Town of Normal

Financial Trend and Condition Report

Andrew Huhn, Finance Director

October 21, 2024

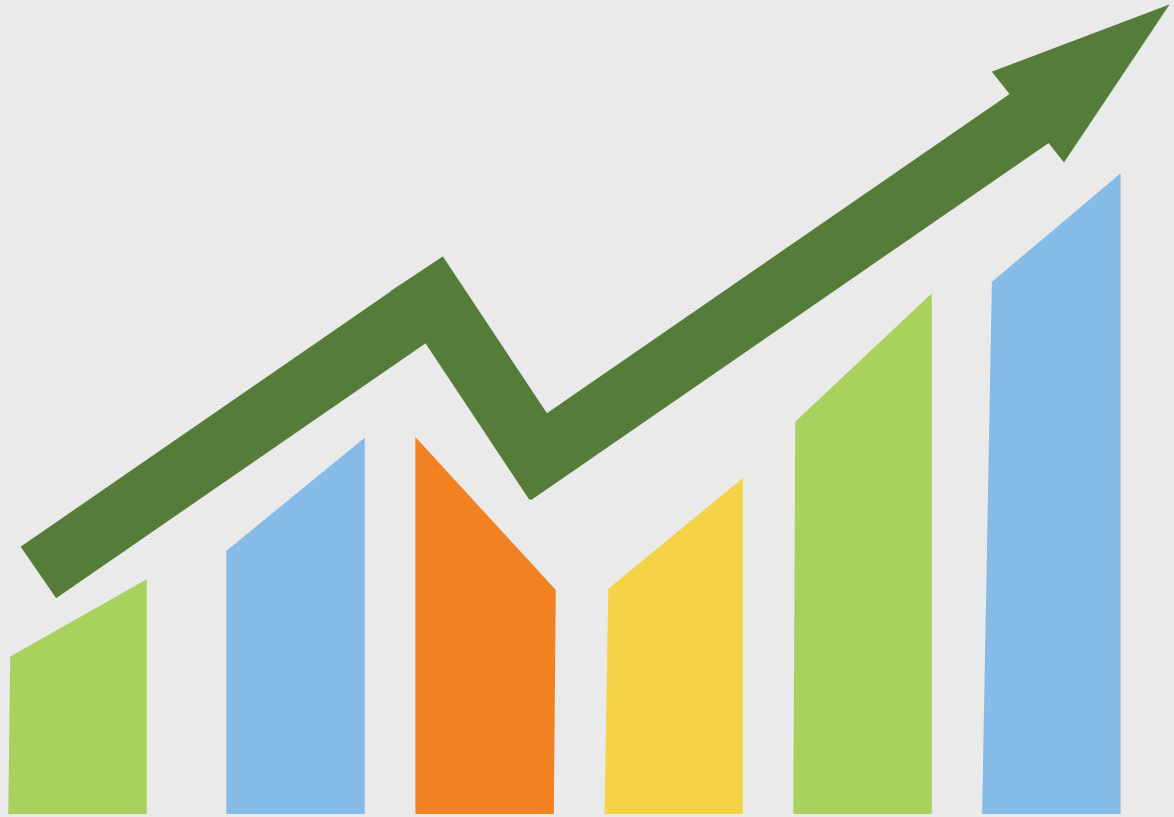
Overview

Review of 35 Indicators

- Positive
- Negative
- Unclassified

Six Categories

- Community
- Revenue
- Expenditures
- Debt Service
- Balance Sheet
- Financial Strategies



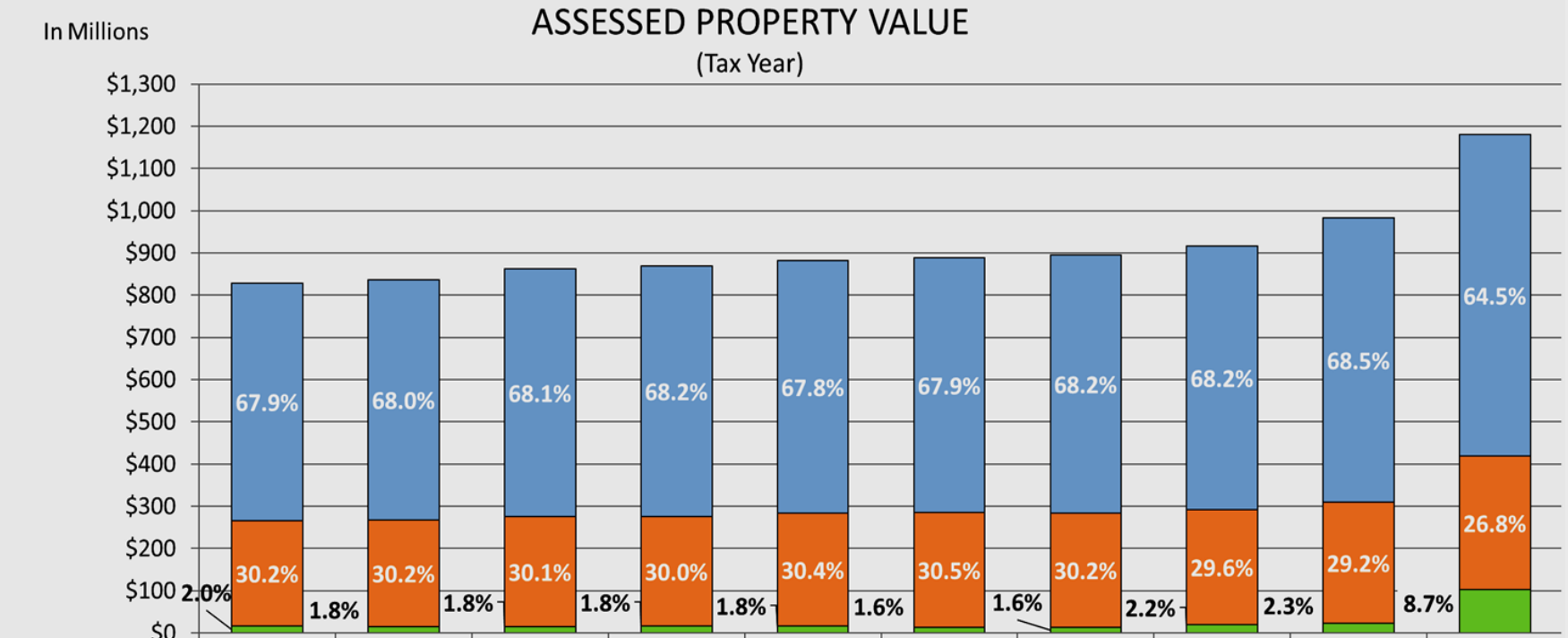
Year to Year Changes

Fiscal Year	2022-23	2023-24	Change
Positive	26	24	-2
Negative	1	3	+2
Unclassified	8	8	-
Total	35	35	

Community Indicators

Indicator	Rating
Assessed Property Value	Positive
Construction Permits	Positive
Average Home Sales Price	Positive
Airport Usage	Negative
Amtrak Usage	Positive
Unemployment Rate	Negative
County Workforce	Positive

