

Council Report Backs

2023 Revised Budget Questions – Part 3

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Question 1 Sidewalk Locations	Question From Jensen	Answer From PW
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The Locations for the 2022 Projects that are to be completed in 2023:

- Gift Avenue Neighborhood – Sidewalk Improvements
 - E Maywood Ave between N Wisconsin Ave and N California Ave
 - E Corrington Ave between N Indiana Ave and N California Ave
 - E Gift Ave between N Wisconsin Ave and N Indiana Ave
 - E Virginia Ave between N Wisconsin Ave

- Biltmore Heights Neighborhood – Sidewalk Improvements
 - N Sherwood Ave between W Hudson St and W Forrest Hill
 - W Hudson St between N University St and N Isabell Ave

- W Wilhelm Rd west of Knoxville Ave – New Sidewalk for connectivity

The Locations for the 2023 project to be completed in 2023 have not been identified yet, except for 14 homeowners in the 1800 block of Lamont Avenue that have requested new sidewalks through a special service area process.

Until we can get the conditions of the sidewalks can be fully evaluated the following process is being used to determine locations:

The locations are based on reported complaints from the public. We mapped the complaints and looked for locations with multiple complaints. We visited those sites and identified locations in need of repair that included the complaint and more. When we group projects into a few larger areas, it is more efficient for the contractor to do the removals, prep the site, and place the concrete. It is much more expensive and time-consuming to do many small projects spread over a larger area.

We are currently working on pilot projects funded through a grant from IDOT on two different ways to collect sidewalk data and perform sidewalk asset conditions. Once we identify the method that is best suited for our use, we will put together a cost estimate to collect this data. We would then apply for another grant from IDOT for the asset data collection and asset condition assessment for sidewalks within the city. Once we have the sidewalk data we will be able to select sidewalk locations based on asset condition, with the understanding that we need to spread the funding through the five council districts, or as directed by Council. This will put us in a position similar to how we select roads using the PCI rating and the DOT software program to select roadway projects.

Question 2 Summary of CIP by Council District	Question From Cyr	Answer From Finance
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Funding Source	Council District(s) 01	Council District(s) 02	Council District(s) 03	Council District(s) 04	Council District(s) 05
Capital	1,575,000.00	235,000.00	60,000.00		
Federal Grant	3,570,000.00	1,060,000.00	1,300,000.00	2,200,000.00	
General Obligation Bonds	4,221,000.00				
IEPA (CSO) Loan	7,640,000.00				
Local Motor Fuel Tax	420,000.00		160,000.00	480,000.00	330,250.00
Reimbursements Other Agencies			100,000.00		
State Grant	400,000.00	100,000.00		700,000.00	
State Motor Fuel Tax	500,000.00			1,103,370.00	
Stormwater Utility	1,115,000.00	2,220,000.00	1,867,500.00	1,603,000.00	3,790,000.00
Grand Total	19,441,000.00	3,615,000.00	3,487,500.00	6,086,370.00	4,120,250.00

Sum of Amount	District			
Funding Source	Council District(s) 01, 02	Council District(s) 01, 02, 03	Council District(s) 01, 02, 03, 04, 05, All	Council District(s) All
Capital		250,000.00		3,416,300.00
Federal Grant	600,000.00	1,500,000.00	2,000,000.00	810,000.00
IEPA (CSO) Loan		2,130,000.00		250,000.00
Local Motor Fuel Tax	1,720,000.00			2,730,000.00
Other Funding Sources				173,400.00
Reimbursements Other Agencies				42,500.00
Sewer Fees		520,000.00		2,025,570.00
State Grant			2,500,000.00	125,000.00
State Motor Fuel Tax	3,200,000.00			
Stormwater Utility	100,000.00	150,000.00	500,000.00	3,130,000.00
Grand Total	5,620,000.00	4,550,000.00	5,000,000.00	12,702,770.00

Above is the overall spending amount by council district with the funding sources of the individual projects included in the 2023 Revised Budget. For projects that are completely in a single district staff only lists that council district. However some of our capital projects do span multiple council district. When that occurs they show up in the multiple council district listings. Also included as an attachment is the listing of the projects by council districts with the project details.

Question 3 Garbage Fund: 5-year Repayment Plan	Question From Cyr	Answer From PW
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	Budget	Projected	Projected	Projected	Projected
	2023	2024	2025	2026	2027
FEES & USER CHARGES	\$ 10,668,033.00	\$ 10,881,393.66	\$ 11,099,021.53	\$ 11,321,001.96	\$ 11,547,422.00
MISC/OTHER CHARGES	\$ 220,476.00	\$ 224,885.52	\$ 229,383.23	\$ 233,970.90	\$ 238,650.31
PERSONNEL EXP	\$ 65,767.20	\$ 67,411.38	\$ 69,096.66	\$ 70,824.08	\$ 72,594.68
CONTRACTUAL EXP	\$ 10,223,000.00	\$ 10,478,575.00	\$ 9,459,289.38	\$ 9,695,771.61	\$ 9,938,165.90
SUPPLIES EXP	\$ 195,000.00	\$ 199,875.00	\$ 204,871.88	\$ 209,993.67	\$ 215,243.51
TOTAL REVENUE	\$ 10,888,509.00	\$ 11,106,279.18	\$ 11,328,404.76	\$ 11,554,972.86	\$ 11,786,072.32
TOTAL EXPENSE	\$ 10,483,767.20	\$ 10,745,861.38	\$ 9,733,257.91	\$ 9,976,589.36	\$ 10,226,004.10
TOTAL NET	\$ 404,741.80	\$ 360,417.80	\$ 1,595,146.85	\$ 1,578,383.50	\$ 1,560,068.22
	2023	2024	2025	2026	2027
TOTAL FUND BALANCE	\$ (5,039,120.39)	\$ (4,678,702.59)	\$ (3,083,555.74)	\$ (1,505,172.24)	\$ 54,895.98

As part of report back #1 staff presented the status of the Garbage Fund. As part of that discussion staff shared that once Landfill #2 closes, the Garbage Fund would start making substantial progress towards getting back to a positive fund balance. With Landfill #2's closure the City anticipates tipping fees, or the fees charged to dispose of the waste collected, will be cut in half. This equates to an estimated decrease in fees of around \$1 million dollars annually. The estimated closure date, which can change, is the end of 2024. Therefore, as shown above you see the net income increase substantially in 2025. With this reduction, the fund would be on pace to be positive within 5 years.

