



**SPECIAL JOINT MEETING
OF THE
CITY COUNCIL
&
FINANCE ADVISORY COMMITTEE
AUGUST 18, 2025
6:00 P.M.**

DeKalb Public Library
Yusunas Meeting Room
309 Oak Street
DeKalb, Illinois 60115

A. CALL TO ORDER

- 1. City Council Committee of the Whole Call to Order and Roll Call.**
- 2. Finance Advisory Committee Call to Order and Roll Call.**

B. APPROVAL OF AGENDA

C. PUBLIC PARTICIPATION

D. CONSIDERATIONS

- 1. Consideration of Key Assumptions for the Fiscal Year 2026 City Budget.**

E. ADJOURNMENT

Notice of a Special Meeting of the City Council and Finance Advisory Committee for August 18, 2025, at 6:00 p.m., called pursuant to Chapter 2 "City Council", Section 2.05 "Special Meetings", of the Municipal Code of the City of DeKalb, Illinois.



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Consideration of Key Assumptions for the Fiscal Year 2026 City Budget.

City Manager's Summary: At this point in the City's fiscal year (which runs with the calendar year), the City staff have sifted through the Annual Comprehensive Financial Report (ACFR), for 2024, published in mid-June 2025, which reports financials for the fiscal year that ended on December 31, 2024. Additionally, the City staff have studied financial trends gleaned from state-shared revenue reports since January 2025. Forecasting 2026 revenues from these records is very speculative each year, in no small part because state reports of key revenues collected locally and remitted to the state (e.g., 1% sales tax, local use tax, state income tax, and home rule tax) are received by the City after a typical two to three month interval. In brief, our City officials are looking at key income categories that reflect consumer spending in April and May of 2025.

Nevertheless, our financial staff are accustomed to the revenue forecasting challenges and have developed working predictions for FY2026 City revenues impacting spending by the City's operating departments. More detailed revenue and spending projections will be available at the mid-October Finance Advisory Committee (FAC) meeting. The focus of this August meeting is traditionally the City's General Fund, which comprises the operating departments whose services our local residents encounter more regularly than any other in a given fiscal year. Some attention will also be given to the general capital funds, which support local infrastructure and City fleets.

GENERAL FUND OVERVIEW

A. General Fund Revenue Assumptions

Although all General Fund revenue line items have been analyzed year-to-date, the principal assumptions will need to be further reviewed as general revenues are recorded through the

third quarter of 2025. The table below identifies the major General Fund revenue sources, which comprise \$40,213,628 or 74.03% of the total general projected revenues:

Table 1

Major General Fund Revenues – 2026							
	FY2022 Actual	FY2023 Actual	FY2024 Actual	FY2025 Budget	FY2026 Proposed	2026/2025 Amt. Chg.	% of Total FY26 Rev.
Property Taxes							
Fire Pension Levy	3,672,401	3,865,258	4,210,990	4,552,883	4,917,114	364,231	9.05%
Police Pension Levy	3,083,738	3,245,669	3,503,961	3,788,453	4,091,529	303,076	7.53%
Total	6,756,139	7,110,927	7,714,951	8,341,336	9,008,643	667,307	16.58%
Sales & Use Taxes							
State Sales Tax	6,626,891	6,976,228	7,190,557	7,530,521	8,184,170	653,649	15.07%
Home Rule Sales Tax	8,592,479	8,859,855	8,731,654	9,480,387	10,155,628	675,241	18.70%
Gross Receipts Taxes							
Municipal Utility Tax	2,463,148	2,723,375	3,601,545	2,847,312	4,754,039	1,906,727	8.75%
Other Income							
Investment Interest	304,166	1,242,953	1,615,829	500,000	755,000	255,000	1.39%
Intergovernmental							
Federal – ARPA	1,997,435	1,837,285	1,194,389	-	-	-	0.00%
SAFER	771,938	908,602	925,943	-	-	-	0.00%
State Income Tax	6,565,145	6,435,093	6,842,062	7,087,414	7,356,148	268,734	13.54%
Summary							
Total Major Revenues	34,077,341	36,094,318	37,816,930	35,786,970	40,213,628		74.03%
Other Rev Sources	13,002,189	13,244,945	14,740,940	15,215,196	14,106,824		25.97%
Total Gen Fund Rev	47,079,530	49,339,263	52,557,870	51,002,166	54,320,452		100.00%

Comments:

a) Police and Fire Property Tax Levies. The 2025 legislative Spring session in Springfield failed, once again, to produce a bill that would address the long-term structural problem in the unfunded state pension obligations. Even the rumored possibility of bringing the assets of the Police and Fire downstate public safety pension funds to a 90% funding level by 2050 or 2055 instead of 2040 through an agreed bill at the eleventh hour failed to materialize. As a result, no state legislative action in the veto session this fall will alter the City's actuarial responsibilities as laid out in the annual actuarial reports for the active and retired "lives" covered by the City's police and fire pension boards. There will be an upward spike in the City's pension obligations, partly owing to new hires but primarily owing (in 2025) to the imperatives of the closed amortization system.

The City will meet 100% of its current pension obligations, but the City levies will not cover the entirety of that obligation. The balance will be paid from other General Fund revenues as indicated in the table below:

Table 2

Actual City Pension Funding and Pension Obligations				
	2023 Actuarial Obligation	2023 Levy Funding	Shortfall*	Shortfall %
Fire Pension	\$4,933,015	\$3,869,713	\$1,128,342	22.87%
Police Pension	\$3,901,382	\$3,249,417	\$622,654	15.96%
Total	\$8,834,397	\$7,119,130	\$1,750,996	19.82%
Increase over PY	8.75%	4.00%		
	2024 Actuarial Obligation	2024 Levy Funding	Shortfall*	Shortfall %
Fire Pension	\$5,343,974	\$4,215,632	\$1,128,342	21.11%
Police Pension	\$4,130,481	\$3,507,827	\$622,654	15.07%
Total	\$9,474,455	\$7,723,459	\$1,750,996	18.48%
Increase over PY	7.25%	8.49%		
	2025 Actuarial Obligation	2025 Levy Funding	Shortfall*	Shortfall %
Fire Pension	\$5,802,043	\$4,552,883	\$1,249,160	21.53%
Police Pension	\$4,615,568	\$3,788,453	\$827,115	17.92%
Total	\$10,417,611	\$8,341,336	\$2,076,275	19.93%
Increase over PY	9.95%	8.00%		
	2026 Actuarial Obligation	2026 Levy Funding	Shortfall*	Shortfall %
Fire Pension	\$6,010,761	\$4,917,114	\$1,093,647	18.19%
Police Pension	\$4,858,896	\$4,091,529	\$767,367	15.79%
Total	\$10,869,657	\$9,008,643	\$1,861,014	17.12%
Increase over PY	4.34%	8.00%		
*Paid from General Fund revenues other than property taxes.				

As in every fiscal year since 2013, the City of DeKalb's 2025 property tax levy will be entirely dedicated toward the funding of Fire and Police pensions. In terms of the total General Fund revenues, in 2003, 12% of all operating revenues were dedicated toward state Fire and Police pensions; the total in 2026 will be 20%.