Community Indicators

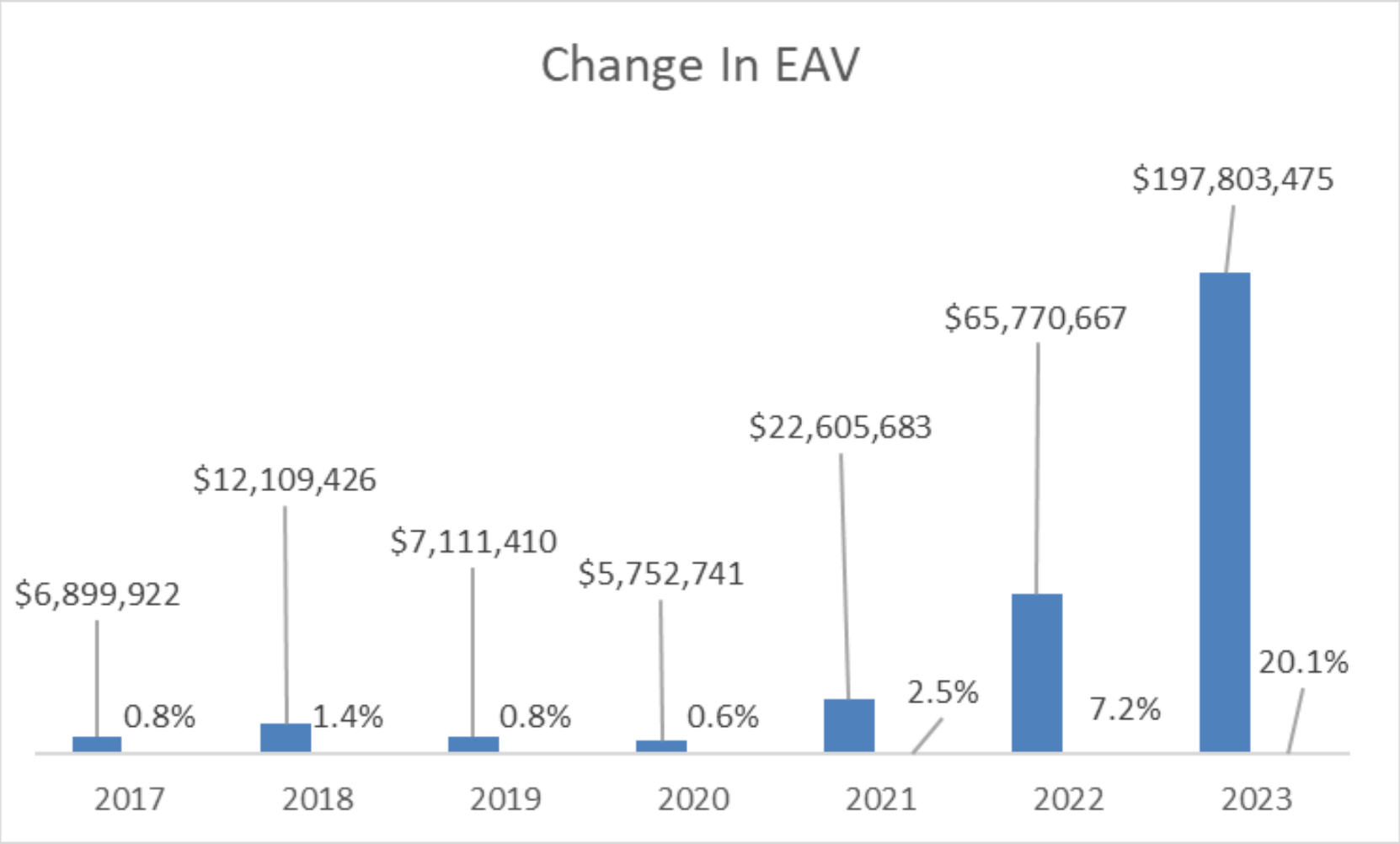


	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Percent Change	1.0%	1.0%	3.1%	0.8%	1.4%	0.8%	0.6%	2.5%	7.2%	20.1%
Total	$828.56	$836.86	$862.54	$869.44	$881.55	$888.66	$894.41	$917.01	$982.79	$1,180.59
Residential	$562.25	$568.97	$587.56	$593.09	$597.64	$603.80	$610.03	$625.36	$673.09	$761.96
Commercial	$249.88	$252.76	$259.71	$260.50	$267.82	$270.88	$270.49	$271.06	$287.10	$316.20
All Other	$16.43	$15.14	$15.27	$15.85	$16.09	$13.97	$13.88	$20.60	$22.59	$102.42

Assessed Value

- Current = 20.1%
- $197M Total Increase
  - $89M Residential
  - $80M Industrial
  - $20M Commercial

