

# MAJOR REVENUE SOURCES

## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

Early in the budget process each revenue account is analyzed and the current fiscal year's budgeted amounts are revised in order to form a more accurate basis for the next fiscal year's budgeted revenues. The detail revenue accounts are provided at the beginning of each fund in this budget document. The following revenue descriptions, assumptions and trends are provided only for the most significant or major revenue sources.

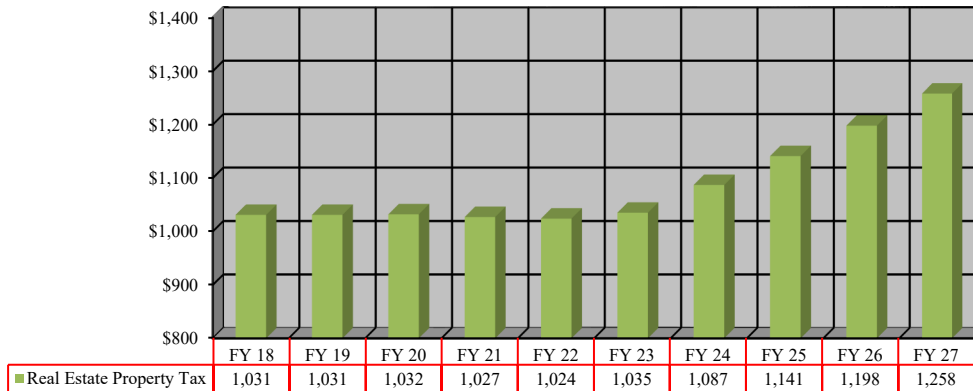
Discussion of grants, contributions from property owners for infrastructure improvements and bond issue proceeds although they may be significant, are not included due to their normal one time and one project nature. Generally, revenues used for operations in amounts above \$500,000 in the governmental funds and above \$300,000 in the enterprise funds are included in this section of the document.

### 1. Real Estate Property Taxes: General Fund and Local Improvement Fund.

The City of Carbondale adopts its annual Tax Levy Ordinance in November or December of each year for revenues to be received in the following fiscal year. In the years 2004 - 2010 the City did not levy property taxes. The levy was reinstated for 2011 to cover contributions to the Public Safety's Pension Funds.

Increases in the years 2024 - 2027 are expected to increase at 5.0% per year, though required City increase to public safety pension plan contributions are expected to rise at 7% per year, to meet the high cost of benefit maintenance and demographic changes. The 5% is the maximum permissible without citizen agreement. In the long run the levy may have to increase to meet future liabilities.

Real Estate Property Tax



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Real Estate Property Taxes	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
<b>Revenue Amount</b>	1,031,245	1,031,423	1,031,929	1,026,641	1,023,804
<b>\$ Increase (Decrease) from Prior Year</b>	(3,642)	178	506	(5,288)	(2,837)
<b>% Increase (Decrease) from Prior Year</b>	(0.4%)	0.0%	0.0%	(0.5%)	(0.3%)
	Budgeted FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
<b>Revenue Amount</b>	1,035,289	1,087,053	1,141,406	1,198,476	1,258,400
<b>\$ Increase (Decrease) from Prior Year</b>	11,485	51,764	54,353	57,070	59,924
<b>% Increase (Decrease) from Prior Year</b>	1.1%	5.0%	5.0%	5.0%	5.0%

**2. Home Rule Sales Tax:** Beginning July 1, 2015 the Home Rule Sales Tax increased to 2.5 percent of gross retail sales of tangible personal property, excluding vehicles, which require a title and registration.

The State of Illinois Constitution allows cities with a population of more than 25,000, or if less may elect by referendum, to become a home rule unit. The City's home rule sales tax became effective on September 1, 1992. The Illinois Department of Revenue administers the tax. The tax revenue is remitted to the City during the third month after the month in which the retail sale is made.

During FY 1999, the City Council approved an additional ¼ percent Home Rule Sales Tax which became effective on July 1, 1999. This increase is passed through to the Carbondale Community High School District #165 for the abatement of a major portion of the property tax levy principal and interest related to a bond issue for financing the development of a new four-year high school facility.

During FY 2006 the City entered into an agreement with Southern Illinois University that annexed approximately 2,700 acres which included the SIU Main Campus and the University Farms area. The area annexed included several retail establishments that will provide new Home-Rule and Municipal Sales Tax Revenues to the City.

During FY 2008, the City Council approved an increase of an additional ½ percent Home Rule Sales Tax which became effective January 1, 2008. Of this increase, ¼ percent is designated to pass through to Southern Illinois University in an amount not to exceed one million dollars annually over a period of twenty years. These funds will be used to assist the University in the

payment of costs associated with the Saluki Way project. The remaining portion of the ½ percent Home Rule Sales Tax increase will be retained by the City of Carbondale to be used in funding General Fund operations.

During FY 2010, the City again approved an additional increase of ½ percent becoming effective July 1, 2010, bringing the Home Rule Sales Tax rate to 2 percent. The increased revenue will be used in part, to pay debt service on a General Obligation Bond used to finance the construction of a new Police facility.

During FY 2014, the City approved an additional increase of ¼ percent becoming effective July 1, 2014, and again in July 1, 2015, bringing the Home Rule Sales Tax rate to 2.5 percent. The increased revenue will be used to offset operating expense increases and will help to fund General Fund operations.

