

**BUDGET SUMMARIES**  
**SECTION THREE**

The Budget Summaries Section Three of this budget document includes the Major Revenue Sources. This includes the descriptions, projections assumptions and trends.

# MAJOR REVENUE SOURCES

## Descriptions, Projection Assumptions and Trends

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

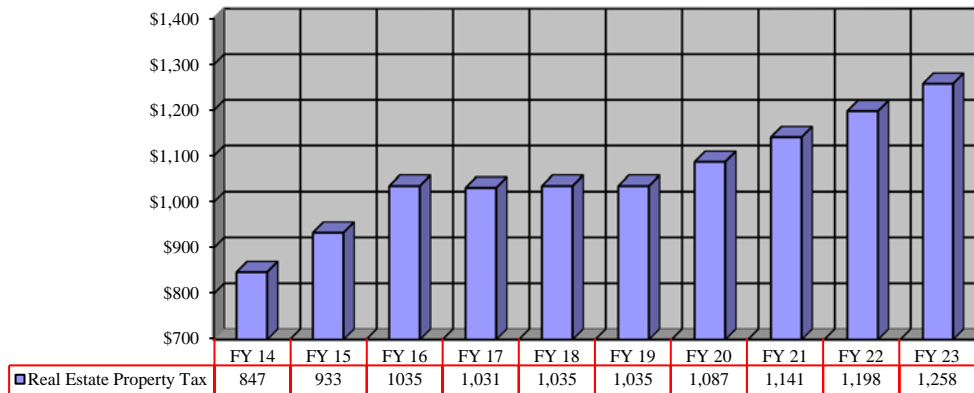
Discussion of grants, contributions from property owners for infrastructure improvements and bond issue proceeds although they may be significant, are not included due to their normal one time and one project nature. Generally, revenues used for operations in amounts above \$500,000 in the governmental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

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

Increases in the years 2019 - 2022 are expected to increase at 5.0% per year, though required city increase to public safety pension plan contributions are expected to rise at 7% per year, to meet the high cost of benefit maintenance and demographic changes. The 5% is the maximum permissible without citizen agreement. In the long run the levy may have to increase to meet future liabilities.

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

Real Estate Property Tax



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## MAJOR REVENUE SOURCES

### Descriptions, Projection Assumptions and Trends

Real Estate Property Taxes	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	847,161	932,822	1,034,887	1,030,707	1,035,289
<b>\$ Increase (Decrease) from Prior Year</b>	44,100	85,661	102,065	(3,180)	3,582
<b>% Increase (Decrease) from Prior Year</b>	5.5%	10.1%	10.9%	(0.3%)	0.3%
	Budgeted FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
<b>Revenue Amount</b>	1,035,289	1,087,053	1,141,406	1,198,476	1,258,400
<b>\$ Increase (Decrease) from Prior Year</b>	0	51,764	54,353	57,070	59,924
<b>% Increase (Decrease) from Prior Year</b>	0.0%	5.0%	5.0%	5.0%	5.0%

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

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

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

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

During FY 2008, the City Council approved an increase of an additional ½ percent Home Rule Sales Tax which became effective January 1, 2008. Of this increase, ¼ percent is designated to pass through to Southern Illinois University in an amount not to exceed one million dollars annually over a period of twenty years. These funds will be used to assist the University in the payment of costs associated with the Saluki Way project. The remaining portion of the ½ percent Home Rule Sales Tax increase will be retained by the City of Carbondale to be used in funding General Fund operations.

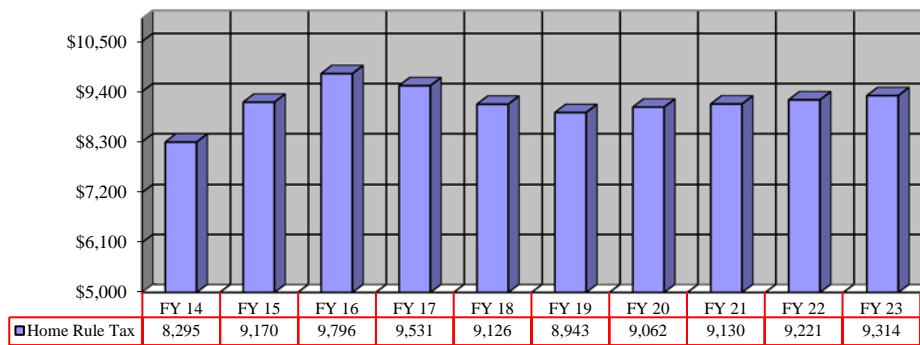
During FY 2010, the City again approved an additional increase of ½ percent becoming effective July 1, 2010, bringing the Home Rule Sales Tax rate to 2 percent. The increased revenue will be used in part, to pay debt service on a General Obligation Bond used to finance the construction of a new Police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