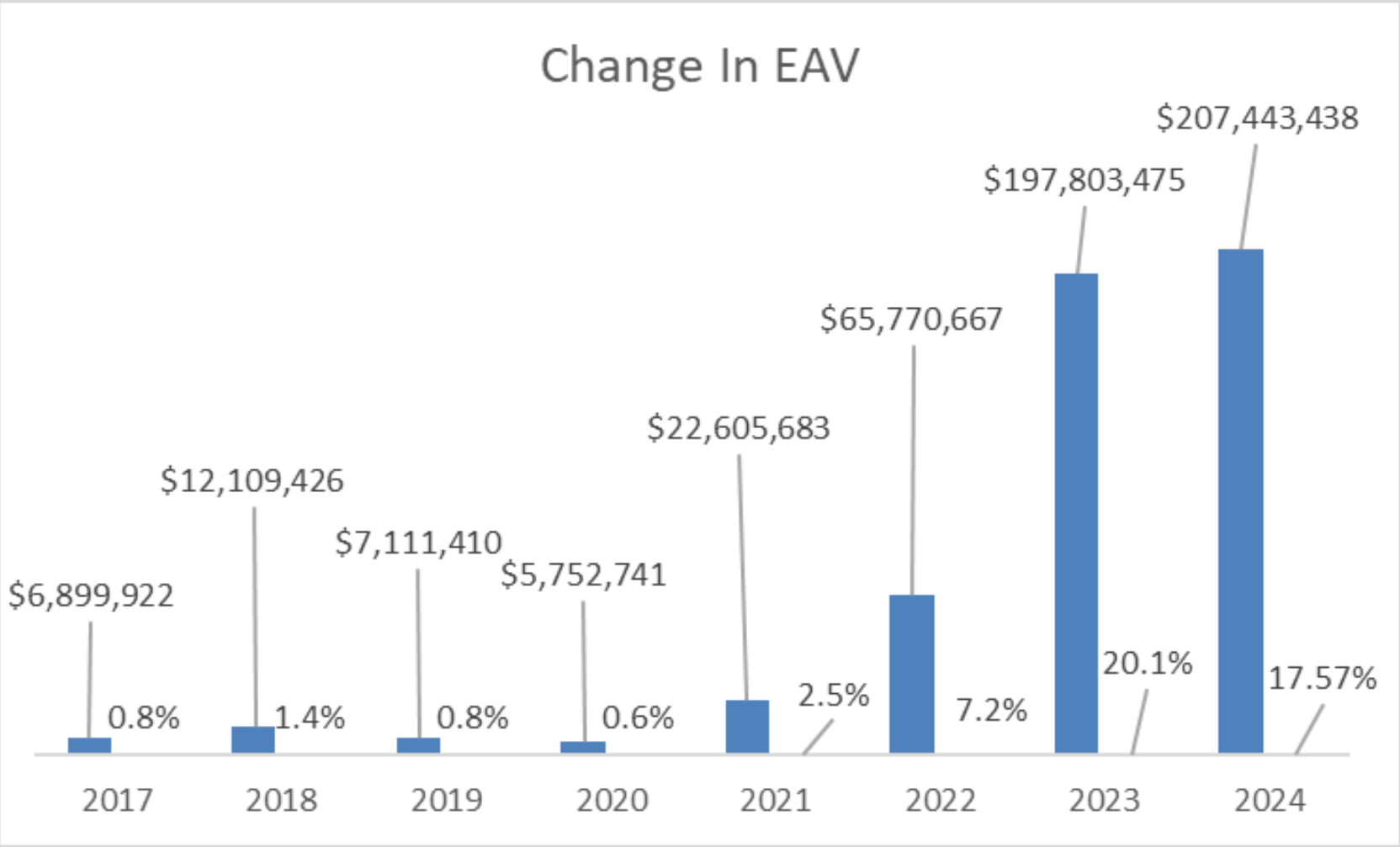
Community Indicators



Actual Values

2023

Community Indicators

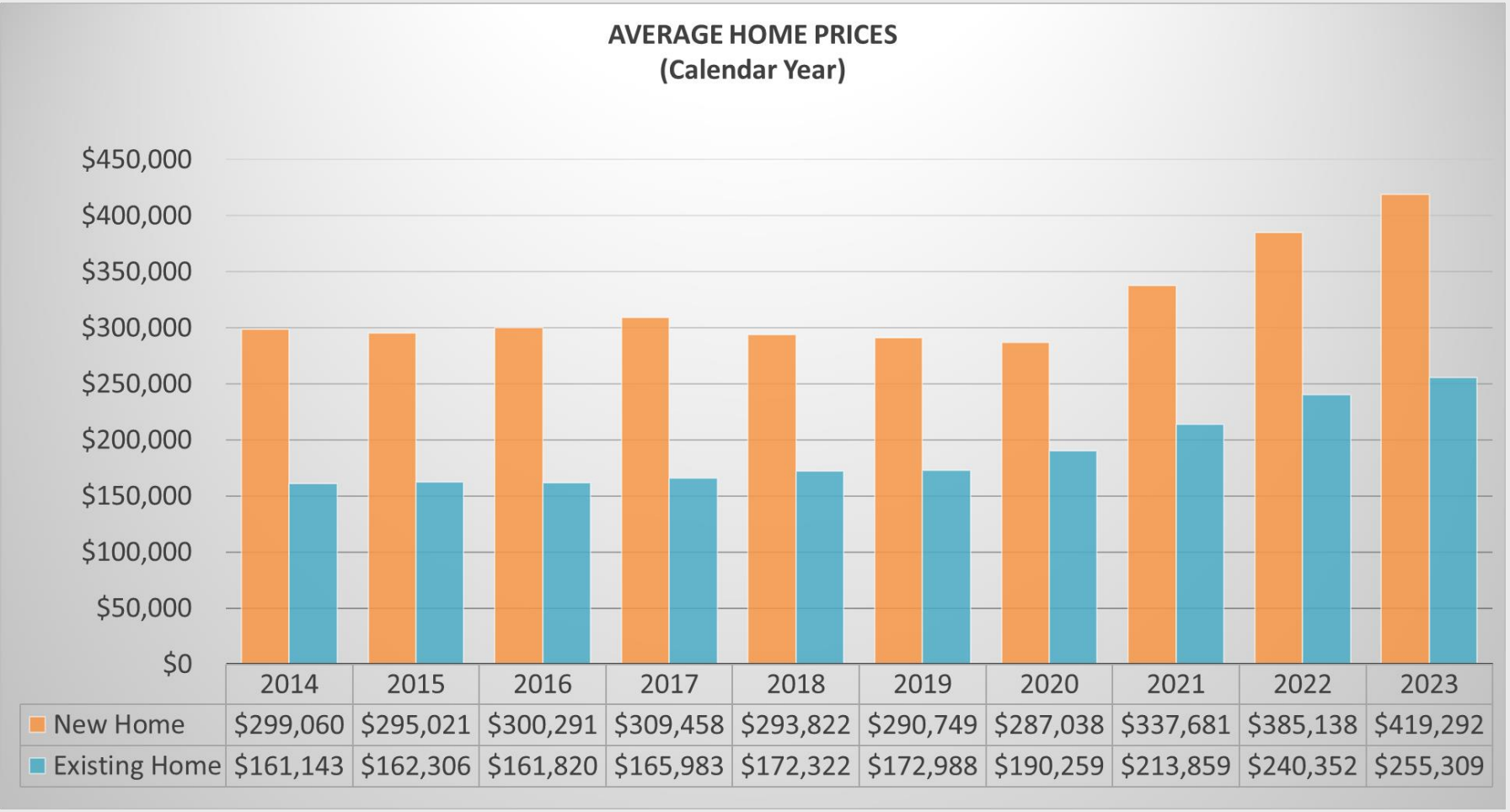


Preliminary Values

2024

- $102.8M Residential
- $ 58.4M Industrial
- $ 46.0M Commercial

Community Indicators



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
New Home	$299,060	$295,021	$300,291	$309,458	$293,822	$290,749	$287,038	$337,681	$385,138	$419,292
Existing Home	$161,143	$162,306	$161,820	$165,983	$172,322	$172,988	$190,259	$213,859	$240,352	$255,309

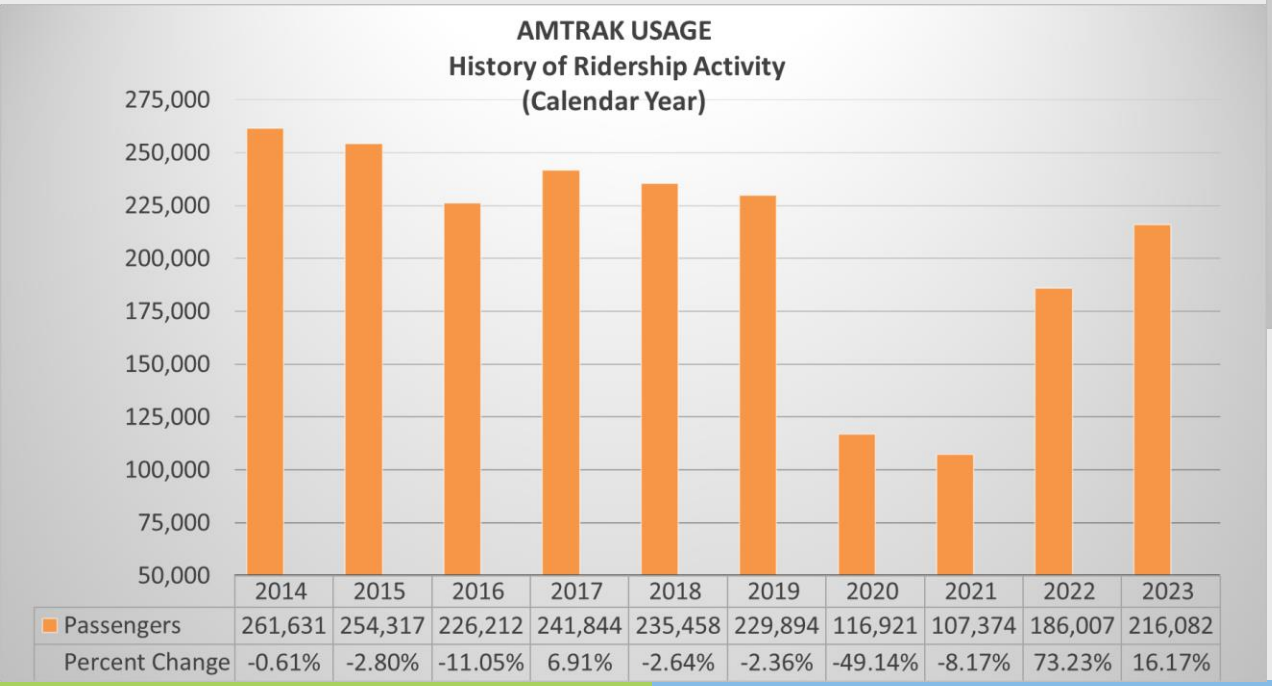
Avg Home Prices

- Three years of increases
- New homes up 8.9%
- Existing homes up 6.2%

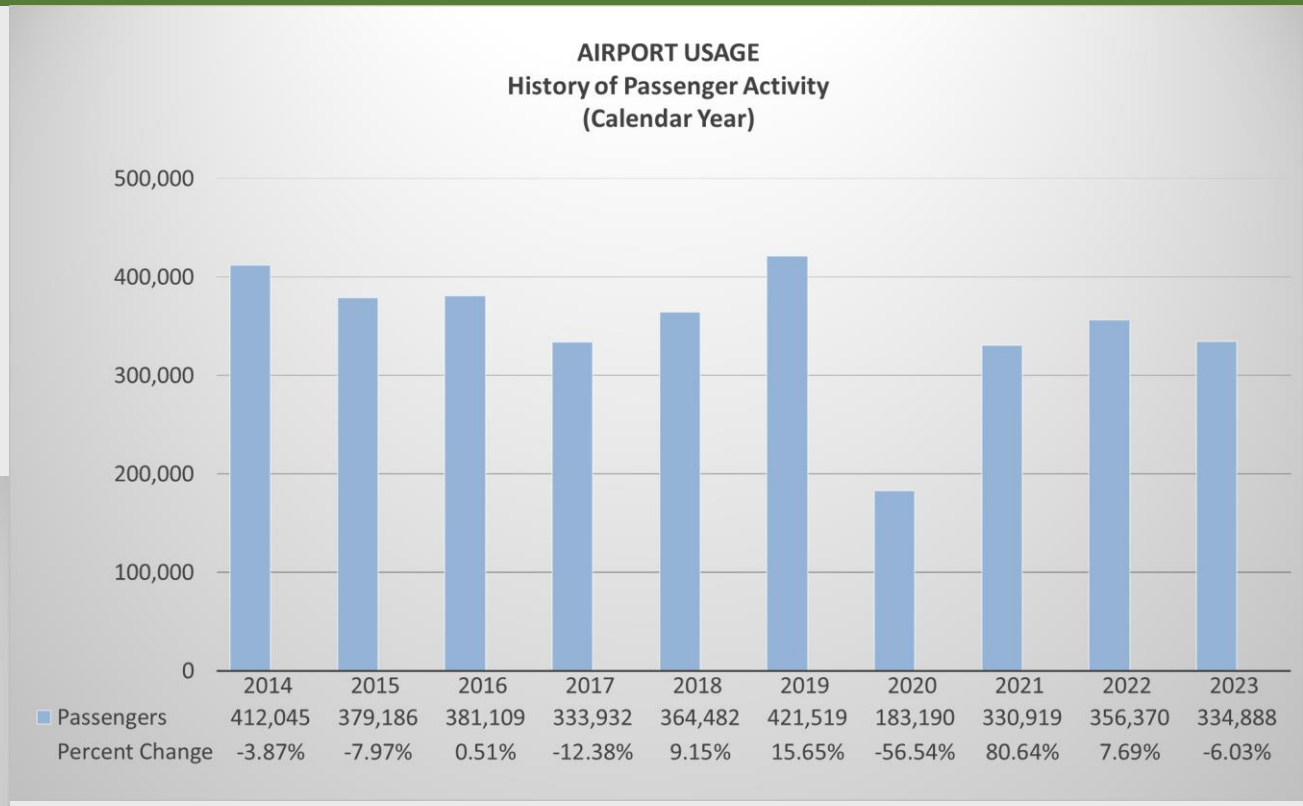
Community Indicators

Amtrak and Airport Usage

- Amtrak ridership continues to rebound
- Airport usage dropped due to reduction in seat capacity