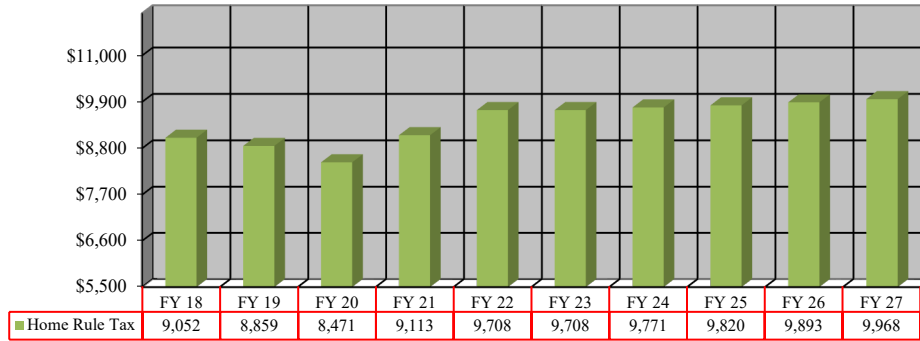
In July of 2017, the state of Illinois began collecting a 2.0% handling fee on Home Rule Sales Tax collections, this fee was reduced to 1.5% in July of 2018 and remains in place today.

Covid-19 losses in FY 2021 were offset by transferring the ⅛ percent of the home rule tax that had been transferred to the Local Improvement Fund in the General Fund. FY 2022/2023 revenues reflect the reversal of that transfer. FY 2024 and future projected revenues are estimated to return to pre-pandemic levels and remain flat with inflationary increases offset by decreased purchasing.

# MAJOR REVENUE SOURCES

## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

Home Rule Sales Tax



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Home Rule Sales Tax	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
Revenue Amount	9,052,415	8,859,228	8,470,723	9,113,076	9,707,833
\$ Increase (Decrease) from Prior Year	(479,015)	(193,187)	(388,505)	642,353	594,757
% Increase (Decrease) from Prior Year	(5.0%)	(2.1%)	(4.4%)	7.6%	6.5%
	Budgeted FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
Revenue Amount	9,707,833	9,770,934	9,819,789	9,893,438	9,967,639
\$ Increase (Decrease) from Prior Year	0	63,101	48,855	73,649	74,201
% Increase (Decrease) from Prior Year	0.0%	0.7%	0.5%	0.8%	0.8%

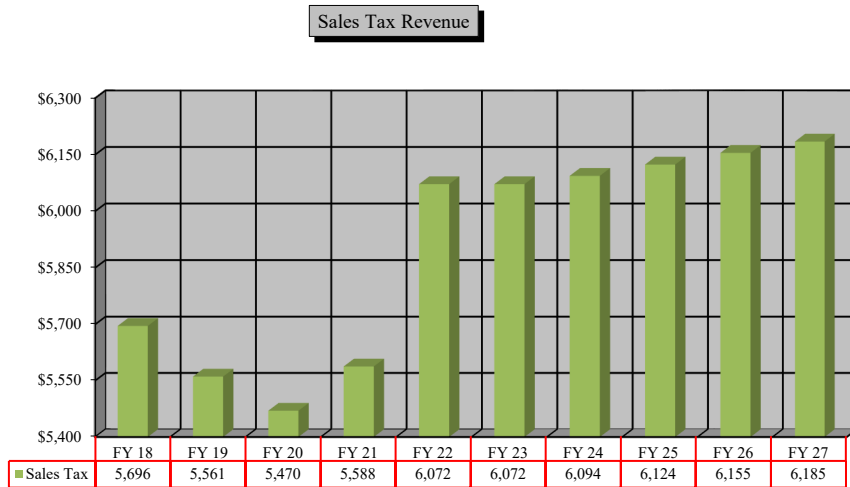
# MAJOR REVENUE SOURCES

## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

3. **Sales Tax:** General Fund, 1 percent tax with the same taxable basis as the 1 percent Home Rule Sales Tax plus licensed vehicles.

declining enrollment and employment at SIU continue to be of concern, but appear to be improving.

The economic downturn in fiscal year 2021 is a result of the Covid-19 pandemic. Sales tax returns rebounded sharply in fiscal year 2022 and are estimated to remain higher than pre-pandemic levels during fiscal year 2024 and have slight increases afterward. Periods of



Sales Tax	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
<b>Revenue Amount</b>	5,695,609	5,561,309	5,469,656	5,588,447	6,072,328
<b>\$ Increase (Decrease) from Prior Year</b>	(117,695)	(134,300)	(91,653)	118,791	483,881
<b>% Increase (Decrease) from Prior Year</b>	(2.0%)	(2.4%)	(1.6%)	2.2%	8.7%
	<b>Budgeted FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Projected FY 2026</b>	<b>Projected FY 2027</b>
<b>Revenue Amount</b>	6,072,328	6,093,581	6,124,049	6,154,669	6,185,442
<b>\$ Increase (Decrease) from Prior Year</b>	0	21,253	30,468	30,620	30,773
<b>% Increase (Decrease) from Prior Year</b>	0.0%	0.3%	0.5%	0.5%	0.5%