During FY 2014, the City approved an additional increase of ¼ percent becoming effective July 1, 2014, and again in July 1, 2015, bringing the Home Rule Sales Tax rate to 2.5 percent. The increased revenue will be used to offset operating expense increases and will help to fund General Fund operations. The increases in 2015 and 2016 are due to the increase crossing fiscal years. Projected revenues are estimated to remain flat with inflationary increases offset by decreased purchasing.

# MAJOR REVENUE SOURCES

## Descriptions, Projection Assumptions and Trends

Home Rule Sales Tax



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Home Rule Sales Tax	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	8,294,918	9,170,241	9,795,728	9,531,430	9,125,731
<b>\$ Increase (Decrease) from Prior Year</b>	(140,125)	875,323	625,487	(264,298)	(405,699)
<b>% Increase (Decrease) from Prior Year</b>	(1.7%)	10.6%	6.8%	(2.7%)	(4.3%)
	<b>Budgeted FY 2019</b>	<b>Projected FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
<b>Revenue Amount</b>	8,943,216	9,062,161	9,130,127	9,221,428	9,313,642
<b>\$ Increase (Decrease) from Prior Year</b>	(182,515)	118,945	67,966	91,301	92,214
<b>% Increase (Decrease) from Prior Year</b>	(2.0%)	1.3%	0.7%	1.0%	1.0%

# MAJOR REVENUE SOURCES

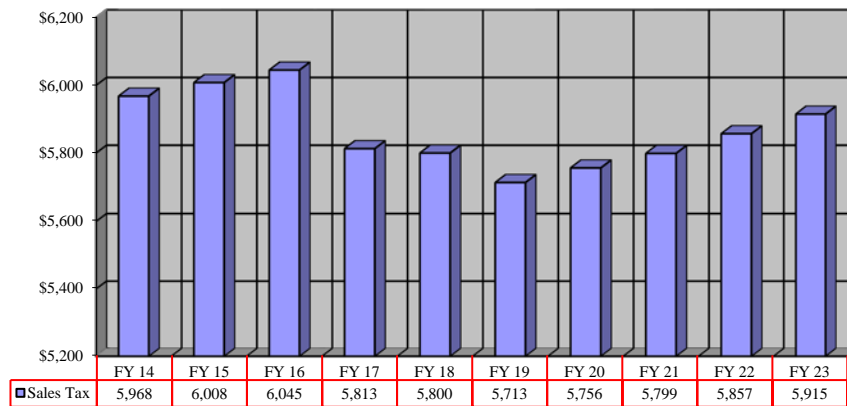
## Descriptions, Projection Assumptions and Trends

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

The economic downturn in calendar year 2008 and continuing into calendar year 2009 had a detrimental effect on City revenues. Retail Sales declined reflecting an approximate 6.1 percent decrease in Sales Tax revenue from FY 2007 levels. Sales have been slow to

recover and we remain 3.4 percent below pre-downturn levels. Revenue levels are expected to remain flat through the foreseeable future. Periods of decline enrollment and employment at SIU continue, levels appear to still be reducing. Discussion of cutbacks at the state level continues and the State of Illinois is coming up on its third year without an approved budget. Any resulting deductions are not reflected in the figures included here.

Sales Tax Revenue



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Sales Tax	Actual FY 2014	Actual FY 2014	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	5,968,248	6,007,609	6,044,728	5,813,304	5,799,819
<b>\$ Increase (Decrease) from Prior Year</b>	62,887	39,361	37,119	(231,424)	(13,485)
<b>% Increase (Decrease) from Prior Year</b>	1.1%	0.7%	0.6%	(3.8%)	(0.2%)
	Budgeted FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
<b>Revenue Amount</b>	5,712,822	5,755,668	5,798,836	5,856,824	5,915,392
<b>\$ Increase (Decrease) from Prior Year</b>	(86,997)	42,846	43,168	57,988	58,568
<b>% Increase (Decrease) from Prior Year</b>	(1.5%)	0.7%	0.8%	1.0%	1.0%

