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City Clerk

Creativity Redefined!

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**CITY OF MT. VERNON, ILLINOIS
CITY COUNCIL WORKSHOP
Thursday, January 29, 2026**

The Mt. Vernon City Council called a Special Meeting for Thursday, January 29, 2026 at 3:00 p.m. at City Hall, 1100 Main Street, Council Chamber Room, 2nd Floor, Mt. Vernon, Illinois.

Mayor John Lewis called the meeting to order.

ROLL CALL

Roll call showed present: Council Member Joe Gliosci, Council Member Donte Moore, Council Member Jay Tate, Council Member Mike Young, and Mayor John Lewis. Also present: City Manager Nathan McKenna, Finance Director Dan Plumb, Administrative Assistant Kendra Donoho, and City Clerk Becky Barbour.

VISITORS/CITIZEN'S REQUESTS/ADDRESSES FROM THE AUDIENCE

None.

REVIEW AND DISCUSSION ON THE PROPOSED 2025-2026 BUDGET

Mayor Lewis turned the meeting over to City Manager Nathan McKenna. McKenna stated that this is a review of the budget through the second quarter – October 31, 2025. Now that the audit is completed, we will be able to do the third quarter workshop in March.

GENERAL CORPORATE FUND

The General Corporate Fund 01 is the general operating fund for the City departments. Expenses through the second quarter are reflecting 49% with revenues showing at 61%. There are some things that happened in between the budget and October that could change some of this. For example, the police department overtime with the incident in July. We could see potential increase in their overtime amount, plus additional training for dispatch and in relation to emergency fire training. As it stands, the working fund balance is \$12,610,201, which is approximately 6.7 months in working fund balance.

GENERAL CORPORATE FUND 01
ANNUAL OPERATING BUDGET SUMMARY

1/5/2026

	BUDGET FY 2024 - 2025			BUDGET FY 2025 - 2026		
	TOTAL PROPOSED OPERATING 2024	Transfer IMRF/FICA/MEDICARE POLICE/FIRE PENSION	TOTAL	TOTAL PROPOSED OPERATING 2025	Transfer IMRF/FICA/MEDICARE POLICE/FIRE PENSION	TOTAL PROPOSED FY 2025
WORKING FUND BALANCE BEGINNING	\$ 16,609,831	\$ -	\$ 16,353,023	\$ 13,589,195	\$ -	\$ 13,589,195
REVENUE	19,262,923	1,849,700	22,276,482	19,255,767	2,416,360	21,672,127
TOTAL REVENUES including Working Fund Balance	35,872,754	1,849,700	38,629,505	32,844,962	2,416,360	35,261,322
TOTA EXPENDITURES						
MAYOR AND COUNCIL - 2000	38,502	-	38,502	41,255	-	41,255
CITY MANAGER - 2001	397,903	-	397,903	422,107	-	422,107
CITY CLERK - 2002	145,302	-	145,302	155,656	-	155,656
CITY TREASURER - 2003	-	-	0	-	-	0
HUMAN RESOURCES - 2004	231,196	-	231,196	243,668	-	243,668
LEGAL - 2010	167,077	-	167,077	167,066	-	167,066
PARKS & RECREATION - 2014	1,002,074	-	1,002,074	1,053,903	-	1,053,903
AQUATIC ZOO - 2015	580,194	-	580,194	592,658	-	592,658
FINANCE - 2020	467,850	-	467,850	502,980	-	502,980
ENGINEERING - 2030	778,839	-	778,839	794,017	-	794,017
POLICE - 2040	6,534,222	-	6,534,222	6,994,378	-	6,994,378
FIRE - 2050	3,676,207	-	3,676,207	4,254,509	-	4,254,509
EMERGENCY MANAGEMENT AGENCY - 2055	25,316	-	25,316	59,667	-	59,667
PUBLIC WORKS - 2060	1,938,445	-	1,938,445	1,993,235	-	1,993,235
FLEET SERVICES - 2085	652,536	-	652,536	674,825	-	674,825
GEN GOVT - GENL EXPENSES - 2090	2,070,525	-	2,070,525	2,054,529	-	2,054,529
1201 CASEY - 2091	225,128	-	225,128	230,308	-	230,308
DEBT SERVICE - 2095	-	-	0	-	-	0
Police & Fire Pension Transfer		1,849,700			2,416,360	
OPERATING EXPENDITURES without Transfers	18,931,316		18,931,316	20,234,761	2,416,360	22,651,121
			0			0
TOTAL ESTIMATED EXPENDITURES with Transfer		1,849,700	25,040,310	20,234,761	0	20,234,761
ANNUAL CHANGES IN WORKING FUND BALANCE			(2,763,828)	(978,994)		(978,994)
WORKING FUND BALANCE ENDING with Transfer		\$ -	\$ 13,589,195	\$ 12,610,201	\$ -	\$ 12,610,201
ONE MONTH OF OPERATING EXPENDITURES			\$ 1,132,433			\$ 1,050,850
NO. OF MONTHS INCL IN WORKING FD BALANCE			8.6			6.7
AMT OF REC FROM DOWNTOWN TIF INCL IN THE ABOVE			\$ 250,000			\$ 250,000

* Transfer to other Funds

	Q2 Activity	Budget Remaining	% Remaining
Revenues \$	6,963,713	\$ 22,056,221	61.74%
Expenses \$	6,334,383	\$ 11,403,093	49.21%

MOTOR FUEL TAX

The Motor Fuel Tax Fund 10 – This is the fund where money received from the State is placed for repairs to the roads. Last year’s project was Old Fairfield Road repairs, which is completed. Additionally in this fund, the City did in-house overlays and contracted out. All of those projects are completed which leaves us at \$315,380 working fund balance. If revenue is the same, we should see that amount again and we will be budgeting the same amount for road projects.

