

Council Report Backs

2023 Revised Budget Questions – Part 1

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| | Site Selector Report Back will be presented once the GPEDC Report is complete. | Velpula | |

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| Question 1 Diversity and Inclusion Management Analyst Justification/ CDIO Roles and Responsibilities | Question From Oyler/Jensen | Answer From HR/CDIO/CM |
|---|--------------------------------------|----------------------------------|

Prior to 2011, the City had and Equal Employment Opportunity (EEO) department comprised of an EEO Manager, two EEO specialists, and an administrative support position. Duties were as follows:

- EEO Manager
 - Managed and supervised the operations and staff of the department
 - Served as liaison to the Fair Employment and Housing Commission and the Mayor’s Advisory Committee for the Disabled
 - Served as Americans with Disabilities Act coordinator
 - Monitored and reviewed vendor and contractor compliance
 - Collected and analyzed data for use in the Affirmative Action Plan
 - Prepared responses to discrimination complaints
 - Counseled City officials, administrators, department directors and employees on effects of new laws and court decisions to ensure that the City is in compliance
 - Wrote detailed reports of all findings, conclusions and recommendations based on a thorough analysis and interpretation of data
 - Ensured completion of EEO-4 reports
- EEO Specialists
 - Performed intake services for charges of discrimination in employment, housing, and public accommodation
 - Visited alleged perpetrators to review documents
 - Reviewed forms utilized to register companies in City’s contract compliance monitoring program and collected data
 - Prepared recommendations to include sanctions or corrective actions
 - Provided technical assistance to employees, contractors and the general public on unlawful discrimination

The department was eliminated in 2012 and the EEO Manager position was moved to Human Resources. When the incumbent retired in 2017, the position was eliminated. In 2018 the position of Chief Diversity and Inclusion Officer was created and Dr. Farris Muhammad was selected to fill that position. Dr. Muhammad resigned in November 2020. Changes were made to the job description and Melodi Green was selected to fill this position in December 2021. Duties are as follows:

- Works with City officials and regional leaders to develop strategies that address racial disparity within the Peoria Metropolitan Statistical Area and provide economic opportunity for all residents
- Works with the Chamber of Commerce, the Peoria Public Schools administration, Illinois Community College and union leadership to establish and enhance workforce development programs. Serves on the Peoria Area Diversity and Employment Actions Team (PADEAT)
- Performs intake services for charges of discrimination. Prepares responses to citizen concerns and discrimination complaints

- Reviews forms utilized to register companies in the City’s contract compliance monitoring program; inspects City-funded construction sites, reviews payroll reports, and evaluates contractors’ efforts to employ minority and female businesses; provides technical assistance; makes recommendations to include sanctions or corrective actions
- Serves as staff liaison to the Fair Employment Commission and the Mayor’s Advisory Committee for Citizens with Disabilities. Represents the City with other governmental agencies and community groups
- Prepares complex narrative and statistical EEO and Affirmative Action reports; compiles and analyzes data
- Supervises and monitors PeoriaCorps operations and staff to include approving budgetary expenditures and payroll

The management analyst position is needed to perform lower-level time-consuming tasks follows:

- Review forms utilized to register companies in the City’s contract compliance monitoring program; works with Public Works and Purchasing to monitor the City’s contract compliance program; inspect City funded construction sites, review payroll reports and evaluate contractors’ efforts to identify, solicit and employ minority and female businesses
- Perform intake services for charges of discrimination in housing and public accommodation including interviewing the complaining party to determine jurisdiction, who may have committed the alleged act, and why complainant believes they were discriminated against; visit alleged perpetrators’ businesses to review documentation including business records, personnel files, policies and procedures
- Provide administrative support by maintaining schedules and calendars; coordinate meetings; oversee purchasing by maintaining supplies; process purchase orders and requisitions; monitor department budget expenditures
- Prepare agendas and minutes for the Fair Employment Commission and the Mayor’s Advisory Committee for Citizens with Disabilities
- Collect data and provide statistical analysis needed to complete a variety of reports to include the Affirmative Action Plan and EEO-4, and the new minority business spending report signed into law by the Governor last year.

