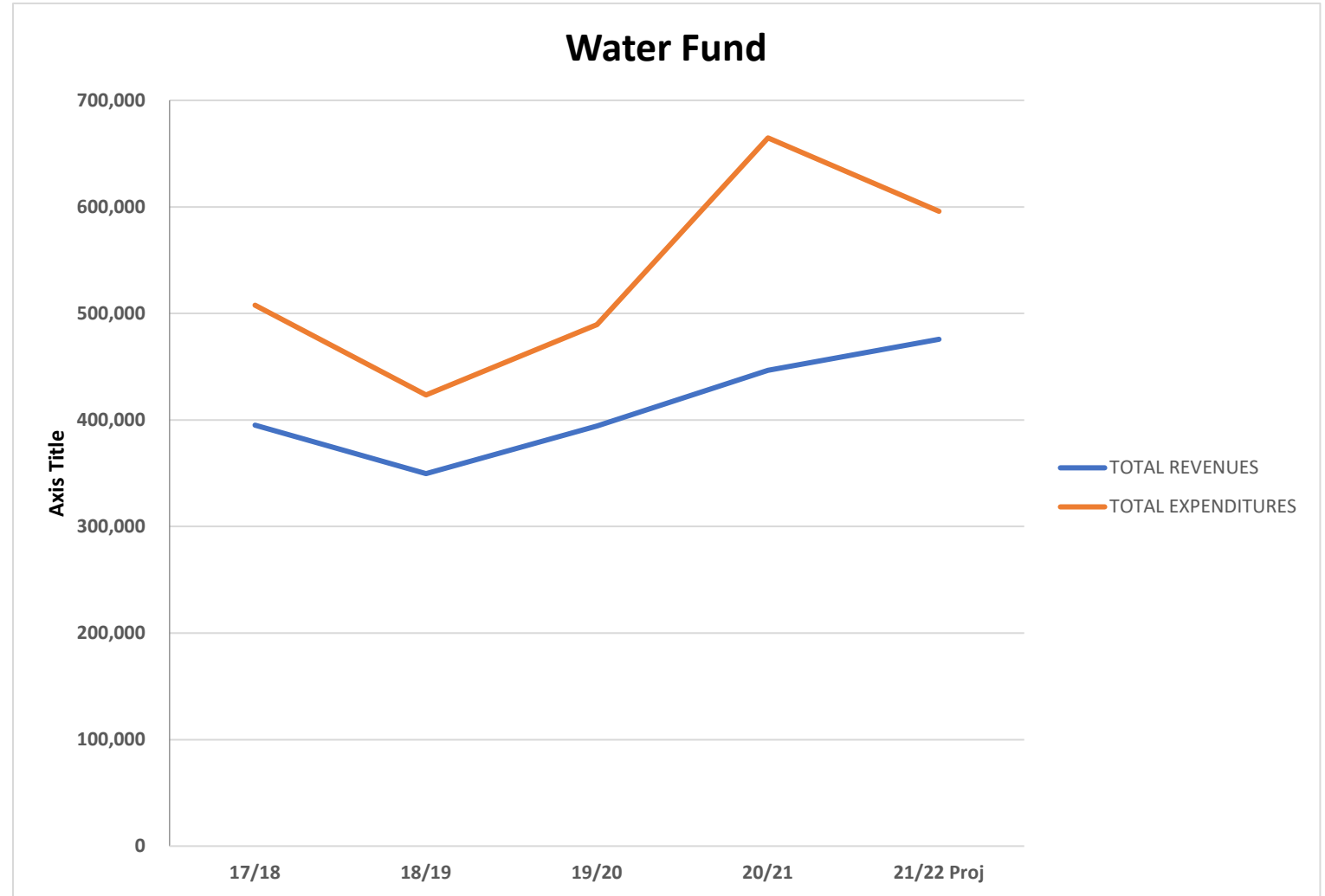
*It's a good time for a strategic drawdown and reduction in utility transfers



