

# 2017 Budget Workshop

## Revenue, Fees, Tax Levy, CIP

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**Committee of the Whole**  
**August 22, 2016**

# AGENDA

- **Revenue Estimates**
  - **FY 2016 Expectations**
  - **FY 2017 Assumptions**
    - **Major Funds**
    - **General Fund**
    - **Other Funds**
- **Fee Increases**
- **Property Tax Levy**
- **Pensions and OPEB Funding**
- **5-Year Capital Improvement & Funding**
- **Next Steps**

2017 Budget Workshop

# REVENUE ESTIMATES

# FY 2016 Major Revenue Expectations

- ✓ Total Revenues 2% above budget
- ✓ General Fund Revenues 5% above budget (\$1.6M)
- ✓ Water Revenues \$200,000 above budget
- ✓ Sewer Revenues \$300,000 above budget
- ✓ Parking Revenues \$40,000 below budget

# Major Fund Revenue

Funds	Actual 2015	Budget 2016	Estimated 2016	Proposed 2017	Prop. '17 vs. Bud. '16		Prop. '17 vs. Est. '16	
					\$	%	\$	%
General	32,441,200	32,689,500	34,339,300	39,435,300	6,745,800	20.6%	5,096,000	14.8%
Water	14,254,900	11,704,100	11,917,500	10,841,300	(862,800)	-7.4%	(1,076,200)	-9.0%
Sewer	4,171,000	5,250,300	5,570,600	4,816,100	(434,200)	-8.3%	(754,500)	-13.5%
Parking	818,700	806,200	769,100	770,600	(35,600)	-4.4%	1,500	0.2%
Multimodal Transp.	4,135,200	4,311,200	4,296,400	4,456,300	145,100	3.4%	159,900	3.7%
Pension Levy	4,731,900	5,239,700	5,239,700	5,239,700	-	0.0%	-	0.0%
Debt Service	18,137,100	2,949,800	3,014,600	3,015,400	65,600	2.2%	800	0.0%
Street Construction	2,637,000	6,754,500	6,579,400	3,153,900	(3,600,600)	-53.3%	(3,425,500)	-52.1%
Internal Service	9,934,500	8,724,900	8,538,500	9,011,500	286,600	3.3%	473,000	5.5%
All Other	2,717,500	1,940,600	1,804,900	1,554,200	(386,400)	-19.9%	(250,700)	-13.9%
<b>Grand Total</b>	<b>93,979,000</b>	<b>80,370,800</b>	<b>82,070,000</b>	<b>82,294,300</b>	<b>1,923,500</b>	<b>2.4%</b>	<b>224,300</b>	<b>0.3%</b>

# General Fund Revenue

General Fund	Actual 2015	Budget 2016	Estimated 2016	Proposed 2017	Prop. '17 vs. Bud. '16		Prop. '17 vs. Est. '16	
					\$	%	\$	%
Sales Tax	12,543,800	13,225,900	12,652,200	12,652,200	(573,700)	-4.3%	-	0.0%
Utility & Telecom Taxes	3,798,600	3,802,600	3,395,000	3,395,000	(407,600)	-10.7%	-	0.0%
State Income Tax	3,166,900	1,467,000	3,192,500	3,192,500	1,725,500	117.6%	-	0.0%
Property Taxes	2,771,800	2,353,900	2,353,900	2,101,900	(252,000)	-10.7%	(252,000)	-10.7%
Real Estate Transfer Tax	1,695,500	1,705,100	2,062,700	2,062,700	357,600	21.0%	-	0.0%
Other General Taxes	3,053,800	2,928,300	3,053,900	3,074,900	146,600	5.0%	21,000	0.7%
Charges for Services	3,773,200	3,369,400	3,354,300	3,738,500	369,100	11.0%	384,200	11.5%
Building Permit Revenue	1,855,700	1,223,200	1,396,400	1,258,500	35,300	2.9%	(137,900)	-9.9%
Gain/(Loss) on Investments	(3,150,000)	-	-	-	-	0.0%	-	0.0%
Sale of Assets	7,000	-	-	5,060,000	5,060,000	0.0%	5,060,000	100.0%
All Other Revenue	2,924,900	2,614,100	2,878,400	2,899,100	285,000	10.9%	20,700	0.7%
<b>Grand Total</b>	<b>32,441,200</b>	<b>32,689,500</b>	<b>34,339,300</b>	<b>39,435,300</b>	<b>6,745,800</b>	<b>20.6%</b>	<b>5,096,000</b>	<b>14.8%</b>