| NAME OF CITY | CITY POPULATION | DEPARTMENT NAME | STAFF SIZE |
|-------------------|-----------------|---------------------------------|------------|
| DUBUQUE, IA | 58,000 | HUMAN RIGHTS | 6 |
| EVANTSTON, IL | 74,000 | EQUITY & EMPOWERMENT | 3 |
| CHAMPAIGN, IL | 87,000 | OFFICE OF EQUITY, COMMUNITY & | 4 |
| ASHEVILLE, NC | 92,000 | EQUITY & INCLUSION OFFICE | 4 |
| PEORIA, IL | 115,000 | EQUAL OPPORTUNITY OFFICE | 1 |
| GRAND RAPIDS, MI | 198,000 | DIVERSITY & INCLUSION OFFICE | 5 |
| DES MOINES, IA | 217,000 | CIVIL & HUMAN RIGHTS DEPARTM | 6 |
| DURHAM, NC | 267,000 | EQUITY & INCLUSION OFFICE | 7 |

A majority of cities that have an Equity Department have a variation of the following positions:

1. EQUITY DIRECTOR (Chief Diversity Officer)
2. CONTRACT COMPLIANCE OFFICER
3. RACIAL EQUITY & INCLUSION MANAGER
4. INTAKE SPECIALIST
5. EQUITY COORDINATOR
6. COMMUNITY ENGAGEMENT MANAGER
7. ADMINISTRATIVE ANALYST
8. ADMINISTRATIVE ASSISTANT

As of now, the City of Peoria has 1 position responsible for accomplishing the tasks of the multiple positions mentioned above.

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| Question 2 Parking Analysis | Question From Cyr/Jensen/Grayeb | Answer From Public Works |
|---------------------------------------|---|------------------------------------|

Starting January 1, 2023, staff is recommending a parking rate increase. There are several factors that have contributed to the recommendation of this increase, including an increase in costs of maintaining the deck and other operational costs i.e., increase in electrical costs, 10% wage increase in minimum wage, which affects the Heartland parking, who manages the deck. The operating budget for the three parking decks and the City Center lot for fiscal year 2023 is \$872,289 with a projection of \$454,243 in revenue. As of August 1, fiscal year 2022, the parking revenue has generated \$126,529 and projecting a total of \$253,508 under the current parking rates.

Staff will use the additional funds to pay for the maintenance of the decks and lots. The City has historically budgeted \$150,000 in expenses every other year for capital repairs, which has not been adequate to keep up with the deterioration of the decks. In 2024, staff will be replacing the parking controls for the three parking decks for the one-way/two-way conversion projection for estimated cost of \$500,000.

Special Event Parking:

The current Special Event Parking rate is \$5.00 per event for the City’s decks and lots. The Civic Center is now charging a Minimum of \$10.00 and up to \$20.00 for a sold-out event. With a reduced schedule at the Civic Center in 2021 due to Covid we collected \$10,964 and with more events on the schedule in 2022 we have collected \$60,927 to date.

Using a projection of 85% of pre-COVID events for 2023 the City could collect approximately \$210,000 by raising the special event rates to \$10.00 and matching the Civic Center rates.

Daily Parking Rates:

Currently the all-day rate is \$6 from 6:00 a.m. to 6:00 p.m. maximum and evening/events are \$5 per event. The 24-hour rate is \$11 (\$6 day and \$5 evening). The last rate increase on the all-day rate was in 2002 and the evening/event was in 2003. Staff is recommending an increase in the all-day rate to \$10 so that the parkers max out at 5 hours.

Hourly Parking Rates: When the automated system was installed, the rate was \$1 per hour. After the installation, the parking tax was implemented, and the rate was change to \$1 per half hour. Prior to the parking tax it would take 6 hours to max out at the all-day rate, whereas now they max out at 3 hours. When the hourly rates changed back to the ½ hour, the City elected not to change the all day rate.

Monthly Parking Rates:

The current all-day rates are as follows: 7 Day rate \$85; 5 Day rate \$80; Riverfront lots \$65; Riverfront Employees \$22; I-74 lots (outside CBD) \$42. All residents receive a \$10 discount on market rate.

The last rate increase was in 2020 of \$10 which covered the new parking tax plus a \$3 dollar increase.

Staff recommends an increase of \$4 increase plus the \$1 fee for billing for a total increase of \$5 for every rate. The \$1 fee for billing is currently being charged to the vendor. So, in total the permit fee would be a \$5 increase starting in January 2023.