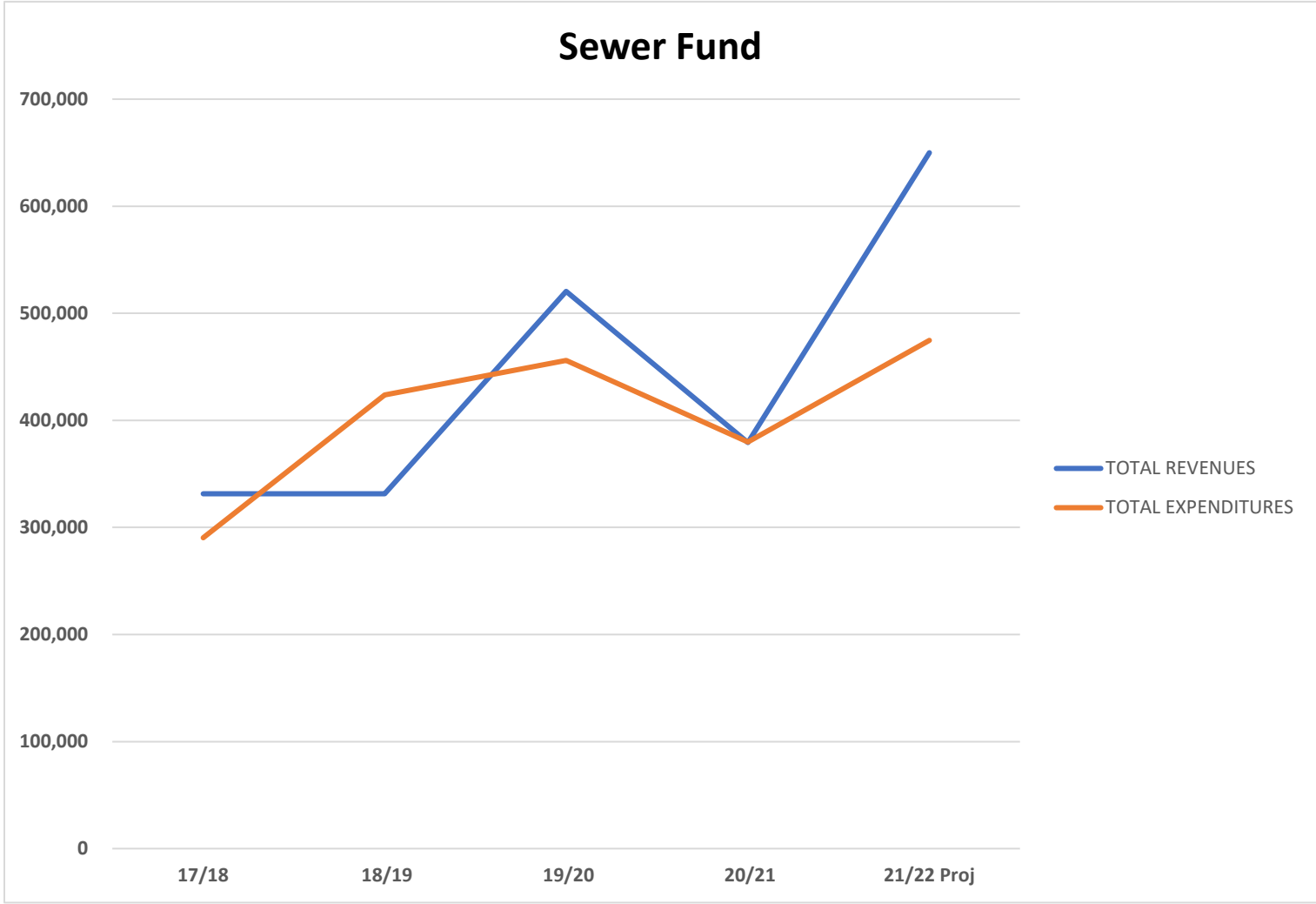
The utilities continue to be a concern, especially sewer. We will need to make some decisions on expenditures there.