**MOTOR FUEL TAX FUND 10
ANNUAL BUDGET SUMMARY**

1/5/2026

	BUDGET FY 2024 - 2025		BUDGET FY 2025 - 2026	
	OPERATING	TOTAL	PROPOSED OPERATING	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ 1,447,429	\$ 1,447,429	\$ 572,647	\$ 572,647
REVENUE ALLOTMENT	\$0	\$0	\$365,838	\$365,838
REVENUE RENEW	797,418	797,418	259,777	259,777
INTEREST	-	-	4,000	4,000
State of Illinois Fund Eligible Road Fairfield GRANT	-	-	452,711	452,711
Yearly Revenues	\$797,418	\$797,418	\$1,082,326	\$1,082,326
Total Revenues Including Fund Balance	\$ 2,244,847	\$ 2,244,847	\$ 1,654,973	\$ 1,654,973
OIL & CHIP		-	89,227	89,227
STREET PATCH			43,775	43,775
ASPHALT & PRIMER			306,591	306,591
FAIRFIELD ROAD			300,000	300,000
MFT EXPENDITURES	1,672,200	1,672,200	600,000	600,000
TOTAL EXPENDITURES	1,672,200	1,672,200	1,339,593	1,339,593
ANNUAL CHANGES IN WORKING FUND BALANCE	(\$874,782)	(\$874,782)	(\$257,267)	(\$257,267)
WORKING FUND BALANCE ENDING	\$ 572,647	\$ 572,647	\$ 315,380	\$ 315,380

	Q2 Activity	Budget Remaining	% Remaining
Revenue	\$ 193,765	\$ 1,283,284	77.54%
Expenses	\$ 971,958	\$ 347,310	25.93%

SANITATION FUND

Sanitation Fund 12 – This is for our trash service, and we are currently on a contract with Republic that expires the end of April, 2027. When we first did this contract, we took their annual amounts and averaged it over the course of the 5-year period. Our rate has been steady for the last 3 years. As it stands, we have a good working fund balance, but the last year is where it goes up and that could deplete the working fund balance.

**SANITATION FUND 12
ANNUAL BUDGET SUMMARY**

ASSUMING CUSTOMER RATE OF \$23.00 PER MONTH FOR BUDGET FY 2026

	BUDGET FY 2024 - 2025		BUDGET FY 2025 - 2026	
	ESTIMATED OPERATING	TOTAL	PROPOSED OPERATING	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ 132,745	\$ 132,745	\$ 132,745	\$ 132,745
REVENUE	1,400,738	1,400,738	1,400,738	1,400,738
TOTAL REVENUES	1,400,738	1,400,738	1,400,738	1,400,738
TOTAL EXPENDITURES	1,346,655	1,346,655	1,336,655	1,336,655
ANNUAL CHANGES IN WORKING FUND BALANCE	54,083	54,083	64,083	64,083
WORKING FUND BALANCE ENDING	\$ 186,828	\$ 132,745	\$ 196,828	\$ 196,828

	Q2 Activity	Budget Remaining	% Remaining
Revenues \$	348,136	\$ 836,295	54.54%
Expenses \$	353,305	\$ 631,562	47.25%

REC CENTER FUND

Rec Center Fund 16 – This is the fund that was set up to keep the operating expenses and revenue from the Rec Center separate from the General Corporate Fund. This does not have any of the bond money for construction here. The revenue shown of \$76,087 is from the 3% cannabis tax that we imposed locally that will go into this fund. The intention is not to use any of the bond money for shortfalls in the operation. It is strictly for the construction of the facility. That revenue is going to be shown in Fund 25.

**Rec Center Fund 16
ANNUAL BUDGET SUMMARY**

	ESTIMATED		BUDGET FY 2026	
	OPERATING	TOTAL	PROPOSED OPERATING	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING			\$ -	\$ -
REVENUE			-	-
TOTAL REVENUES	-		360,000	360,000
TOTAL EXPENDITURES			-	-
ANNUAL CHANGES IN WORKING FUND BALANCE			360,000	360,000
WORKING FUND BALANCE ENDING		\$ -	\$ 360,000	\$ 360,000

	Q2 Activity	Budget Remaining	% Remaining
Revenues \$	76,087	208,595	57.94%
Expenses \$	-	-	0.00%

Note: Bond revenue and rec center construction moved to Home Rule Sales Tax Fund in December 2025

TOURISM FUND

Tourism Fund 20 – Through the second quarter, revenues are at 61.84% and expense at 55.77%. Out of this, the City pays for additional lighting on the commons, the Christmas decorations, and the Commons grand opening concert. That brings the working fund balance to \$16,291. The majority of the revenue comes from the hotel/motel tax collected locally, plus any grant funds we receive from the State.

**TOURISM FUND 20
ANNUAL BUDGET SUMMARY**

2% Hotel Motel Tax

BUDGET FY 2024 - 2025

BUDGET FY 2025 - 2026

	CURRENTLY BUDGETED	PROPOSED OPERATING	TOTAL PROPOSED	PROPOSED OPERATING	TOTAL PROPOSED
	WORKING FUND BALANCE BEGINNING	\$ 274,871	\$ 274,871	\$ 274,871	\$ 142,104
REVENUE	857,314	857,314	857,314	857,314	857,314
TOTAL REVENUES	1,132,185	1,132,185	1,132,185	857,314	857,314
OPERATING EXPENDITURES	780,081	780,081	780,081	783,127	783,127
Historical Exhibit	10,000	10,000	10,000	10,000	10,000
911 Broadway Lighting	100,000	100,000	100,000	100,000	100,000
911 Broadway Christmas Decorations	50,000	50,000	50,000	50,000	50,000
911 Broadway Grand Opening	50,000	50,000	50,000	50,000	50,000
TOTAL EXPENSES	990,081	990,081	990,081	983,127	983,127
ANNUAL CHANGES IN WORKING FUND BALANCE	(132,767)	(132,767)	(132,767)	(125,813)	(125,813)
WORKING FUND BALANCE ENDING	\$ 142,104	\$ 142,104	\$ 142,104	\$ 16,291	\$ 16,291

	Q2 Activity	Budget Remaining	% Remaining
Revenues \$	137,248	618,016	61.84%
Expenses \$	212,566	548,266	55.77%

C.D.A.P. FUND

C.D.A.P. Fund 21 – This is the fund for the housing rehab grant that Crosswalk administers. The City receives the money and Crosswalk administers it. We received \$650,000 and the city’s match is \$20,000. There haven’t been any expenditures yet as of second quarter.