# MAJOR REVENUE SOURCES

## Descriptions, Projection Assumptions and Trends

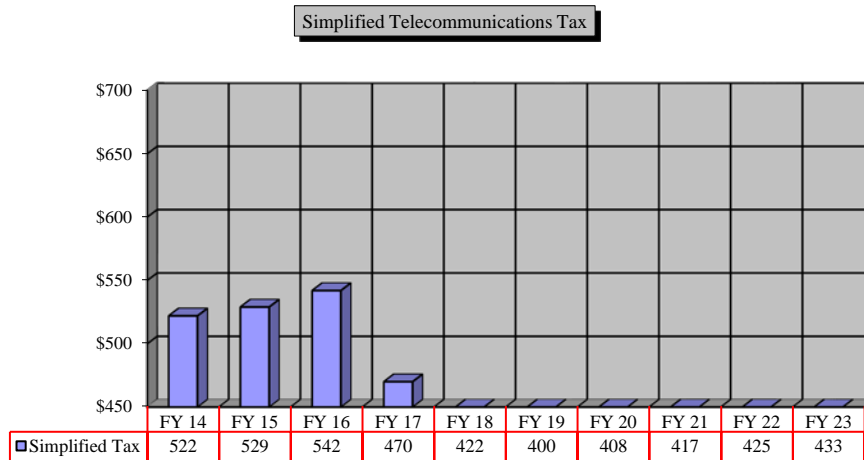
### 4. Simplified Telecommunications Tax: General Fund, 5.75 percent Gross Receipts Tax.

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

On January 1, 2003, the City adopted the State of Illinois' "Simplified Tax". This new method of taxation on telecommunications is no longer administered and collected by the City, but by the State of Illinois and passed thru to the City. The new Simplified Tax

collects taxes on all telephone revenue generated for long distance calls both in and out of State at a rate of 5.75 percent. The City's prior Utility Tax was only charged on intra state call revenues at a rate of 5 percent.

Losses in FY 2013 and FY 2014 are the result of personal cell phones replacing residential land line phone services. Future year increases are based on anticipated inflationary increases in cell phone plan costs.



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Simplified Telecommunications Tax	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	522,308	529,373	541,868	469,886	421,531
<b>\$ Increase (Decrease) from Prior Year</b>	(82,223)	7,065	12,495	(72,002)	(48,335)
<b>% Increase (Decrease) from Prior Year</b>	(13.6%)	1.4%	2.4%	(13.3%)	(10.3%)
	<b>Budgeted FY 2019</b>	<b>Projected FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
<b>Revenue Amount</b>	400,455	408,464	416,633	424,966	433,465
<b>\$ Increase (Decrease) from Prior Year</b>	(21,076)	8,009	8,169	8,333	8,499
<b>% Increase (Decrease) from Prior Year</b>	(5.0%)	2.0%	2.0%	2.0%	2.0%

# MAJOR REVENUE SOURCES

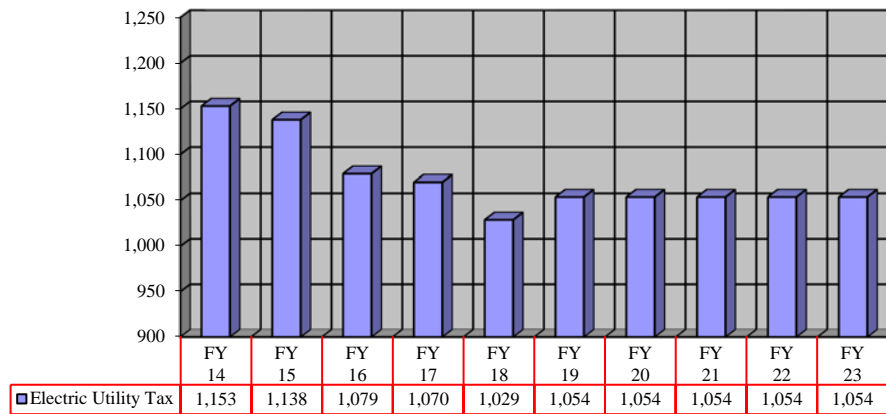
## Descriptions, Projection Assumptions and Trends

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

high heat. After a 4.0 percent drop in 2012 and a slight increase of 0.7 percent in 2013 and 2014, the future looks flat with minimal changes in usage expected.

