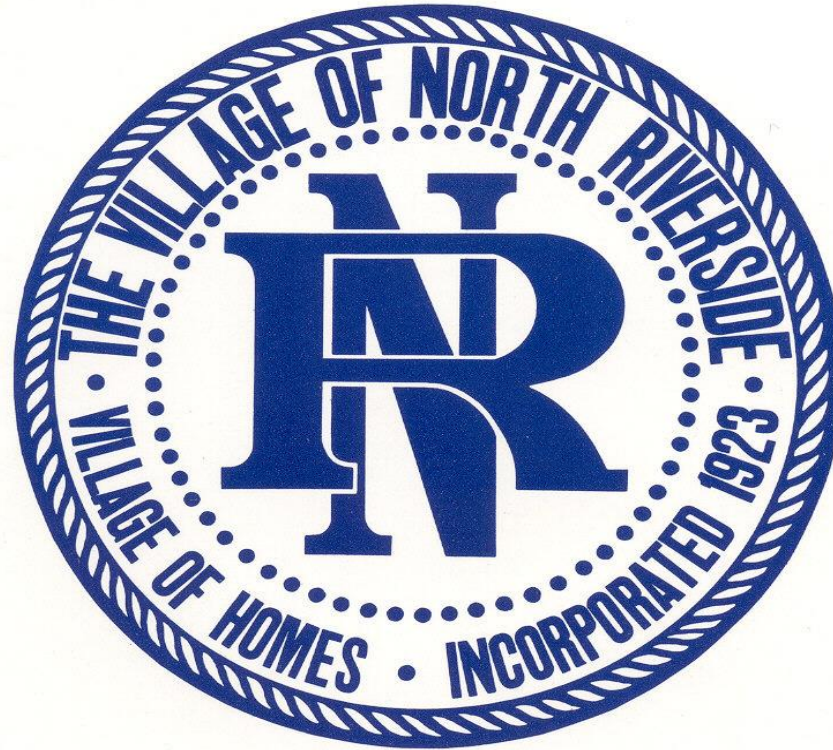
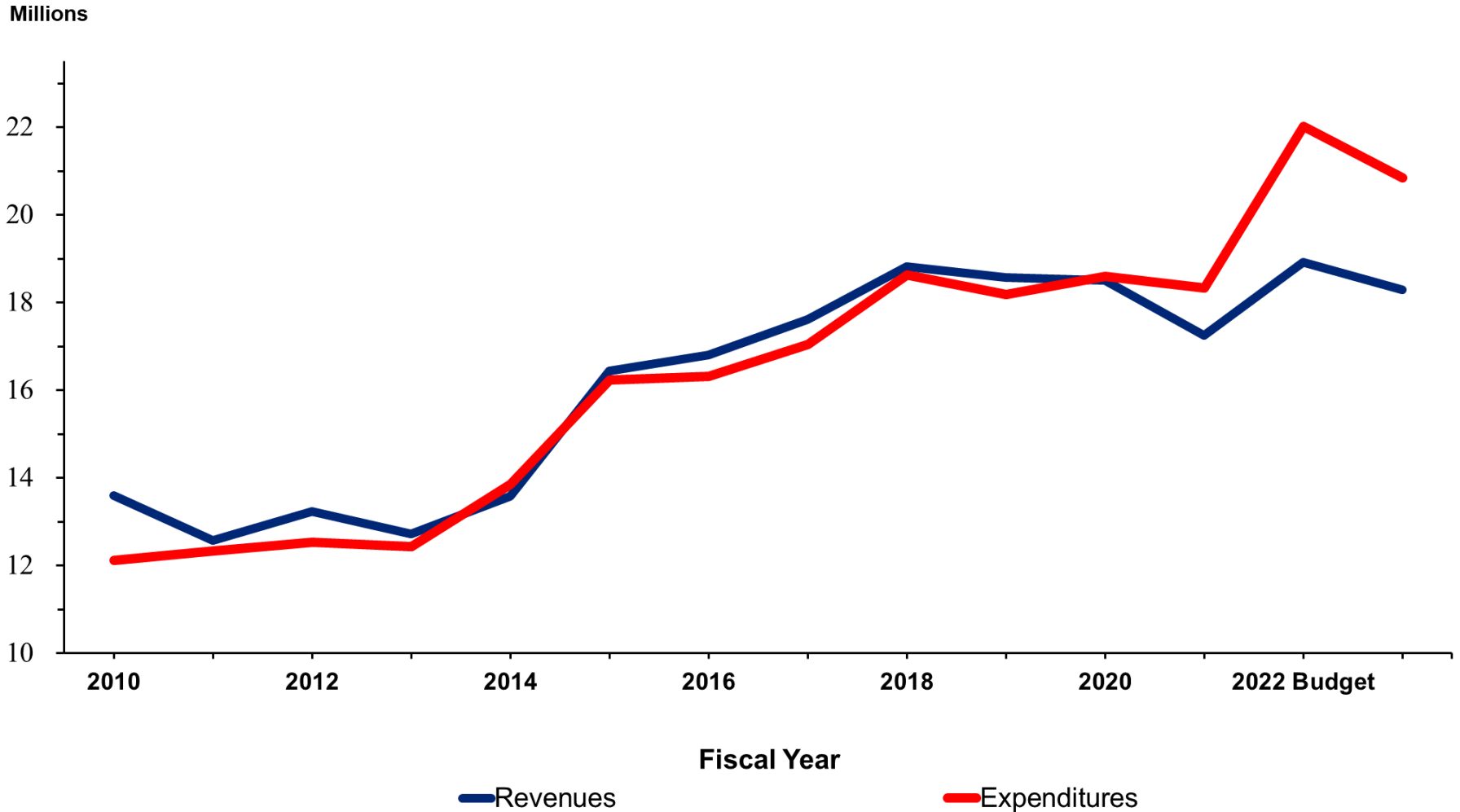