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Passengers	261,631	254,317	226,212	241,844	235,458	229,894	116,921	107,374	186,007	216,082
Percent Change	-0.61%	-2.80%	-11.05%	6.91%	-2.64%	-2.36%	-49.14%	-8.17%	73.23%	16.17%



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Passengers	412,045	379,186	381,109	333,932	364,482	421,519	183,190	330,919	356,370	334,888
Percent Change	-3.87%	-7.97%	0.51%	-12.38%	9.15%	15.65%	-56.54%	80.64%	7.69%	-6.03%

Community Indicators



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOWN	4.2%	5.8%	3.9%	3.4%	4.5%	2.3%	4.3%	3.1%	2.9%	4.0%
STATE	6.3%	6.8%	4.7%	4.4%	4.5%	4.2%	7.1%	4.7%	4.3%	5.0%

Unemployment Rate

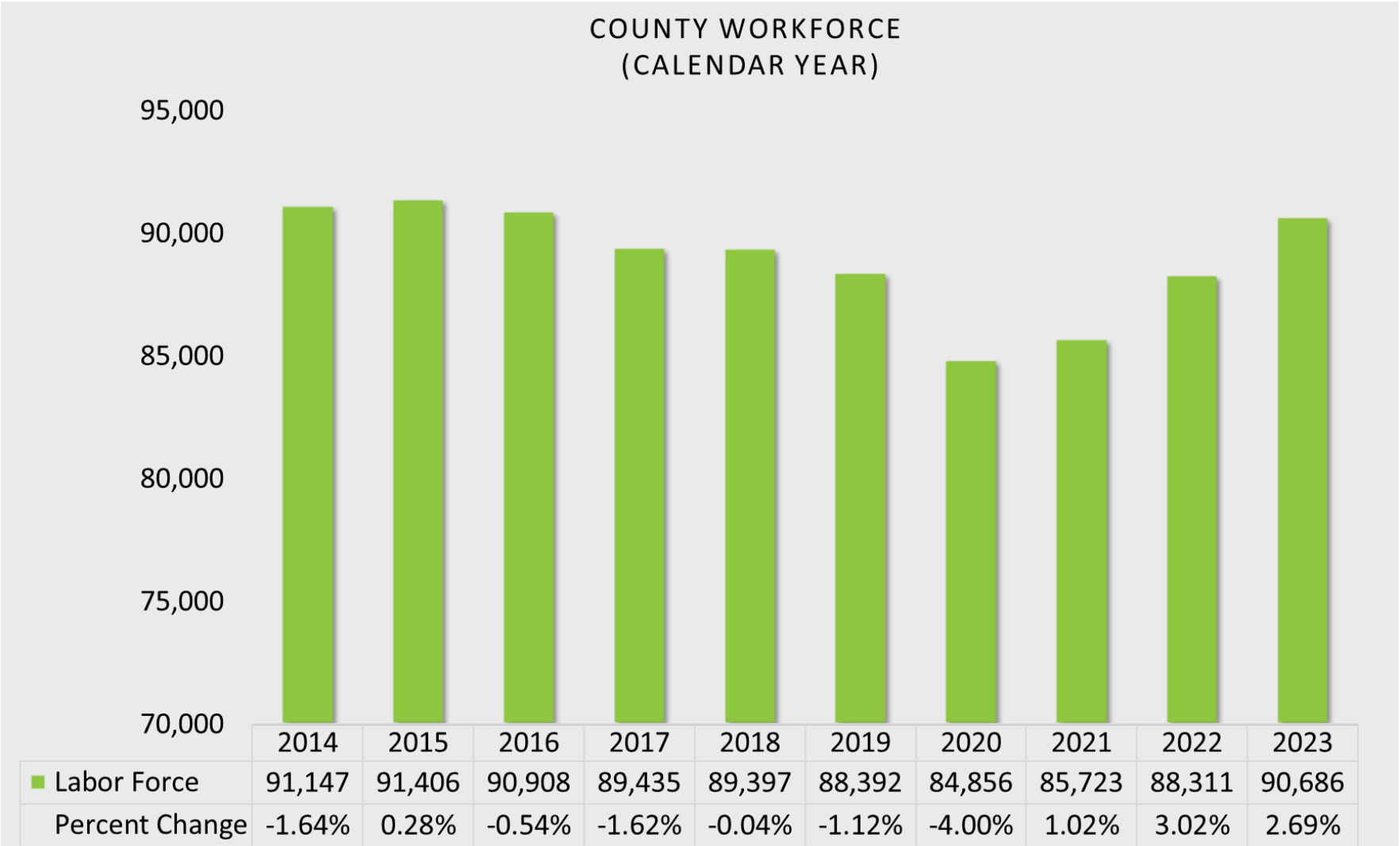
(all down – Normal lowest)

	Rates		
Municipality	**2023**	**2024**	**Change**
Normal	**2.9%**	**4.0%**	**1.1%**
Urbana	3.4%	4.3%	**0.9%**
Bloomington	3.5%	4.3%	**0.8%**
Champaign	3.3%	4.2%	**0.9%**
Springfield	4.0%	4.8%	**0.8%**
Galesburg	5.3%	6.0%	**0.7%**
Peoria	5.2%	6.2%	**1.0%**
Decatur	6.8%	6.9%	**0.1%**
United States	3.6%	3.9%	**0.3%**
State	4.3%	5.0%	**0.7%**