The revenue from this tax is generally affected by weather conditions as well as the number of days of

Electric Utility Tax Revenue



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Electric Utility Tax Revenue	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	1,152,616	1,137,887	1,079,402	1,069,579	1,028,901
<b>\$ Increase (Decrease) from Prior Year</b>	18,771	(14,729)	(58,485)	(9,823)	(40,678)
<b>% Increase (Decrease) from Prior Year</b>	1.7%	(1.3%)	(5.1%)	(0.9%)	(3.8%)
	<b>Budgeted FY 2019</b>	<b>Projected FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
<b>Revenue Amount</b>	1,053,534	1,053,534	1,053,534	1,053,534	1,053,534
<b>\$ Increase (Decrease) from Prior Year</b>	24,633	-0-	-0-	-0-	-0-
<b>% Increase (Decrease) from Prior Year</b>	2.4%	0%	0%	0%	0%

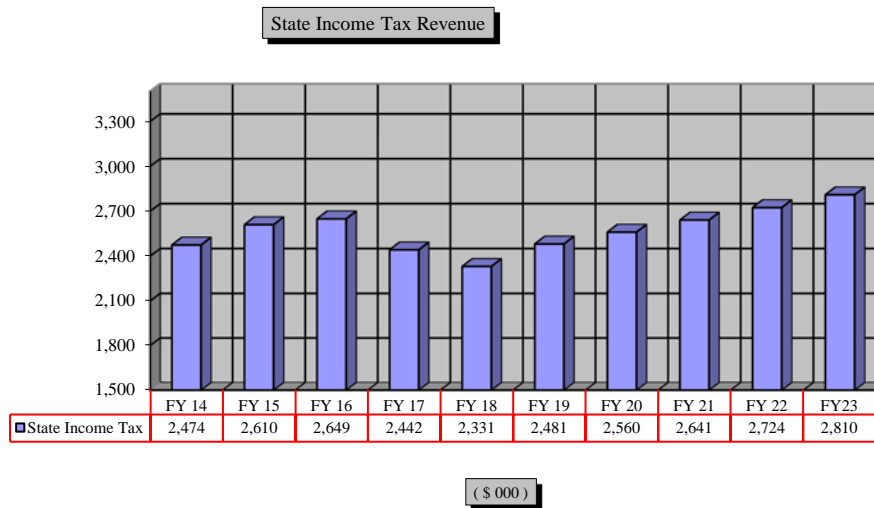
# MAJOR REVENUE SOURCES

## Descriptions, Projection Assumptions and Trends

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

Beginning August 1, 1969, municipalities received one-twelfth of the net collections of all income tax received. On July 1, 1994, the share was increased to one-eleventh and again increased to one-tenth on July

1, 1995. The Illinois Municipal League (IML) provides projections for this revenue generally in early January of each year. Past experience has shown the IML projections to be fairly accurate. The declines in FY 2009 and FY 2010 were reflective of general economic conditions, poor profits and high unemployment. Fiscal years 2012 and 2013 grew at (10.8 percent) and (11.7 percent) respectively. Small growth was seen in the fiscal years of 2014 and 2015. The governor has stated his intention to lower the municipal share to shore up state revenues. We feel that estimates of these cuts are premature at this time.



State Income Tax Revenue	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	2,473,599	2,609,516	2,649,433	2,442,243	2,331,180
<b>\$ Increase (Decrease) from Prior Year</b>	22,818	135,917	39,917	(207,190)	(111,063)
<b>% Increase (Decrease) from Prior Year</b>	0.9%	5.5%	1.5%	(7.8%)	(4.5%)
	<b>Budgeted FY 2019</b>	<b>Projected FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
<b>Revenue Amount</b>	2,481,412	2,559,825	2,640,715	2,724,162	2,810,245
<b>\$ Increase (Decrease) from Prior Year</b>	150,232	78,413	80,890	83,447	86,083
<b>% Increase (Decrease) from Prior Year</b>	6.4%	3.2%	3.2%	3.2%	3.2%



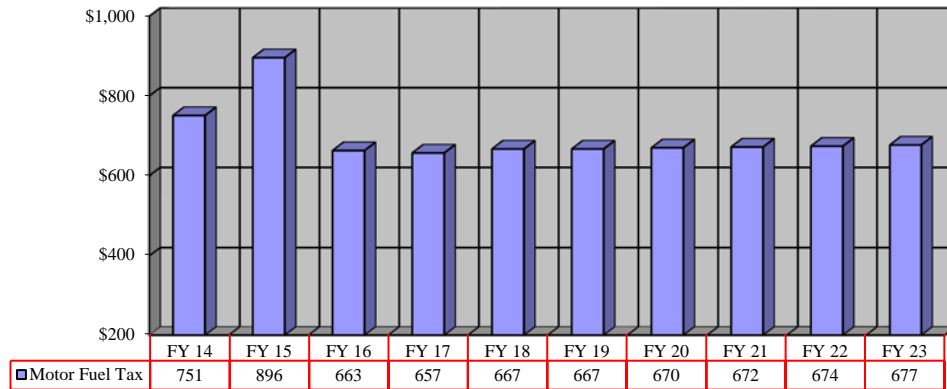
## MAJOR REVENUE SOURCES

### Descriptions, Projection Assumptions and Trends

7. **Motor Fuel Tax:** Motor Fuel Tax Fund, 19.0¢ per gallon of gasoline and 21.5¢ per gallon of diesel fuel. The distribution of this tax to municipalities is based on a per capita rate system like the State Income Tax. The primary uses of these funds are for maintenance and capital improvements of streets.