Village of North Riverside



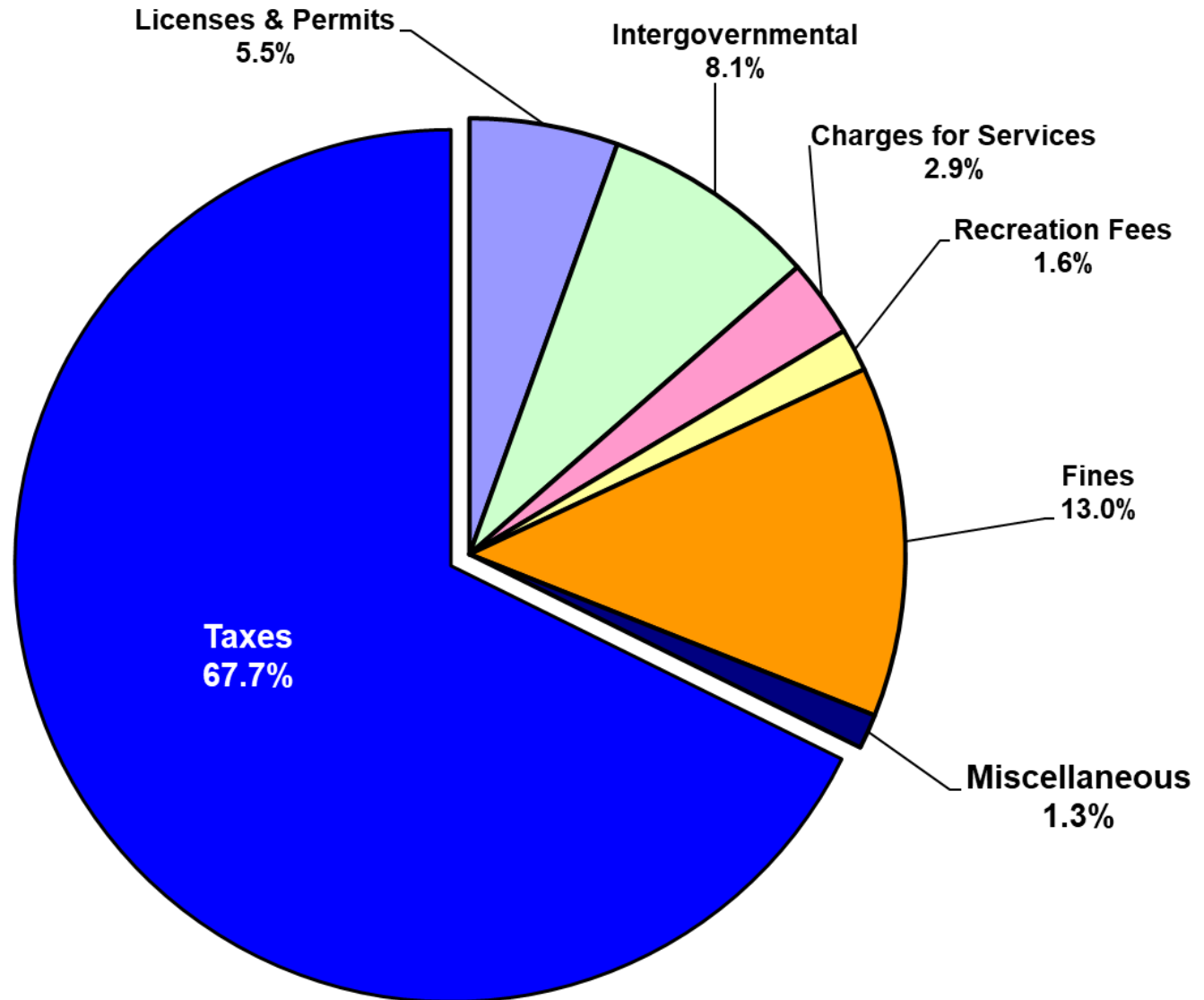
Proposed Operating Budget
Fiscal Year 2021 – 2022