Actuarial reports for the City's public safety obligations will not be completed until later this year. In 2025, DeKalb's unfunded liabilities are as follows:

Fire: \$57,789,765 (44.0% funded, up from 41.6% in 2024)
Police: \$46,391,645 (54.4% funded, up from 52.8% in 2024)
Total: \$104,181,410 (the total in 2024 was \$105,321,467)

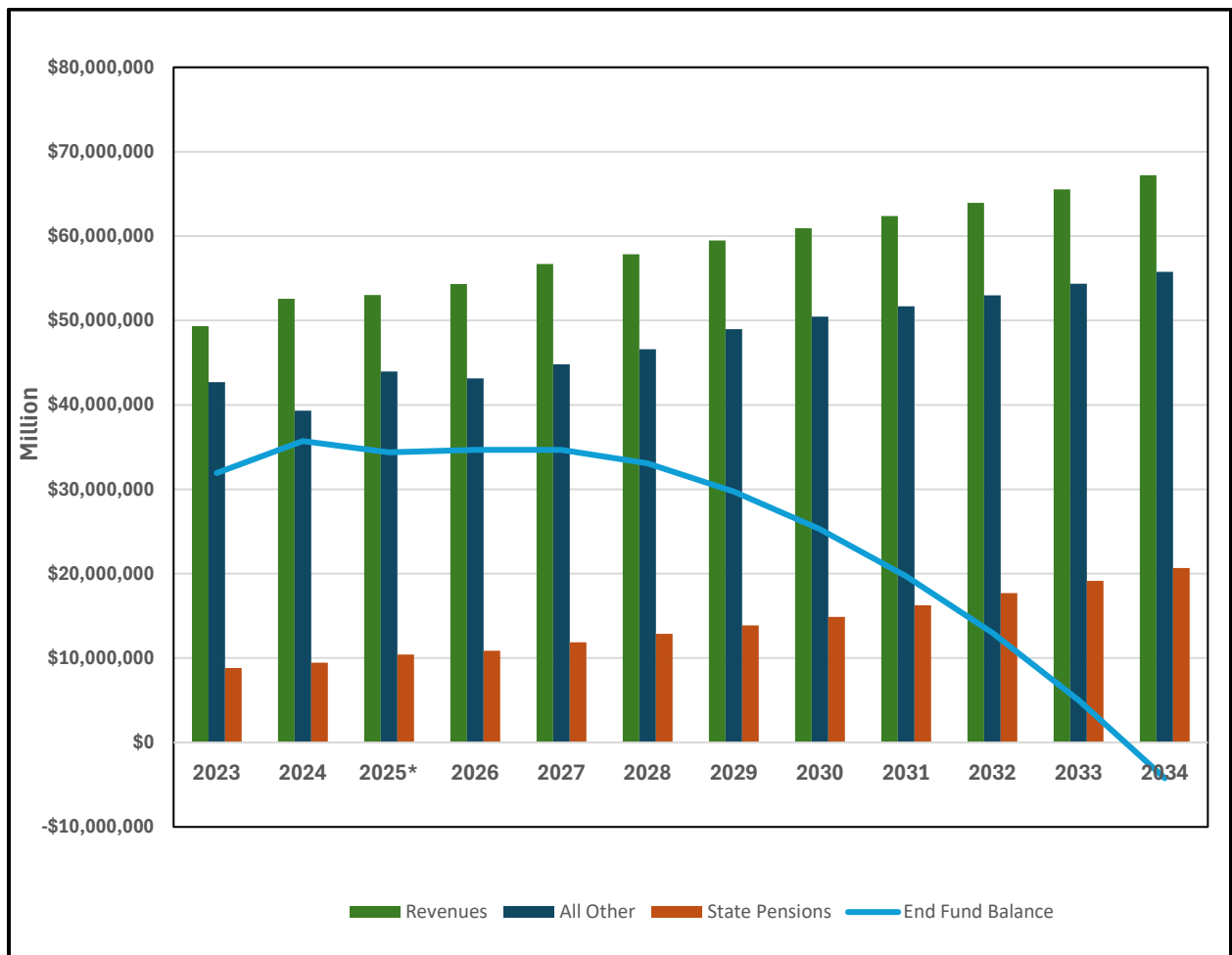
The pension "ramp" flattened for DeKalb in 2024 because of favorable interest rates. Yet, with a fiduciary obligation of such enormous magnitude, one truly feels that the City's annual contribution is like paying only interest on a growing credit card debt.

DeKalb is not alone. Across the entire state, the combined total of Fire and Police liabilities in 2018 was about \$960,000,000. Currently, it is well over a billion dollars. The solution is beyond local municipal resources. **The answer, which cannot come soon enough, is a different amortization model. Amortizing a pension system as if every obligation needs to be paid on a certain date – whether it is 2040 or 2050 – is fiscally and politically foolhardy.**

The resolution of this fiscal challenge rests with the State of Illinois and will require the collaboration of the Associated Fire Fighters of Illinois (AFFI), Fraternal Order of Police (FOP), municipalities across the state (aligned with the Illinois Municipal League (IML)), and the Illinois legislature. Negotiations within and between such large, vested interests need to begin – the outcome will be years away, but the clock is ticking.

The City's operating reserve will diminish as the annual pension obligation increases and the City meets the 100% funding target each year. It is estimated that the City's General Fund balance will steadily diminish over the next 10 years to a point where it will no longer exceed the policy threshold of 25% of the annual General Fund expenditures (see table below).

Table 3



Although the annual, in-depth levy discussion is several months away, working assumptions are needed at this early date because of the importance of property tax as a general revenue for the City. The City's emphasis on local property tax reduction, spearheaded in recent years by Mayor Barnes, has informed the proposed levies highlighted in the list of major General Fund revenues herein. The City has provided leadership since 2018 when the Council realized

the community was at an economic crossroad: if unaddressed the property tax burden on local businesses, homeowners, and renters alike would put DeKalb in a non-competitive economic position. At that time, DeKalb's aggregate tax rate was nearly 20% higher than the aggregate rates of the City's nearest geographical competitors, which averaged about \$9.0009 per \$100 EAV. The progress, led by the City of DeKalb in reducing the aggregate property tax rate, is illustrated in the table below:

Table 4

Levy Year	2020	2021	2022	2023	2024	Reduction: 2020 to 2024
DeKalb (DeKalb Township)	11.49927	11.06613	10.10570	9.41308	7.96687	-30.72%
Sycamore (Sycamore Twp.)	9.77037	9.64824	9.47706	9.04633	8.68536	-11.11%
Sycamore (Cortland Township)	9.64770	9.52282	9.35187	8.93058	8.56060	-11.27%
Geneva (Kane County)	8.53759	8.49917	8.41604	8.26989	7.79199	-8.73%
St Charles (Kane County)	8.23009	8.15575	8.07417	8.00342	7.34247	-12.0%
Batavia (Kane County)	8.82520	8.82710	8.73170	8.58089	7.60023	-13.88%
Bloomington (McLean County)	8.95227	8.94064	8.83602	8.47261	8.35796	-6.64%

More than any other factor including the substantial "equalization factors" applied to the EAV of properties in DeKalb Township in recent years, the ability of local taxing bodies to realize the benefit of new construction in their levy decisions while lowering their property tax rates is the continuing development of industrial values on DeKalb's southside. The impact of Meta alone on local taxing bodies is portrayed in the table below:

Table 5

	2022	2023	2024	Total
Taxable Value (EAV) with Abatements	39,444,591	197,515,525	394,479,735	
Actual Meta Taxes Paid				
Taxing Body	2022 Levy Year	2023 Levy Year	2024 Levy Year	Total
School District 428	2,403,524	7,111,507	19,060,957	28,575,988
County	381,690	1,127,593	3,106,567	4,615,850
City of DeKalb	353,412	1,016,194	2,457,056	3,826,662
DeKalb Park District	-	-	1,938,750	1,938,750
Afton Township	43,141	99,031	198,344	340,516
Afton Road & Bridge	147,736	340,235	765,409	1,253,380
Kishwaukee College	240,115	732,348	2,165,141	3,137,604
DeKalb Public Library	194,111	445,757	1,204,781	1,844,649
DeKalb County Forest Preserve	27,276	80,247	227,220	334,743
KWRD	56,508	119,193	298,503	474,204
Total*	3,847,513	11,072,105	31,422,729	46,342,347

*Does not include Afton-Pierce Multi-Twp.

b) States Sales Tax and Home Rule Sales Tax. Both categories of sales tax were strong again in 2024, according to the June audit. As noted in Table 2, above, it is expected that the City's 1% sales tax will increase by about \$314,776 to \$8,184,170 (about 4.2%) over the revised FY2025 estimate of \$7,869,394 million. The home rule tax will increase by about 3.62% in FY2026 over the revised 2025 estimate of \$9,812,201. The projections for the approved 2025 budget as well as the 2024 budget were overly conservative.

c) Municipal Utility Tax. This category includes electric (ComEd) and gas (Nicor) tax receipts. The tax is based on kilowatt hours (electric) and therms (gas). The estimated 2026 revenues are partly based on the monthly averages for the past five years but also anticipate higher kilowatt hours generated from Meta buildings just now being energized. The Meta discount of about 50% will begin in 2027.

d) State Income Tax. This tax is allocated on a per capita basis by the State of Illinois. The population number used since 2022 is 40,290. The IML's per capita estimate of \$179.00 was used to formulate the projected 2026 amount. Municipal distributions are made from the Illinois Treasurer's Local Government Distributive Fund (LGDF), which currently distributes about 6.47% of all collected state income taxes to municipalities on a per capita basis. The City of DeKalb and the other 1,295 municipalities in Illinois are united in seeking the restoration of the 10% rate that prevailed for decades until the housing crisis of 2008.