# Water Fund Revenue

Water Fund	Actual 2015	Budget 2016	Estimated 2016	Proposed 2017	Prop. '17 vs. Bud. '16		Prop. '17 vs. Est. '16	
					\$	%	\$	%
Water Sales	7,133,700	7,426,200	7,552,800	7,930,400	504,200	6.8%	377,600	5.0%
Bond Proceeds/IEPA Loan	6,902,000	4,095,000	4,095,000	2,690,000	(1,405,000)	-34.3%	(1,405,000)	-34.3%
All Other Revenue	219,200	182,900	269,700	220,900	38,000	20.8%	(48,800)	-18.1%
<b>Grand Total</b>	<b>14,254,900</b>	<b>11,704,100</b>	<b>11,917,500</b>	<b>10,841,300</b>	<b>(862,800)</b>	<b>-7.4%</b>	<b>(1,076,200)</b>	<b>-9.0%</b>

# Sewer Fund Revenue

Sewer Fund	Actual 2015	Budget 2016	Estimated 2016	Proposed 2017	Prop. '17 vs. Bud. '16		Prop. '17 vs. Est. '16	
					\$	%	\$	%
Sewer User Charges	3,984,300	4,150,700	4,463,000	4,463,000	312,300	7.5%	-	0.0%
Bond Proceeds	101,100	1,000,000	1,007,200	-	(1,000,000)	-100.0%	(1,007,200)	-100.0%
All Other Revenue	85,600	99,600	100,400	353,100	253,500	254.5%	252,700	251.7%
<b>Grand Total</b>	<b>4,171,000</b>	<b>5,250,300</b>	<b>5,570,600</b>	<b>4,816,100</b>	<b>(434,200)</b>	<b>-8.3%</b>	<b>(754,500)</b>	<b>-13.5%</b>



# Parking Fund Revenue

Parking Fund	Actual 2015	Budget 2016	Estimated 2016	Proposed 2017	Prop. '17 vs. Bud. '16		Prop. '17 vs. Est. '16	
					\$	%	\$	%
Parking User Charges	812,500	800,300	762,800	764,300	(36,000)	-4.5%	1,500	0.2%
Grants/Reimbursements	3,100	-	-	-	-	0.0%	-	0.0%
All Other Revenue	3,200	5,900	6,300	6,300	400	6.8%	-	0.0%
<b>Grand Total</b>	<b>818,700</b>	<b>806,200</b>	<b>769,100</b>	<b>770,600</b>	<b>(35,600)</b>	<b>-4.4%</b>	<b>1,500</b>	<b>0.2%</b>

# Other Revenue Changes

- ✓ **Multimodal Transportation Fund**
  - Revenue 3.5% above 2016 Budget and Estimate
  - Increase in Vehicle Sticker Fees to ensure long-term financial sustainability in the Multimodal Transp. Fund
  - Resulting fees are comparable to area municipal fees
- ✓ **Pension Fund**
  - City property tax levy flat with 2016 Budget
  - The City funds the pension contributions from a combination of property tax levy, partial state income tax receipts, partial proceeds from the sale of assets when available, and other revenue sources, as identified
- ✓ **Street Construction Fund**
  - Reduction in bond proceeds, consistent with the proposed capital improvement funding plan



# 2017 Budget Workshop

# FEE INCREASES

# FY 2017 Water Rate Assumptions

- ✓ 2017 Bond Issue of \$2.7 million to fund projects consist with the City's 5-Year CIP:
  - \$1.5 million Water Main Replacements (Priority 1)
  - \$1.2 million Water Production & Storage (Priority 1)
  - \$35,000 Water Distribution Improvements
- ✓ Total debt service for Water of approx. \$2.3 million
- ✓ Overhead transfers from Water for billing and insurance increase by 2.5% to cover costs