# MAJOR REVENUE SOURCES

## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

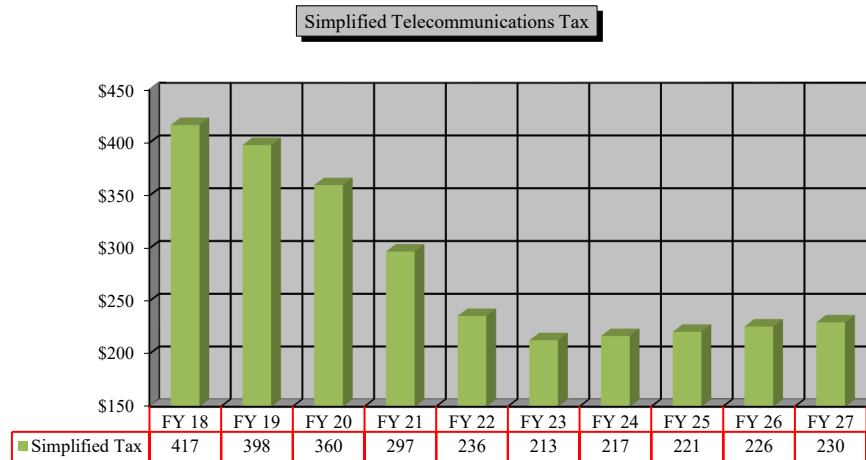
### 4. Simplified Telecommunications Tax: General Fund, 5.75 percent Gross Receipts Tax.

In March 1993, the City adopted an ordinance which applies a utility tax to users of cellular telephones and transmissions of messages by magnetic and fiber optic methods.

On January 1, 2003, the City adopted the State of Illinois' "Simplified Tax". This new method of taxation on telecommunications is no longer administered and collected by the City, but by the State of Illinois and passed thru to the City. The new Simplified Tax collects taxes on all telephone revenue generated for long distance calls both in and out of State at a rate of

5.75 percent. The City's prior Utility Tax was only charged on intra state call revenues at a rate of 5 percent.

Losses in FY 2021 and FY 2022 are estimated as the result of the Covid-19 pandemic as university students stayed away from campus as classes were held on a remote basis. We anticipate lower levels of revenues for the future as we expect cell phone plans to remain based on the permanent home region of future students. Additionally, conversion from standard POTS to VOIP plans will soften future years. Future year increases are based on anticipated inflationary increases in cell phone plan costs.



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Simplified Telecommunications Tax	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
<b>Revenue Amount</b>	416,545	398,298	359,714	296,803	236,383
<b>\$ Increase (Decrease) from Prior Year</b>	(53,341)	(18,247)	(38,584)	(62,911)	(60,420)
<b>% Increase (Decrease) from Prior Year</b>	(11.4%)	(4.4%)	(9.7%)	(17.5%)	(20.4%)
	<b>Budgeted FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Projected FY 2026</b>	<b>Projected FY 2027</b>
<b>Revenue Amount</b>	212,745	217,000	221,340	225,767	230,282
<b>\$ Increase (Decrease) from Prior Year</b>	(23,638)	4,255	4,340	4,427	4,515
<b>% Increase (Decrease) from Prior Year</b>	(10%)	2.0%	2.0%	2.0%	2.0%

# MAJOR REVENUE SOURCES

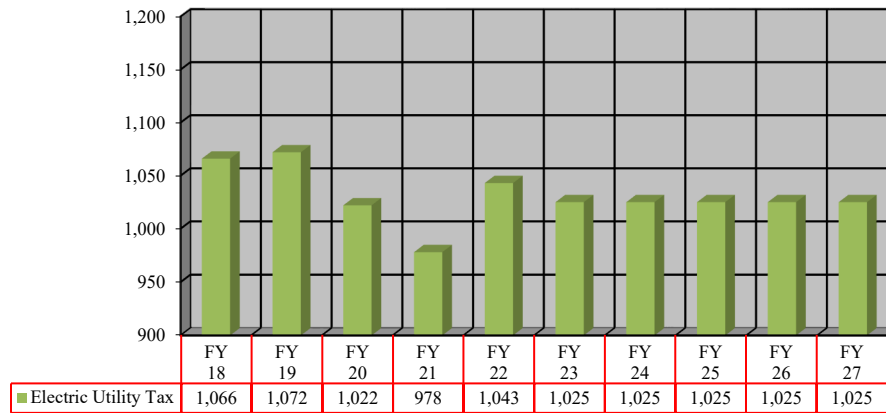
## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

**5. Electric Utility Tax:** General Fund. The tax is based on kilowatt-hours (KWH) multiplied by per KWH rates at tiered consumption levels.

The revenue from this tax is generally affected by weather conditions as well as the number of days of high heat. An 8.0 percent drop in 2021 is a result of the

pandemic and the associated reduction in activity with quarantine restrictions. The future is uncertain and was left flat with minimal changes in usage expected. With work/schooling from home possibly becoming more widespread the outlook for this revenue source is unknown.

Electric Utility Tax Revenue



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Electric Utility Tax Revenue	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
Revenue Amount	1,066,493	1,072,234	1,022,301	977,963	1,043,334
\$ Increase (Decrease) from Prior Year	(3,086)	5,741	(49,933)	(44,338)	65,371
% Increase (Decrease) from Prior Year	(0.3%)	0.5%	(4.7%)	(4.3%)	6.7%
	<b>Budgeted FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Projected FY 2026</b>	<b>Projected FY 2027</b>
Revenue Amount	1,025,000	1,025,000	1,025,000	1,025,000	1,025,000
\$ Increase (Decrease) from Prior Year	(18,334)	0	0	0	0
% Increase (Decrease) from Prior Year	(1.8%)	0.0%	0.0%	0.0%	0.0%