Operating Revenues vs. Expenses General Fund



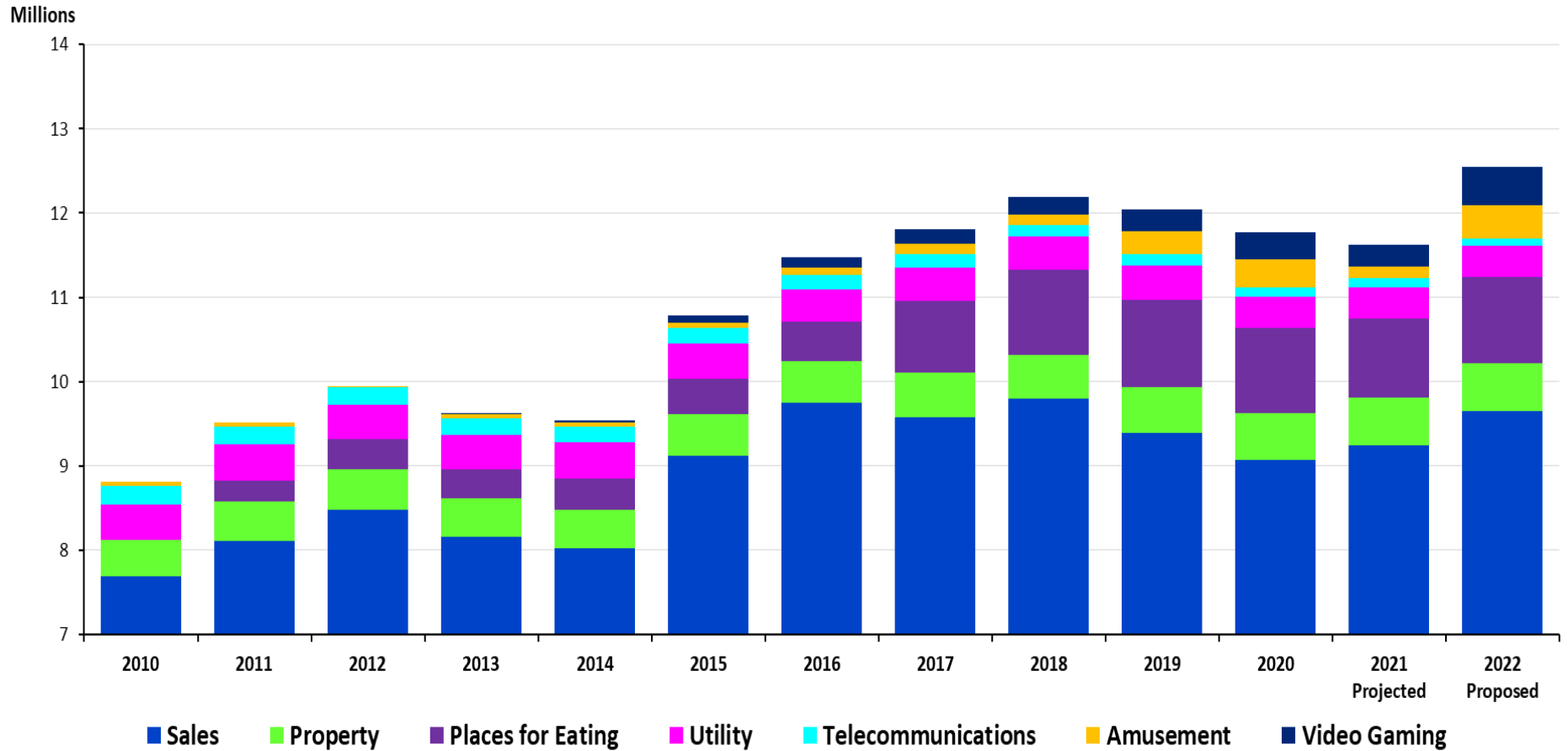
General Operating Revenues

FY21 Projection



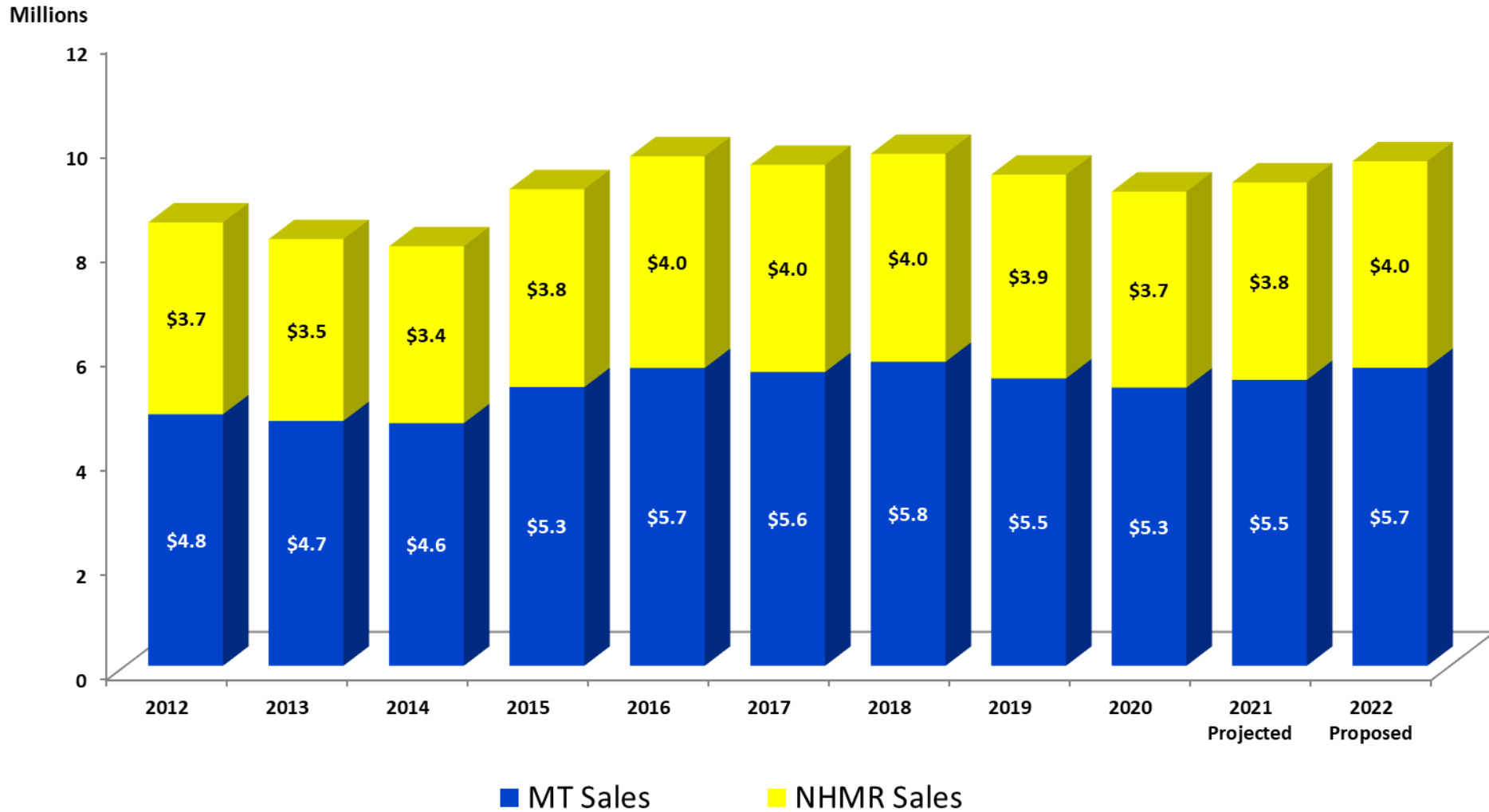
Breakdown of Taxes

General Fund



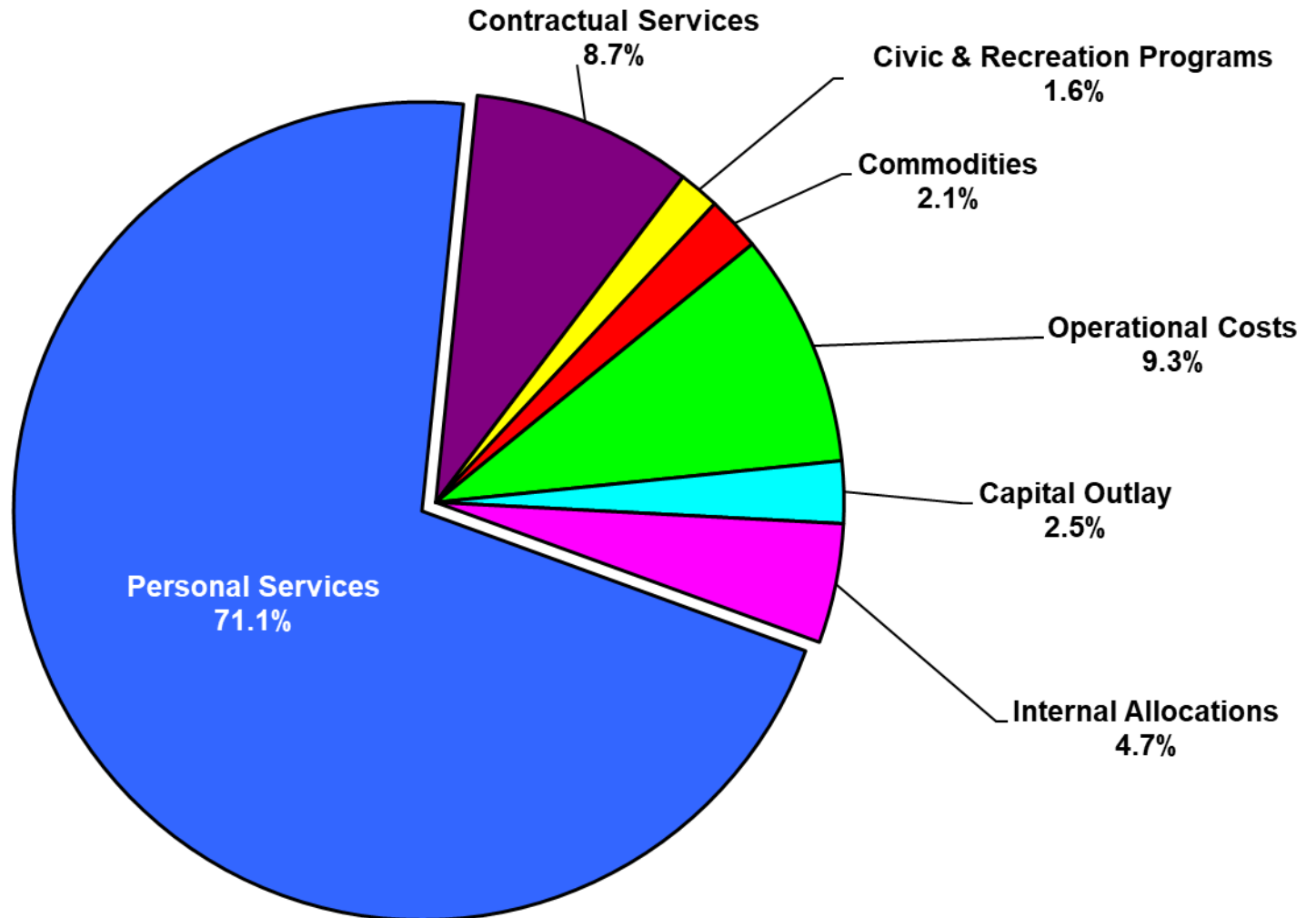
Sales Tax Revenue

10 Year History



General Operating Expenses by Class

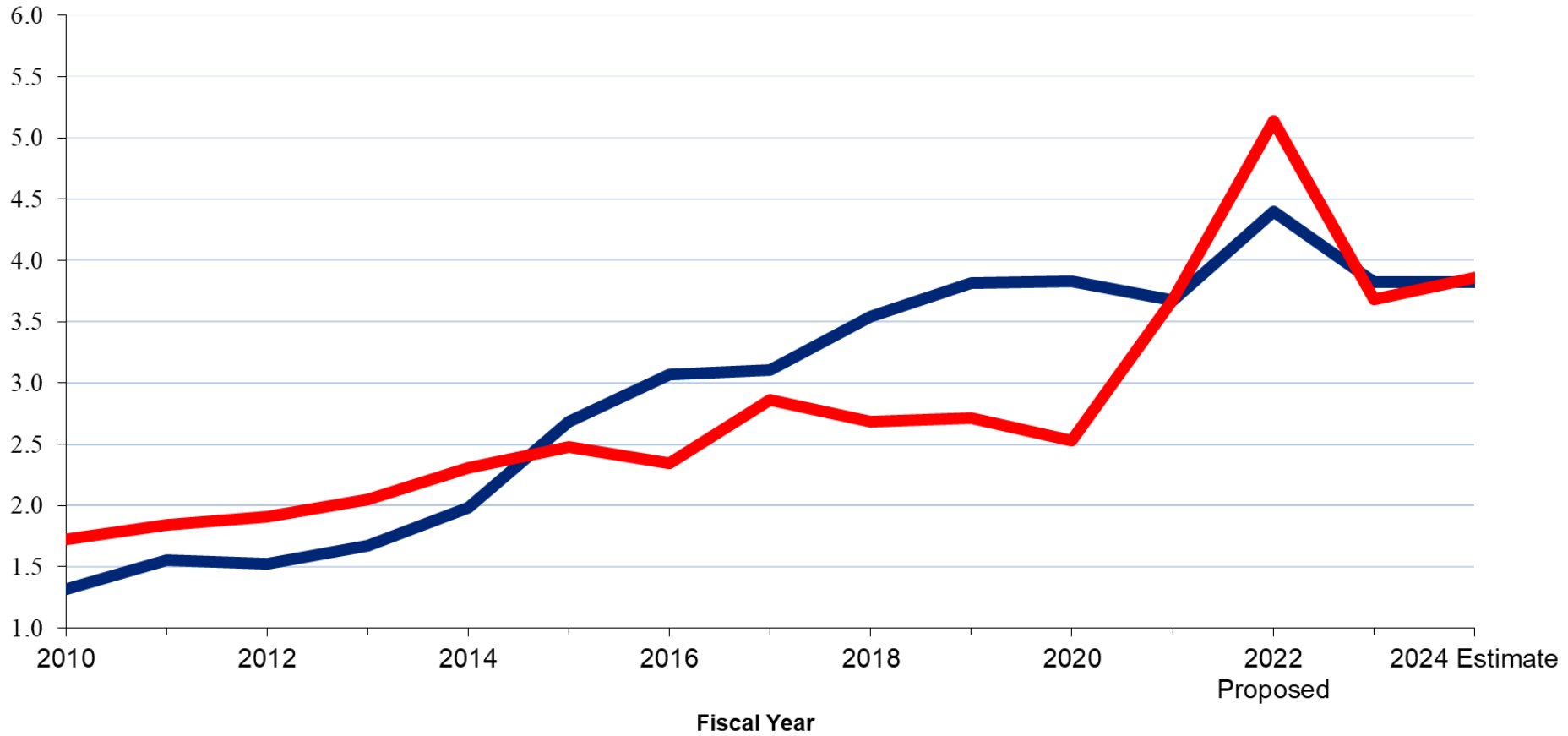
FY22 Proposed Budget



Operating Revenues vs. Expenses

Water Fund

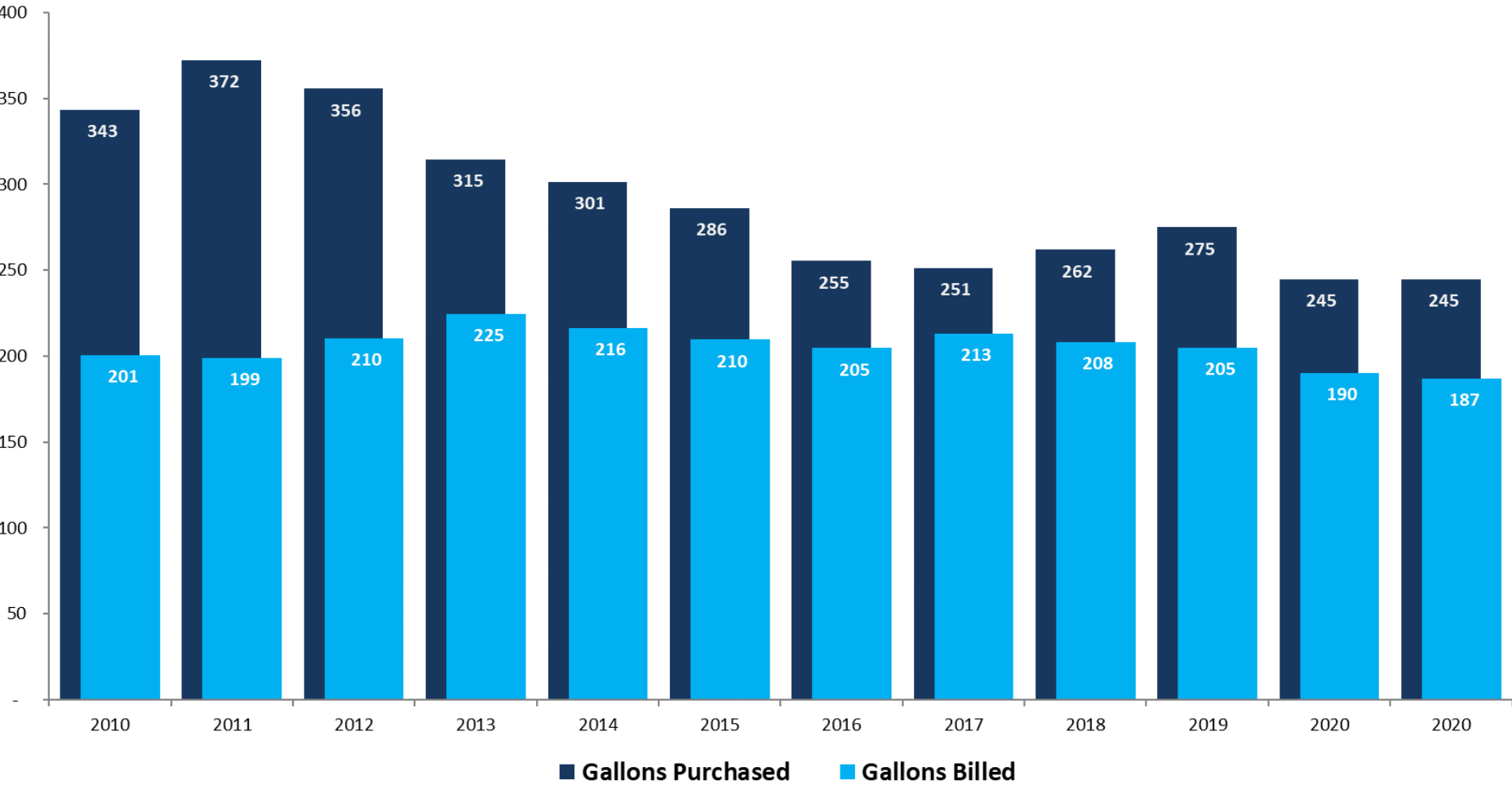
Millions