# Estimated Water Fund Balance

	Total	Total	Total	Total	Increase / (Decrease)	
	2015 Actual	2016 Budget	2016 Estimate	2017 Budget	'17 Bud. vs. '16 Est. Dollar	'17 Bud. vs. '16 Est. Percent
Water Sales & Other Services	7,159,200	7,458,500	7,577,800	7,955,400	377,600	5.0%
Bond Proceeds/IEPA Loan	6,902,000	4,095,000	4,095,000	2,690,000	(1,405,000)	-34.3%
Permits, Reimb., Other Revenue	193,700	150,600	244,700	195,900	(48,800)	-19.9%
<b>Total Revenue</b>	<b>14,254,900</b>	<b>11,704,100</b>	<b>11,917,500</b>	<b>10,841,300</b>	<b>(1,076,200)</b>	<b>-9.0%</b>
Personnel Expenditures	2,476,900	2,261,400	2,306,500	2,370,300	63,800	2.8%
Contractual Services	1,203,700	1,462,000	1,405,800	1,419,800	14,000	1.0%
Materials and Supplies	372,600	438,700	450,400	406,700	(43,700)	-9.7%
Capital Expenditures	4,257,000	5,680,000	5,680,000	2,690,000	(2,990,000)	-52.6%
Debt Service	1,082,900	1,928,500	1,907,700	2,345,200	437,500	22.9%
Transfers	1,126,100	1,158,600	1,158,600	1,218,400	59,800	5.2%
<b>Total Expenditures</b>	<b>10,519,300</b>	<b>12,929,200</b>	<b>12,909,000</b>	<b>10,450,400</b>	<b>(2,458,600)</b>	<b>-19.0%</b>
<b>Net Increase/(Decrease)</b>	<b>3,735,600</b>	<b>(1,225,100)</b>	<b>(991,500)</b>	<b>390,900</b>	<b>1,382,400</b>	<b>-139.4%</b>
<b>Fund Balance Beg. of Year</b>	<b>(2,122,000)</b>	<b>1,613,600</b>	<b>1,613,600</b>	<b>622,100</b>	<b>(991,500)</b>	<b>-61.4%</b>
<b>Fund Balance End of Year</b>	<b>1,613,600</b>	<b>388,500</b>	<b>622,100</b>	<b>1,013,100</b>	<b>391,000</b>	<b>62.9%</b>
<b>Fund Balance % Oper. Exp.</b>	<b>39.8%</b>	<b>9.3%</b>	<b>14.9%</b>	<b>24.1%</b>		
Fund Balance % Target	25.0%	25.0%	25.0%	25.0%		

# FY 2017 Water Rates from Rate Model

	Rate Base	Allocation Basis <sup>1</sup>	Rate/100cf	Highland Park Resident	Municipal/ Non--Resident
Past Year % Total				51.17%	48.83%
<b>Operations:</b>					
Production	\$2,712,600	3.07	\$0.660	\$0.660	\$0.660
Distribution	\$1,329,600	3.07	\$0.324	\$0.324	\$0.324
<b>Total Operations</b>	<b>\$4,042,200</b>		<b>\$0.984</b>	<b>\$0.984</b>	<b>\$0.984</b>
<b>Capital:</b>					
Annual	\$689,100	3.07	\$0.168	\$0.168	\$0.168
Debt Service	\$2,345,800	3.07	\$0.571	\$0.571	\$0.571
<b>Total Capital</b>	<b>\$3,034,900</b>		<b>\$0.738</b>	<b>\$0.738</b>	<b>\$0.738</b>
Services	\$146,500	3.07	\$0.036	\$0.036	\$0.036
<b>Base Rate</b>	<b>\$7,223,600</b>		<b>\$1.758</b>	<b>\$1.758</b>	<b>\$1.758</b>
<b>Other Costs:</b>					
Export Surcharge <sup>2</sup>	\$515,000	1.50	\$0.264	\$0.000	\$0.257
Meters	\$653,000	1.57	\$0.311	\$0.311	\$0.000
Billing	\$183,000	1.57	\$0.087	\$0.087	\$0.000
<b>Total</b>	<b>\$8,574,600</b>		<b>2017 Rate:</b>	<b>\$2.155</b>	<b>\$2.014</b>
			2016 Rate:	\$2.053	\$1.918
			Increase:	5.0%	5.0%

**Notes:**

1. Allocation Basis indicates either, 1) the volume of water demand (expressed in billions) over which costs in the rate base are spread, or 2) the water export surcharge.
2. Water export surcharge is 15% effective July 1, 2010.