B. General Fund Expenditure Assumptions

a) Personnel. An historical overview of the City's staffing plan over the past four years is shown in the following table:

Table 6

	2023		2024		2025		2026	
	FT	PT	FT	PT	FT	PT	FT	PT
City Manager's Office	5	0	5	0	4	0	4	0
Human Resources Department	3	1	3	1	4	1	4	0
Finance Department	6	0	6	0	6	0	6	0
Information Technology Department	3	1	3	1	3	1	4	1
Police Department	91	9	95	8	98	7	98	6
Fire Department	64	0	73	0	76	0	80	0
Public Works Department	36	18	39	18	39	16	38	15
Community Development Dept	7	0	7	0	7	0	7	0
TOTAL	215	29	231	28	237	25	241	22
FTE	229		245		249		252	

With respect to Fire and Police staffing levels, there is no question that actual budgeted levels have increased in recent years, in accordance with Council direction, as shown in the following table:

Table 7

	2020	2024	2025	2026
Police (FT Sworn)	60	73	75	75
Fire (Union FF/P & Officers)	54	68	71	75

The projected staffing in Table 8 reflects the Council's prior commitments to a fourth Fire station and Police shift levels sufficient to meet patrol, investigative, and community policing objectives:

Table 8

	2025	2026	2027
Police (FT Sworn)	75	75	80
Fire (Union FF/P & Officers)	71	75	78

The 2024-2027 Fire contract projects a gradual rise in minimum shift coverage to establish the full staffing of Station 4 over time. On October 1, 2024, the minimum daily department shift was 16; by April 1, 2025, the minimum daily department shift increased to 19; by October 1, 2026, the minimum daily department shift will be 20; and by October 1, 2027, the minimum daily department shift will be 21.

b) General Obligation Debt.

Table 9

Outstanding General Obligation Debt							
Fiscal Year	General Fund Debt Service*	Principal	Assumed Rate	Assumed Yield	Assumed Interest	Total Debt Service	Aggregate Debt Service
		1-Jan			1/1 & 7/1		
2023	\$1,851,919						\$1,851,919
2024	\$1,862,841				\$135,656	\$135,656	\$1,998,497
2025	\$1,861,121	\$195,000	5.00%	4.14%	\$205,625	\$400,625	\$2,261,746
2026	\$1,863,782	\$205,000	5.00%	4.09%	\$195,625	\$400,625	\$2,264,407
2027	\$1,865,256	\$215,000	5.00%	4.05%	\$185,125	\$400,125	\$2,265,381
2028	\$1,458,244	\$225,000	5.00%	4.00%	\$174,125	\$399,125	\$1,857,369
2029	\$1,457,211	\$235,000	5.00%	4.01%	\$162,625	\$397,625	\$1,854,836
2030	\$1,458,000	\$245,000	5.00%	4.07%	\$150,625	\$395,625	\$1,853,625
2031		\$260,000	5.00%	4.12%	\$138,000	\$398,000	\$398,000
2032		\$275,000	5.00%	4.16%	\$124,625	\$399,625	\$399,625
2033		\$290,000	5.00%	4.21%	\$110,500	\$400,500	\$400,500
2034		\$300,000	5.00%	4.35%	\$95,750	\$395,750	\$395,750
2035		\$320,000	5.00%	4.35%	\$80,250	\$400,250	\$400,250
2036		\$335,000	5.00%	4.59%	\$63,875	\$398,875	\$398,875
2037		\$350,000	5.00%	4.59%	\$46,750	\$396,750	\$396,750
2038		\$370,000	5.00%	4.75%	\$28,750	\$398,750	\$398,750
2039		\$390,000	5.00%	4.75%	\$9,750	\$399,750	\$399,750
2040							
Total	\$13,678,374	\$4,210,000			\$1,907,656	\$6,117,656	\$19,796,030

The City's Ground Emergency Medical Transportation (GEMT) Fund is reimbursing the General Fund for a number of years to cover a slight increase in overall general obligation debt related to the construction of Fire Station 4, which will only last through 2027, when an equivalent amount of debt falls off as other general obligation bond notes are retired.

At this preliminary stage, the working draft of the FY2026 General Fund budget is balanced for FY2026. The FY2027, FY2028, and FY2029 General Fund projections in Table 10, below, are based on this preliminary draft:

Table 10

	FY24 Actual	FY25 Amended Budget	FY25 Projected	FY26 Projected	FY27 Projected	FY28 Projected	FY29 Projected
Starting Fund Balance	\$ 31,944,118	\$ 35,715,931	\$ 35,715,931	\$ 34,362,037	\$ 34,661,039	\$ 34,667,800	\$ 33,073,202
Revenues by Category							
Property Taxes	\$ 7,714,951	\$ 8,341,336	\$ 8,341,336	\$ 9,008,643	\$ 9,729,334	\$ 10,507,681	\$ 11,348,296
Sales & Use Taxes	\$ 20,433,775	\$ 22,133,689	\$ 22,534,965	\$ 23,177,907	\$ 23,613,402	\$ 24,062,497	\$ 24,525,547
Gross Receipts Taxes	\$ 4,244,500	\$ 3,681,733	\$ 4,961,966	\$ 5,400,353	\$ 5,402,640	\$ 5,409,093	\$ 5,415,675
Intergovernmental							
CARES Act	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ARPA Grant	\$ 1,194,389	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SAFER Grant	\$ 925,943	\$ -	\$ 114,774	\$ -	\$ -	\$ -	\$ -
Other (Inc. Income Tax)	\$ 8,629,854	\$ 8,596,881	\$ 8,430,722	\$ 8,743,692	\$ 8,893,372	\$ 9,075,712	\$ 9,285,255
Licenses & Permits	\$ 847,929	\$ 999,960	\$ 881,100	\$ 881,100	\$ 874,000	\$ 874,000	\$ 874,000
Service Charges	\$ 4,520,120	\$ 4,515,972	\$ 4,608,955	\$ 4,691,445	\$ 4,749,761	\$ 4,865,183	\$ 4,958,536
Fines	\$ 515,518	\$ 509,211	\$ 501,291	\$ 502,296	\$ 513,535	\$ 522,272	\$ 530,989
Other Income	\$ 2,522,942	\$ 909,495	\$ 1,340,521	\$ 1,346,001	\$ 1,352,031	\$ 1,357,631	\$ 1,363,792
Transfers In	\$ 1,007,949	\$ 1,313,889	\$ 1,313,889	\$ 569,016	\$ 1,574,272	\$ 1,179,659	\$ 1,185,180
Total Revenues	\$ 52,557,870	\$ 51,002,166	\$ 53,029,518	\$ 54,320,452	\$ 56,702,348	\$ 57,853,727	\$ 59,487,271
Expenditures by Category							
Personnel	\$ 38,474,928	\$ 42,160,327	\$ 42,059,918	\$ 44,926,859	\$ 47,743,549	\$ 50,772,585	\$ 54,030,332
Commodities	\$ 1,091,779	\$ 1,128,910	\$ 1,129,660	\$ 1,129,867	\$ 1,152,464	\$ 1,175,514	\$ 1,199,024
Contractual Services	\$ 3,865,827	\$ 4,636,567	\$ 4,770,232	\$ 4,803,314	\$ 4,865,105	\$ 4,954,985	\$ 5,046,663
Equipment	\$ 150,179	\$ 185,750	\$ 185,750	\$ 186,290	\$ 190,000	\$ 193,784	\$ 197,643
Debt Service *	\$ 504,849	\$ 470,748	\$ 475,475	\$ 508,538	\$ 479,088	\$ 494,088	\$ 504,088
Transfers Out #	\$ 4,698,497	\$ 5,762,376	\$ 5,762,376	\$ 2,466,582	\$ 2,265,381	\$ 1,857,369	\$ 1,854,836
Total Expenditures	\$ 48,786,059	\$ 54,344,678	\$ 54,383,412	\$ 54,021,450	\$ 56,695,587	\$ 59,448,325	\$ 62,832,587
Net Change	\$ 3,771,811	\$ (3,342,512)	\$ (1,353,894)	\$ 299,003	\$ 6,761	\$ (1,594,598)	\$ (3,345,316)
Prior Period Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 35,715,931	\$ 32,373,421	\$ 34,362,037	\$ 34,661,039	\$ 34,667,800	\$ 33,073,202	\$ 29,727,886
vs. Reserve Policy 25%	73.21%	59.57%	63.18%	64.16%	61.15%	55.63%	47.31%