Proposed 2023 monthly rates: 7-day rate- \$89 Plus \$1 billing fee totaling \$90 (5.9 % increase); 5-day rate- \$84 Plus \$1 billing fee totaling \$85 (6.3% increase); Riverfront lots \$69 Plus \$1 billing fee totaling \$70 (7.6% increase); Riverfront Employee \$26 Plus \$1 billing fee totaling \$27 (22.7% increase); I-74 lots (outside CBD) \$46 Plus \$1 billing fee totaling \$47 (11.9% increase). All residents receive a \$10 discount on the market rate.

The City currently has 1,225 permits with 797 permits paid, the remaining are permits with negotiated agreements with no charge. The City would see an additional \$38,256 by raising the rates an additional \$4.

Parking Changes Summary

| | Current | Proposed | \$ Increase | % Increase |
|----------------------|---------|----------|-------------|------------|
| Special Event | \$5 | \$10 | \$5 | 100% |
| All day | \$6 | \$10 | \$4 | 66.6% |
| Hourly | \$2 | \$2 | \$0 | 0% |
| 7 day | \$85 | \$90 | \$5 | 5.9% |
| 5 day | \$80 | \$85 | \$5 | 6.3% |
| Riverfront Lots | \$65 | \$70 | \$5 | 7.6% |
| Riverfront Employees | \$22 | \$27 | \$5 | 22.7% |
| I-74 Lots | \$42 | \$47 | \$5 | 11.9% |

Impact of Free Parking

Currently in the Central Business District and Riverfront there are 9,072 off-street parking lots and parking decks. The City of Peoria controls 2,907 of these parking spaces, or 32%. Many of the privately owned parking structures in downtown tend to follow the City in their leasing rates. Most of the private rates tend to be \$10 less per month than City rates.

The following table shows the parking decks or lots and the current rates, if there are monthly charges. Where the City was able to obtain information about private rates, they have been included. As stated above, parking revenues are really intended to pay for maintenance and operations of the parking structures and lots. Making parking free downtown would place maintenance costs 100% on the City alone. Further, free parking in the City structures would likely mean private decks would lose customers, decreasing their revenue and driving up their burden for maintaining private structures.

| | | Monthly | |
|---------------------|-------|---------|---------------------------------|
| Parking | 2022 | Rate | Comments |
| Commerce Bank | 480 | \$69 | Privately Owned |
| Associated Bank | 600 | \$70 | Privately Owned |
| Madison St 2 | 95 | \$62 | Natl Garage Leased from City |
| Hamilton Square | 425 | \$70 | Privately Owned |
| PNC Bank | 448 | \$70 | Privately Owned |
| First Mid Illinois | 58 | | Deck Demolished, Surface Only |
| Mark Twain | 130 | | Hotel Users |
| Regency Plaza | 480 | | Privately Owned |
| Pere | 466 | | Hotel Guests and Events |
| OSF | 264 | | OSF Under reconstruction |
| 200 Fayette | 61 | | IDOT ROW, City Lease to Cat |
| One Tech | 1150 | \$80 | OSF Leased from City |
| Twin Towers | 531 | \$80 | City Owned |
| Niagara | 305 | \$80 | City Owned |
| Jefferson Deck | 665 | \$80 | City Owned |
| Civic Center Fulton | 325 | | Civic Center Events |
| Civic Center Front | 231 | | Civic Center Events |
| City Center | 311 | \$80 | City Owned |
| Cat/City Lot X | 285 | | Event and Weekend Use |
| Gateway South | 27 | | City Owned, Free Parking |
| MEL Lots | 343 | \$65 | Monthly and Free 2 Hour |
| Riverfront Village | 155 | | City Owned, Free Parking |
| River Station | 55 | | City Owned, Free Parking |
| Cat Hamilton | 308 | | Event and Weekend Use |
| Michel West | 80 | | Event and Weekend Use |
| Riverplex | 432 | | Riverplex Users/ Special Events |
| PRM | 132 | | Free for PRM Cat CVC Guests |
| Fayette Glendale | 30 | \$42 | IDOT ROW, City Operated |
| Madison Fayette | 20 | \$42 | IDOT ROW, City Operated |
| Fayette Monroe | 43 | \$42 | IDOT ROW, City Operated |
| Spalding Madison | 125 | \$42 | IDOT ROW, City Operated |
| Spalding Glendale | 12 | \$42 | IDOT ROW, City Operated |
| Total Parking | 9072 | | |
| City Controlled | 2907 | | |
| % City | 32.0% | | |

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| Question 3 Unrestricted Fund Balance | Question From Cyr/Ruckriegel | Answer From Finance |
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A majority of focus is traditionally on the General Fund and the Council’s policy of having a 25% unassigned or unrestricted fund balance. Unrestricted means that the governmental body can use the funds available for all essential government services as well as future obligations like pensions or post-employment benefits. There are times there is restricted funds within the overall fund balance for the general fund but those are traditionally for legally obligated items such as debt payments.