Community Indicators

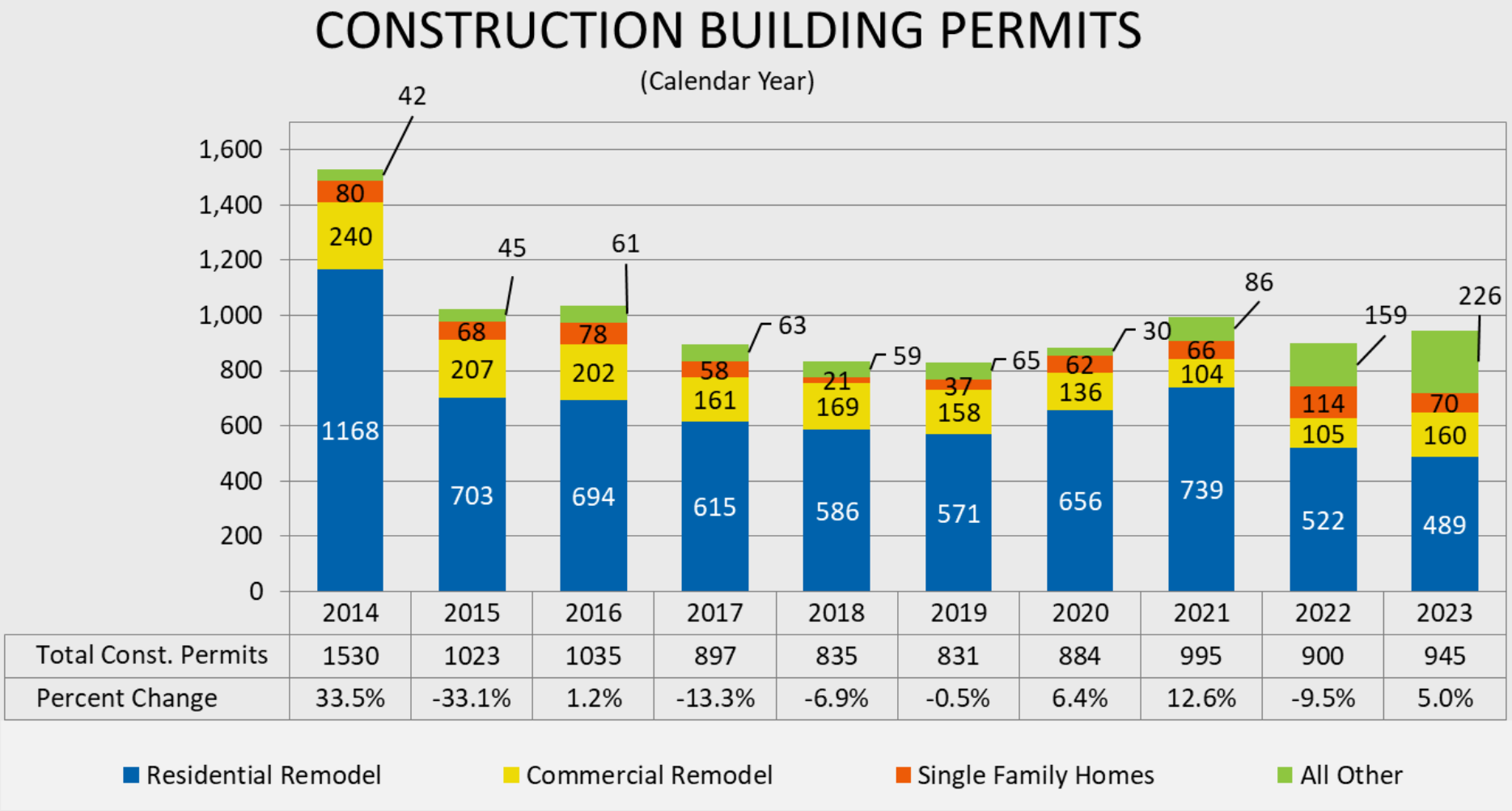
Workforce

- 3rd consecutive year of growth



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Labor Force	91,147	91,406	90,908	89,435	89,397	88,392	84,856	85,723	88,311	90,686
Percent Change	-1.64%	0.28%	-0.54%	-1.62%	-0.04%	-1.12%	-4.00%	1.02%	3.02%	2.69%

Community Indicators



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Const. Permits	1530	1023	1035	897	835	831	884	995	900	945
Percent Change	33.5%	-33.1%	1.2%	-13.3%	-6.9%	-0.5%	6.4%	12.6%	-9.5%	5.0%

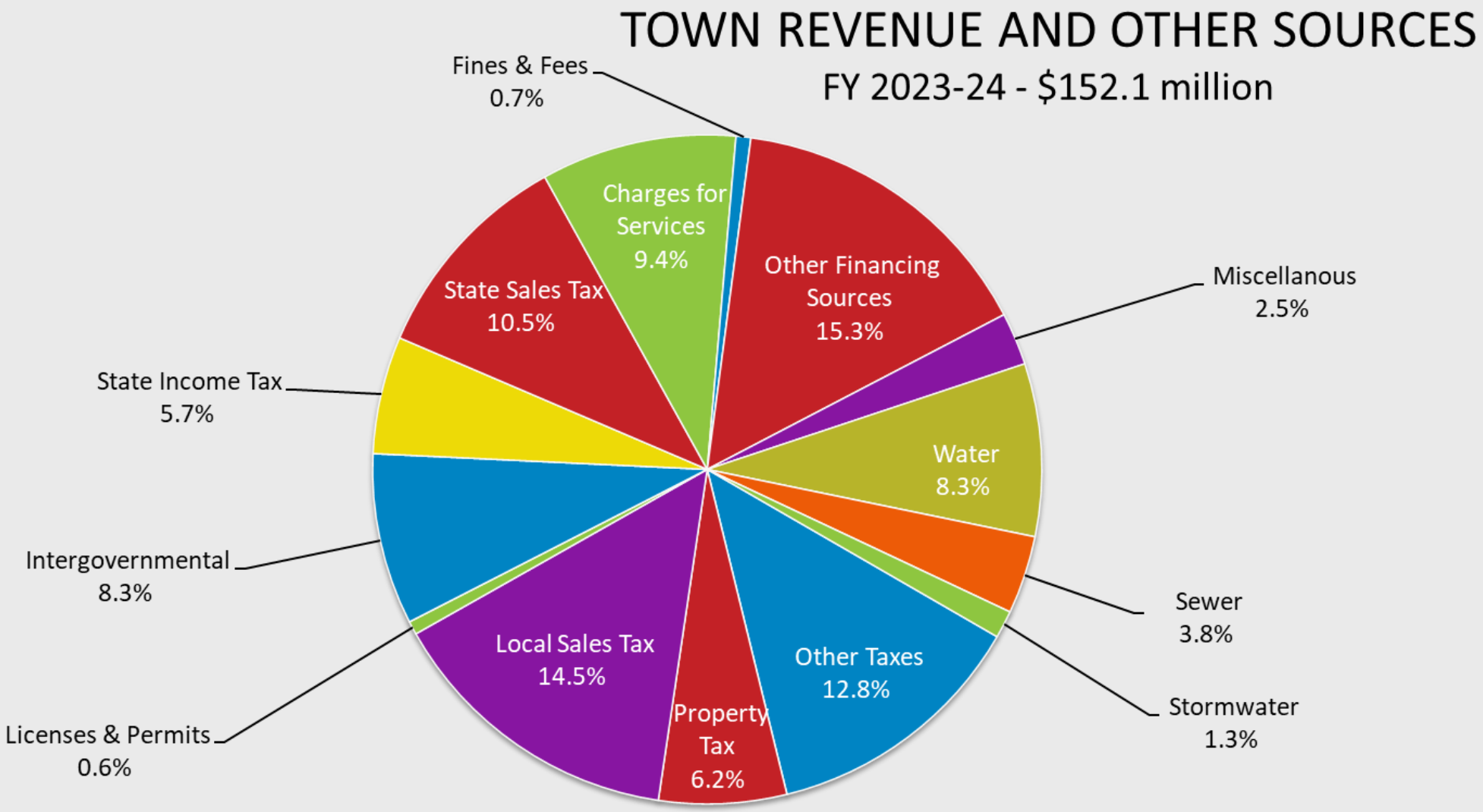
Building Permits

- Up 5%

Revenue

Indicator	Rating
Property Tax Rate	Positive
Municipality P-Tax Rates	Positive
Community P-Tax Rates	Positive
State and Local Sales Tax	Positive
Sales Tax Percent	Positive
State Income Tax	Positive
Utility Tax	Negative
Food and Beverage Tax	Positive