Table 11, below, offers a sharper view of the projected FY2026 Budget revenues and expenditures in relation to the General Fund balance and the FY2025 Amended Budget:

Table 11

	Amended Budget 2025	Projected 2025	Projected Budget 2026
Starting Fund Balance	\$ 35,715,931	\$ 35,715,931	\$ 34,362,037
Revenues			
Property Taxes	8,341,336	8,341,336	9,008,643
Sales & Use Taxes	22,133,689	22,534,965	23,177,907
Gross Receipts Taxes	3,681,733	4,961,966	5,400,353
Intergovernmental			
CARES Act	-	-	-
ARPA Grant	-	-	-
SAFER Grant	-	114,774	-
All Other (Inc. Income Tax)	8,596,881	8,430,722	8,743,692
Licenses & Permits	999,960	881,100	881,100
Service Charges	4,515,972	4,608,955	4,691,445
Fines	509,211	501,291	502,296
Other Income	909,495	1,340,521	1,346,001
General Fund Operating Revenue	49,688,277	51,715,630	53,751,437
Transfer from GEMT Fund	750,000	750,000	-
Transfer from Transportation Fund	53,802	53,802	55,147
Transfer from SSA #3 Fund	500	500	500
Transfer from SSA #4 Fund	500	500	500
Transfer from SSA #6 Fund	500	500	500
Transfer from SSA #14 Fund	500	500	500
Transfer from CDBG Fund	77,297	77,297	77,297
Transfer from Water Fund	279,500	279,500	279,500
Transfer from Refuse Fund	151,290	151,290	155,072
Total Revenues	51,002,166	53,029,518	54,320,452
Expenses			
Personnel	42,160,327	42,059,918	44,926,859
Commodities	1,128,910	1,129,660	1,129,867
Contractual Services	4,636,567	4,770,232	4,803,314
Equipment	185,750	185,750	186,290
Debt Service *	470,748	475,475	508,538
General Fund Operating Expenditures	48,582,302	48,621,035	51,554,868
Transfer to Motor Fuel Tax Fund	1,000,000	1,000,000	-
Transfer to Debt Service Fund	2,262,376	2,262,376	2,266,582
Transfer to Capital Projects Fund	2,000,000	2,000,000	-
Transfers to Capital Equipment Fund	500,000	500,000	200,000
Total Expenses	54,344,678	54,383,412	54,021,450
Net Change	(3,342,512)	(1,353,894)	299,003
Ending Fund Balance	\$ 32,373,421	\$ 34,362,037	\$ 34,661,039

The Council and FAC should be aware, however, that the preliminary FY2026 General Fund budget does not cover the following minor capital needs that might be paid from departmental budgets:

- 1. Non-Vehicle Department Minor Capital Needs.** There is no transfer of General Fund reserve monies to the Capital Projects Fund (Fund 400) to provide approximately \$200,000 that the Fire (\$100,000) and Police (\$100,000) departments require annually over and above the allocation for vehicles in order to address facility and equipment needs. A short list of these minor capital needs identified for FY2026 is listed below:

a) Police

In 2026 the focus is the Investigative Equipment listed in priority order, below:

- Access to Flock's Nationwide LPR System. The Department uses the Genetec brand locally, so it doesn't have access to Flock's extensive database. Flock has bought out some other companies recently and has become the pre-eminent vendor in the LPR market. The Department can gain access to Flock by purchasing an annual subscription to their database for \$20K per year or transition its Genetec LPRs to Flock's camera system for \$32K, which would also afford access to their entire database. The latter seems to be the better option, and the transition could be completed in several phases to reduce the FY2026. The estimated cost for the complete transition is \$32,000.
- Computer Voice Stress Analysis (CVSA) Equipment. This is similar to a lie detector but does not require physical connections to the person and can be used in ordinary interviews. The cost is \$12,000 for the equipment and training for two detectives who can train the others.
- Vehicle Data System Download Equipment (BERLA-iVe). For vehicles subject to a search warrant, this equipment downloads the Bluetooth and "black box" data from the vehicles. The quote for the equipment and training for one detective is just over \$15,000; training for an additional detective is \$4,500. The overall price is \$20,000 for the equipment and training for two detectives.
- Mobile X-Ray Imaging Equipment. This is used during legal searches for drugs, weapons or other contraband inside hidden vehicle compartments, furniture, walls, floors, etc. There are a variety of vendors and products from which to choose. The overall price is \$25,000.
- Vehicle Burglary Detection System. This system would be installed in a "bait car" to apprehend car burglars. The Department has an older system, but it is outdated and unreliable. The price is \$10,000.

Item	Cost
Flock LPR System Conversion	\$32,000
Computer Voice Stress Analysis Equipment & Training	\$12,000
Upgrade to System that Downloads Vehicle Data (BERLA-iVe)	\$20,000
Mobile X-Ray Imaging Equipment	\$25,000
Vehicle Burglary Detection System	\$10,000
TOTAL	\$99,000

b) Fire

- Complete the Installation of the G2 Alerting System for All Stations. This system passes radio traffic and all alerts, and the transition is nearly complete. \$8,200.
- Fire Alarm Panel Replacement, Station 1. It has failed inspection for two years. The replacement cost is \$25,000.
- Replacement Windows for the 31-Year-Old Station 3. Twenty (20) windows in all. Presently, all windows in the apparatus bay and most in the kitchen and day room are screwed shut because the hardware and wood jambs have failed. The same make windows (Andersen) can be fitted at a lesser cost. Estimated cost: \$35,000.
- Six Overhead Garage Doors Need to be Replaced: Four at Station 1 and two at Station 3. Estimated cost: \$45,000 (\$7,500 each, excluding paint). These can be replaced in logical stages.
- Upgrading of Station 1 Restroom Facilities for Female Employees. Cost: \$30-\$40,000.

Item	Cost
Complete Installation of G2 Alert/Dispatch System	\$8,200
Fire Alarm Panel Installation: Station 1	\$25,000
Replacement Windows, Station 3	\$21,800
Garage Doors (2): Station 1	\$15,000
Restroom Facility Upgrade for Female Employees	\$30,000
Total	\$100,000

2. **Commemoration of the 250th Anniversary of the Approval of the Declaration of Independence.** The Council voted to support DeKalb's participation in the America250 initiative of the U.S. Semiquincentennial Commission on July 28. Mayor Barnes will be appointing a local commission to plan for a range of commemorative and educational initiatives in 2026 leading up to July 4, 2026. The City contributed \$14,250 to the Park District's fireworks this year. Certainly, a more sizeable budget for commemorative events beyond fireworks will require a budget allocation that is not included in the draft FY2026 General Fund budget as of yet.