The Government Finance Officers Association (GFOA) policy on fund balance explains the purposes for keeping cash in reserves. “It is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates. In most cases, discussions of fund balance will properly focus on a government’s general fund.” The aim of these reserves is to weather unknown financial crises or unexpected unfunded mandates that can arise. They are also commonly used to cash flow purposes as the receipt of revenues especially tax revenues can be cyclical. Without a proper reserve, the City could be forced to do short-term borrowing to day to day operations.

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| Question 4 City Hall 2024 Capital Project Breakdown | Question From Ruckriegel | Answer From Public Works |
|---|------------------------------------|------------------------------------|

The total improvements scheduled for City Hall in 2024 totaling \$786k. Those projects include:

- Roof and copper work \$530,000
- Elevator hydraulic pump and controls upgrades \$115,000
- Sandstone tuckpointing repairs/replacement \$125,000
- Domestic water pipping replacement \$16,000

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| Question 5 Lawsuit Reservations | Question From Ruckriegel | Answer From Legal Finance |
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The City of Peoria’s legal department actively defends all lawsuits brought against the City. The 2023 budget includes \$2,000,700 for outside council services to assist with some of the more complex cases the City defends. The 2023 budget was created with the anticipated defense of cases included with an additional buffer for unknown litigation as well as overages in the known cases.

To mitigate risk, the City carries a liability insurance policy that includes a \$1 million self-insured retention meaning the City limits its exposure on adverse judgements to \$1 million not inclusive of legal defense fees. However, that insurance only applies to cases that occurred while the City was carrying a liability policy. The 2023 budget does not include specific reserves for potential adverse judgments. Funding mechanisms to satisfy any adverse judgments that are awarded that exceed the budgeted funds available will be brought back to City Council during the year with a budget amendment.

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| Question 6 Sales Tax Analysis by SIC Code | Question From Ruckriegel | Answer From Finance |
|---|------------------------------------|-------------------------------|

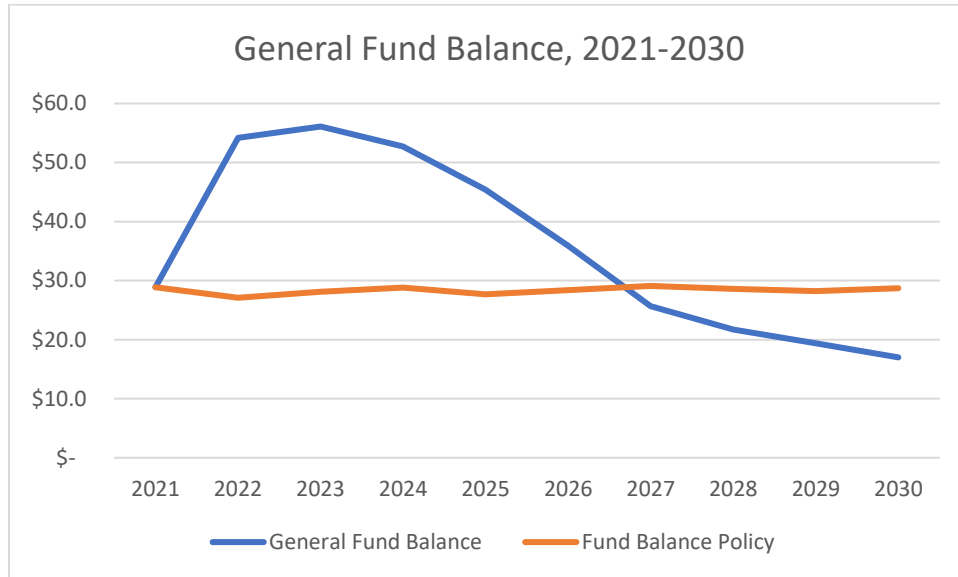
| SIC Code | 2022 | 2023 | \$ Change | % Change |
|------------------------|-----------------|-----------------|-----------------|----------|
| New and Used Car Sales | \$ 5,076,882.62 | \$ 4,501,681.95 | \$ (575,200.67) | -11.33% |
| Grocery Sales | \$ 3,753,564.59 | \$ 4,024,226.62 | \$ 270,662.03 | 7.21% |
| Department Stores | \$ 2,108,818.39 | \$ 2,038,924.26 | \$ (69,894.13) | -3.31% |
| Eating Places | \$ 2,106,719.66 | \$ 2,303,702.37 | \$ 196,982.71 | 9.35% |
| Building Materials | \$ 1,305,822.08 | \$ 1,289,168.16 | \$ (16,653.92) | -1.28% |
| Misc Retail | \$ 1,282,309.58 | \$ 1,758,216.86 | \$ 475,907.28 | 37.11% |
| Drug Stores | \$ 1,277,073.56 | \$ 1,231,231.37 | \$ (45,842.19) | -3.59% |