**C.D.A.P. FUND 21
ANNUAL BUDGET SUMMARY**

	BUDGET FY 2024 - 2025			BUDGET FY 2025 - 2026	
	CURRENTLY BUDGETED	ESTIMATED OPERATING	TOTAL ESTIMATES	PROPOSED OPERATING	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE	450,000	450,000	450,000	650,000	650,000
Revenue Match	-	-	-	20,000	20,000
TOTAL REVENUES	450,000	450,000	450,000	670,000	670,000
TOTAL EXPENDITURES	(450,000)	(450,000)	(450,000)	(670,000)	(670,000)
ANNUAL CHANGES IN WORKING FUND BALANCE	-	-	-	-	-
WORKING FUND BALANCE ENDING	\$ -	\$ -	\$ -	\$ -	\$ -

	Q2 Activity	Budget Remaining	% Remaining
Revenues	\$ 195,425	\$ 474,575	70.83%
Expenses	\$ -	\$ 670,000	100.00%

QUALITY OF LIFE/ECONOMIC DEVELOPMENT FUND

Quality of Life/Economic Development Fund 24 – The majority of this fund is dedicated toward the payment of the 2020 bonds. It is showing a working fund balance of \$726,887. McKenna believes there is more money in this fund than shows here, but will know more at the end of third quarter. The Streetscape Grant was applied for and we didn’t receive it, but did not know that when the budget was done. So that is \$3M in and \$3M out. We will reapply for that. The \$600,000 in the Oslad Grant – that project is completed. The Oslad Grant was for the playground at Lincoln Park and the surfacing of the walking trails. That can be applied for every year.

**QUALITY OF LIFE/ECONOMIC DEVELOPMENT FUND 24
ANNUAL BUDGET SUMMARY**

	BUDGET FY 2024 - 2025			BUDGET FY 2025 - 2026	
	CURRENTLY BUDGETED	PROPOSED PROJECTS	TOTAL	PROPOSED PROJECTS	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ 4,924,412	\$ 4,924,412	\$ 4,924,412	\$ 4,464,612	\$ 4,464,612
REVENUE	2,884,675	\$0	\$0	\$0	\$0
OSLAD GRANT2 TENNIS COURT AREA	600,000	2,884,675	\$2,884,675	2,400,000	\$2,400,000
STREETSCAPE GRANT 44TH STREET	3,000,000	600,000	\$600,000	371,363	\$371,363
INTEREST	-	3,000,000	\$3,000,000	3,000,000	\$3,000,000
REIMBURSEMENTS	-	\$3,663,057	\$0	\$0	\$0
Total Yearly Revenue	6,859,675	375,000	\$375,000	207,875	\$207,875
TOTAL REVENUES including Working Fund Balance	11,784,087	6,859,675	10,522,732	78,400	\$78,400
Road Project	3,769,714	3,769,714	3,769,714	3,663,057	3,663,057
Streetscape Grant	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
OSLAD Grant	600	600,000	600,000	600,000	600,000
EXPENDITURES	3,612,818	3,612,818	3,612,818	2,532,306	2,532,306
TOTAL EXPENDITURES	10,982,532	10,982,532	10,982,532	9,795,363	9,795,363
ANNUAL CHANGES IN WORKING FUND BALANCE	(4,122,857)	(4,122,857)	(459,800)	(3,737,725)	(3,737,725)
WORKING FUND BALANCE ENDING	\$ 801,555	\$ 801,555	\$ 4,464,612	\$ 726,887	\$ 726,887

	Q2 Activity	Budget Remaining	% Remaining
Revenues	\$ 794,572	\$ 8,617,814	81.90%
Expenses	\$ 207,393	\$ 9,190,575	93.83%

HOME RULE SALES TAX FUND

Home Rule Sales Tax Fund 25 – This is where the recently issued bonds for the construction of the Rec Center will go into. When we completed the budget, we put a placeholder of \$26M, so there is going to be some budget adjustments. This past year, the City purchased a dump truck, street sweeper, backhoes, skid steer from this fund, and the Fountain Place Drive road improvements were paid from this fund.