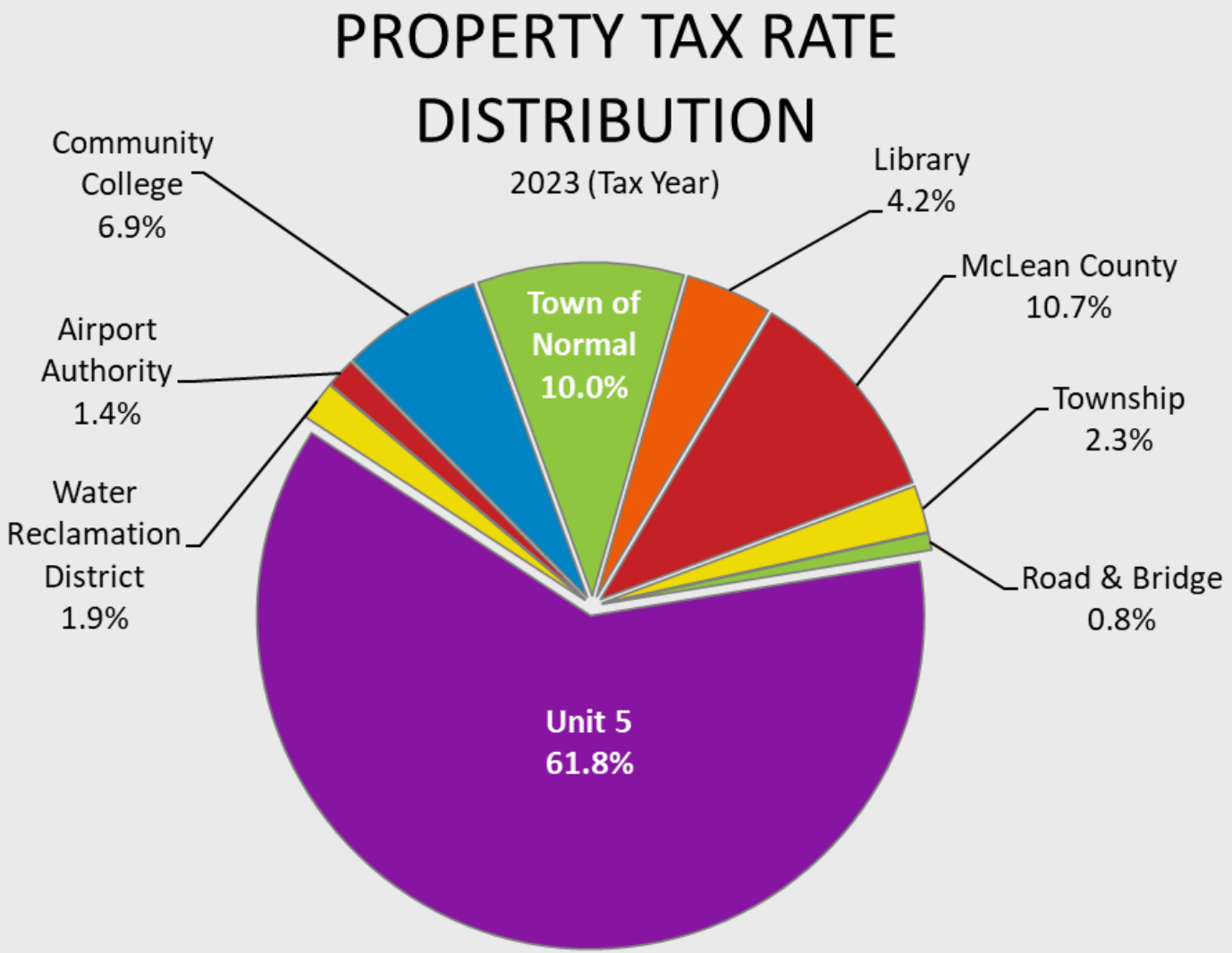
Revenue


TOWN REVENUE AND OTHER SOURCES
FY 2023-24 - $152.1 million
Fines & Fees 0.7%
Charges for Services 9.4%
State Sales Tax 10.5%
Other Financing Sources 15.3%
Miscellanous 2.5%
State Income Tax 5.7%
Water 8.3%
Intergovernmental 8.3%
Sewer 3.8%
Local Sales Tax 14.5%
Other Taxes 12.8%
Property Tax 6.2%
Stormwater 1.3%
Licenses & Permits 0.6%

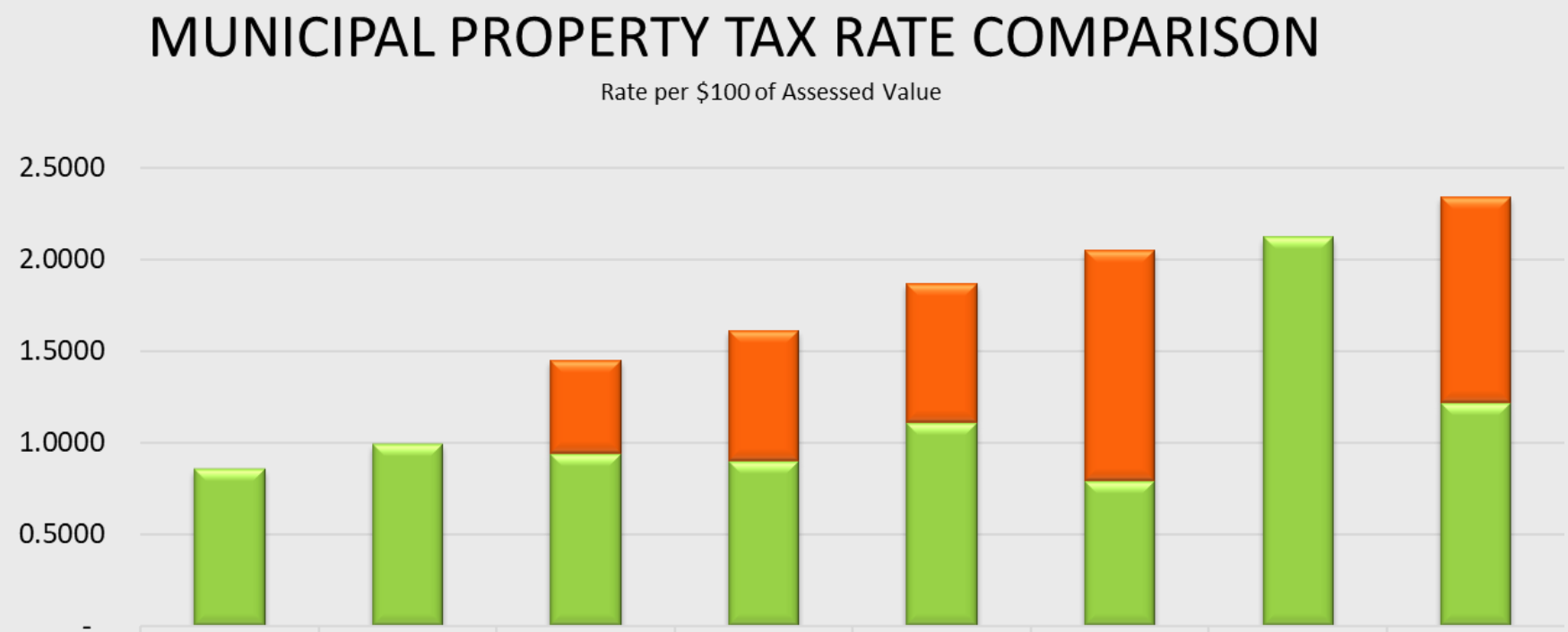
Revenue

Property Tax Rate

Town's Percentage of Community Rate History	
Tax Year 2014	10.9%
Tax Year 2015	10.8%
Tax Year 2016	11.2%
Tax Year 2017	12.0%
Tax Year 2018	11.4%
Tax Year 2019	11.5%
Tax Year 2020	11.1%
Tax Year 2021	11.2%
Tax Year 2022	10.7%
Tax Year 2023	10.0%



Revenue

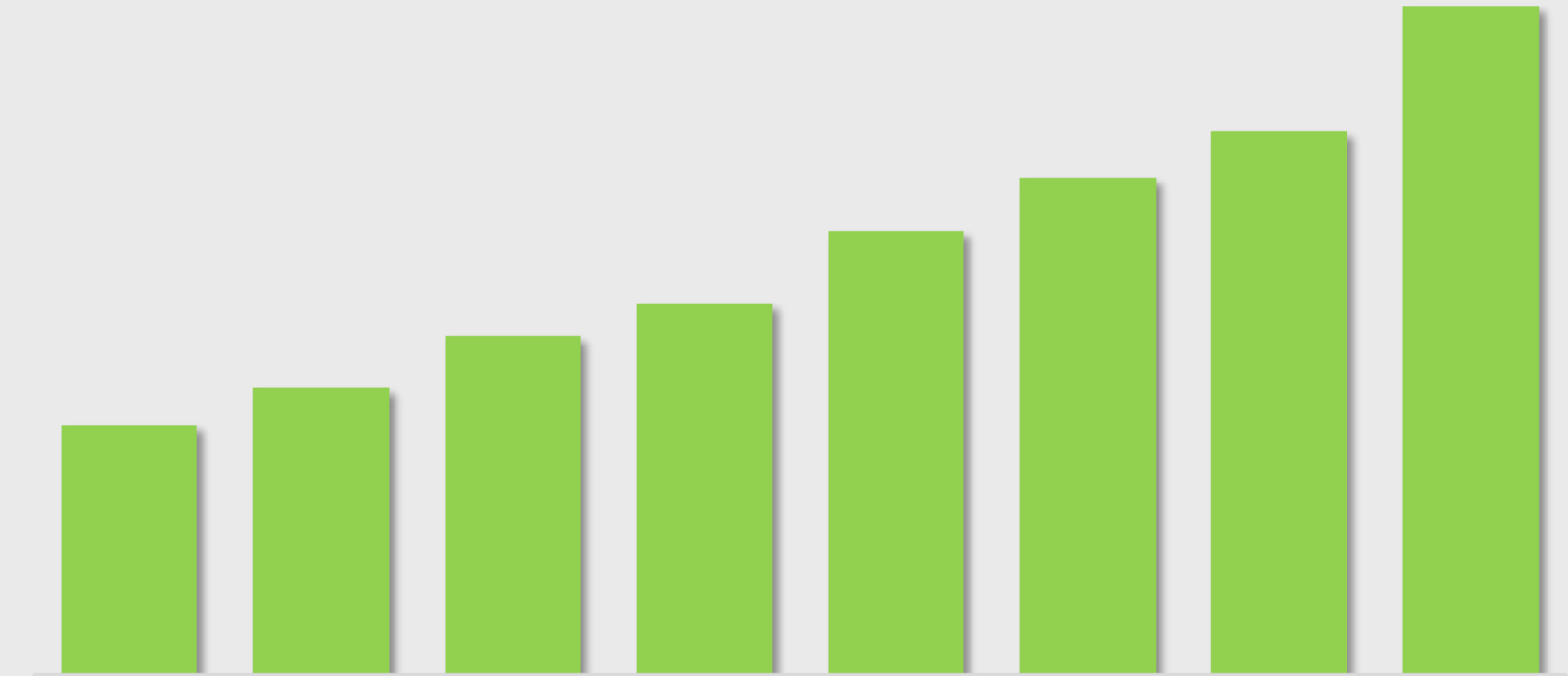


	Normal	Bloomington	Springfield	Champaign	Peoria	Urbana	Galesburg	Decatur
	0.8543	0.9929	1.4465	1.6089	1.8678	2.0477	2.1162	2.3420
Parks Rate	-	-	0.5080	0.7159	0.7610	1.2630	-	1.1267
Municipal Rate	0.8543	0.9929	0.9385	0.8930	1.1068	0.7847	2.1162	1.2153