Council requested a review of the overall sales by category as a comparison to what inflation currently is to potentially see if the sales growth is due to price increases or actual sales increases. We can't know for sure without seeing same store sales, but there are some items to be gleaned off these stats. The above retail groups make up around 70% of all sales taxes received by the City and amounts received drop off quickly so its harder to gauge impact on smaller numbers.

Inflation during 2023 is estimated to be around 8%. Inflation can hit sectors of the economy different, and prices can climb higher in some sectors more than others. Car sales, department stores, and drug stores all have seen declining sales over 2023 as compared to 2022. Some of those sectors more than likely are affected more by less economic stimulus but inflationary costs on cars more than likely is having an affect on sales. Grocery store sales are up almost equal to inflation at 7.2%. This could be an indication that people are not necessarily buying more groceries but instead are just paying higher prices for what they usually consume. Following the same guidelines, eating places and misc retail both are up higher than inflationary averages. That could mean they are seeing increasing volume of sales coupled with inflation.

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| Question 7 2027-2030 General Fund Analysis | Question From Ruckriegel | Answer From Finance |
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Expanding off the slide presented in the power point at the Special City Council Meeting on October 18th, the analysis below shows the projection out to 2023.



| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|-----------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| General Fund Balance | \$ 28.9 | \$ 54.2 | \$ 56.1 | \$ 52.7 | \$ 45.4 | \$ 35.9 | \$ 25.7 | \$ 21.7 | \$ 19.4 | \$ 17.0 |
| Fund Balance Policy | \$ 28.9 | \$ 27.1 | \$ 28.1 | \$ 28.8 | \$ 27.7 | \$ 28.4 | \$ 29.1 | \$ 28.6 | \$ 28.2 | \$ 28.7 |

Starting in 2029, the declines in the general fund fund balance start to shrink due to the expiration of all existing debt for the Peoria Civic Center. The projection assumes a 6% increase to the City’s contribution to the Police and Fire Pension funds which is the area of largest growth in the model. On the revenue side, the projection assumes modest growth coming out an anticipated recession of 2% revenue growth in 2026 to 2030.

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|---|------------------------------------|-------------------------------|
| Question 8 Interest Rate Assumption | Question From Ruckriegel | Answer From Finance |
|---|------------------------------------|-------------------------------|

The Federal Reserve is anticipated to continue to be aggressive with interest rate hikes through at least the middle part of 2023. Within the budget we are anticipating Fed Funds rates to be around 4.5% at a peak during 2023. With no bonds anticipated to be issued during 2023, this interest rate assumption will work positively as the City begins moving more of its liquid cash into active money management. In the long term of the projection, the assumptions have fed funds rates dropping more to the normal range of 2%. This can be a moving target based on what happens over the next few years, but the modeling does not anticipate a return to a prolonged period of 0% fed funds rate that we saw for much of the last decade.