# Additional Water Rate Considerations

- ✓ Proposed rate continues to be lower than most towns in last IDNR survey (2010) and in a 2015 Highland Park survey of more than 30 local municipalities:
  - Only Waukegan and Evanston were lower
  - When the rate survey is updated for 2016, it is anticipated that HP may be lower than Evanston
- ✓ 2015 Rates in survey range from \$1.92 to \$6.08
- ✓ Retain existing tiered rate nominal increase of +20 cents and +30 cents

# FY 2017 Vehicle Sticker Fees

	Passenger	Antique	Motorcycle	Senior	Military	Grad. Sch. for Trucks	Comments
Deerfield	\$30	\$30	\$15	\$30	\$30	Yes	Can qualify for hardship fee is \$1
Evanston	\$75	\$20	\$50	\$38	\$0	Yes	
Glencoe	\$50	\$50	\$50	\$25	\$50	No	
Highland Park 2016	\$45	\$30	\$20	\$45	\$2	Yes	Offers low income fee for \$2, one per HH
Highwood	\$60	\$60	\$60	\$5	\$5	Yes	One senior sticker per household
Kenilworth	\$80	\$80	\$60	\$80	\$80	No / \$90	Offers hybrid car discounts for all
Lake Bluff	\$40	\$40	\$25	\$15	\$0	No	
Lake Forest	\$85	Exempt	\$45	\$45	\$85	Yes	
Northbrook	\$30	\$30	\$12	\$15	\$30	Yes	
Wilmette	\$80	\$0	\$25	\$70	\$80	No / \$95	One senior sticker per household
Winnetka	\$40	\$40	\$10	\$40	\$40	No / \$40	
Average Fee	\$56	\$38	\$34	\$37	\$37		
Variance from HP	\$11	\$8	\$14	(\$8)	\$35		

## Proposed:

Highland Park 2017	\$55	\$40	\$35	\$55	\$5	Yes	Offers low income fee for \$2, one per HH
Variance from 2016	\$10	\$10	\$15	\$10	\$3		
Revenue Increase *	\$142,100	\$200	\$2,000	\$0	\$400		

\* The estimated revenue increase totals \$144,700 and is based on 2015 volume at proposed 2017 Fees.



# FY 2017 Liquor License Fees

	Class	Survey of 16 Local Municipalities		No. City License Holders	Current City Fee	Proposed City Fee	Fee Increase	Annual Impact
		Average	Median					
Wine/Beer Consumption On-Premises	R-2	1,570	1,575	8	1,500	1,550	50	400
Wine/Beer Consumption Off-Premises	S-2	2,048	1,863	1	1,200	1,240	40	40
Full Liquor Consumption On-Premises City	R-1	2,414	2,450	26	2,500	2,580	80	2,080
Full Liquor Consumption Off-Premises	S-1	2,808	2,850	9	2,500	2,580	80	720
Full Liquor Consumption On-Premises and Wine/Beer Consumption Off-Premises	RS-1			3	3,700	3,820	120	360
								3,600

## Proposed 3% fee increases:

- ✓ The increases bring the City's liquor license fees for classes S-1, S-2, and R-2 closer to the median and mean liquor license fees charged by comparable municipalities
- ✓ The increases aims to adjust the City's liquor license fees to industry standard levels, without placing too heavy of a financial burden on the City's alcohol sales establishments

2017 Budget Workshop

# PROPERTY TAX LEVY

# FY 2017 Tax Levy Assumptions

- ✓ Proposed City levy at no increase
- ✓ Library request for 4.5% increase for capital