CAPITAL FUND OVERVIEW

A. Motor Fuel Tax Fund (Fund 210).

The City's annual budget has 30 funds, including the General Fund, that are expected to account for \$137 million in expenditures in 2025. The projected overall operating expenses in the General Fund in 2026 total \$54,021,450 – the next largest annual expenditures come from the Transportation Fund (Fund 200 – about \$25.1 million); Water Operations (Fund 600 – about \$9.3 million), Health Insurance (Fund 710 – about \$7.4 million) and the two pension funds (a combined \$10.1 million), and the Library Fund (Fund 900 – about \$4.2 million). The City's capital funds are next in the pecking order and are probably better known to our residents and businesses because of the broadly recognized physical impacts.

The City receives a per capita allocation of Illinois Motor Fuel Tax (MFT) revenues on a monthly basis from a State tax on gasoline purchases. These funds can only be used for certain costs related to street maintenance and improvement projects as set forth by the State of Illinois. The annual MFT allotment to the City in FY2026 is projected to be flat at \$1,790,000. According to the IML, gas prices lingering around \$3.40 per gallon across Illinois have not

significantly depressed the number of gallons pumped, which is the basis for the MFT calculation.

About \$618,000 of the FY2026 state MFT allocation will be used to defray the City's electrical charges for streetlights (\$333,000) and road salt purchases (\$285,000), which have levelled since the annualized inflation rate peaked in June of 2022. An additional allocation for street supplies and commodities (\$133,000) can be considered part of the annual street maintenance work. **The "natural" or recurring state MFT funds available for street maintenance in Fund 210 total \$1,000,000.**

B. Capital Projects Fund (Fund 400).

The local MFT rate of 9.5 cents per gallon is split between road expenditures (7 cents), airport expenditures (1.5 cents), and vehicle replacement (1 cent). Proceeds from the local tax on motor fuel can be used for any public capital improvement. In FY2026, a total of \$940,000 is projected in local MFT revenue, the same as in FY2025.

Aside from the Fund 400 allocation for street and alley maintenance in FY2026 (\$750,000), the fund will also support the purchase of IT equipment such as PC replacements, network infrastructure upgrades, and public safety cameras (\$140,000), miscellaneous building improvements (\$50,000), the non-TIF architectural improvement program started in 2023 (\$70,000), and the annual Barb City Manor allocation (\$50,000). **The "natural" or recurring street and alley maintenance budget from local MFT revenues in FY2026 is \$750,000.**

As of yet, no transfer of General Fund reserve monies to either the MFT Fund (Fund 210) or the Capital Projects Fund (Fund 400) is proposed to beef up the "natural" accrual of state and local MFT for street and alley maintenance in the draft FY2026 Budget. The total of all recurring state MFT monies (Fund 210) and local MFT monies (Fund 400) dedicated toward street maintenance in FY2026 is \$1,750,000 – lower than the level of street maintenance expenditures in FY2022.

Table 12

Street and Alley Maintenance Spending, 2019-2025								
	2019	2020	2021	2022	2023	2024	2025*	Total
Fund 210	\$706,123	\$199,108	\$1,061,510	\$1,000,000	\$2,645,248	\$793,852	\$1,500,000	\$7,905,841
Fund 400	\$685,749	\$793,617	\$321,572	\$1,297,747	\$10,000	\$1,417,795	\$1,000,000	\$5,526,480
Gen Fund	\$0	\$0	\$0	\$0	\$0	\$950,000	\$2,000,000	\$2,950,000
Total	\$1,391,872	\$992,725	\$1,383,082	\$2,297,747	\$2,655,248	\$3,161,647	\$4,500,000	\$16,382,321

*Budget Only

Table 12 does not include recent infrastructure projects such as the N. First Street and Lucinda Avenue Bridge replacements, the Peace Road widening, the construction of Afton Road, or the completion of the bike path on Fairview Drive because these projects were significantly funded by state bond monies. The annual street maintenance program is an initiative that Illinois communities primarily pursue with local revenues to repair and re-surface mostly asphalt residential and collector streets, as well as alleyways that carry local traffic. This has been the guiding purpose of DeKalb's annual street maintenance program for decades.

Proposed FY2026 Street Maintenance Program

The principal targets for street maintenance in 2026 based on the current five-year plan (2024-2028) approved on April 24, 2023, and the pavement rating study completed by DSATS (DeKalb-Sycamore Area Transportation Study) in 2022 continue to be streets and alleys that were rated “poor” or “failing.”

- Greenwood North and the Fairway Loop;
- Overlook Point;
- County Farm Road;
- W. Hillcrest Drive from Sycamore Road to Normal Road (removing speed tables and using other traffic calming methods).
- Scattered site alley surface removal, grading, and re-surfacing.

The estimated cost of these street improvements (not including the much-needed alley repairs) was roughly \$2.4 million in April 2023. Allowing for inflation and including an allocation for alley work, the preliminary 2026 street maintenance budget might be \$3,000,000 – not including contractual engineering costs of \$250,000 that are shown in the Fund 400 draft budget. **This would require a General Fund balance transfer of \$1,250,000. If such a transfer was approved, and an additional \$200,000 was transferred to cover the priority list of Fire and Police capital purchases listed above (for a total of \$1,450,000), the projected General Fund balance in FY2026 would be as follows:**

Table 13

	FY24 Actual	FY25 Amended Budget	FY25 Projected	FY26 Projected	FY27 Projected	FY28 Projected	FY29 Projected
Starting Fund Balance	\$ 31,944,118	\$ 35,715,931	\$ 35,715,931	\$ 34,362,037	\$ 33,211,039	\$ 33,217,800	\$ 31,623,202
Total Revenues	\$ 52,557,870	\$ 51,002,166	\$ 53,029,518	\$ 54,320,452	\$ 56,702,348	\$ 57,853,727	\$ 59,487,271
Expenditures by Category							
Personnel	\$ 38,474,928	\$ 42,160,327	\$ 42,059,918	\$ 44,926,859	\$ 47,743,549	\$ 50,772,585	\$ 54,030,332
Commodities	\$ 1,091,779	\$ 1,128,910	\$ 1,129,660	\$ 1,129,867	\$ 1,152,464	\$ 1,175,514	\$ 1,199,024
Contractual Services	\$ 3,865,827	\$ 4,636,567	\$ 4,770,232	\$ 4,803,314	\$ 4,865,105	\$ 4,954,985	\$ 5,046,663
Equipment	\$ 150,179	\$ 185,750	\$ 185,750	\$ 186,290	\$ 190,000	\$ 193,784	\$ 197,643
Debt Service *	\$ 504,849	\$ 470,748	\$ 475,475	\$ 508,538	\$ 479,088	\$ 494,088	\$ 504,088
Transfers Out #	\$ 4,698,497	\$ 5,762,376	\$ 5,762,376	\$ 3,916,582	\$ 2,265,381	\$ 1,857,369	\$ 1,854,836
Total Expenditures	\$ 48,786,059	\$ 54,344,678	\$ 54,383,412	\$ 55,471,450	\$ 56,695,587	\$ 59,448,325	\$ 62,832,587
Net Change	\$ 3,771,811	\$ (3,342,512)	\$ (1,353,894)	\$ (1,150,997)	\$ 6,761	\$ (1,594,598)	\$ (3,345,316)
Prior Period Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 35,715,931	\$ 32,373,421	\$ 34,362,037	\$ 33,211,039	\$ 33,217,800	\$ 31,623,202	\$ 28,277,886
vs. Reserve Policy 25%	73.21%	59.57%	63.18%	59.87%	58.59%	53.19%	45.01%

When the projected year-end FY2026 General Fund balance in Table 13, above, is compared with the projected year-end FY2026 General Fund balance in Table 10 (p. 8, above) it is clear that the habitual use of the reserve to fund a higher level of annual street maintenance budgets in the coming years will gradually erode the General Fund balance.

Alternative Options

As discussed in the City Council retreat at the Faranda's Banquet facility in April 2024, the City government has two structural deficits: one is the unfunded Fire and Police pension liabilities addressed in detail at the top of this preliminary budget presentation. The other is that the annual hot mix asphalt re-surfacing program does not keep pace with the actual need. Despite the more aggressive and strategic allocation of street maintenance funding since 2019 and the upgrade of key City arterials and residential collector streets (e.g., N. First Street, S. First Street, N. Seventh Street, S. Seventh Street, W. Taylor Street, N. Thirteenth Street, N. Fourteenth, and the Knolls Avenue loop), the City's road miles continue to steadily deteriorate. In addition, street-related costs such as sidewalk repairs and alley improvements get less than desired attention as the limited funds are spread further on the more compelling and distressed road surfaces.