The per capita rate for FY 2011 was \$25.40. The last increase in the rate per gallon was effective in FY 1994. The FY 2015 increase was due to an additional one-time payment of construction funds from the State. FY 2017 and beyond is a reflection of lower anticipated allotment from the state due to a lack of capital construction funding.

Motor Fuel Tax



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Motor Fuel Tax Revenue	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	750,624	896,475	662,544	656,525	666,977
<b>\$ Increase (Decrease) from Prior Year</b>	22,671	145,851	(233,931)	(6,019)	10,452
<b>% Increase (Decrease) from Prior Year</b>	3.1%	19.4%	(26.1%)	(0.9%)	1.6%
	Budgeted FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
<b>Revenue Amount</b>	666,977	669,512	671,855	674,408	676,768
<b>\$ Increase (Decrease) from Prior Year</b>	0	2,535	2,343	2,553	2,360
<b>% Increase (Decrease) from Prior Year</b>	0.0%	0.4%	0.3%	0.4%	0.3%

# MAJOR REVENUE SOURCES

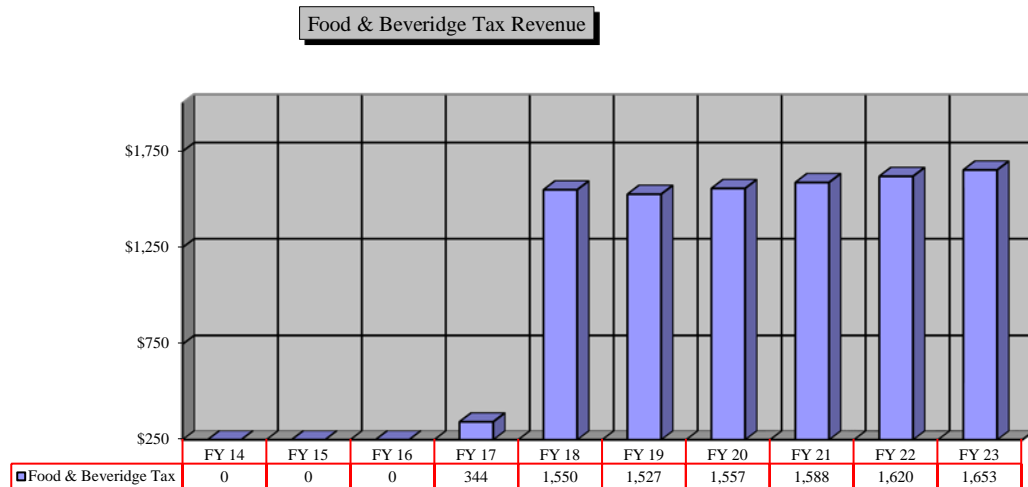
## Descriptions, Projection Assumptions and Trends

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

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

The tax was established after the development of the Revenues for FY 2018 – FY 2022 were generated using a 2% annual increase.

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



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Food and Beverage Tax	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
Revenue Amount	-0-	-0-	-0-	344,171	1,550,000
\$ Increase (Decrease) from Prior Year	-0-	-0-	-0-	-0-	1,205,829
% Increase (Decrease) from Prior Year	0%	0%	0%	0%	350.4%
	Budgeted FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
Revenue Amount	1,526,750	1,557,285	1,588,431	1,620,200	1,652,604
\$ Increase (Decrease) from Prior Year	(23,250)	30,535	31,146	31,769	32,404
% Increase (Decrease) from Prior Year	(1.5%)	2.0%	2.0%	2.0%	2.0%