**HOME RULE SALES TAX FUND FUND 25
ANNUAL BUDGET SUMMARY**

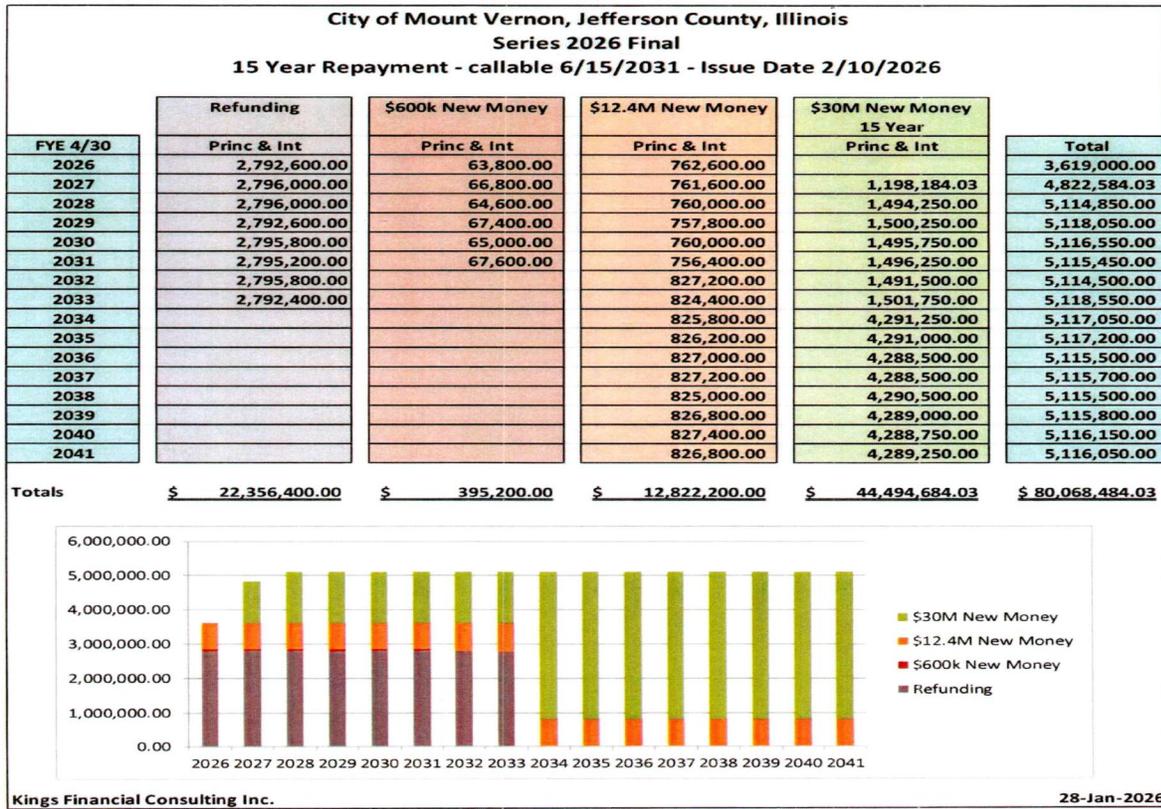
Home Rule Sales Tax can be used for Water & Sewer Projects, Demolition, Utilities, Roads, Equipment, and Debt

	BUDGET FY 2024 - 2025				BUDGET FY 2025 - 2026				
	BUDGETED	ACTUAL GENERAL PURPOSES	ACTUAL WATER PROJECTS	ACTUAL SEWER PROJECTS	TOTAL	ESTIMATED GENERAL PURPOSES	ESTIMATED WATER PROJECTS	ESTIMATED SEWER PROJECTS	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$6,902,978	\$3,901,987	\$0	\$0	\$5,850,154	\$4,616,060	\$0	\$0	\$4,616,060
Home Rule Sales Tax	\$ 1,867,893	\$1,867,893	\$1,227,020	\$1,615,187	\$5,275,752	\$2,433,544	\$1,227,020	\$1,615,187	\$5,275,751
Grant - State of Illinois & Street Scape	\$2,400,000	\$2,400,000				\$0			\$0
GOB 2026 - Proceeds						\$26,000,000			\$26,000,000
REVENUE	\$8,183,380	\$8,183,380	\$1,227,020	\$1,615,187	\$5,275,752	\$28,433,544	\$1,227,020	\$1,615,187	\$31,275,751
EXPENDITURES	\$10,771,180	\$10,771,180	\$0	\$0	\$3,667,639	\$5,626,344		\$0	\$5,626,344
TRANSFER TO WATER FUND 60	\$0	\$0		\$0	\$1,227,020	\$0	\$1,227,020	\$0	\$1,227,020
TRANSFER TO SEWER FUND 61	\$0	\$0	\$0		\$1,615,187	\$0	\$0	\$1,615,187	\$1,615,187
TOTAL EXPENDITURES	\$10,771,180	\$10,771,180	\$1,227,020	\$1,615,187	\$6,509,846	\$31,626,344	\$1,227,020	\$1,615,187	\$34,468,551
ANNUAL CHANGES IN WORKING FUND BALANCE	(\$2,587,800)	(\$2,587,800)	\$0	\$0	(\$2,587,800)	(\$3,192,800)	\$0	\$0	(\$3,192,800)
WORKING FUND BALANCE ENDING	\$4,315,178	\$1,314,187	\$0	\$0	\$4,616,060	\$1,423,260	\$0	\$0	\$1,423,260

	Q2 Activity	Budget Remaining	% Remaining
Revenue	\$ 803,320	\$ 34,334,795	95.66%
Expenses	\$ 1,355,857	\$ 32,576,057	94.51%

Note: Bond revenue and rec center construction moved to Home Rule Sales Tax Fund in December 2025

Tim King of Kings Financial was at the meeting to present information regarding the bonds sold for the Rec Center. The bonds were sold yesterday, and Mr. King is present to give the Council the information on the sale. Mr. King said it was a very successful sale held on behalf of the City of Mt. Vernon. D.A. Davidson was selected as the underwriting firm, same firm the City worked with in 2020. The City of Mt. Vernon has an A+ rating by Standard and Poor's. Project funds of \$30,002,148 will close on February 10. All bonds come in at 5% or 4% coupons, which is just standard industry practice. There is a short 5-year call date of June 15, 2031. Rates are better than they were a year ago. They ended up at 4.31, last year they were almost 5 and they have continued to go down. This chart shows the repayment of the existing bond payments in the first 3 columns, then the 4th column shows this current bond payments. No additional action needs to be taken, this sale was already approved. This is for information only.



PENSION SALES TAX FUND

Pension Sales Tax Fund 26 – At the end of the second quarter this fund is showing 74.11% in expenses. The City has made their payments. One issue found during the bond process and audit was that a portion of our contributions to the police and pension funds were not made last year. The City has to make up for that difference. The working fund balance showing on here is \$2,440,154, it's actually going to be closer to \$1.4M at the end of the third quarter reporting. The amount was collected, however, a check was not issued for 23-24 or 24-25. The payments were just shy of \$1M. No penalty was incurred.