Revenues Expenditures

Gallons Water Purchased vs. Billed Water Fund

Millions



Impact from Pandemic

- **Unemployment Insurance**

- \$499 Billion injected into national economy (March - Nov 2020)
 - \$365 billion resulted from CARES supplement of \$600/week

- **Income Taxes**

- Personal Income
 - \$276 billion added from \$1,200 stimulus checks
- Small Business Income
 - \$29 billion added from Paycheck Protection Program (PPP)
 - Original decline projected of \$143 billion without PPP
- Cumulative Impact - \$1.03 trillion (8%) higher from 2019
 - March to November

Impact from Pandemic

- **Consumer Spending**

- Durable goods (furniture, exercise equipment, etc.)
 - Increase of \$60 billion
- Non-durable goods (alcohol and food consumption)
 - Increase of \$39 billion
- Overall decrease was \$535 billion

- **Personal Savings**

- April 2020 – peaked at 33.7% (highest level on record)
- Savings rate normally fluctuates around 7% mark
- \$1.56 trillion higher than 2019 (March - Nov 2020)

FY22 Revenue Assumptions

- **Sales Tax**

- 2.0% anticipated growth rate over CY20
- Conservative business growth anticipated for FY22
 - Ziegler Ford renovation
 - New grocery store (North Riverside Plaza)
 - New Aldi's Store
 - Carson's (still actively pursuing redevelopment)

- **Places for Eating Tax**

- 2% tax on all eating establishments
 - 48 active restaurants & drinking establishments
 - 2 marketplace facilitators (doordash, grub hub, etc.)