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| Question 9 ARP Detailed Breakdown | Question From Riggenbach | Answer From Finance |
|---|------------------------------------|-------------------------------|

| Recommended Spending | 2022 Budget | 2022 Spent |
|--|---------------------|---------------------|
| Infrastructure | \$6,263,858 | \$5,558,403 |
| Neighborhoods | \$2,409,453 | \$2,075,554 |
| Economic Development | \$2,394,043 | \$2,400,000 |
| Health Equity (Matched by Peoria County) | \$600,000 | \$600,000 |
| Violence Reduction | \$1,301,973 | \$725,000 |
| Administration | \$274,076 | \$57,734 |
| Total | \$13,243,403 | \$11,416,691 |

The City budgeted in 2022 to spend \$13,243,403 in ARP broken down into the categories above. Based on a review of spend to date as well as anticipated spend this year the City will spend closer to \$11,416,691. The remaining amount was rolled into the 2023 budget into the following project types:

Infrastructure

- Sidewalks - \$1,670,000
- Street Lighting - \$800,000
- Smart Lighting - \$500,000
- Mill and Overlay - \$2,080,000
- Wisconsin Avenue - \$650,000
- Sewers - \$1,600,000
- Administration - \$185,455

Economic Development

- Small Business Support - \$600,000
- Commercial Rehab/ Facade- \$600,000
- Assistance to Unemployed - \$300,000
- RJE Gap Identification - \$300,000
- Tourism Reserve Fund - \$450,000
- Partner Support - \$100,000
- Administration - \$56,155

Neighborhoods

- Demolition/Lot Clearance - \$1,000,000
- Land Bank Operations - \$300,000
- Housing Rehabilitation - \$250,000
- Nonprofit Capital Program - \$200,000
- Down Payment Assistance - \$250,000
- Neighborhood Mini Grants - \$100,000
- Utility Assistance - \$150,000
- Administration - \$203,303

Violence Reduction and Health Equity

- Violence Prevention - \$735,000
- Hot Spot Intervention – \$500,000
- Administration - \$85,390
- Health Equity - \$600,000
- Marketing/ Administration - \$170,125

The plan presented to City Council in August has the City allocating the full \$47 million by the end of 2025 per the requirements of the funding. The detailed breakdown of funding is below.

2023 Revised Budget
Budget Questions – Part 1

| Recommended Spending | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|-------------------|-------------------|-------------------|-------------------|----------------|
| Lost Revenue | 10,301,585 | | | | |
| Infrastructure | | | | 1,802 | |
| Sidewalks – ADA Ramps/ SINR/ Sidewalk Participation | | - | 1,670,000 | 150,000 | - |
| Street Lighting | | | | | |
| Nebraska: Knoxville to Wisconsin | | 580,000 | | | |
| Glen Oak @ OSF | | 30,000 | | | |
| Prospect: Forrest Hill to London | | | 250,000 | | |
| SW Adams, Garden, Tyng | | | 550,000 | | |
| Smart City Alley/Street Lighting Pilot | | | 500,000 | | |
| Mill and Overlay | | | | | |
| Prospect: Knoxville to Belmont | | 950,000 | | | |
| MacArthur: Moss to MLK | | | 1,020,000 | | |
| Gale: University to Sheridan | | | 1,060,000 | | |
| Adams Jefferson One-Way Two Way Conversion | | | | 2,010,000 | |
| Allen Road - War Memorial to Northmoor | | 1,058,403 | | | |
| Harrison School/ McKinley School Demolitions | | 2,000,000 | | | |
| University and Northmoor Intersection | | | | 700,000 | |
| Wisconsin Avenue - Republic to McClure | | 940,000 | 650,000 | 410,000 | |
| Sewer for Rt 150 | | | 1,600,000 | | |
| Neighborhoods | | | | | |
| Demolition/Lot Clearance | | 1,000,000 | 1,000,000 | 1,300,000 | - |
| Land Bank | | 150,000 | 300,000 | 250,000 | - |
| Housing Rehab | | 250,000 | 250,000 | 200,000 | - |
| Non-Profit Capital Program | | 200,000 | 200,000 | 200,000 | - |
| Down Payment Assistance | | 125,000 | 250,000 | 200,000 | - |
| Neighborhood Mini Grants | | 100,000 | 100,000 | 100,000 | - |
| Utility Assistance Grants | | 150,000 | 150,000 | | |
| Economic Development | | | | | |
| Commercial Façade Rehab | | 300,000 | 600,000 | 600,000 | |
| Small Business Support | | 1,900,000 | 600,000 | 550,000 | |
| Assistance to Unemployed Workers | | 75,000 | 300,000 | 300,000 | |
| RJE Economic Development and Jobs Subcommittee | | | 300,000 | 300,000 | |
| Tourism Reserve Fund | | | 450,000 | 450,000 | |
| Small Business Innovation | | | | | |
| Operations Expense – Partners | | 100,000 | 100,000 | 100,000 | |
| Violence Reduction | | 700,000 | 1,235,000 | 1,200,000 | - |
| Health Equity (Matched by Peoria County) | | 600,000 | 600,000 | 600,000 | 600,000 |
| Staff Support | | | | | |
| Public Works | | | | | |
| Civil Engineer 1 | | | 70,459 | 71,868 | - |
| Civil Engineer 2 | | | 77,906 | 79,464 | - |
| Economic Development | | | | | |
| Administrative Assistant | | 25,000 | 44,924 | 45,822 | - |
| Community Development | | | | | |
| Project Coordinator | | 27,033 | 47,270 | 48,688 | - |
| Neighborhood Enhancement Coordinator | | 45,244 | 57,686 | 59,417 | - |
| Community Services Inspector | | 28,277 | 57,686 | 59,417 | - |
| Police | | | | | |
| Public Safety Coordinator | | 25,000 | 68,312 | 69,679 | - |
| Finance | | | | | |
| Management Analyst | | 15,000 | 56,100 | 57,222 | - |
| Benefits | | 42,734 | 120,086 | 122,894 | - |
| Marketing | | | 100,000 | 100,000 | - |
| Total | 10,301,585 | 11,416,691 | 14,435,428 | 10,336,273 | 600,000 |