**PENSION SALES TAX FUND 26
ANNUAL BUDGET SUMMARY**

	BUDGET FY 2024 - 2025			BUDGET FY 2025 - 2026	
	CURRENTLY BUDGETED	ACTUAL	TOTAL	PROPOSED	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ 1,881,730	\$ 2,510,922	\$ 2,510,922	\$ 2,820,918	\$ 2,820,918
REVENUE	1,803,549	1,277,079	1,277,079	1,277,079	1,277,079
TOTAL REVENUES	3,685,279	3,788,001	3,788,001	4,097,997	4,097,997
EXPENDITURES					
EXPENDITURES OTHER THAN TRANSFERS	25,000	25,000	25,000	25,000	25,000
TRANSFER TO GENERAL CORPORATE FUND	745,183	745,183	745,183	745,183	745,183
TRANSFER TO AQUATIC ZOO		19,000	19,000	19,000	19,000
TRANSFER TO TOURISM FUND	30,000	30,000	30,000	30,000	30,000
TRANSFER TO WATER FUND	135,000	135,000	135,000	135,000	135,000
TRANSFER TO SEWER FUND	137,000	137,000	137,000	137,000	137,000
TRANSFER TO POLICE PENSION FUND	131,044	69,622	69,622	206,039	206,039
TRANSFER TO FIRE PENSION FUND	69,622	131,044	131,044	360,621	360,621
TOTAL EXPENDITURES	1,272,849	1,291,849	1,291,849	1,657,843	1,657,843
ANNUAL CHANGES IN WORKING FUND BALANCE	530,700	(14,770)	(14,770)	(380,764)	(380,764)
WORKING FUND BALANCE ENDING	\$ 2,412,430	\$ 2,496,152	\$ 2,820,918	\$ 2,440,154	\$ 2,440,154

	Q2 Activity	Budget Remaining	% Remaining
Revenues	\$ 388,150	\$ 2,953,989	72.08%
Expenses	\$ 218,975	\$ 1,228,599	74.11%

GENERAL CORPORATE CAPITAL PROJECTS FUND

General Corporate Capital Projects Fund 30 – This fund is where the City purchased the properties near Lincoln Park and S. 27th Street, new firetruck loan is included, and the payment on the last firetruck. This leaves a \$463,858 working fund balance. The bulk of the proceeds comes from the 1% food and beverage tax and the 2-cent diesel tax. This is what pays for most of the 2012 first series of bonds that the City issued.

GENERAL CORPORATE CAPITAL PROJECTS FUND 30 ANNUAL BUDGET SUMMARY

	BUDGET FY 2024 - 2025			BUDGET FY 2025 - 2026	
	CURRENTLY BUDGETED	Actual	TOTAL	PROPOSED RESTRICTED	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ 1,402,020	\$ 3,889,145	\$ 3,889,145	\$ 1,523,466	\$ 1,523,466
REVENUE	1,870,500	1,565,500	1,565,500	1,365,500	1,365,500
GRANT BODYCAM		200,000	200,000		-
INTEREST				200,000	200,000
LOAN PROCEEDS FIRE TRUCK				1,000,000	1,000,000
TRANSFER FROM GENERAL CORPORATE	4,000,000	-	-	-	-
TOTAL REVENUES				2,565,500	2,565,500
TOTAL REVENUES including Working Fund Balance	7,272,520	5,654,645	5,654,645	4,088,966	4,088,966
Various Infrastructure Projects		2,000,000	2,000,000	2,000,000	2,000,000
ROOF 12TH & CASEY		200,000	200,000	57,500	57,500
FIRETRUCK 2026				1,000,000	1,000,000
EXPENDITURES	7,736,308	2,131,179	2,131,179	567,608	567,608
TOTAL EXPENDITURES	7,736,308	4,331,179	4,331,179	3,625,108	3,625,108
ANNUAL CHANGES IN WORKING FUND BALANCE	(463,788)	1,323,466	1,323,466	(1,059,608)	(1,059,608)
WORKING FUND BALANCE ENDING	\$ 938,232	\$ 1,523,466	\$ 1,523,466	\$ 463,858	\$ 463,858

	Q2 Activity	Budget Remaining	% Remaining
Revenues	\$ 487,068	\$ 3,127,271	76.48%
Expenses	\$ 1,676,849	\$ 154,500	4.26%

HEALTH INSURANCE FUND

Health Insurance Fund 40 – There is a healthy balance in this fund as of now. Showing \$3,042,090 as a working fund balance which is a 13.7 month balance. The City just did renew their rates and there was a slight increase.

HEALTH INSURANCE FUND 40 ANNUAL BUDGET SUMMARY

	BUDGET FY 2024 - 2025			BUDGET FY 2025 - 2026	
	CURRENTLY BUDGETED	ACTUAL OPERATING	TOTAL	PROPOSED OPERATING	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ 3,120,310	\$ 3,120,310	\$ 3,120,310	\$ 3,042,090	\$ 3,042,090
REVENUE	2,639,241	2,915,561	2,915,561	2,657,721	2,657,721
TOTAL REVENUES	5,759,551	6,035,871	6,035,871	5,699,811	5,699,811
TOTAL EXPENDITURES	2,405,739	2,993,781	2,993,781	2,657,721	2,657,721
ANNUAL CHANGES IN WORKING FUND BALANCE	233,502	(78,220)	(78,220)	-	-
WORKING FUND BALANCE ENDING	\$ 3,353,812	\$ 3,042,090	\$ 3,042,090	\$ 3,042,090	\$ 3,042,090
ONE MONTH OF OPERATING EXPENSES		\$ 249,482		\$ 221,477	
NO. OF MONTHS INCLUDED IN WORKING FUND BALANCE		12.2 MONTHS		13.7 MONTHS	

	Q2 Activity	Budget Remaining	% Remaining
Revenues	\$ 793,493	\$ 4,280,865	75.11%
Expenses	\$ 1,148,693	\$ 816,947	30.74%

CDBG GRANT FUND

CDBG Grant Fund 55 – This is one of the sewer grant funds. This is the midtown sewer relining project. No activity second quarter – this project is completed.