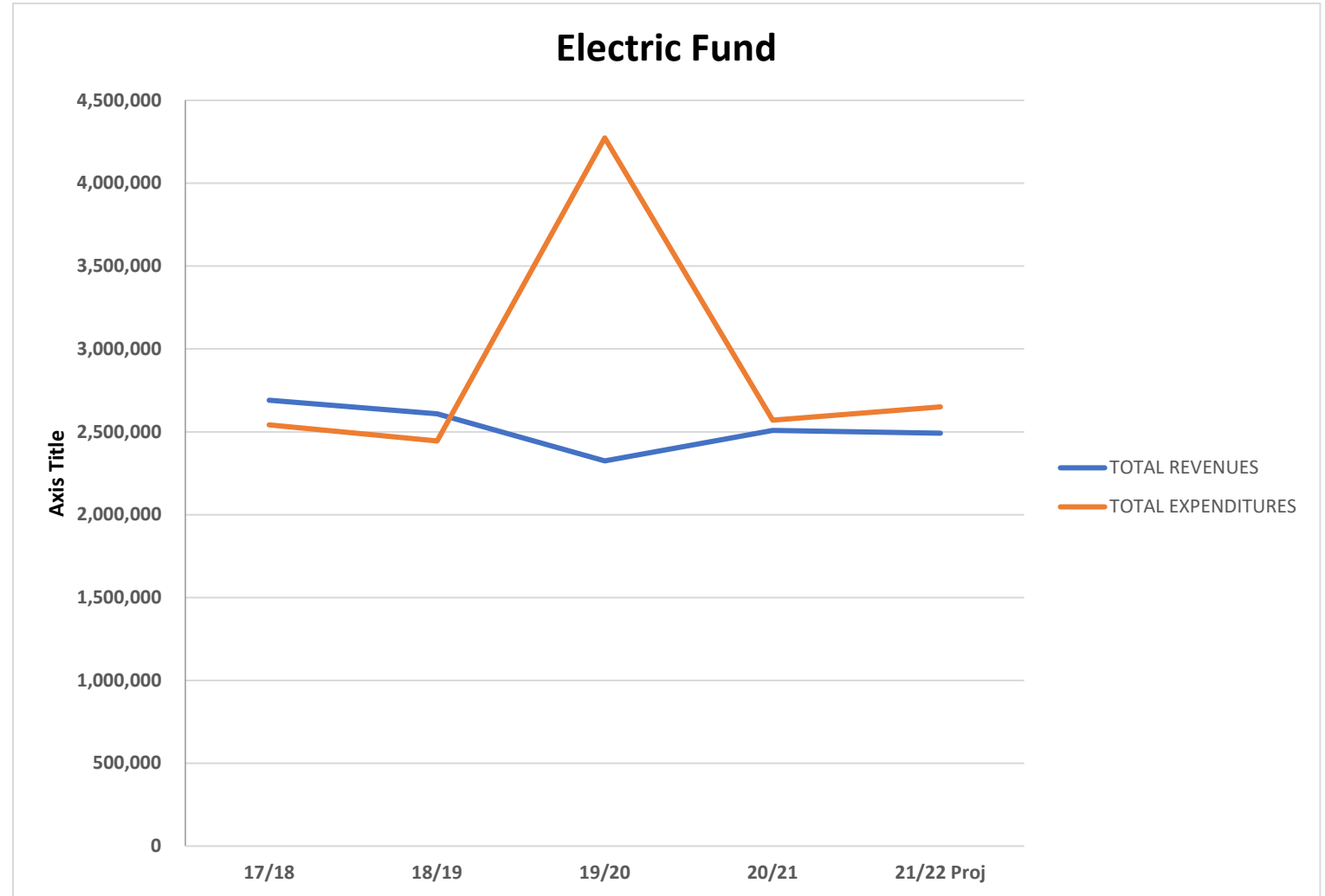
*Water fund continues to operate in a deficit cycle



*Sewer fund continues to struggle; Revenue higher due to ARPA grant money in FY 22



*Operational deficit in Electric; Bump in FY 20 was transfer for pool renovation



FY 2021-22 Review

- Accomplishments
 - Administration
 - Updated codification of City Code
 - Updated Website frequently
 - Updated camera system in City Hall/Police Department
 - Parks
 - Purchased new mower (destroyed in fire)
 - Added swings to South Park playground; maintained South Park Drive
 - Repaved Weedman Park parking lot
 - Pool
 - Completed \$1.6 million renovation
 - Typical deficit operating budget; may be even higher this year due to wages

FY 2021-22 Review

- Accomplishments contd
 - Police
 - Evidence room upgrades (Door/lock, camera)
 - New desktops
 - New camera system (with city hall)
 - Streets
 - New shop furnace
 - Multiple street sign replacements, maintenance
 - Motor Fuel Tax
 - E. Green St, N Lincoln St repaving
 - Salt, Tree removal