# FY 2017 Property Tax Levy Summary

Tax Levy Year Budget Year	Adopted TY14 FY15	Amended TY15 FY16	Proposed TY16 FY17
<b>OPERATING FUNDS</b>			
General Corporate	2,326,052	1,838,006	1,838,006
Roads (Capital)	1,635,674	1,635,674	1,635,674
<b>Total Operating</b>	<b>3,961,726</b>	<b>3,473,680</b>	<b>3,473,680</b>
<b>PENSION FUNDS</b>			
Police Pension	2,365,200	2,787,900	2,787,900
Fire Pension	2,384,286	2,451,800	2,451,800
<b>Total Pension</b>	<b>4,749,486</b>	<b>5,239,700</b>	<b>5,239,700</b>
<b>DEBT LEVY</b>	<b>2,936,967</b>	<b>2,934,799</b>	<b>2,934,799</b>
<b>TOTAL CITY</b>	<b>11,648,179</b>	<b>11,648,179</b>	<b>11,648,179</b>
<b>Year-to-year Increase</b>		<b>0.0%</b>	<b>0.0%</b>
<b>LIBRARY</b>			
Aggregate Levy	4,639,000	4,561,896	4,778,969
Debt Levy		77,104	67,925
<b>TOTAL LIBRARY</b>	<b>4,639,000</b>	<b>4,639,000</b>	<b>4,846,894</b>
<b>TOTAL COMBINED</b>	<b>16,287,179</b>	<b>16,287,179</b>	<b>16,495,073</b>
<b>Year-to-year Increase</b>		<b>0.0%</b>	<b>1.3%</b>

City - No Increase in Tax Levy for 3 years, including no Tax Levy increase for FY2017

2017 Budget Workshop

# PENSIONS AND OPEB

# City of HP Pensions and OPEB

## ✓ Three defined benefit pension plans

- IMRF, Police Pension Plan, and Firefighters' Pension Plan
- Benefits, benefit level, employee/employer contrib. by Statute
- Members contribute a percentage of salary - IMRF 4.5% annual salary, Police 9.91% base salary, Firefighters 9.455% base salary
- City contributions are actuarially determined and are diversified from a combination of property tax levy, partial state income tax receipts, partial proceeds from the sale of assets when available, and other revenue sources, as identified

## ✓ Primary impacts on pension funding requirements

- Salary Adjustments (Labor Negotiations)
- Investment Returns (Pension Boards)
- Benefit Changes and Valuation Methods (General Assembly)

## ✓ Other Post-retirement Employee Benefits Plan (OPEB)

- Single-employer defined plan, providing health care coverage for eligible retirees/spouses
- Retirees contribute 70%-90% and City contributes remainder through the City's self-insurance plan

# Pension and OPEB Funding

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension	OPEB
<i>2015 Actual:</i>				
Annual required contribution	\$1,137,700	\$2,284,900	\$2,201,700	\$541,100
Actual Contributions	\$1,137,700	\$2,809,100	\$2,472,100	\$565,200
<i>2016 Estimate:</i>				
Annual required contribution	\$1,225,500	\$2,762,300	\$2,429,300	\$541,100
Budgeted Contribution	\$1,225,500	\$2,787,900	\$2,451,800	\$541,100
Estimated Contribution	\$1,225,500	\$3,563,600	\$3,401,600	\$565,200
<i>2017 Proposed:</i>				
Annual required contribution	\$1,033,400	\$2,770,900	\$2,619,700	\$955,459
Proposed Contribution	\$1,033,400	\$3,563,600	\$3,401,600	\$955,459

- ✓ The Police and Fire 2016 Estimated and 2017 Proposed contributions totaling \$7 million/year are funded partially from tax levy (\$5.2M) and partially from state income tax (\$1.7M)
- ✓ Increase in the OPEB actuarially required contribution, given:
  - Change in mortality, retirement, termination, and disability tables to reflect current trends in IMRF, police, and fire populations
  - Increase in retiree census from 48 to 50 (retirees make up most of liability)

2017 Budget Workshop

# 5-YEAR CIP AND FUNDING



# Proposed 2017 Capital - \$14.9 million

## ✓ \$12.5 million Infrastructure Improvements

- \$5.2 million Streets/Bridges/Ravines/Sidewalks
- \$2.7 million Water Main/Production/Interconnect Meter
- \$1.9 million Storm Sewer
- \$1.5 million Sanitary Sewer
- \$1.0 million Bike Walk, Tree Replacement, Other
- \$0.1 million Parking Improvements
- \$0.1 million Street Lighting/Striping