- **Amusement Tax**

- 5% gross sales

FY22 Revenue Assumptions

- **State Shared Revenues**

- **Income Tax (LGDF)**

- Municipalities and counties receive 5.75% of state collections – down from 8% in 2017
 - FY20 Actual - \$108.39 per capita
 - FY21 Estimate - \$110.70 per capita (2% increase)
 - FY22 Projection - \$110.90 per capita (flat)
 - Illinois Income Tax – Increased LGDF \$4.23 per capita - FY21
 - Eliminated 5% discount from LGDF
 - Lowered income tax refund rates on July 1, 2020

- **Local Use Tax**

- FY20 Actual - \$34.51 per capita
 - FY21 Estimate - \$42.50 per capita (23% increase)
 - FY22 Projection – \$44.50 per capita (5% increase)
 - Expected higher consumer spending and strong e-commerce sales

FY22 Revenue Assumptions

- **State Shared Revenues**

- **PPRT (Personal Property Replacement Tax)**

- Only municipalities who collected personal property tax in 1977 are eligible for distribution
- General Assembly has history of sweeping funds to pay for expenses that come out of state's general revenue fund
 - SFY19 budget includes a total of approximately \$300 million in diversions
 - Reduction in % allocation of total business income tax (BIT) going to CPPRT

- **Cannabis LGDF**

- FY20 Actual - \$0.16 per capita
- FY21 Estimate - \$0.70 per capita (338% increase)
- FY22 Projection - \$0.93 per capita (33% increase)

FY22 Revenue Assumptions

- **State Shared Revenues**

- **Motor Fuel Tax Funds**

- FY20 Actual - \$24.94 per capita
- FY21 Estimate - \$20.60 per capita (17% reduction)
- FY22 Projection - \$22.90 per capita (11% increase)
- US Energy Information Administration forecast for 2021
 - 8% recovery on gasoline over 2020
 - 5% recovery on diesel over 2020
 - 2021 still 6% lower than pre-COVID consumption levels

- **Transportation Renewal Fund**

- FY20 Actual - \$11.21 per capita
- FY21 Estimate - \$14.85 per capita (32% increase)
- FY22 Projection - \$16.45 per capita (11% increase)

FY22 Revenue Assumptions

- **Telecommunication Tax**

- Expected phase out of revenue – 8th Straight Year

- FY18 Actual - \$139,220 (13.2% reduction)
- FY19 Actual - \$133,126 (4.4% reduction)
- FY20 Actual - \$118,235 (11.2% reduction)
- FY21 Estimate - \$104,250 (11.4% reduction)
- FY22 Projection - \$95,000 (11% reduction)

- **Video gaming tax**

- Maximum Cap – 10

- Currently 17 establishments

- Impact from Pandemic

- 22% reduction over FY20 -\$326,380 (2020), \$255,100 (2021)
- Closed 5 months in FY21
 - 3/16/20 – 6/30/20 & 11/20/20 – 1/16/21

FY22 Revenue Assumptions

- **Red light violations**

- Negative impact from State discontinuing LDRP collections of outstanding unpaid tickets

- FY18 - \$1,363,602

- FY19 - \$1,328,405

- FY20 - \$ 985,425

- **FY21 - \$ 96,000**

- 3rd Party Collection Agency

- FY19 - \$135,000

- FY20 - \$124,000

- FY21 - \$271,000

- **FY22 Projection – \$300,000**

FY22 Revenue Assumptions

- **Water User Fees**

- **City of Chicago water rate**

- Annual increases - lower of CPI or 5%
 - 2020 CPI inflation rate - 1.10%
 - \$.05 increase June 1, 2021
 - \$3.94 per 1,000 gallons – 2018 (2%)
 - \$3.97 per 1,000 gallons – 2019 (1%)
 - \$4.08 per 1,000 gallons – 2020 (3%)
 - \$4.13 per 1,000 gallons – 2021 (1%)

- **BNRWC water rate**

- \$.10 increase June 1, 2021
 - \$5.32 per 1,000 gallons – 2018 (8%)
 - \$5.37 per 1,000 gallons – 2019 (4%)
 - \$5.53 per 1,000 gallons – 2020 (7%)
 - \$5.63 per 1,000 gallons – 2021 (2%)

- **NR water rates remained same since Sept, 2018**

FY22 Expenditure Assumptions

- **Wage assumptions**

- 1.50% Across the board Increases (all labor groups)
- New contract ratified PW – Teamsters L705 - April, 2021
- Contract Expiration
 - Police Union – 4/30/2021
 - Fire Union – 4/30/2021
 - PW Union – 4/30/2026
 - Admin Union - Pending
- Undergo review of all personnel costs
 - Carry over Position – Village Engineer
 - New personnel requests - Administration, Police & Fire
 - SAFER Grant positions (3 FF)