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| Question 10 Garbage Fund Analysis/Update | Question From Riggenbach | Answer From Finance Public Works |
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| | | Actual | Projection | Budget |
|---------------------|-------------------|-------------------|-------------------|-------------------|
| | | 2021 | 2022 | 2023 |
| FEES & USER CHARGES | | \$ 9,726,047.90 | \$ 10,223,532.00 | \$ 10,668,033.00 |
| MISC/OTHER CHARGES | | \$ 44,270.91 | \$ 204,016.00 | \$ 220,476.00 |
| PERSONNEL EXP | | \$ 58,984.77 | \$ 61,420.00 | \$ 65,767.20 |
| CONTRACTUAL EXP | | \$ 9,459,638.31 | \$ 9,641,900.00 | \$ 10,223,000.00 |
| SUPPLIES EXP | | \$ 113,809.92 | \$ 195,000.00 | \$ 195,000.00 |
| TOTAL REVENUE | | \$ 9,770,318.81 | \$ 10,427,548.00 | \$ 10,888,509.00 |
| TOTAL EXPENSE | | \$ 9,632,433.00 | \$ 9,898,320.00 | \$ 10,483,767.20 |
| TOTAL NET | | \$ 137,885.81 | \$ 529,228.00 | \$ 404,741.80 |
| | 2020 | 2021 | 2022 | 2023 |
| TOTAL FUND BALANCE | \$ (6,110,976.00) | \$ (5,973,090.19) | \$ (5,443,862.19) | \$ (5,039,120.39) |

The Refuse Collection Fund started the 2021 fiscal year with a negative fund balance of **(\$6,110,976)**. The fund has seen strong performance over the last two fiscal years with surpluses of \$137,885 in 2021 and is projected to be \$529,228 in 2022. These years have trimmed a little over \$1.07 million or 17% of the funds existing negative fund balance. The 2023 budget is estimated to have surpluses of \$404,742 in 2023. If the Garbage Fund’s performance continues to follow this trend the fund would be estimated to reach a positive fund balance in 10 years. The 10-year projection assumes consistent increases to fees and relatively stable increases to expenses. Either of those not occurring will delay the fund reaching a positive fund balance.

Should Landfill 2 close earlier than expected, disposal costs at the landfill will drop considerably, accelerating the repayment of this deficit.

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| Question 11 Sidewalk Participation/Funding | Question From Jensen | Answer From Public Works |
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As noted during the previous Council special budget meeting, challenges with bidding for small disparate projects citywide in today’s inflation driven construction market is not producing awarded projects. Further, the Sidewalk Participation Program had proven to create conditions of inequity, whereas a resident’s income level drove their ability to participate in the program, hence, disenfranchising lower income homeowners.