FY 2021-22 Review

- Accomplishments contd
 - TIF 2
 - Prairie Ridge playground equipment
 - John St. drainage reconstruction (Weedman Park parking lot)
 - Corneglio Ag parking lot; Pearl Trucking parking lot; 201 S Main Roof replacement
 - Green St sewer lining
 - Business District #1
 - Garden Club donation for downtown greenery
 - Tourism (Hotel/motel tax)
 - Heritage Days, Christmas parade, Santa House, July 4th Fireworks
 - Chamber advertising

FY 2021-22 Review - Utilities

- Accomplishments contd
 - Water Fund
 - Master Plan
 - Pre-chlorination
 - Sewer Fund
 - Repaired multiple air leaks to improve efficiency
 - Cemetery lift station work
 - Repaved after sewer line work at Pool/Weedman Park
 - Brookview Dr camera and cleaning
 - Master Plan
 - Electric Fund
 - Purchased tree truck
 - Relay/breaker work

FY 2021-22 Review

- Accomplishments Contd
 - Capital Projects Fund
 - Completed Pool renovation
 - Completed gun range building exterior
 - Finished insulation, roughed-in water/sewer, finished drywall
 - Sidewalk Master Plan

FY 2022-23

Proposed Budget

A decorative graphic element consisting of two overlapping blue rectangular shapes. The top shape is a solid blue bar. The bottom shape is a slightly offset blue bar that appears to be layered underneath, creating a 3D effect with a white shadow on the right side.

General Fund Revenue

Gaming tax anomaly

- Unknown cause for spike in revenues

Income tax – LGDF

- Legislature working on increasing from 6% to 8%

Use tax

- “Level the Playing Field” Act will reduce slightly

John St reimbursement grant

- \$75,000

Utility transfer reduction

- \$110,000 less from utilities in FY 22
- \$115,000 less from utilities in FY 23

Garage fire insurance proceeds

- New line items – will require budget amendment

General Fund Expenditures

Overall, expenditures up 4% from FY 21 (before fire rev/exp)

- 10% Health Insurance cost

Administration <1%

Mayor/Council 32% (Strategic Planning update)

Parks 17% (Concession stand; Christmas tree)

Police 8% (Replacement car; FOP negotiations)

Streets -5% (w/out fire rev/exp)

Pool <1% (May be higher depending on staff)

Administration

2% COLA

10% Healthcare premium increase

Mayor/City Council

Code book codification

IML conference

Strategic Planning refresher

Parks

Mowing (Cemetery, ROW etc)