Municipal Tax Rates

- Direct Municipal Rate
- Excludes Library Rate
- Includes Park District Rate

Revenue



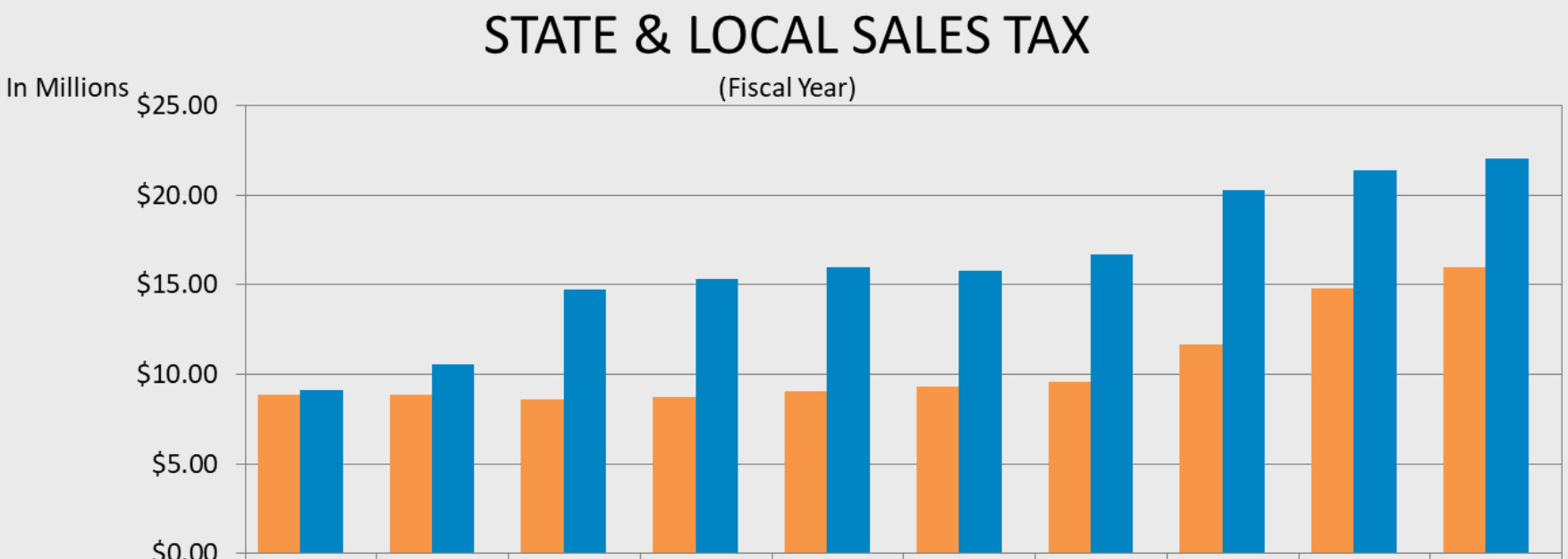
	Bloomington	Normal	Springfield	Champaign	Peoria	Galesburg	Decatur	Urbana
Municipality	8.3580	8.5587	8.8411	9.0179	9.4087	9.6985	9.9525	10.6370

Community Rate

All Taxing Jurisdictions

- Town Library
- McLean County
- Normal Township
- Normal Road District
- Bloomington-Normal Water Reclamation District
- Bloomington-Normal Airport Authority
- Unit 5 School District
- Heartland Community College

Revenue

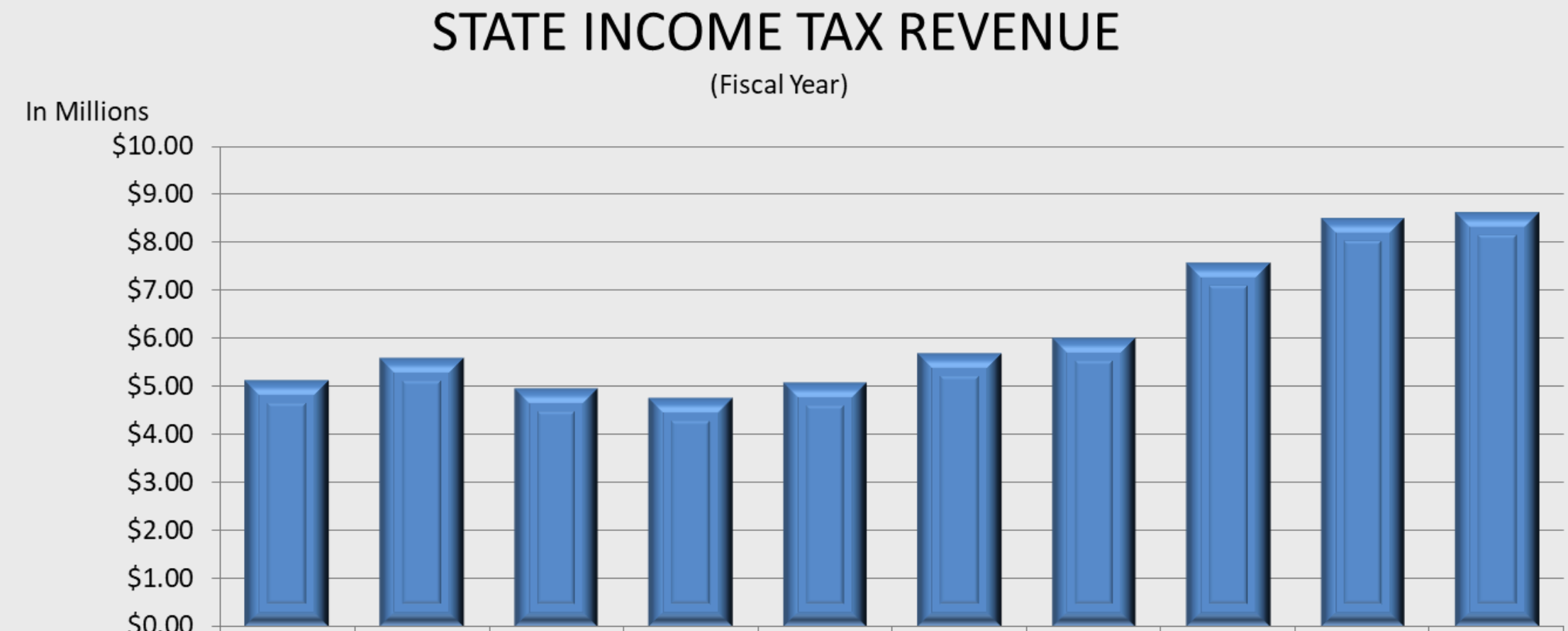


	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State Sales Tax	$8.89	$8.87	$8.59	$8.71	$9.08	$9.31	$9.59	$11.68	$14.77	$15.96
Percent Change	4.5%	-0.2%	-3.2%	1.4%	4.2%	2.6%	3.0%	21.7%	26.5%	8.1%
Local Sales Tax	$9.10	$10.59	$14.76	$15.31	$15.96	$15.76	$16.68	$20.29	$21.40	$22.03
Percent Change	2.3%	16.3%	39.4%	3.7%	4.2%	-1.2%	5.8%	21.7%	5.5%	2.9%