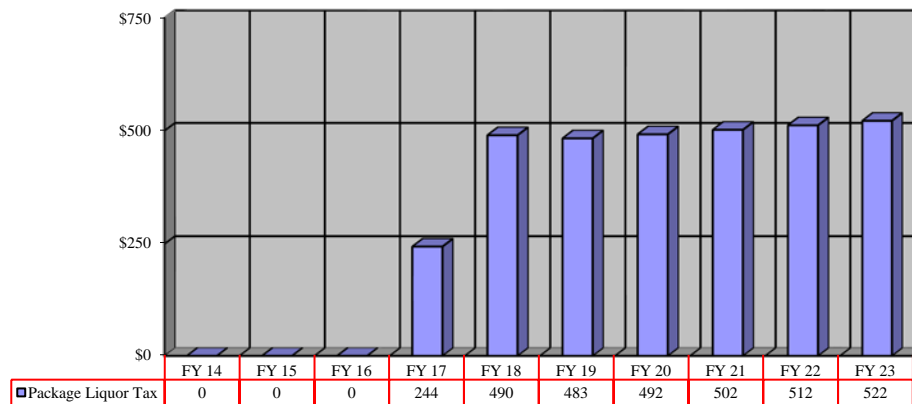
## MAJOR REVENUE SOURCES

### Descriptions, Projection Assumptions and Trends

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

On June 15, 2016, the City Council passed an ordinance instituting a 4% tax on the sales of package liquor throughout the municipality. Revenues for FY 2018 – FY 2022 were generated using a 2% annual increase.

Package Liquor Tax Revenue



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Sales Tax	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	0	0	0	244,104	490,000
<b>\$ Increase (Decrease) from Prior Year</b>	-0-	-0-	-0-	-0-	245,896
<b>% Increase (Decrease) from Prior Year</b>	0%	0%	0%	0%	100.7%
	Budgeted FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
<b>Revenue Amount</b>	482,650	492,303	502,149	512,192	522,346
<b>\$ Increase (Decrease) from Prior Year</b>	(7,350)	9,653	9,846	10,043	10,154
<b>% Increase (Decrease) from Prior Year</b>	(1.5%)	2.0%	2.0%	2.0%	2.0%

## MAJOR REVENUE SOURCES

### Descriptions, Projection Assumptions and Trends

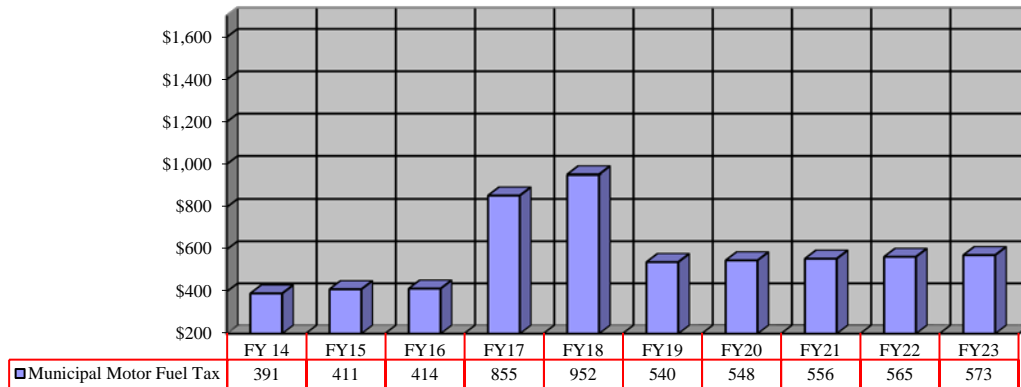
10. **Municipal Motor Fuel Tax:** Local Improvement Fund \$.07/gallon of motor fuels.

capital improvements to streets sidewalks and storm sewers.

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

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

Municipal Motor Fuel Tax



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Municipal Motor Fuel Tax Revenue	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	390,902	411,138	414,216	854,667	951,927
<b>\$ Increase (Decrease) from Prior Year</b>	1,375	20,236	3,078	440,451	97,260
<b>% Increase (Decrease) from Prior Year</b>	0.4%	5.2%	0.7%	106.3%	11.4%
	<b>Budgeted FY 2019</b>	<b>Projected FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
<b>Revenue Amount</b>	540,000	548,100	556,322	564,666	573,136
<b>\$ Increase (Decrease) from Prior Year</b>	(411,927)	8,100	8,222	8,344	8,470
<b>% Increase (Decrease) from Prior Year</b>	(43.3%)	1.5%	1.5%	1.5%	1.5%