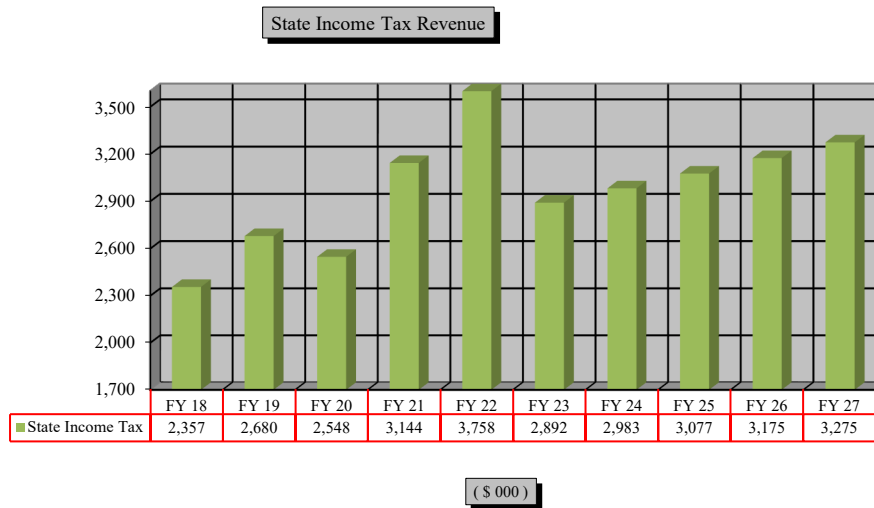
# MAJOR REVENUE SOURCES

## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

6. **State Income Tax:** General Fund, 5 percent for individuals, trusts and estates of Federal Income Tax adjusted gross income. The amount each municipality receives is based on the population. The population figures are determined by the latest U.S. Bureau of Census figures and are certified by the Illinois Secretary of State.

received. On July 1, 1994, the share was increased to one-eleventh and again increased to one-tenth on July 1, 1995. The Illinois Municipal League (IML) provides projections for this revenue generally in early January of each year. Past experience has shown the IML projections to be fairly accurate. Early pandemic losses were offset quickly with growth estimated for future years.

Beginning August 1, 1969, municipalities received one-twelfth of the net collections of all income tax



State Income Tax Revenue	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
<b>Revenue Amount</b>	2,356,927	2,679,699	2,548,368	3,144,046	3,758,236
<b>\$ Increase (Decrease) from Prior Year</b>	(85,316)	322,772	(131,331)	595,678	614,190
<b>% Increase (Decrease) from Prior Year</b>	(3.5%)	13.7%	(4.9%)	23.4%	19.5%
	<b>Budgeted FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Projected FY 2026</b>	<b>Projected FY 2027</b>
<b>Revenue Amount</b>	2,891,681	2,983,058	3,077,323	3,174,566	3,274,882
<b>\$ Increase (Decrease) from Prior Year</b>	(866,555)	91,377	94,265	97,243	100,316
<b>% Increase (Decrease) from Prior Year</b>	(23.1%)	3.2%	3.2%	3.2%	3.2%

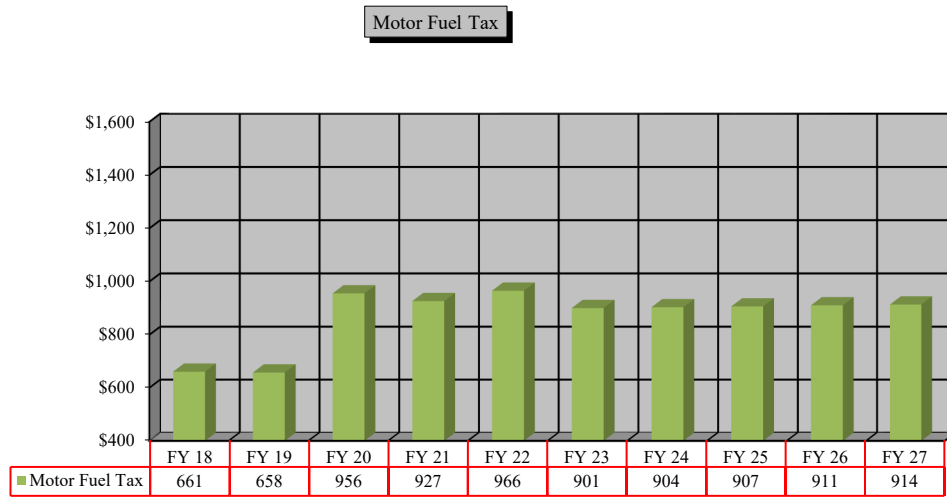
# MAJOR REVENUE SOURCES

## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

**7. Motor Fuel Tax:** Motor Fuel Tax Fund, From July 2017 through June 2019 the state of Illinois taxed motor fuel at a rate of 19.0¢ per gallon for gasoline and 21.5¢ per gallon for diesel fuel. This tax increased to 38.0¢ per gallon for gasoline and 45.5¢ per gallon for diesel fuel through June 2020. These increases will be passed through the state’s Transportation Renewal Fund. Increases will continue on July 1 for future years and

will be based on inflation. The distribution of this tax to municipalities is based on a per capita rate system like the State Income Tax. The primary uses of these funds are for maintenance and capital improvements of streets.

The combined per capita rate for FY 2022 was \$38.80.