**CDBG GRANT 21-242007 Fund 55
ANNUAL BUDGET SUMMARY**

	BUDGET FY 2024 - 2025			BUDGET FY 2025 - 2026	
	CURRENTLY BUDGETED	ACTUAL OPERATING	TOTAL	PROPOSED OPERATING	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE GRANT	-	-	-	483,308	483,308
MATCH FROM FUND 61	-	-	-	350,000	350,000
TOTAL REVENUES	-	-	-	833,308	833,308
TOTAL EXPENDITURES	-	-	-	833,308	833,308
ANNUAL CHANGES IN WORKING FUND BALANCE	-	-	-	-	-
WORKING FUND BALANCE ENDING	\$ -	\$ -	\$ -	\$ -	\$ -

NO. OF MONTHS INCLUDED IN WORKING FUND BALANCE

	Q1 Activity	Budget Remaining	% Remaining
Revenues	293,543	539,765	64.77%
Expenses	293,543	539,765	64.77%

Q2 NO ACTIVITY

COMMUNITY INVESTMENT SEWER GRANT FUND

Community Investment Sewer Grant Fund 56 – This is an EPA Grant which is for sewer main relining in the South town area. This project is not done. The City did not receive notice of the amount awarded until after the budget was completed.

**Community Investment Sewer Grant Fund 56
ANNUAL BUDGET SUMMARY**

	BUDGET FY 2024 - 2025			BUDGET FY 2025 - 2026	
	CURRENTLY BUDGETED	ACTUAL OPERATING	TOTAL	PROPOSED OPERATING	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE GRANT	-	-	-	3,200,000	3,200,000
MATCH FROM FUND 61	-	-	-	500,000	500,000
TOTAL REVENUES	-	-	-	3,700,000	3,700,000
TOTAL EXPENDITURES	-	-	-	3,700,000	3,700,000
ANNUAL CHANGES IN WORKING FUND BALANCE	-	-	-	-	-
WORKING FUND BALANCE ENDING	\$ -	\$ -	\$ -	\$ -	\$ -

No activity in 1st Quarter

No activity in 2nd Quarter

WATER FUND

Water Fund 60 – This is where \$3M was budgeted for a new public works building and we plan to move forward on this in this year. It currently has a working fund balance of \$4,191,061.

WATER FUND 60 ANNUAL BUDGET SUMMARY

1/6/2026

BUDGET FY 2024 - 2025

BUDGET FY 2025 - 2026

	CURRENTLY BUDGETED	PROPOSED OPERATING	PROPOSED 3% % 2% INCREASES	PROPOSED 1/4% HM RULE TAX	Capital & Loan	TOTAL PROPOSED	PROPOSED OPERATING	PROPOSED 3% % 2% INCREASES	By Budget Only 1/4% HM RULE TAX	Capital & Loan	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING REVENUES	\$ 199,208	199,208	\$ -	\$ -	\$ 3,138,882	\$ 3,338,090	373,450	\$ -	\$ -	\$ 3,310,448	\$ 3,683,898
OPERATING REVENUES						\$0					\$0
Villages 60-10590	\$935,832	\$935,832				\$935,832	\$935,832				\$935,832
CTA 60-1059S	\$513,360	\$513,360				\$513,360	\$513,360				\$513,360
City Charges	2,843,775	2,843,775				2,843,775	2,843,775				2,843,775
Penalties	57,000	57,000				57,000	57,000				57,000
Other Operating Revenue	350,858	350,858				350,858	400,411				400,411
Total Operating Revenue Without Working Fund	\$4,700,825	\$4,700,825	\$0	\$0	\$0	\$4,643,825	\$4,750,378	\$0	\$0	\$0	\$4,750,378
CAPITAL REVENUES											
L17-5590 Phase 1 60-18061-0003											
L17-5591 Phase 2 L&N Water Tower					2,180,000	2,180,000				3,071,193	3,071,193
L17-5592 Phase 3 Cast Iron Replacement					3,500,000	3,500,000				1,602,655	1,602,655
L17-5593 Phase 4 Cast Iron Replacement					3,500,000	3,500,000				3,500,000	3,500,000
Revenue 3% 10600-0001 10602-0001			696,179			696,179		651,334			651,334
Revenue 2% 10600-0002 10602-0002			320,600			320,600		365,445			365,445
Funding From Home Rule Sales Tax				1,227,020		1,227,020			1,227,020		1,227,020
Grant Funding					65,166	65,166				500,050	500,050
Total Yearly Revenues	\$4,700,825	\$4,700,825	\$ 1,016,779	1,227,020	9,245,166	\$16,132,790	\$4,750,378	\$1,016,779	\$1,227,020	\$8,673,898	\$15,668,075
Total Revenues Including Working Fund Balance	\$ 4,900,033	\$ 4,900,033	\$ 1,016,779	\$ 1,227,020	\$ 12,384,048	\$19,470,880	\$ 5,123,828	\$ 1,016,779	\$ 1,227,020	\$ 11,984,346	\$19,351,973
EXPENDITURES											
OPERATING EXPENDITURES											
Rend Lake Water Purchases 60-2600-300-3640	2,150,652	2,150,652	-	-	-	2,150,652	2,258,185	-	-	-	2,258,185
Operating Expenses 60-2600	1,768,457	1,768,457	-	-	-	1,768,457	1,618,027	-	-	-	1,618,027
Operating Billing Services 60-2603	275,474	275,474	-	-	-	275,474	297,410	-	-	-	297,410
Operating Transfer to Sewer Fund 61	332,000	332,000	-	-	-	332,000	332,000	-	-	-	332,000
Total Operating Expenditures	4,526,583	4,526,583	-	-	-	4,526,583	4,505,622	-	-	-	4,505,622
CAPITAL EXPENDITURES											
Depreciation of Fixed Assets					700,000	700,000					
Capital Projects 3% & 2%			1,016,779	1,227,020	685,974	2,929,773				685,974	685,974
L17-5590 Phase 1 Cast Iron Replacement					121,509	121,509					
L17-5591 Phase 2 L&N Water Tower					3,071,193	3,071,193				300,000	300,000
L17-5592 Phase 3 Cast Iron Replacement					6,414	6,414				1,500,000	1,500,000
L17-5593 Phase 4 Cast Iron Replacement					3,235,000	3,235,000				4,500,000	4,500,000
ERI & AMI Loan Payment 2024 Paid Off					586,713	586,713					
2020 Bonds Loan Payment M2032					546,578	546,578				546,224	546,224
L17-5584 Opydke Water Tower Loan Pmt M2039					11,697	11,697				11,696	11,696
L17-5590 Phase 1 Loan Pmt M2042					108,522	108,522				120,674	120,674
Public Works Building								1,016,779	1,227,020	746,923	2,990,722
TOTAL EXPENDITURES	4,526,583	4,526,583	1,016,779	1,227,020	9,073,600	16,543,982	4,505,622	1,016,779	1,227,020	8,411,491	15,160,912
ANNUAL CHANGES IN WORKING FUND BALANCE	\$174,242	\$174,242	\$0	\$0	171,566	(\$411,192)	\$244,756	\$0	\$0	\$262,407	\$507,163
WORKING FUND BALANCE ENDING	\$ 373,450	\$ 373,450	\$ -	\$ -	\$ 3,310,448	\$ 3,683,898	\$ 618,206	\$ -	\$ -	\$ 3,493,609	\$ 4,191,061