## MAJOR REVENUE SOURCES

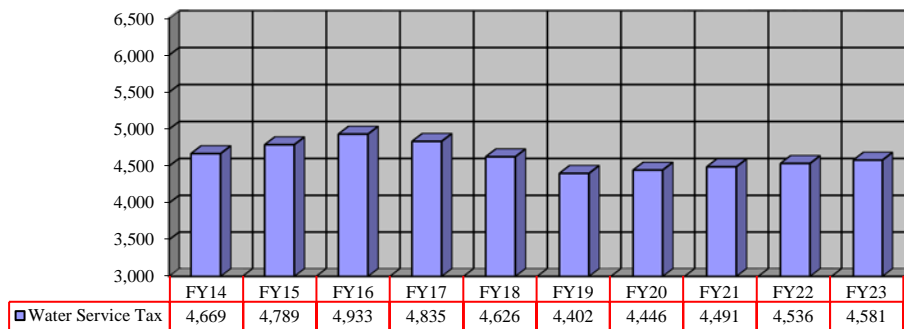
### Descriptions, Projection Assumptions and Trends

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

With the number of City residential customers remaining level from year to year the projected revenue increases are resulting from anticipated rate increases. Although the City sells most of its water to Southern Illinois University and three water districts, the growth in water consumption has actually began to decrease slightly in recent years.

The rate increase was proposed through 2016 future inflationary increases are projected to cover upcoming maintenance and improvements to the City's water system which is about 3.5% a year.

Water Service Charge Revenue



( \$ 000 )

Water Service Charge Revenue	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	4,669,208	4,788,917	4,933,491	4,834,667	4,626,263
<b>\$ Increase (Decrease) from Prior Year</b>	119,709	95,609	48,965	(98,824)	(208,404)
<b>% Increase (Decrease) from Prior Year</b>	2.6%	2.0%	1.0%	(2.0%)	(4.3%)
	<b>Budgeted FY 2019</b>	<b>Projected FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
<b>Revenue Amount</b>	4,402,119	4,446,140	4,490,602	4,535,508	4,580,863
<b>\$ Increase (Decrease) from Prior Year</b>	(224,144)	44,021	44,462	44,906	45,355
<b>% Increase (Decrease) from Prior Year</b>	(4.8%)	1.0%	1.0%	1.0%	1.0%

## MAJOR REVENUE SOURCES

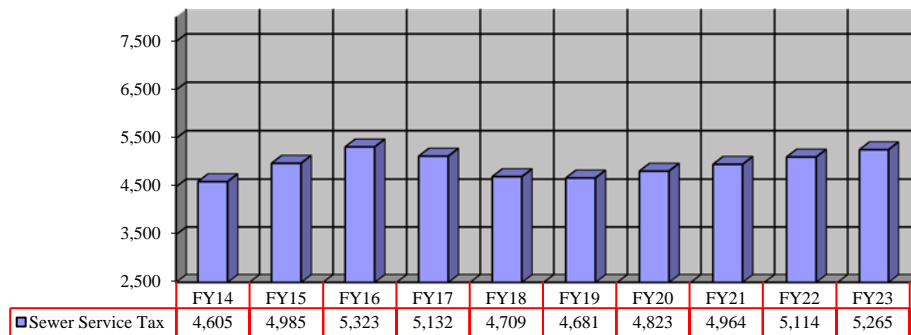
### Descriptions, Projection Assumptions and Trends

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

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

During FY 2012, the consulting firm also completed a study to determine necessary maintenance and improvement requirements to the City's sewer systems. Costs of the changes were estimated; determined and necessary rate increases were recommended and eventually implemented for the next 5 years. The structure for sewer rates is pretty much the same. The basic customer charge is \$3.53 per month increasing to \$5.03 in FY 2016. The rate per 1,000 gallons is \$4.21 increasing to \$6.00 in FY 2016. Levels of increase are expected to continue through 2021 to cover maintenance and improvements which is about 3%.

Sewer Service Charge Revenue



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Sewer Service Charge Revenue	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	4,604,863	4,984,734	5,322,750	5,131,593	4,708,700
<b>\$ Increase (Decrease) from Prior Year</b>	476,213	379,871	338,016	(191,157)	(422,893)
<b>% Increase (Decrease) from Prior Year</b>	11.5%	8.2%	6.8%	(3.6%)	(8.2%)
	<b>Budgeted FY 2019</b>	<b>Projected FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
<b>Revenue Amount</b>	4,681,298	4,822,687	4,964,404	5,114,324	5,264,671
<b>\$ Increase (Decrease) from Prior Year</b>	(27,402)	141,389	141,717	149,920	150,347
<b>% Increase (Decrease) from Prior Year</b>	(0.6%)	3.0%	2.9%	3.0%	2.9%