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Motor Fuel Tax Revenue	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
Revenue Amount	661,356	657,512	955,827	927,397	966,242
\$ Increase (Decrease) from Prior Year	4,831	(3,844)	298,315	(28,430)	38,845
% Increase (Decrease) from Prior Year	0.7%	(0.6%)	45.4%	(3.0%)	4.2%
	Budgeted FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
Revenue Amount	900,508	903,930	907,094	910,541	913,728
\$ Increase (Decrease) from Prior Year	(65,734)	3,422	3,164	3,447	3,187
% Increase (Decrease) from Prior Year	(6.8%)	0.4%	0.4%	0.4%	0.4%



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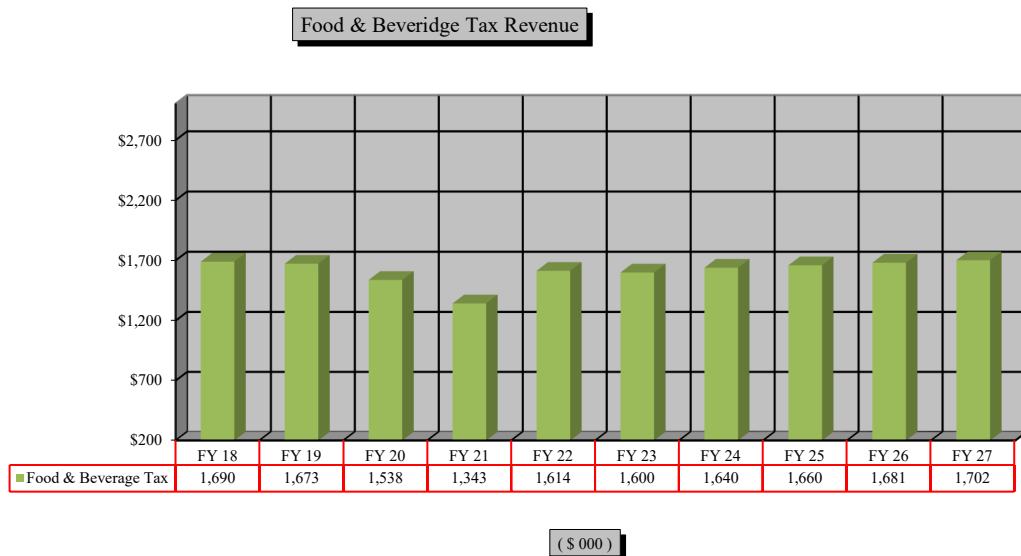
## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

**8. Food and Beverage Tax:** Package Liquor and F&B Tax Fund 4% on the gross receipts of the sale of food and beverages at places of business operating under the US Department of Revenue SIC designations of 5812, 5813, and 7011.

On June 15, 2016, the City Council passed an ordinance instituting a 4% food and beverage tax on the sales of

food and beverages at bars, restaurants and hotels. The tax was amended to a 2% food and beverage tax on August 9, 2016.

Revenues for FY 2022 increased as a result of the Covid-19 pandemic recovery. FY 2023 – FY 2027 were generated estimating with future years showing light increases due to inflation.



Food and Beverage Tax	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
<b>Revenue Amount</b>	1,689,525	1,673,458	1,538,365	1,343,417	1,614,221
<b>\$ Increase (Decrease) from Prior Year</b>	1,345,354	(16,067)	(135,093)	(194,948)	270,804
<b>% Increase (Decrease) from Prior Year</b>	390.9%	(1.0%)	(8.1%)	(12.7%)	20.2%
	Budgeted FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
<b>Revenue Amount</b>	1,600,000	1,640,000	1,660,500	1,681,256	1,702,272
<b>\$ Increase (Decrease) from Prior Year</b>	(14,221)	40,000	20,500	20,756	21,016
<b>% Increase (Decrease) from Prior Year</b>	(0.9%)	2.5%	1.3%	1.2%	1.3%

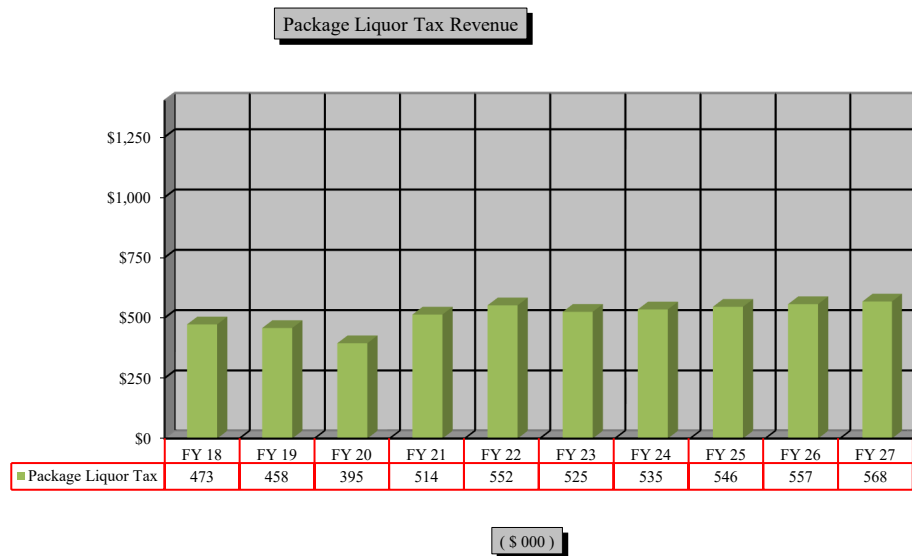
# MAJOR REVENUE SOURCES

## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

9. **Package Liquor Tax:** Package Liquor and F&B Tax Fund 4% on the gross receipts of the sale of packaged liquor within the city.