## ✓ \$1.1 million Priority 1 Facility Improvements

## ✓ \$1.3 million Equipment Replacement

# 5-Year Capital Improvement Summary

Description	2017	2018	2019	2020	2021	2017-2021
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## CAPITAL

Street/Other Capital Projects	5,229,500	18,457,600	4,960,000	11,055,000	5,155,000	44,857,100
Sewer Improvements	3,355,000	7,755,000	3,105,200	845,200	2,810,000	17,870,400
Facilities, BikeWalk, Trees, Other GF	2,236,400	4,312,400	3,184,300	3,538,300	3,168,400	16,439,800
Water Improvements	2,690,000	1,743,000	960,000	655,000	1,350,000	7,398,000
Eqp. Replace./Insur. Fund Capital	1,107,800	1,289,100	1,828,300	1,239,800	1,005,800	6,470,800
Parking Improvements	134,500	150,000	140,000	170,000	150,000	744,500
MMF-Street Lighting/Striping	145,000	15,000	85,000	85,000	85,000	415,000
<b>Total Capital</b>	<b>14,898,200</b>	<b>33,722,100</b>	<b>14,262,800</b>	<b>17,588,300</b>	<b>13,724,200</b>	<b>94,195,600</b>

## FUNDING

Strategic Other Fund Drawdown	3,177,000	2,070,500	139,200	139,500	345,000	5,871,200
Bond Proceeds	3,090,000	9,800,000	4,450,000	9,725,000	3,375,000	30,440,000
Revenue from Sale of Assets	2,872,200	-	-	-	-	2,872,200
User Charges and Other Revenue	2,316,100	2,662,400	2,537,600	1,198,100	2,985,700	11,699,900
Grants/Reimbursements	1,731,600	12,600,100	628,200	240,000	1,084,000	16,283,900
Property, Sales and Other Taxes	1,711,300	3,718,900	4,788,900	4,270,000	5,346,800	19,835,900
Strategic General Fund Drawdown	-	2,870,200	1,718,900	2,015,700	587,700	7,192,500
<b>Total Funding</b>	<b>14,898,200</b>	<b>33,722,100</b>	<b>14,262,800</b>	<b>17,588,300</b>	<b>13,724,200</b>	<b>94,195,600</b>

# Streets & Other Capital Improvement

Description	2017	2018	2019	2020	2021	2017-2021
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## CAPITAL

Street Capital Streets	3,405,000	8,055,000	3,810,000	3,765,000	3,420,000	22,455,000
Street Capital Bridges	1,114,500	8,040,000	770,000	130,000	1,475,000	11,529,500
Street Capital Ravines / Sidewalks	710,000	660,000	380,000	160,000	260,000	2,170,000
Community Center	-	-	-	7,000,000	-	7,000,000
City Fiber Comms. Network	-	1,702,600	-	-	-	1,702,600
<b>Total Capital</b>	<b>5,229,500</b>	<b>18,457,600</b>	<b>4,960,000</b>	<b>11,055,000</b>	<b>5,155,000</b>	<b>44,857,100</b>

## FUNDING

Strategic Fund Balance Drawdown	2,075,600	863,500	-	12,400	15,700	2,967,200
Grants/Reimbursements	1,047,600	8,976,000	240,000	-	1,084,000	11,347,600
Motor Fuel Tax	720,000	720,000	720,000	720,000	720,000	3,600,000
Property Tax	507,200	507,200	507,200	507,200	507,200	2,536,000
Home Rule Sales Tax	453,700	465,500	477,600	490,000	502,700	2,389,500
Bond Proceeds	400,000	6,900,000	3,000,000	9,300,000	2,300,000	21,900,000
Interest Income	25,400	25,400	15,200	25,400	25,400	116,800
<b>Total Funding</b>	<b>5,229,500</b>	<b>18,457,600</b>	<b>4,960,000</b>	<b>11,055,000</b>	<b>5,155,000</b>	<b>44,857,100</b>

# Sewer Capital Improvement

Description	2017	2018	2019	2020	2021	2017-2021
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## CAPITAL