## MAJOR REVENUE SOURCES

### Descriptions, Projection Assumptions and Trends

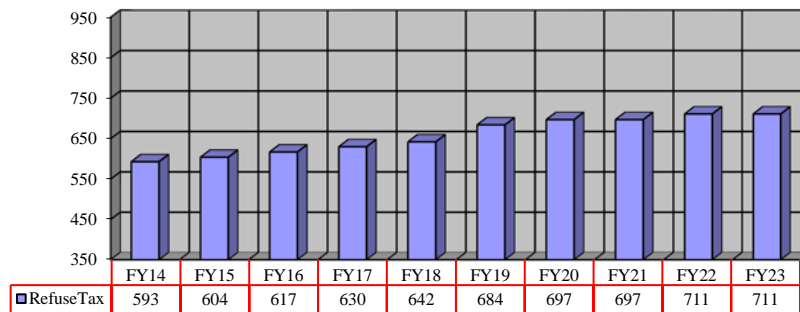
13. **City Customer Refuse Fees:** Solid Waste Management Fund, an Enterprise Fund, assesses a fee of \$12.00 per month per user for residential curbside refuse pickup.

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

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

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

City Customer Refuse Fees Revenue



(\$ 000 )

City Customer Refuse Fee Revenue	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	592,771	603,974	617,454	630,288	642,000
<b>\$ Increase (Decrease) from Prior Year</b>	7,793	11,203	13,480	12,834	11,712
<b>% Increase (Decrease) from Prior Year</b>	1.3%	1.9%	2.2%	2.1%	1.9%
	<b>Budgeted FY 2019</b>	<b>Projected FY 2020</b>	<b>Projected FY 2021</b>	<b>Projected FY 2022</b>	<b>Projected FY 2023</b>
<b>Revenue Amount</b>	683,610	697,282	697,282	711,228	711,228
<b>\$ Increase (Decrease) from Prior Year</b>	41,610	13,672	-0-	13,946	-0-
<b>% Increase (Decrease) from Prior Year</b>	6.5%	2.0%	0.0%	2.0%	0.0%

# MAJOR REVENUE SOURCES

## Descriptions, Projection Assumptions and Trends

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

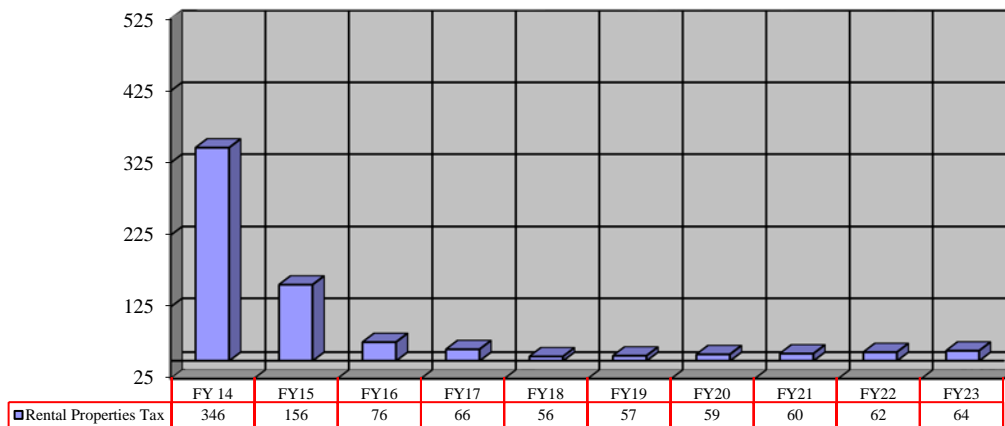
the buildings at the University City Complex will need to be installed in the near future.

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

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

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

Rental Properties Revenue



(\$ 000 )

Rental Revenue	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Estimated Actual FY 2018
<b>Revenue Amount</b>	346,331	156,406	75,545	65,548	55,774
<b>\$ Increase (Decrease) from Prior Year</b>	(163,145)	(189,925)	(80,861)	(9,997)	(9,774)
<b>% Increase (Decrease) from Prior Year</b>	(32.0%)	(54.8%)	(51.7%)	(13.2%)	(14.9%)
	Budgeted FY 2019	Projected FY 2020	Projected FY 2021	Projected FY 2022	Projected FY 2023
<b>Revenue Amount</b>	57,421	58,691	60,452	62,265	64,133
<b>\$ Increase (Decrease) from Prior Year</b>	1,647	1,270	1,761	1,813	1,868
<b>% Increase (Decrease) from Prior Year</b>	3.0%	2.2%	3.0%	3.0%	3.0%