	Q2 Activity	Budget Remaining	% Remaining
Revenues	2,031,815	14,818,673	76.57%
Expenses	2,051,636	11,172,864	73.70%

SEWER FUND

Sewer Fund 61 – This fund has 63.11% expenditures through the second quarter. It is showing a working fund balance of \$1,485,749. Some of the match for those sewers are transferred out of this fund.

SEWER FUND 61 - OPERATING & CAPITAL FUNDS ANNUAL BUDGET SUMMARY

	BUDGET FY 2024 - 2025					BUDGET FY 2025 - 2026					
	CURRENTLY BUDGETED FOR OPERATIONS	OPERATING REVENUE	ESTIMATED 3% & 2%	ESTIMATED 1/4% HM RULE TAX	Capital & Debt	TOTAL	PROPOSED OPERATING	3% & 2%	1/4% HM RULE TAX	Capital & Debt	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	166,061	166,061	0	0	1,563,520	1,729,581	334,730	0	0	1,387,261	2,316,542
REVENUES						0					0
OPERATING REVENUES											
CTA	398,862	398,862				398,862	398,862				398,862
Service Charges	2,536,419	2,536,419				2,536,419	2,866,419				2,866,419
Operations	772,528	772,528			0	772,528	212,550			0	212,550
Penalties	50,000	50,000				50,000	50,000				50,000
Transfer in From Water	332,000	332,000				332,000	332,000				332,000
Total Operating Revenue Without Working Fund	4,089,809	4,089,809	0	0	0	4,089,809	3,859,831	0	0	0	3,859,831
CAPITAL REVENUES											
Grant Revenue Community Investment moved to fund 56					2,650,000	2,650,000					0
L17-4664 lift Station 14		0			3,000,000	3,000,000	0				0
L17-3677 Inlet & Piping & Wagner					743,978	743,978					0
L14-3677 Forgiveness					5,000,000	5,000,000					0
Service Charge 3% for Capital/Debt			331,152	0		331,152		331,152	0		331,152
Service Charge 2% for Capital/Debt			363,690			363,690		363,690			363,690
Home Rule Tax to Sewer				1,615,187		1,615,187			1,615,187		1,615,187
Total Yearly Revenues	4,089,809	4,089,809	694,842	1,615,187	11,393,978	17,793,816	4,454,581	694,842	1,615,187	0	6,169,860
Total Revenues Including Working Fund	4,255,870	4,255,870	694,842	1,615,187	12,957,498	19,523,397	4,789,111	694,842	1,615,187	1,387,261	8,486,402
EXPENDITURES											
OPERATING EXPENDITURES											
Veola Sewer Treatment Expenses	2,000,000	2,000,000	0	0		2,000,000	2,339,797	0	0		2,339,797
Other Sewer Operating	1,799,140	1,799,140	0	0		1,799,140	1,799,140	0	0		1,799,140
Billing Services Charge Out	122,000	122,000	0	0		122,000	122,000	0	0		122,000
Total Operating Expenditures	3,921,140	3,921,140	0	0	0	3,921,140	4,260,937	0	0	0	4,260,937
CAPITAL EXPENDITURES											
Capital Projects INCLUDING GEE ST			694,842	1,615,187	3,810,059	6,120,088	736,210		138,535	915,753	1,790,498
CDAP Grant Match trans to fund 55										350,000	350,000
Grant Community Investment match trans to fund 56					750,000	750,000				0	0
Sewer Relining Grant 21-242007 non grant exps										20,000	20,000
L17-2408 Lift Station 15 Loan Payment M2025			0	0	24,507	24,507		0	0	21,214	21,214
L17-4664 Lift Station 14 Loan Payment M2043					0	0				96,380	96,380
L17-3677 Inlet Piping & Wagner					3,654,520	3,654,520				130,472	130,472
Loan Treatment Plant		0			3,000,000	3,000,000				0	0
Transfer to Water 3% increase		0			331,152	331,152		331,152			331,152
TOTAL EXPENDITURES	3,921,140	3,921,140	694,842	1,615,187	11,570,238	17,801,407	4,997,147	331,152	138,535	1,533,819	7,000,653
ANNUAL CHANGES IN WORKING FUND BALANCE	168,669	168,669	0	0	-176,260	-7,591	-542,766	363,690	1,476,652	-1,533,819	-830,793
WORKING FUND BALANCE ENDING	334,730	334,730	0	0	1,387,261	1,721,991	-208,036	363,690	1,476,652	-146,559	1,485,749

	Q2 Activity	Budget Remaining	% Remaining
Revenues	1,422,796	5,717,037	67.37%
Expenses	1,284,546	4,417,790	63.11%

DOWNTOWN TIF FUND

Downtown TIF Fund 71 – The Downtown TIF Fund hasn’t had any activity except for The Commons. The City has made all of the current obligation payments and this fund is showing a working fund balance of \$596,105.00. \$300,000 of this is what was considered set aside for the Howard & Casey Building.