The 2022 consolidated sidewalk project is currently in design and will be constructed in 2023. Staff selected project locations based on reported complaints from the public, mapped the complaints, and looking for identifying locations with multiple complaints. Staff then conducted site inspections and further identified locations in need of repair that included the complaint, condition, site, and more. When projects are grouped into a fewer geographically smaller areas it is more efficient for the contractor to do the removals, prep the site, and place the concrete making bidding and contract award more plausible. It is much more expensive and time consuming to do many small projects spread over a larger area. Staff opines that the proposed project bids will indicate that comparable to last year’s sidewalk participation program the City will realize an outcome of more sidewalk work completed requiring less funding, i.e. grouping sidewalk need in a smaller geographic area and rotating geographically annually.

Additionally, staff are currently working on pilot projects funded through a grant from IDOT using two different methodologies to collect sidewalk data and perform sidewalk asset condition. Once they identify the method that is best suited for use, it will be used to determine a cost estimate to collect data, then apply for another IDOT grant for the asset data collection and asset condition assessment for sidewalks within the City. Once the sidewalk data is collected sidewalk locations will be selected based on asset condition, also understanding the need to allocate funding throughout the five Council districts at Council’s discretion using staff input. This will put the City in a position similar to how roads are selected using a PCI rating, and the DOT software to select roadway projects.

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| Question 12 Kickapoo Terrace Project | Question From Jackson | Answer From Public Works |
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See the attached CIP sheet which outlines a proposed project that will resolve the road condition and consequent concerns. Staff sees a benefit in using this relatively small area as means to install and measure the performance of permeable pavers on a lightly traveled road surface. Accordingly, given the adequate balance of the stormwater fund and the additional benefit of showing measurable outcomes of the surface type to retain stormwater, staff supports the addition of the project in 2023.

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| Question 13 Revenue Comparison to 2019 | Question From Ruckriegel | Answer From Finance |
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Below is a chart comparing 2019 revenues to both the 2022 projected as well as the 2023 budget recommendation.

| TOTAL REVENUES | | 2019 | 2022 | 2023 | PCT | PCT |
|----------------|----------------------|----------------------|----------------------|----------------------|--------------|--------------|
| | | ACTUAL | PROJECTION | BUDGET | CHANGE | CHANGE |
| | | | | | 2022 to 2019 | 2023 to 2019 |
| TOTAL | LOCAL TAXES | (93,804,335) | (97,710,745) | (94,998,030) | 4.2% | 1.3% |
| TOTAL | LICENSES & PERMITS | (3,476,479) | (3,032,694) | (3,188,100) | -12.8% | -8.3% |
| TOTAL | FINES & FORFEITURES | (1,544,392) | (1,081,856) | (835,000) | -29.9% | -45.9% |
| TOTAL | FEES & USER CHARGES | (31,008,143) | (40,476,221) | (39,743,375) | 30.5% | 28.2% |
| TOTAL | MISC / OTHER CHARGES | (23,642,731) | (17,427,210) | (18,157,080) | -26.3% | -23.2% |
| TOTAL | LOCAL SOURCES | (153,476,079) | (159,728,728) | (156,921,585) | 4.1% | 2.2% |
| TOTAL | FEDERAL SOURCES | (4,421,488) | (21,107,790) | (25,261,424) | 377.4% | 471.3% |
| TOTAL | STATE SOURCES | (52,543,480) | (80,059,943) | (72,666,618) | 52.4% | 38.3% |
| TOTAL | OTHER FIN SOURCES | (33,885) | (25,016,000) | (10,095,000) | 73727.2% | 29692.4% |
| TOTAL | REVENUE | (210,474,932) | (285,912,461) | (264,944,626) | 35.8% | 25.9% |
| TOTAL | TRANSFERS IN | (32,415,621) | (26,564,707) | (25,213,441) | -18.0% | -22.2% |
| TOTAL | SOURCES | (242,890,553) | (312,477,168) | (290,158,067) | 28.6% | 19.5% |

As 2019 was the last year of traditional revenue before the pandemic it is appropriate to compare those years. 2022 is on pace to have operational revenues that are 35.8% higher than they were in 2019. This is heavily influenced by local, state, and federal sources. The 2023 budget as presented has revenues that are 25.9% higher than 2019. This slowing is in line with our estimate of a recession beginning at some point in 2023.