Storm Sewer (Priority 1)	1,890,000	4,895,000	2,475,200	215,200	1,700,000	11,175,400
Sanitary Sewer (Priority 1)	1,415,000	2,620,000	600,000	600,000	1,080,000	6,315,000
Sanitary Sewers Lift Station Maint.	50,000	240,000	30,000	30,000	30,000	380,000
<b>Sewer Improvements</b>	<b>3,355,000</b>	<b>7,755,000</b>	<b>3,105,200</b>	<b>845,200</b>	<b>2,810,000</b>	<b>17,870,400</b>

## FUNDING

User Charges and Other Revenue	2,290,700	2,428,100	2,257,000	845,200	2,542,500	10,363,500
Strategic Fund Balance Drawdown	852,300	1,072,900	-	-	267,500	2,192,700
Grants/Reimbursements	212,000	2,904,000	148,200	-	-	3,264,200
Bond Proceeds	-	1,350,000	700,000	-	-	2,050,000
<b>Total Funding</b>	<b>3,355,000</b>	<b>7,755,000</b>	<b>3,105,200</b>	<b>845,200</b>	<b>2,810,000</b>	<b>17,870,400</b>

# General Fund Capital Improvement

Description	2017	2018	2019	2020	2021	2017-2021
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## CAPITAL

Facilities Improvements (Priority 1)	1,100,000	2,427,500	1,642,500	2,005,000	1,040,000	8,215,000
Bike Walk Plan (Priority 1)	740,000	1,185,100	1,015,000	1,105,000	1,895,700	5,940,800
Tree Replacement	245,000	280,000	235,000	165,000	135,000	1,060,000
Other General Fund Expenditures	151,400	419,800	291,800	263,300	97,700	1,224,000
<b>Total Capital</b>	<b>2,236,400</b>	<b>4,312,400</b>	<b>3,184,300</b>	<b>3,538,300</b>	<b>3,168,400</b>	<b>16,439,800</b>

## FUNDING

Revenue from Sale of Assets	2,236,400					2,236,400
Strategic Fund Balance Drawdown		2,870,200	1,718,900	2,015,700	587,700	7,192,500
Home Rule Sales Tax		1,442,200	1,465,400	1,522,600	2,580,700	7,010,900
<b>Total Funding</b>	<b>2,236,400</b>	<b>4,312,400</b>	<b>3,184,300</b>	<b>3,538,300</b>	<b>3,168,400</b>	<b>16,439,800</b>

# Water Capital Improvement

Description	2017	2018	2019	2020	2021	2017-2021
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## CAPITAL

Water Main Replacement (Priority 1)	1,465,000	1,578,000	740,000	535,000	1,280,000	5,598,000
Water Production (Priority 1)	1,190,000	145,000	200,000	100,000	50,000	1,685,000
Water Meter Interconnect/Replace.	35,000	20,000	20,000	20,000	20,000	115,000
<b>Total Capital</b>	<b>2,690,000</b>	<b>1,743,000</b>	<b>960,000</b>	<b>655,000</b>	<b>1,350,000</b>	<b>7,398,000</b>

## FUNDING

Bond Proceeds	2,690,000	1,550,000	750,000	425,000	1,075,000	6,490,000
User Charges and Other Revenue	-	193,000	210,000	230,000	275,000	908,000
<b>Total Funding</b>	<b>2,690,000</b>	<b>1,743,000</b>	<b>960,000</b>	<b>655,000</b>	<b>1,350,000</b>	<b>7,398,000</b>

# Equipment Capital Improvement

Description	2017	2018	2019	2020	2021	2017-2021
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## CAPITAL

Eq. Replace./Insur. Fund Capital	1,107,800	1,289,100	1,828,300	1,239,800	1,005,800	6,470,800
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## FUNDING

Revenue from Sale of Assets	1,107,800	-	-	-	-	1,107,800
Home Rule Sales Tax	-	1,289,100	1,828,300	1,239,800	1,005,800	5,363,000
<b>Total Funding</b>	<b>1,107,800</b>	<b>1,289,100</b>	<b>1,828,300</b>	<b>1,239,800</b>	<b>1,005,800</b>	<b>6,470,800</b>

# Parking Capital Improvement

Description	2017	2018	2019	2020	2021	2017-2021
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## CAPITAL

Parking Capital Improvements	134,500	150,000	140,000	170,000	150,000	744,500
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## FUNDING