Question 4 Street Lights: Division Between Ameren and City	Question From Kelly	Answer From PW
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Attached is a map for Ameren vs. City owned lighting

Ameren owns and maintains the conduit system, wiring, fixture and pole of any wood poles. The City does not conduct maintenance of any lighting on wood poles owned by Ameren in the right of way.

The City owns and maintains the conduit system, wiring, fixture, and pole of any metal/ornamental poles.

The City pays Ameren energy costs. The City of Peoria has been working with The Efficiency Network (TEN) to develop a project to upgrade the City's street lights to save energy, reduce carbon emissions and provide better quality lighting. This project entails upgrading existing City-owned high-pressure sodium (HPS) street lights to energy-efficient and long-lasting LED fixtures.

On Tuesday, June 23, 2020, the City Council approved and granted authorization for Peoria to enter into an agreement with TEN.

The LED Streetlight Upgrade Project will pay for the initial upgrade with operational savings over time through an energy efficiency upgrade model often used for institutional buildings or campuses. In the first year alone, the improvements will save a projected \$176,000 in energy and utility costs and \$10,000 in maintenance hard costs. Additionally, the City is expected to receive up to \$430,000 in rebates from Ameren Illinois through their Energy Efficiency Program once the project is complete. These savings will be used to offset project costs, making the program budget neutral.

The upgrades support the City's continued commitment to environmental sustainability and green infrastructure. The changes will also bring brighter, more consistent lighting to City streets while providing enhanced visibility for motorists, bicyclists, and pedestrians.

Question 5 Unity Place Capital Contribution	Question From Ruckriegel/ Jensen	Answer From CM/ Finance
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On October 25th, Unity Point provided the City Council with a presentation on a new youth and adolescent mental health facility at the Heddington Oaks Facility. During that presentation, Unity Point requested \$1 million in funding from City Council. Per council direction staff have put together 3 options for City Council to consider.

Option #1 General Fund \$1 Million Contribution

The City Council could use revenues from the 2023 General Fund budget to fund the request from Unity Point. The 2023 Revised Budget currently has \$1.9 million surplus in general fund. The General Fund would be able to absorb the contribution without going into a negative position in 2023. Staff have included this surplus in future planning as included in the 2023 Revised Budget. In reviewing the 2022 projections, staff believe personal property replacement taxes (PPRT) will come in stronger than the amount shown in the 2022 projection. This would allow the City to make up the loss in the 2023 surplus.

Option #2 Depot Street Projection Reallocation, \$1 Million Contribution

In the 2023 Revised Budget there is \$875,000 included in Capital Fund for some of the public improvements for the Depot Street projection. These expenses are anticipated to be included in a Special Service Area that will be recouped during future years. The Depot Street project is occurring in the Warehouse District TIF.

To accommodate the funding for Unity Point, council would move the \$875,000 for the Depot Street project to the Warehouse District TIF which currently has a surplus of approximately \$1.5 million. Instead of the Special Service Area revenue being paid back to the Capital Fund, under this scenario it would be repaid to the Warehouse District TIF. The City would then supplement the contribution with an additional \$125,000 from the Capital Fund to make the full contribution to Unity Point.

Option #3 ARPA Funding with Demolition Shift, \$1 Million Contribution

As part of the 2023 Revised Budget, \$1 million was allocated for demolitions using ARPA funds. If Council wanted to use ARPA funding for the contribution to Unity Point, the \$1 million for demolitions could be moved to the general fund. This action would have the same net effect as option #1, but has the City use ARPA funds instead of general fund revenues.

During the Council meeting on November 1, Council Member Ruckriegel suggested that staff could look at trimming additional capital projects and Councilwoman Jensen recommended a smaller contribution over multiple years.

Option #4 Depot Street Projection Reallocation – Limit the contribution to \$875,000

Most of the capital projects in 2023 in General Capital are small or are tied to fleet replacement. The largest project that has another potential funding source is the Depot St. improvements (\$875,000) as mentioned above. These expenses are anticipated to be included in a Special Service Area that will be recouped during future years. The Depot Street project is occurring in the Warehouse District TIF.

To accommodate the funding for Unity Point, council would move the \$875,000 for the Depot Street project to the Warehouse District TIF which currently has a surplus of approximately \$1.5 million. Instead of the Special Service Area revenue being paid back to the Capital Fund, under this scenario it would be repaid to the Warehouse District TIF. The City would then **NOT** supplement the contribution with an additional \$125,000 from the Capital Fund leaving the contribution at \$875,000 or less if Council desires.

Option #5 Spread the Capital Contribution over Multiple Years, \$825,000

Staff would recommend that if Council desired to spread the capital contribution to Unity Place over 3 years, this could be accommodated with a \$275,000 annual contribution for 2023-2025. This would be an \$825,000 contribution to Unity Place, budgeted in the General Capital budget.