On June 15, 2016, the City Council passed an ordinance instituting a 4% tax on the sales of package liquor

throughout the municipality. Revenues for FY 2021 bucked the Covid-19 revenue trend and had a strong presence due to people drinking at home. FY 2022 maintained the strong FY 2021 revenue trend. FY 2023 – FY 2027 estimates were generated using current receipts with 2% annual increases.



Package Liquor Tax	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
<b>Revenue Amount</b>	472,744	458,306	394,857	514,048	552,127
<b>\$ Increase (Decrease) from Prior Year</b>	228,640	(14,438)	(63,449)	119,191	38,079
<b>% Increase (Decrease) from Prior Year</b>	93.7%	(3.1%)	(13.8%)	30.2%	7.4%
	<b>Budgeted FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Projected FY 2026</b>	<b>Projected FY 2027</b>
<b>Revenue Amount</b>	525,000	535,500	546,210	557,134	568,277
<b>\$ Increase (Decrease) from Prior Year</b>	(27,127)	10,500	10,710	10,924	11,143
<b>% Increase (Decrease) from Prior Year</b>	(4.9%)	2.0%	2.0%	2.0%	2.0%

# MAJOR REVENUE SOURCES

## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

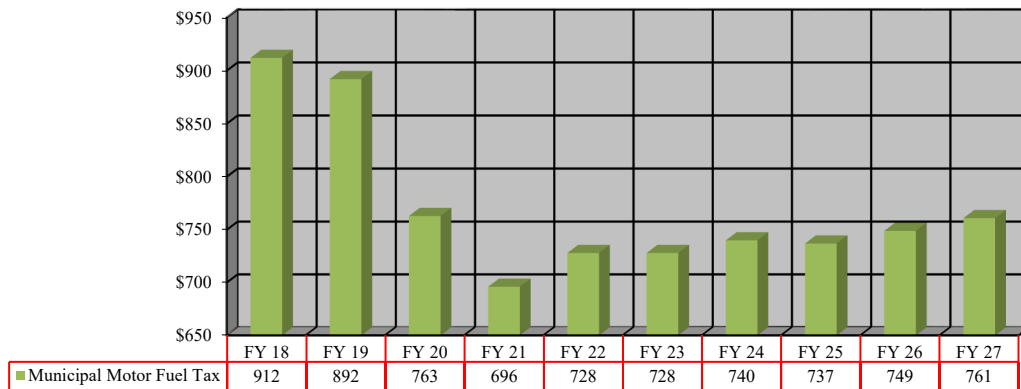
10. **Municipal Motor Fuel Tax:** General Fund and Local Improvement Fund \$.07/gallon of motor fuels.

Originally implemented at a rate of \$.01/gallon in February of 1986 and revised in April of 1992 to \$.02/gallon and again in April of 2005 to \$.03/gallon the Municipal Motor Fuel tax proceeds are used for capital improvements and maintenance to streets, sidewalks, and storm sewers.

The tax was increased to \$.07/gallon in June of 2016 to further fund capital improvements. The increased tax will be collected beginning in July 2016.

Losses in FY 2020/2021 are a result of the Covid-19 pandemic and it resulting lower amounts of travel as well as large amounts of working/schooling from remote locations. Recovery is being budgeted to be slow.

Municipal Motor Fuel Tax



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Municipal Motor Fuel Tax Revenue	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
Revenue Amount	911,823	892,069	762,988	696,211	728,200
\$ Increase (Decrease) from Prior Year	57,156	(19,754)	(129,081)	(66,777)	31,989
% Increase (Decrease) from Prior Year	6.7%	(2.2%)	(14.5%)	(8.8%)	4.6%
	Budgeted FY 2023	Projected FY 2024	Projected FY 2025	Projected FY 2026	Projected FY 2027
Revenue Amount	728,200	739,764	737,442	749,130	761,022
\$ Increase (Decrease) from Prior Year	0	11,564	(2,322)	11,688	11,892
% Increase (Decrease) from Prior Year	0.0%	1.6%	(0.3%)	1.6%	1.6%

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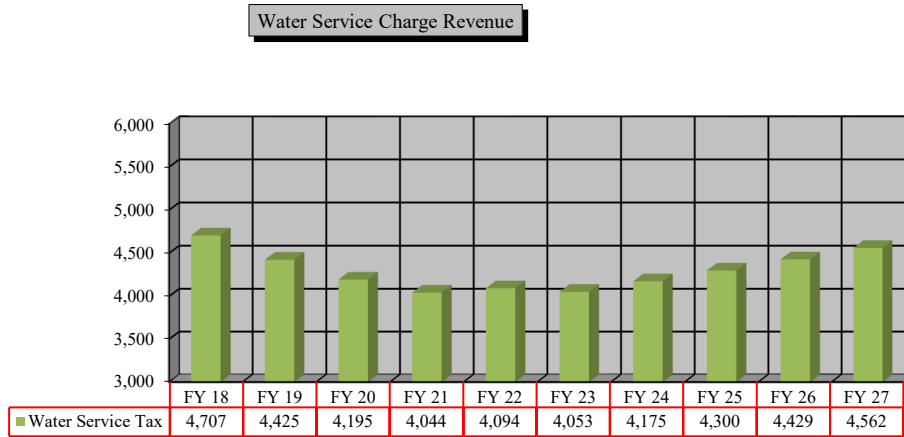
## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

11. **Water Service Charges:** Waterworks and Sewerage Fund is an Enterprise Fund. During FY 2012 a consulting firm completed a study to determine necessary maintenance and improvement requirements to the City's water systems costs of the changes were estimated, determined and necessary rate increase were recommended and eventually implemented for the next 5 years. For residential customers a basic customer charge is \$3.24 per month in FY 2012 increasing to \$3.76 in FY 2016 through current. The rate per 1,000 gallons is \$3.69 increasing to \$4.25 in FY 2016 through current.