South Park bathroom sidewalk railings

Christmas tree in Central Park

Concession stand in South Park

Pool

Speaker system

2-way radios

Repay Electric Fund

Police

2% per CBA

Replacement desktop

FOP negotiations

Police car replacement

- High mileage
- Should try to replace every 3 years; 1 per year

Streets

Fire replacements

- Line items for supplies, capital equipment; new building

Salt dome roof

Grinder

General Fund overview

May have some strategic drawdown of reserves – fire capital purchases

Reduced transfers in - Still have operating deficit

Sidewalks - Healthcare

Misc Funds

Audit

- Fee increase \$3,450
- Accounting services line item

Insurance, IMRF, FICA

- No substantive changes yet
- Comprehensive coverage may increase due to fire

ESDA

- Replace Prairie Ridge tornado siren
- Borrowing from Insurance Fund

Motor Fuel Tax

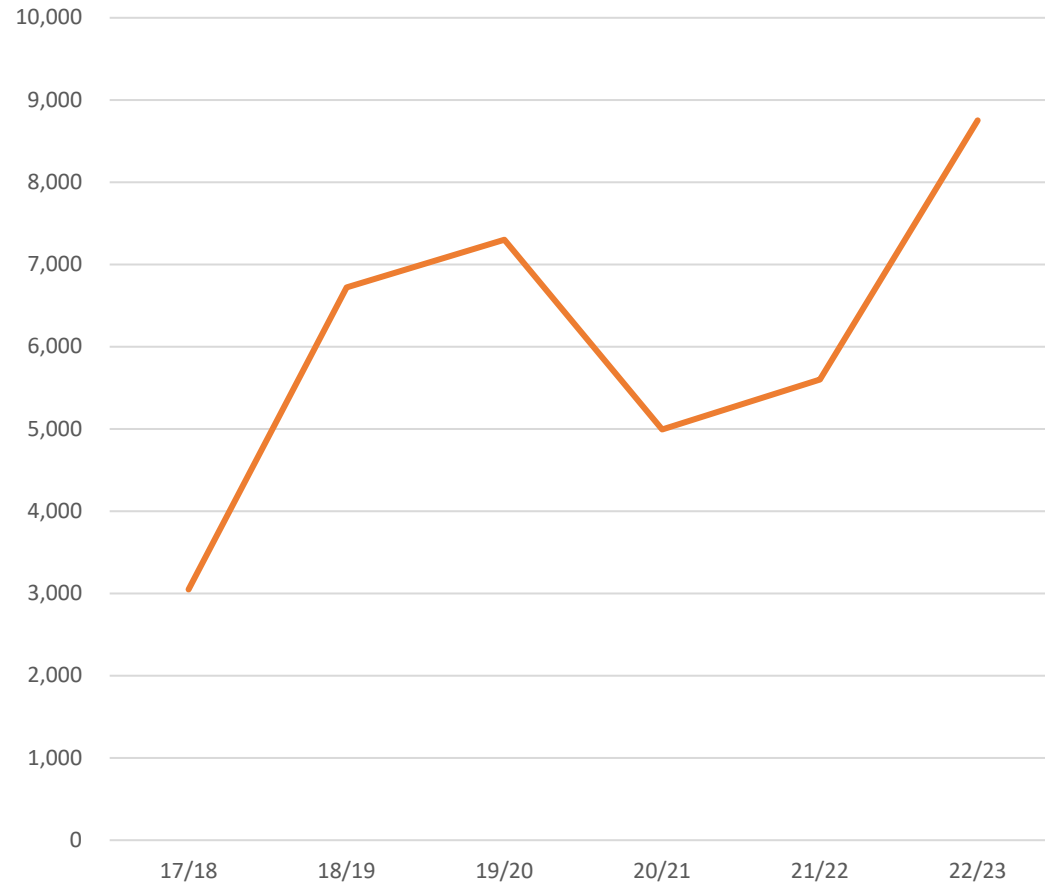
Intersection improvements

- Depot/John
- Plum/150
- Main St bridge
- Some oil/chip or grind/repave if funds

Tree removal

- N Plum
- W Market
- N William
- N Main

Crossing Guard



2 years will be deficit

Losing \$4,100 this year

Minimum wage law hastening deficit (\$13/hr this fiscal year)

TIF 2

To be extended 12 years; deficit to be addressed at end of FY 22

Surplus payments (10%)

Prairie Ridge

- Mowing
- Playground, Parking lot

SRTS grant proceeds/payouts in FY 23

Gun range (\$20,000)

Playground surface replacement to start FY 24

Forward TIF

Revenue is improving

- \$63,827 FY 22

Misc improvements

- \$50,000
- Council to decide on grants

Business
District #1

I-74 marketing?

Potential grants/improvements

Christmas decorations downtown

Transfers to General Fund

Tourism

Heritage Days

Christmas parade

Santa House

Fireworks

Market on I-74



Capital Projects

- Closing out
 - Transferring balance to Water/Sewer
- 

Water Fund

10% user charge increase

- ILRWA recommendation - \$2/base rate x 3

I-74 bond payment (50%)

Vactor truck upgrade (\$25,000)

Market St watermain replacement (\$100,000)

- If no grant award

Sand filters (Federal grant) (\$250,000)

Water Tower Mixing System (\$23,000)

Sewer Fund

10% user charge increase

- ILRWA recommendation

I-74 bond payment (50%)

Vactor truck upgrade (\$25,000)

John St lining

- \$150,000 (May delay due to funding issues)

Tertiary filter (ARPA grant)

- \$295,000

Main St trunk cleaning, Excess flow equipment

- \$40,000

Deficit budget – need to decide what to spend

Electric Fund

Vector truck upgrade (\$25,000)

New roof

- \$75,000

Protective Relays Control System

- \$60,000

Deficit budget – will need to decide spending