Strategic Fund Balance Drawdown	134,500	134,100	84,600	72,500	7,200	432,900
User Charges and Other Revenue	-	15,900	55,400	97,500	142,800	311,600
<b>Total Funding</b>	<b>134,500</b>	<b>150,000</b>	<b>140,000</b>	<b>170,000</b>	<b>150,000</b>	<b>744,500</b>



# Multi-Model Fund Capital Improvement

Description	2017	2018	2019	2020	2021	2017-2021
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## CAPITAL

Street Lighting Improvements	75,000	15,000	15,000	15,000	15,000	135,000
Street Striping	70,000	-	70,000	70,000	70,000	280,000
<b>Total Capital</b>	<b>145,000</b>	<b>15,000</b>	<b>85,000</b>	<b>85,000</b>	<b>85,000</b>	<b>415,000</b>

## FUNDING

Motor Fuel Tax	145,000	15,000	85,000	85,000	85,000	415,000
<b>Total Funding</b>	<b>145,000</b>	<b>15,000</b>	<b>85,000</b>	<b>85,000</b>	<b>85,000</b>	<b>415,000</b>

# Library Capital Request

Description	2017	2018	2019	2020	2021	2017-2021
Restroom Remodel	154,000					154,000
Parking Lot Improvements	137,000					137,000
HVAC Replacement/Improvement	20,000	220,000	70,000	50,000		360,000
Roof Replacements	16,000		10,000		106,000	132,000
Fire Alarm Improvements	15,000					15,000
Lighting Improvements	10,000		50,000	90,000		150,000
Elevator Improvements	8,000	83,200		72,100		163,300
Water Heater Replacement	8,000					8,000
Stair Railing Upgrades		30,000	23,000			53,000
Staff Lounge/Kitchen Improve.		17,500				17,500
Study Rooms Soundproofing		9,600				9,600
Water Backflow Preventer Install		6,000				6,000
Directional/Stack Signage Install			30,000			30,000
Window Covering Upgrades			19,500			19,500
Parking Security Cameras Install					45,000	45,000
<b>Total Capital Request</b>	<b>368,000</b>	<b>366,300</b>	<b>202,500</b>	<b>212,100</b>	<b>151,000</b>	<b>1,299,900</b>

✓ Capital not included in the City's 2017 proposed 5-Year CIP

# The Art Center Capital Request

Capital	Priority	2017	2018	2019	2020	2021	Art Center's Comments
HVAC	1	27,500	27,500				All existing units have reached useful life expectancy and are not likely to remain operable beyond end of 2018 (see attached commentary)
Roof Replacement	1	5,000	100,000				With methodical ongoing repairs and maintenance we can expect the roof system to be maintained "as is" for a few more years however it is not advisable for warranty purposes to replace roof in sections.
Roof top Screening	2		10,000				Cracked and failing glass screens should be replaced at same time HVAC units are replaced...ideally coordinated with new roof to reduce possibility of damage.
Alley asphalt and paving	2		2,500				City owned alley is crumbling and needs to be repaired/replaced to avoid pedestrian accidents and exposure to liability. We do not have a budget for this work but estimate paving on TAC property to be approximately \$2500.
Masonry tuck pointing and foundation	3			5,000			Walls, foundation appear to now be in good shape after significant earlier expenditures on TAC part to repair failing masonry and flashing along roof area.  We may want to revisit this at such time the roof is scheduled for replacement due to the fact the building will require a system to shed water from area where it is currently pooling.
<b>Total Assets</b>		<b>32,500</b>	<b>140,000</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	

- ✓ Capital not included in the City's 2017 proposed 5-Year CIP
- ✓ City to consider the capital needs only provided the rent structure is modified

2017 Budget Workshop

# NEXT STEPS

# Next Steps

- ✓ Today Presentation of Facility Update and Five-Year Capital Improvement Program
- ✓ Sept. 26 Presentation of Proposed 2017 Budget Overview at Committee of the Whole
- ✓ Oct. 10-24 Presentation of Proposed 2017 Department Budgets at Committee of the Whole
- ✓ Oct. 14 Proposed Budget on website

# 2017 Budget Workshop

## Revenue, Fees, Tax Levy, CIP

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Questions?

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