**DOWNTOWN TIF FUND 71
ANNUAL BUDGET SUMMARY**

	BUDGET FY 2024 - 2025			BUDGET FY 2025 - 2026	
	CURRENTLY BUDGETED	ESTIMATED OPERATING	TOTAL Audited	PROPOSED OPERATING	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ 173,884	\$ 173,884	\$ 173,884	\$ 865,650	\$ 865,650
FRANSFER FROM GENERAL				\$0	\$0
Revenue	\$513,882	\$513,882	\$513,882	\$513,882	\$513,882
LOAN REVENUE The Broadway Commons *	2,808,244	2,808,244	2,808,244	-	-
TOTAL REVENUES	1,440,302	3,496,010	3,496,010	513,882	513,882
Expenditures					
Broadway Commons					-
TOTAL EXPENDITURES	2,808,244	2,808,244	2,804,244	783,427	783,427
ANNUAL CHANGES IN WORKING FUND BALANCE	691,766	691,766	691,766	(269,545)	(269,545)
WORKING FUND BALANCE ENDING	\$ 865,650	\$ 865,650	\$ 865,650	\$ 596,105	\$ 596,105

*NOTE: THE WFB ASSUMES THAT THE \$250,000 LOAN FROM GENERAL CORPORATE WILL NOT BE REPAID.

	Q2 Activity	Budget Remaining	% Remaining
Revenue	\$ 465,518	\$ 896,023	64.95%
Expenses	\$ 5,065	\$ 516,722	65.96%

INDUSTRIAL PARK CONSERVATION AREA (WESTSIDE) TIF

Industrial Park Conservation Area (Westside) TIF 72 – The one big contributor to the revenue of this fund is the QuikTrip coming online. They did not ask for any assistance, so any increase in the EAV goes directly into the TIF Fund. This TIF expires in 2034. There is a transfer to the Route 15-I57 which is the next fund. This is where South 44th Street was paid out of.

**INDUSTRIAL PARK CONSERVATION AREA (WESTSIDE) TIF FUND 72
ANNUAL BUDGET SUMMARY**

	BUDGET FY 2024 - 2025			BUDGET FY 2025 - 2026	
	CURRENTLY BUDGETED	ESTIMATED OPERATING	TOTAL	ESTIMATED OPERATING	TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ 526,983	\$ 354,346	\$ 354,346	\$ 148,661	\$ 148,661
REVENUE	558,156	557,500	\$ 557,500	557,500	557,500
TOTAL REVENUES	558,156	557,500	557,500	557,500	557,500
Expenditures					
Transfer to Rt15-I57					362,335
TOTAL EXPENDITURES	730,793	763,185	763,185	685,996	323,661
ANNUAL CHANGES IN WORKING FUND BALANCE	(172,637)	(205,685)	(205,685)	(128,496)	(128,496)
WORKING FUND BALANCE ENDING	\$ 354,346	\$ 148,661	\$ 148,661	\$ 20,165	\$ 20,165

	Q2 Activity	Budget Remaining	% Remaining
Revenue	\$ 289,619	\$ 408,225	57.81%
Expenses	\$ 8,044	\$ 677,952	98.83%

RTE 15/I-57 (EASTSIDE) TIF

Route 15/I-67 (Eastside) TIF 73 – There is a loan from General Corporate for South 44th Street in the amount of \$3.4M and a loan from IPC for \$585,346. This is also reflected in Fund 24 where it shows \$3.6M – that is where the discrepancy comes from which needs to be figured out. This is showing a working fund balance of -635,489.00. This will be straightened out and will have a better idea of where everything is in the 3rd quarter budget review meeting in March. We are working on extending this TIF.

**RTE 15/I-57 (EASTSIDE) TIF FUND 73
ANNUAL BUDGET SUMMARY**

	BUDGET FY 2024 - 2025			BUDGET FY 2025 - 2026	
	FY 2024-2025 CURRENTLY BUDGETED	FY 2024-2025 ESTIMATED OPERATING	FY 2024-2025 TOTAL ESTIMATES	FY 2025-2026 PROPOSED OPERATING	FY 2025-2026 TOTAL PROPOSED
WORKING FUND BALANCE BEGINNING	\$ 264,619	\$ 344,111	\$ 344,111	\$ 157,273	\$ 157,273
Transfer From IPC for 44th St		\$585,346	\$585,346	\$379,661	\$379,661
Transfer From General for 44th St		\$3,400,000	\$3,400,000	\$0	\$0
REVENUE	330,400	330,400	\$330,400	330,400	330,400
TOTAL REVENUES	330,400	4,315,746	4,315,746	710,061	710,061
TIF Obligations		330,400	330,400	332,500	332,500
Public Infrastructure		186,838	186,838	1,170,323	1,170,323
		3,985,346	3,985,346	-	-
TOTAL EXPENDITURES	342,400	4,502,584	4,502,584	1,502,823	1,502,823
ANNUAL CHANGES IN WORKING FUND BALANCE	(77,781)	(186,838)	(186,838)	(792,762)	(792,762)
WORKING FUND BALANCE ENDING	\$ 186,838	\$ 157,273	\$ 157,273	\$ (635,489)	\$ (635,489)

		Q2 Activity	Budget Remaining	% Remaining
Revenue	\$	376,536	\$ 477,221	55.02%
Expenses	\$	278,481	\$ 494,182	32.88%

EXECUTIVE SESSION

No Executive Session was held.

ADJOURNMENT

Council Member Jay Tate motioned to adjourn. Seconded by Council Member Mike Young. Yeas: Gliosci, Moore, Tate, Young, and Lewis.

The meeting was adjourned at 4:05 p.m.

Respectfully submitted,

Becky Barbour

Becky Barbour
City Clerk