With the number of City residential customers remaining level from year to year the projected revenue

increases are resulting from anticipated rate increases. Although the City sells most of its water to Southern Illinois University and three water districts, the growth in water consumption has actually began to decrease slightly in recent years.

The rate increase was proposed through 2016 future inflationary increases are projected to cover upcoming maintenance and improvements to the City's water system which is about 3.0% a year. FY 2021's revenues decreased due to the pandemic and the associated quarantines and closures of businesses, as well as the use of remote learning by the schools and university.



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Water Service Charge Revenue	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
<b>Revenue Amount</b>	4,706,794	4,425,468	4,195,317	4,044,136	4,094,271
<b>\$ Increase (Decrease) from Prior Year</b>	(127,873)	(281,326)	(230,151)	(151,181)	50,135
<b>% Increase (Decrease) from Prior Year</b>	(2.6%)	(6.0%)	(5.2%)	(3.6%)	1.2%
	<b>Budgeted FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Projected FY 2026</b>	<b>Projected FY 2027</b>
<b>Revenue Amount</b>	4,053,000	4,174,590	4,299,828	4,428,823	4,561,687
<b>\$ Increase (Decrease) from Prior Year</b>	(41,271)	121,590	125,238	128,995	132,864
<b>% Increase (Decrease) from Prior Year</b>	(1.0%)	3.0%	3.0%	3.0%	3.0%

# MAJOR REVENUE SOURCES

## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

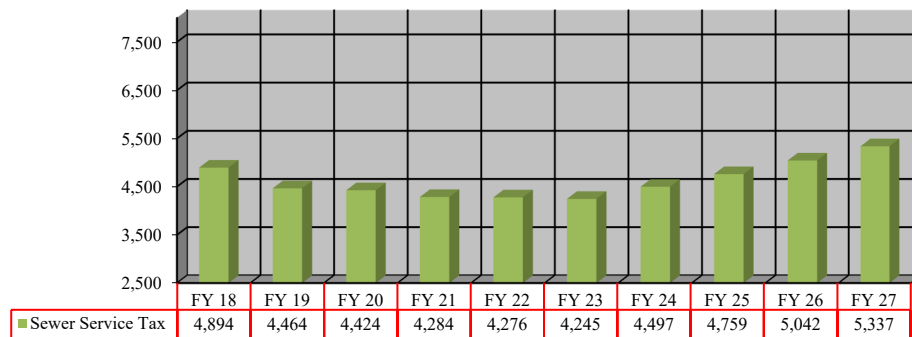
**12. Sewer Service Charges:** Waterworks and Sewerage Fund, an Enterprise Fund, currently assesses a rate for sewerage usage of \$3.56 per 1,000 gallons of water consumption. This rate was increased effective July 1, 2010 for FY 2011 revenue.

During FY 2007, Southern Illinois University negotiated a credit for evaporation lost in the cooling towers on campus buildings. This resulted in a material loss of revenue in sewer service charge. The volume of sewerage services is expected to remain mostly stable through FY 2017.

During FY 2012, the consulting firm also completed a study to determine necessary maintenance and improvement requirements to the City's sewer systems. Costs of the changes were estimated; determined and

necessary rate increases were recommended and eventually implemented for the next 5 years. The structure for sewer rates is pretty much the same. The basic customer charge is \$3.53 per month increasing to \$5.03 in FY 2016 through current. The rate per 1,000 gallons is \$4.21 increasing to \$6.00 in FY 2016 through current. FY 2021's revenues decreased due to the pandemic and the associated quarantines and closures of businesses, as well as the use of remote learning by the schools and university. FY 2022 and FY 2023 revenues assume similar levels usage. Levels of increase are proposed to begin in FY 2024 at a 6.0% rate and continue through FY 2027 to cover maintenance and improvements.

Sewer Service Charge Revenue



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Sewer Service Charge Revenue	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
<b>Revenue Amount</b>	4,893,920	4,464,086	4,423,638	4,283,981	4,276,446
<b>\$ Increase (Decrease) from Prior Year</b>	(237,673)	(429,834)	(40,448)	(139,657)	(7,535)
<b>% Increase (Decrease) from Prior Year</b>	(4.6%)	(8.8%)	(0.9%)	(3.2%)	(0.2%)
	<b>Budgeted FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Projected FY 2026</b>	<b>Projected FY 2027</b>
<b>Revenue Amount</b>	4,245,000	4,497,200	4,759,232	5,042,186	5,336,605
<b>\$ Increase (Decrease) from Prior Year</b>	(31,446)	252,200	262,032	282,954	294,419
<b>% Increase (Decrease) from Prior Year</b>	(0.7%)	5.9%	5.8%	5.9%	5.8%

# MAJOR REVENUE SOURCES

## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

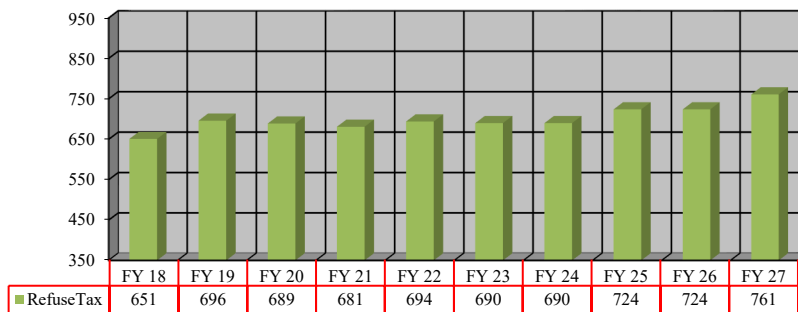
13. **City Customer Refuse Fees:** Solid Waste Management Fund, an Enterprise Fund, assesses a fee of \$12.00 per month per user for residential curbside refuse pickup.