The local MFT increase of 2019 helped the City raise the annual street maintenance allocation from an average of about \$860,000 to an average of \$2,340,332 over the past seven years, as shown in Table 12. **In order to raise the PCI of most City streets from a failing or poor PCI rating to a fair rating (56-70), a floor of \$3,500,000 is needed per year – an average increase of \$1.75 million over the present “natural” revenues in both Fund 210 and Fund 400. Ideally, a “blitz” for four to five years of annual allocations in the range of \$3-4 million might help us “catch-up” in terms of raising all failing and poor streets to a “fair” condition, but substantial annual transfers from the General Fund balance only diminish the City's ability to meet its pension obligations.**

There are a few key assumptions that have guided the City's financing of capital purchases and infrastructure in the past:

- The General Fund should pay only for government operations. Presently, as noted above, the General Fund reserves are a critical hedge against the increasing actuarial demands from the Police and Fire Pension funds within the closed amortization system that the State of Illinois imposed decades ago. Several one-time community grants have been allocated from the General Fund reserve with unanimous Council support, but they do not constitute recurring claims.
- Capital expenditures should not exceed our revenue capacity, especially because of the City's “structural” fiscal issues. **Unlike a cyclical deficit, which may appear in a calendar year before budgeted taxes or state-shared revenues are received, a structural deficit is a condition without a ready remedy – either within the fiscal year or in the foreseeable future. The “cure,” as it were, is typically through a change in policy.**
- Revenue sources should be diversified and not vulnerable to “external” threats.
- Minimum fund balances of 25% or more are desired (but not yet achievable) in the City's general capital funds (i.e., Funds 400 and 420).
- The City's entire property tax revenue will be dedicated toward pension payments for many years to come. Further, aggregate property tax reduction requires continuing downward adjustment or at least levelling of the City's rates for years to come.

OPTION #1

Maintain a Roughly \$2.5 Million Annual Commitment to Street Maintenance. This approach has certainly improved the condition of long-neglected minor arterials and major collector streets in town, but many neighborhood streets and alleys across the City would continue to lose ground in pavement rating at that level of annual funding.

Not recommended.

OPTION #2

Increase Local MFT Revenues. To realize the goal of at least \$2.5 million in street maintenance allocations per year, all of the state MFT revenue from Fund 210 (trending at \$1.79 million) – less the amount needed for salt and ice control (\$285,000) and streetlight electrical service and maintenance (about \$350,000) – has been needed to supplement the local fuel tax each year. **Based on the 2025 projection for local MFT revenue (\$940,000), which is generated from a local tax of seven cents per gallon pumped, a one cent increase will generate another \$134,420.** To get to the additional \$1 million needed to start closing the gap in street repair, an additional 7 cents per gallon would be needed on top of the current 7 cents per gallon already assigned to the Capital Projects Fund (for a total of 14 cents per gallon for this City purpose alone). The impact on the consumer of a substantial 7 cent per gallon increase in the local MFT would arguably be more negatively impactful than the home rule tax increase described below.

Not recommended.

OPTION #3

Increase the Home Rule Sales Tax. The Illinois Constitution of 1970 created home rule for certain municipalities and counties, and the enabling legislation was adopted on July 1, 1971. Home rule status allows qualifying cities and counties more local control, including the ability to enact and enforce local taxes to meet needs identified by the locally elected authorities. Currently, there are 221 home rule municipalities in the state. Nearly all impose a home rule tax. The City of DeKalb imposes a 1.75% home rule sales tax on sales of general merchandise. This tax is not collected on the sale of unprepared food, drugs, or tangible personal property items (such as vehicles) that are licensed or registered with the State of Illinois. The following table gives a sampling of regional home rule communities and their home rule tax rates:

Table 14

Community*	Home Rule Tax Rate	Overall Taxes on General Merchandise	Vehicle
DeKalb	1.750%	8.000%	6.250%
Sycamore	1.750%	8.000%	6.250%
Saint Charles	1.500%	8.500%	7.000%
Batavia	1.000%	8.000%	7.000%
Normal	2.500%	8.750%	6.250%
Carbondale	2.500%	9.750%	6.250%
Bloomington	2.500%	8.750%	6.250%

*Other “college towns” are purposely chosen. As in DeKalb, the universities don’t pay property tax and the student levels have been irregular or declining, impacting sales tax revenues.

Home rule tax rates can be increased or decreased in 0.25% increments. If DeKalb's home rule tax rate was increased by 0.25% (from 1.75% to 2.00%) that annual 14% increase would generate about \$1,421,788 in the first year based on the 2026 Budget revenue estimate (an increase from the projected \$10,155,628 to \$11,577,416).

If this option was pursued, the Council could direct that one-eighth (1/8) of all annual home rule tax proceeds will be transferred to the City's Fund 400 (Capital Projects Fund) for street maintenance purposes, in the same manner that the Council religiously puts aside a percentage of every year's water user rate increase annually for capital improvements to the City water system.

Recommended for further discussion.

The foregoing analysis is rooted in facts that anyone can pull from City Council agendas and financial audits. The year and a half since the Council's last retreat has not removed the structural fiscal challenges or raised new and better options to meet them. As the Council and FAC consider the brick and mortar of the more prosaic operating budget at the top of this report, it is City staff's hope that equal attention will be given to the structural deficits facing the capital side of the house.

C. Capital Equipment Replacement Fund (Fund 420).

The City's GEMT Fund has supported Fire Department vehicle and equipment needs for several years and will continue to do so. The Police and Public Works departments rely upon the one cent per gallon local fuel tax, which will raise an estimated \$130,000 in 2026. Another source of annual revenue in Fund 420 consists of lease payments from telecommunication companies with antennae on the City's water towers ("Rental Income") and sales of surplus property (such as old vehicles put out of service or land sales). In FY2023, payments from the DeKalb County E-911 board totaling several hundred thousand dollars were shifted under new auditing rules to the General Fund because of their personnel content, reducing the recurrent funding sources. A new dedicated funding source – cannabis tax payments – began accruing in FY2024 and is projected to accrue about \$225,000 in FY2026.

In FY2026, with the help of a General Fund transfer of \$200,000, the following vehicle expenses are planned:

- Police: \$300,000 (4 squad replacements).
- Public Works: \$485,000 (\$165,000 to pay off aerial truck; \$78,000 for pickup with plow; \$242,000 for dump with plow). In addition, a \$60,000 crack-filling machine will be purchased in FY2026.

ENTERPRISE FUND OVERVIEW

A. Airport Fund

At this early stage in the City Council/FAC review of FY2026 budget assumptions, the City's enterprise funds (Water Funds (3); Airport Fund; and Refuse and Recycling Fund) are not typically reviewed. However, one City enterprise fund – the Airport Fund – should be the center of much discussion in the community as Northern Illinois University (NIU) joins the Mountain West Conference as a football-only member beginning July 1, 2026.

On January 7, 2025, the Mountain West Conference announced the addition of NIU, which will join the Air Force Academy, the University of Hawaii (Manoa), the University of Nevada (Reno), the University of New Mexico, San Jose State University, the University of Nevada

(Las Vegas), the University of Texas (El Paso), and the University of Wyoming. The Huskies are the winningest FBS (Football Bowl Subdivision) program in Illinois this century when conference championships, winning seasons, and bowl appearances are considered. In anticipation of the move to the Mountain West Conference in less than a year, NIU has launched a donor appeal focusing on specific facility areas and additional revenue streams.