FY22 Expenditure Assumptions

- **MICA Insurance Pool**

- Self insured workers' comp & general liability coverage
- Policy year May 1st to April 30th
- Premium based on 4 year claim history & risk exposure
- 2021-2022 Premium Increase - \$55,925
 - 5 Year History of Premiums
 - FY17 - \$613,920 (11% increase)
 - FY18 - \$596,777 (3% reduction)
 - FY19 - \$535,977 (10% reduction)
 - FY20 - \$447,376 (16% reduction)
 - FY21 - \$475,900 (6% increase)
 - FY22 - \$531,825 (12% increase)

- **IPBC Pool**

- Self insured health & life insurance coverage
- Policy year July 1st to June 30th
- Overall IPBC renewal – varied increases over FY21
 - PPO (.9%), HMO (-12%), Dental (7%)

FY22 Expenditure Assumptions

- **Contract services**

- Ambulance services (PSI)
 - Rates frozen until 12/31/2022
- Refuse Collection (Lakeshore Recycling)
 - Adjusts August 1st annually
 - CPI Adjustment with minimum 2.85% annually
- Building Inspector Fees
 - Status quo

- **IDOR Collection Fees**

- Remains 1.5% of local tax collections (\$70,000 annually)

- **Motor Fuel Tax Fund**

- Current Year MFT Project (\$250,000)
- Rebuild Illinois Bonds
 - \$73,285 per installment (6 installments)
 - YTD Collections - \$219,850 (3 installments)

FY22 Expenditure Assumptions

- **Debt Service**

- **S&P Rating – A stable outlook** (upheld 6/21)
- **Moody's Rating – Baa2 Negative outlook** (under review)
- 2011 Debt Certificates, Series A
 - \$1.05 Million Water Meter Replacement Program
 - **Retire December 1, 2026**
 - Interest \$22,000
 - Principal \$95,000-\$110,000
 - Accounted in Water Fund
- 2013 Debt Certificates
 - \$6.8 Million Economic Development Incentive
 - **Retire December 1, 2032**
 - Interest \$180,000
 - Principal \$325,000 - \$485,000
 - Accounted in Debt Service Fund

FY22 Expenditure Assumptions

- **Debt Service**

- 2016 GO Alternate Revenue Bonds

- \$2.8 Million Street Repaving Project

- **Retire October 1, 2031**

- Interest \$73,000

- Principal \$165,000 - \$235,000

- Accounted in Debt Service Fund

- 2017 Installment Note

- 2016 Fire Ladder Truck

- **Retire August 10, 2026**

- Interest \$17,500

- Principal \$114,000 - \$127,000

- Accounted in Capital Projects Fund

FY22 Pension Assumptions

- **Pension Funding**

- Fire Pension Fund (as of 4/30/20)

- \$1,711,490 ARC (\$201,389 increase from prior year)
- \$1,503,000 Transition Plan Contribution
- \$1,506,338 Statutory Minimum Funding (PUC)
- **Historical Funding Levels**
 - 39% (2017 Actuary funds FY19)
 - 38% (2018 Actuary funds FY20)
 - 36% (2019 Actuary funds FY21)
 - 34% (2020 Actuary funds FY22)

- Police Pension Fund (as of 4/30/20)

- \$2,483,829 ARC (\$367,608 increase from prior year)
- \$2,065,000 Transition Plan Contribution
- \$2,081,906 Statutory Minimum Funding (PUC)
- **Historical Funding Levels**
 - 44% (2017 Actuary funds FY19)
 - 43% (2018 Actuary funds FY20)
 - 40% (2019 Actuary funds FY21)
 - 38% (2020 Actuary funds FY22)

FY22 Pension Assumptions

- **Pension Funding**

- IMRF (as of 12/31/20)

- Employer Required Contributions

- \$282,751 CY16
- \$292,894 CY17
- \$236,686 CY18
- \$208,859 CY19
- \$203,290 CY20

- Historical Employer Rates

- 13.14% CY17
- 13.03% CY18
- 11.45% CY19
- 11.71% CY20
- 12.92% CY21

- **Historical Funding Levels**

- **81% CY17**
- **85% CY18**
- **83% CY19**
- **85% CY20**

Comparative Information

All Pension Funds

Fiscal Year	IMRF		Police Pension		Fire Pension	
	# Active	Covered Payroll	# Active	Covered Payroll	# Active	Covered Payroll
2016	28	\$1,870,630	26	\$2,491,162	14	\$1,298,088
2017	28	1,966,284	26	2,502,584	14	1,394,650
2018	31	2,235,556	24	2,583,918	13	1,439,976
2019	26	1,883,082	26	2,513,202	13	1,180,599
2020	22	1,824,093	24	2,648,163	13	1,291,899
2021	26	1,736,037	24	2,691,196	13	1,312,892

Fiscal Year	IMRF		Police Pension		Fire Pension	
	Annual Required Contributor	% Funded	Annual Required Contribution	% Funded	Annual Required Contribution	% Funded
2016	\$248,607	74%	\$1,192,086	42%	\$ 879,775	36%
2017	282,751	76%	1,253,517	43%	934,621	37%
2018	292,894	81%	1,518,549	44%	1,068,788	37%
2019	236,686	85%	1,624,735	44%	1,200,581	39%
2020	208,859	83%	1,777,288	43%	1,260,061	38%
2021	203,290	85%	2,116,221	40%	1,510,101	36%

Required Pension Contributions