Because of the continuing increases in the operating costs of providing refuse and recycling services, the fees were again increased. Effective July 1, 2008, the City Council approved an increase in the monthly refuse fee from \$7.25 to \$8.00. Further, the council approved additional increases from \$8.00 to \$8.75 per month effective May 1, 2009 and from \$8.75 to \$9.50 per month effective May 1, 2010.

During FY 2012, the City Code related to refuse: collections, procedures, rate inclusions (equipment fees) as well as rate increase schedules was thoroughly studied and amended where needed. The basic pick up fee was increased to \$11.00 moving to \$11.40 over the next 3 years.

During FY 2014, the basic pick up fee was increased from \$11.40 to \$12.00 over the next three years. Future rate increases are projected to continue on even numbered fiscal years to cover cost, maintenance, and equipment improvements.

City Customer Refuse Fees Revenue



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City Customer Refuse Fees Revenue	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
<b>Revenue Amount</b>	651,278	695,675	688,836	680,687	693,750
<b>\$ Increase (Decrease) from Prior Year</b>	20,990	44,397	(6,839)	(8,149)	13,063
<b>% Increase (Decrease) from Prior Year</b>	3.3%	6.8%	(1.0%)	(1.2%)	1.9%
	<b>Budgeted FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Projected FY 2026</b>	<b>Projected FY 2027</b>
<b>Revenue Amount</b>	690,000	690,000	724,500	724,500	760,725
<b>\$ Increase (Decrease) from Prior Year</b>	(3,750)	0	34,500	0	36,225
<b>% Increase (Decrease) from Prior Year</b>	(0.5%)	0.0%	5.0%	0.0%	5.0%

# MAJOR REVENUE SOURCES

## DESCRIPTIONS, PROJECTION ASSUMPTIONS AND TRENDS

14. **Rental Revenues:** Rental Properties Fund: University City Complex and the Old ICRR Depot.

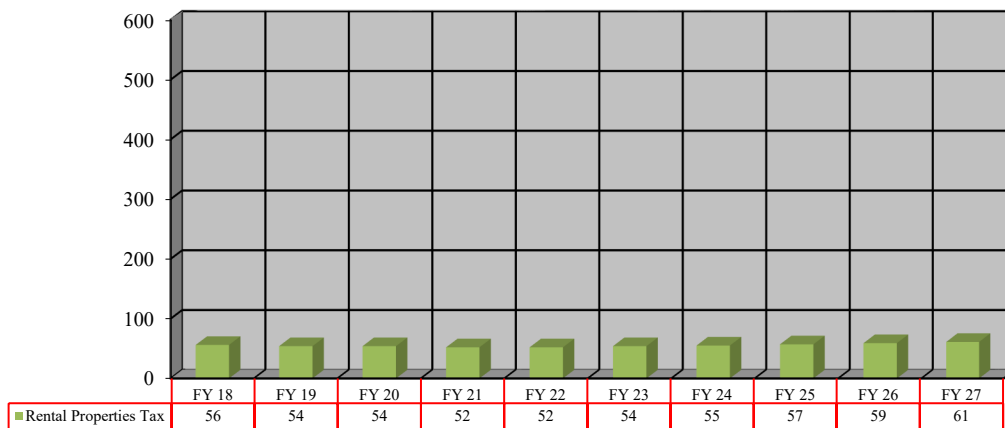
the buildings at the University City Complex will need to be installed in the near future.

In order to improve the profitability of the enterprise operation, rental rate increases for the current tenants began during FY 1999 and will continue through FY 2017. The projected rental rates have been researched and are found to be competitive in the not-for-profit tenant rental market.

The reason for the drop in FY 2011 and FY 2012 are the sale of one property and the demolition of another. In 2014, the state crime lab facility was vacated. In the future, the Municipal Rental Properties Division will be deemphasized and will eventually be rolled into the General Fund. At this time there are no prospective tenants for the vacancies. The City is looking for replacement tenants.

In order to make the buildings more marketable and in compliance with ADA standards, elevators in three of

**Rental Properties Revenue**



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Rental Revenue	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Estimated Actual FY 2022
<b>Revenue Amount</b>	55,774	53,773	54,106	52,137	52,235
<b>\$ Increase (Decrease) from Prior Year</b>	(9,774)	(2,001)	333	(1,969)	98
<b>% Increase (Decrease) from Prior Year</b>	(14.9%)	(3.6%)	0.6%	(3.6%)	0.2%
	<b>Budgeted FY 2023</b>	<b>Projected FY 2024</b>	<b>Projected FY 2025</b>	<b>Projected FY 2026</b>	<b>Projected FY 2027</b>
<b>Revenue Amount</b>	53,802	55,416	57,079	58,791	60,555
<b>\$ Increase (Decrease) from Prior Year</b>	1,567	1,614	1,663	1,712	1,764
<b>% Increase (Decrease) from Prior Year</b>	3.0%	3.0%	3.0%	3.0%	3.0%