One key area for City consideration is the fact that, at present, DeKalb is the only “home” venue in the Mountain West without the ability to land passenger jets exceeding 30 passengers. Football “team planes” carry 100-120 passengers. Although the DeKalb Taylor Municipal Airport has a runway, Runway 2-20, that is 7,026 feet in length and offers ample space and length for team jets carrying more than 100 passengers, the Airport would need to be upgraded from an Airport Design Group II to an Airport Design Group III, which would require the capital expenditures and cost shares identified in Tables 15 and 16, below:

Table 15

Airfield Upgrades		
Description	Low End	High End
Additional Fencing Upgrade to 8'	1,000,000	2,000,000
Strengthen 2/20 for MD 80/B-737	4,500,000	5,500,000
Widen portions of Taxiway C	1,500,000	2,000,000
Strengthen Main Aircraft Ramp	1,600,000	2,500,000
Fencing/Gate Upgrade--Terminal	500,000	750,000
Airport Layout Plan Update	150,000	300,000
Environmental Assessment Upgrade	150,000	250,000
Other	175,000	315,000
Total	9,575,000	13,615,000

Table 16

Estimated Cost Shares			
Total Costs	Federal	State - 5%	Local - 5%
Low Range: 9,575,000	8,617,500	478,750	478,750
High Range: 13,615,000	12,253,500	680,750	680,750

Additional start-up equipment and service vehicle costs for firefighting and safety to achieve Part 139 certification might total about \$300,000 to \$500,000. Annual, additional personnel costs are estimated to start at about \$225,000. One key consideration is whether inbound and outbound team flights, which are arranged through private charter companies, need to conform to TSA guidelines found at larger commercial service airports such as Chicago and Rockford. Logistically speaking, if outside security through fixed base operators at private hangars may be substituted for the TSA system of luggage handling and the loading and unloading of gear, the transition may be much less expensive. It is estimated that a dozen charter flights might be needed per year for pre-season, regular season, and conference title games.

It should also be noted that if an upgrade was permitted and accomplished, the Airport would have a much more dynamic future. It would be able to handle more cargo flights, more corporate flights to and from local businesses both in and around DeKalb and would attract

more corporate hangar interest and development. Each of these possibilities carries its own potential for more regular Airport revenue in the form of fees, fuel sales, and land leases.

In terms of the FY2026 Airport Budget, which is going to break even in FY2026, the next step in the exploration of the availability of substantial state and federal funding to fiscally leverage movement in the direction of Part 139 certification might be the hiring of a lobbyist or consultant who can make the City's case to the Illinois Congressional delegation (all Illinois House members and both Senators), as well as key agencies (IDOT Aeronautics; FAA) and the relevant House and Senate subcommittees in Washington. If this step was pursued, a strong partnership with the NIU administration, other Region 2 airports (including Rockford), and private charter interests, seems in order. The point in raising this matter now is to make it clear that no consulting or lobbying effort of the type described above has been discussed or funded as of yet and the Mountain West engagement is not far off.

Remaining FY2026 Budget Preparation Schedule

The following schedule was approved by the Council for development of the City's municipal budget for 2026 after the joint meeting on August 18:

- August 19 through October 10 – Intense department-level budget discussions around spending targets based on general goals established on August 19.
- Thursday, October 16 – Publication of an agenda for an FAC meeting on October 21.
- Monday, October 20 – FAC meeting to review proposed, detailed FY2026 Budget highlights, including annual levy assumptions, 6:00 p.m. to 8:30 p.m.
- Monday, October 27 – Council consideration of property tax levy options.
- Monday, November 10 – Presentation of a Council resolution establishing a Truth in Taxation Hearing for November 24.
- Monday, November 17 and Wednesday, November 19 (if needed) – Back-to-back special Council meetings in joint session with the FAC to go over the proposed FY2026 budget document. The General Fund departments, Capital Funds, Enterprise Funds, and Special Funds will be the focus.
- Monday, November 24 – Truth in Taxation Hearing and FY2026 Budget Hearing. First reading on Proposed FY2026 City Budget.
- Monday, December 8 – Second reading on Proposed FY2026 City Budget.
- December 29 – Last day to file the approved FY2026 Annual Budget and Property Tax Levy with the DeKalb County Clerk.

E. ADJOURNMENT

GL NUMBER	DESCRIPTION	2023 ACTIVITY	2024 ACTIVITY	2025 AMENDED BUDGET	2025 PROJECTED ACTIVITY	2026 REQUESTED BUDGET
Fund 210 - MOTOR FUEL TAX FUND						
ESTIMATED REVENUES						
INTERGOVERNMENTAL REVENUES						
210-00-00-33100	FEDERAL GRANTS	313,000	-	80,000	80,000	-
210-00-00-33200	STATE GRANTS	-	-	330,266	330,266	-
210-00-00-33550	MOTOR FUEL TAX ALLOTMENT	1,738,976	1,790,897	1,790,000	1,790,000	1,790,000
	INTERGOVERNMENTAL REVENUES	2,051,976	1,790,897	2,200,266	2,200,266	1,790,000
OTHER INCOME						
210-00-00-37100	INVESTMENT INTEREST	188,797	62,066	65,000	65,000	65,000
210-00-00-38100	MISCELLANEOUS REVENUE	-	-	-	-	-
210-00-00-38200	REFUNDS / REIMBURSEMENTS	974,500	269,200	-	-	250,000
	OTHER INCOME	1,163,297	331,266	65,000	65,000	315,000
TRANSFERS IN						
210-00-00-39100	Transfer from General Fund	-	1,500,000	1,000,000	1,000,000	-
	TRANSFERS IN	-	1,500,000	1,000,000	1,000,000	-
TOTAL ESTIMATED REVENUES		3,215,273	3,622,163	3,265,266	3,265,266	2,105,000
EXPENDITURES						
COMMODITIES						
210-00-00-51410	SUPPLIES/PARTS-STREETS	118,674	126,982	133,000	133,000	133,000
210-00-00-53100	ICE/SNOW CONTROL SUPPLIES	258,464	254,581	240,000	240,000	285,000
	COMMODITIES	377,138	381,563	373,000	373,000	418,000
CONTRACTUAL SERVICES						
210-00-00-62300	ARCHITECT/ENGINEERING SERVICES	900,246	936,584	1,113,155	1,113,155	250,000
210-00-00-64100	ELECTRIC SERVICES	356,459	377,766	390,000	390,000	333,000
	CONTRACTUAL SERVICES	1,256,705	1,314,350	1,503,155	1,503,155	583,000
EQUIPMENT						
210-00-00-81000	LAND ACQUISITION	-	-	-	-	-
210-00-00-83000	LOCAL STREET IMPROVEMENTS	25,892	-	-	-	-
210-00-00-83050	ANNUAL STREET MAINTENANCE	2,645,248	793,852	1,500,000	1,500,000	1,000,000
210-00-00-83800	BONDED CAPITAL PROJECTS	557,241	2,989,855	-	-	-
210-00-00-83850	GRANT-FUNDED PROJECTS	-	-	400,000	400,000	-
210-00-00-83900	OTHER CAPITAL IMPROVEMENTS	75,000	-	200,263	200,263	-
	EQUIPMENT	3,303,381	3,783,707	2,100,263	2,100,263	1,000,000
TOTAL EXPENDITURES		4,937,224	5,479,620	3,976,418	3,976,418	2,001,000
NET OF REVENUES/APPROPRIATIONS - FUND 210		(1,721,951)	(1,857,457)	(711,152)	(711,152)	104,000
BEGINNING FUND BALANCE		4,319,877	2,597,926	740,469	740,469	29,317
ENDING FUND BALANCE		2,597,926	740,469	29,317	29,317	133,317

GL NUMBER	DESCRIPTION	2023 ACTIVITY	2024 ACTIVITY	2025 AMENDED BUDGET	2025 PROJECTED ACTIVITY	2026 REQUESTED BUDGET
Fund 400 - CAPITAL PROJECTS FUND						
ESTIMATED REVENUES						
SALES & USE TAXES						
400-00-00-31600	HOME RULE MOTOR FUEL TAX	914,467	931,167	940,000	940,000	940,000
	SALES & USE TAXES	914,467	931,167	940,000	940,000	940,000
INTERGOVERNMENTAL REVENUES						
400-00-00-33200	STATE GRANTS	-	22,665	202,500	202,500	-
400-00-00-33300	LOCAL GRANTS	10,000	-	10,000	10,000	10,000
	INTERGOVERNMENTAL REVENUES	10,000	22,665	212,500	212,500	10,000
OTHER INCOME						
400-00-00-37100	INVESTMENT INTEREST	-	21,596	40,000	40,000	5,000
400-00-00-38100	MISCELLANEOUS REVENUE	-	-	-	-	-
400-00-00-38200	REFUNDS / REIMBURSEMENTS	(8,830)	-	-	-	-
400-00-00-38600	SALE OF SURPLUS PROPERTY	-	-	-	-	-
400-00-00-38825	LOAN PROCEEDS	-	-	-	-	-
	OTHER INCOME	(8,830)	21,596	40,000	40,000	5,000
TRANSFERS IN						
400-00-00-39100	TRANSFER FROM GENERAL FUND	-	950,000	2,000,000	2,000,000	-
	TRANSFERS IN	-	950,000	2,000,000	2,000,000	-
TOTAL ESTIMATED REVENUES		915,637	1,925,428	3,192,500	3,192,500	955,000
EXPENDITURES						
COMMODITIES						
400-00-00-51600	SUPPLIES/PARTS-TECHNOLOGY	-	-	-	-	-
	COMMODITIES	-	-	-	-	-
CONTRACTUAL SERVICES						
400-00-00-61300	MAINTENANCE-BUILDINGS	65,078	50,000	75,000	75,000	75,000
400-00-00-61450	MAINTENANCE-SIDEWALKS	23,835	22,932	25,000	25,000	25,000
400-00-00-62300	ARCHITECT/ENGINEERING SERVICES	63,927	57,121	50,000	50,000	25,000
400-00-00-63800	CONTRACTED SERVICES	-	6,145	-	-	-
400-00-00-65400	TAXES, LICENSES, & FEES	-	-	-	-	-
400-00-00-69199	PRIV PROP REHAB / REDEVELOP	25,000	96,997	-	-	-
400-00-00-69700	SPECIAL PROJECTS	35,340	54,963	-	-	50,000
400-00-00-69710	DOWNTOWN ENHANCEMENTS	-	-	-	-	-
	CONTRACTUAL SERVICES	213,180	288,158	150,000	150,000	175,000
DEBT SERVICES						
400-00-00-79000	CAPITAL LEASE PRINCIPAL	22,613	24,108	25,701	25,701	-
400-00-00-79100	CAPITAL LEASE INTEREST	6,598	5,103	3,510	3,510	-
	DEBT SERVICES	29,211	29,211	29,211	29,211	-
EQUIPMENT						
400-00-00-82000	BUILDINGS & IMPROVEMENTS	6,547	-	50,000	50,000	50,000
400-00-00-83000	STREET IMPROVEMENTS	57,133	9,070	-	-	-
400-00-00-83050	STREET MAINTENANCE	10,000	1,417,795	3,206,500	3,206,500	750,000
400-00-00-83100	ALLEY IMPROVEMENTS	-	-	-	-	-
400-00-00-83200	STORM SEWER IMPROVEMENTS	9,203	7,225	25,000	25,000	25,000
400-00-00-83900	OTHER CAPITAL IMPROVEMENTS	-	-	128,000	128,000	25,000
400-00-00-86000	EQUIPMENT	-	-	-	-	-
400-00-00-86100	TECHNOLOGY EQUIPMENT	121,853	97,872	190,000	190,000	140,000
	EQUIPMENT	204,736	1,531,962	3,599,500	3,599,500	990,000
TOTAL EXPENDITURES		447,127	1,849,331	3,778,711	3,778,711	1,165,000
NET OF REVENUES/EXPENDITURES - FUND 400		468,510	76,097	(586,211)	(586,211)	(210,000)
BEGINNING FUND BALANCE		377,204	845,714	921,811	921,811	335,600
ENDING FUND BALANCE		845,714	921,811	335,600	335,600	125,600

GL NUMBER	DESCRIPTION	2023 ACTIVITY	2024 ACTIVITY	2025 AMENDED BUDGET	2025 PROJECTED ACTIVITY	2026 REQUESTED BUDGET
Fund 420 - CAPITAL EQUIPMENT REPLACEMENT FUND						
ESTIMATED REVENUES						
SALES & USE TAXES						
420-00-00-31260	SALES TAX	12,231	221,576	250,000	250,000	225,000
420-00-00-31600	HOME RULE MOTOR FUEL TAX	130,691	133,024	120,000	120,000	130,000
SALES & USE TAXES		142,922	354,600	370,000	370,000	355,000
OTHER INCOME						
420-00-00-34900	RENTAL INCOME	190,547	223,452	190,000	190,000	220,000
420-00-00-37100	INVESTMENT INTEREST	36,472	42,102	15,000	15,000	40,000
420-00-00-37150	INTEREST INCOME-LEASES	50,841	49,222	-	-	-
420-00-00-38100	MISCELLANEOUS REVENUE	107	-	-	-	-
420-00-00-38200	REFUNDS & REIMBURSEMENTS	-	95	-	-	-
420-00-00-38600	SALES OF SURPLUS PROPERTY	134,055	5,772	25,000	25,000	25,000
420-00-00-38700	CAPITAL LEASE/LOAN ISSUANCE	-	-	-	-	-
OTHER INCOME		412,022	320,643	230,000	230,000	285,000
TRANSFERS IN						
420-00-00-39100	TRANSFER FROM GENERAL FUND	200,000	200,000	500,000	500,000	200,000
420-00-00-39200	TRANSFER FROM TRANSPORTATION FUND	-	-	200,000	200,000	200,000
TRANSFERS IN		200,000	200,000	700,000	700,000	400,000
TOTAL ESTIMATED REVENUES		754,944	875,243	1,300,000	1,300,000	1,040,000
EXPENDITURES						
CONTRACTUAL SERVICES						
420-00-00-40002	LEASE PURCHASE CONTRACTS	-	-	-	-	-
420-00-00-61700	MAINTENANCE-VEHICLES	9,700	-	10,000	10,000	-
CONTRACTUAL SERVICES		9,700	-	10,000	10,000	-
DEBT SERVICES						
420-00-00-77000	LOAN PRINCIPAL	162,855	137,227	132,098	132,098	135,000
420-00-00-78000	LOAN INTEREST	9,143	5,718	15,000	15,000	9,200
420-00-00-79000	CAPITAL LEASE PRINCIPAL	71,682	76,264	103,291	103,291	73,500
420-00-00-79100	CAPITAL LEASE INTEREST	16,296	12,085	6,679	6,679	16,250
DEBT SERVICES		259,976	231,294	257,068	257,068	233,950
EQUIPMENT						
420-00-00-86000	EQUIPMENT	-	-	-	-	60,000
420-00-00-86100	TECHNOLOGY EQUIPMENT	-	-	100,000	100,000	50,000
420-00-00-86300	TELEPHONE & RADIO EQUIPMENT	15,537	19,500	25,000	25,000	25,000
420-00-00-87000	VEHICLES	371	67,560	-	-	-
420-00-00-87010	VEHICLES/UPFITTING - POLICE	437,791	255,273	275,000	275,000	300,000
420-00-00-87020	VEHICLES/UPFITTING - PUBLIC WORKS	257,131	364,673	900,000	900,000	485,000
420-00-00-87100	LEASE/LOAN PURCHASE VEHICLES	-	43,892	-	-	-
EQUIPMENT		710,830	750,898	1,300,000	1,300,000	920,000
TRANSFERS OUT						
420-00-00-91650	TRANSFER TO AIRPORT FUND	-	-	-	-	-
TRANSFERS OUT		-	-	-	-	-
TOTAL EXPENDITURES		980,506	982,192	1,567,064	1,567,064	1,153,950
NET OF REVENUES/EXPENDITURES - FUND 420						
		(225,562)	(106,949)	(267,064)	(267,064)	(113,950)
BEGINNING FUND BALANCE		735,137	509,575	402,626	402,626	135,562
ENDING FUND BALANCE		509,575	402,626	135,562	135,562	21,612