Sales Tax

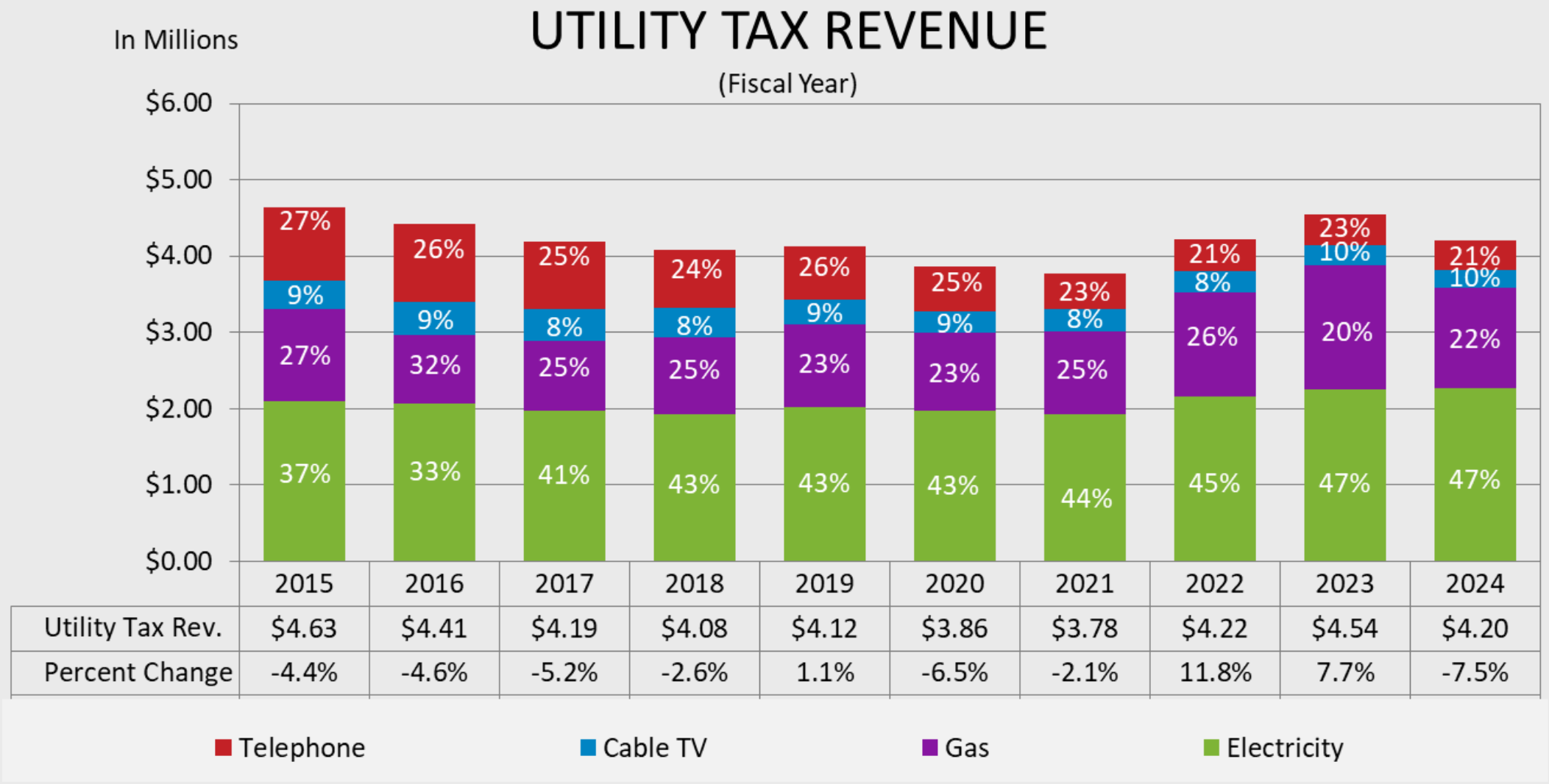
- State 1.0% Rate
- Local 2.5% Rate

Revenue

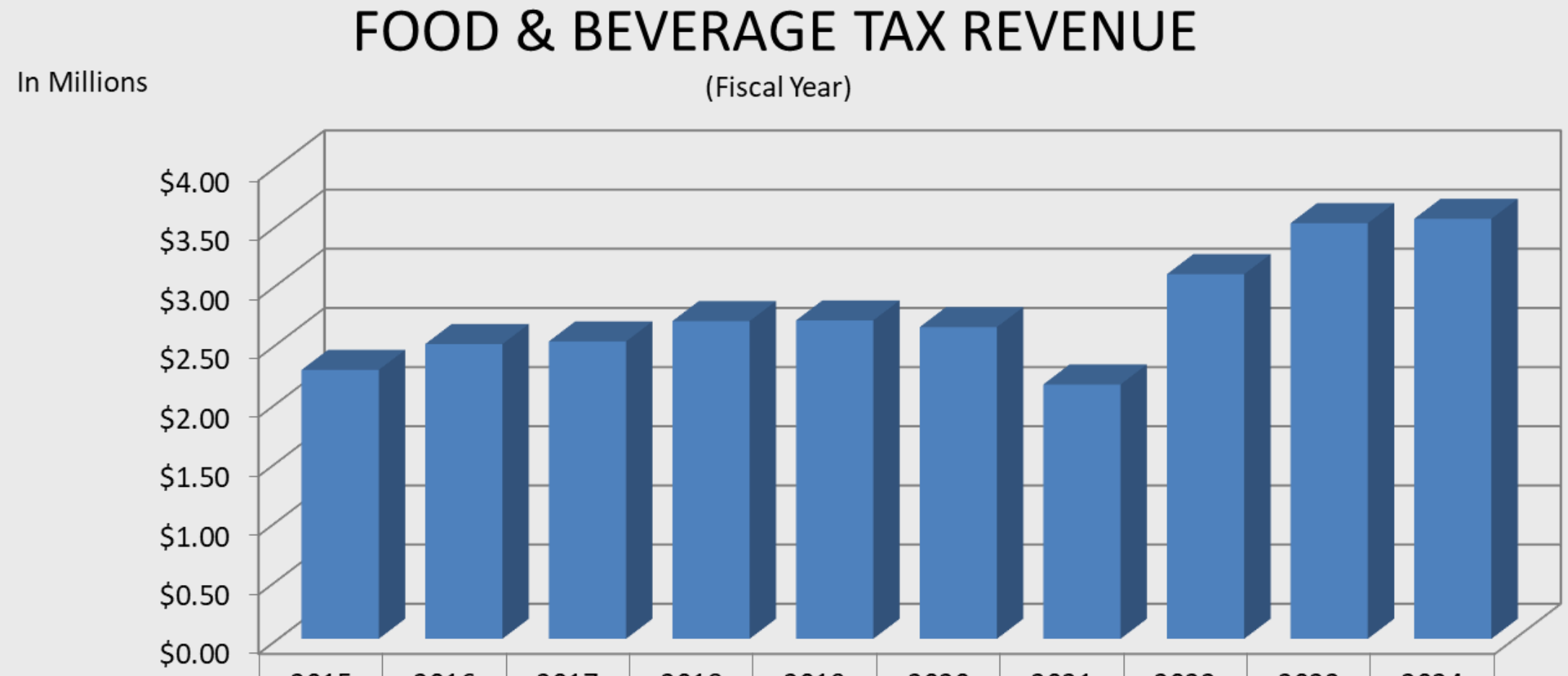


	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State Income Tax	5.14	5.59	4.96	4.76	5.10	5.69	6.02	7.57	8.52	8.63
Percent Change	0.5%	8.8%	-11.3%	-4.1%	7.1%	11.6%	5.8%	25.8%	12.5%	1.3%

Revenue


In Millions
UTILITY TAX REVENUE
(Fiscal Year)
$6.00
$5.00
$4.00
$3.00
$2.00
$1.00
$0.00
27%
9%
27%
37%
26%
9%
32%
33%
25%
8%
25%
41%
24%
8%
25%
43%
26%
9%
23%
43%
25%
9%
23%
43%
23%
8%
25%
44%
21%
8%
26%
45%
23%
10%
20%
47%
21%
10%
22%
47%
2015 2016 2017 2018 2019 2020 2021 2022 2023 2024
Utility Tax Rev. $4.63 $4.41 $4.19 $4.08 $4.12 $3.86 $3.78 $4.22 $4.54 $4.20
Percent Change -4.4% -4.6% -5.2% -2.6% 1.1% -6.5% -2.1% 11.8% 7.7% -7.5%
Telephone
Cable TV
Gas
Electricity

Revenue

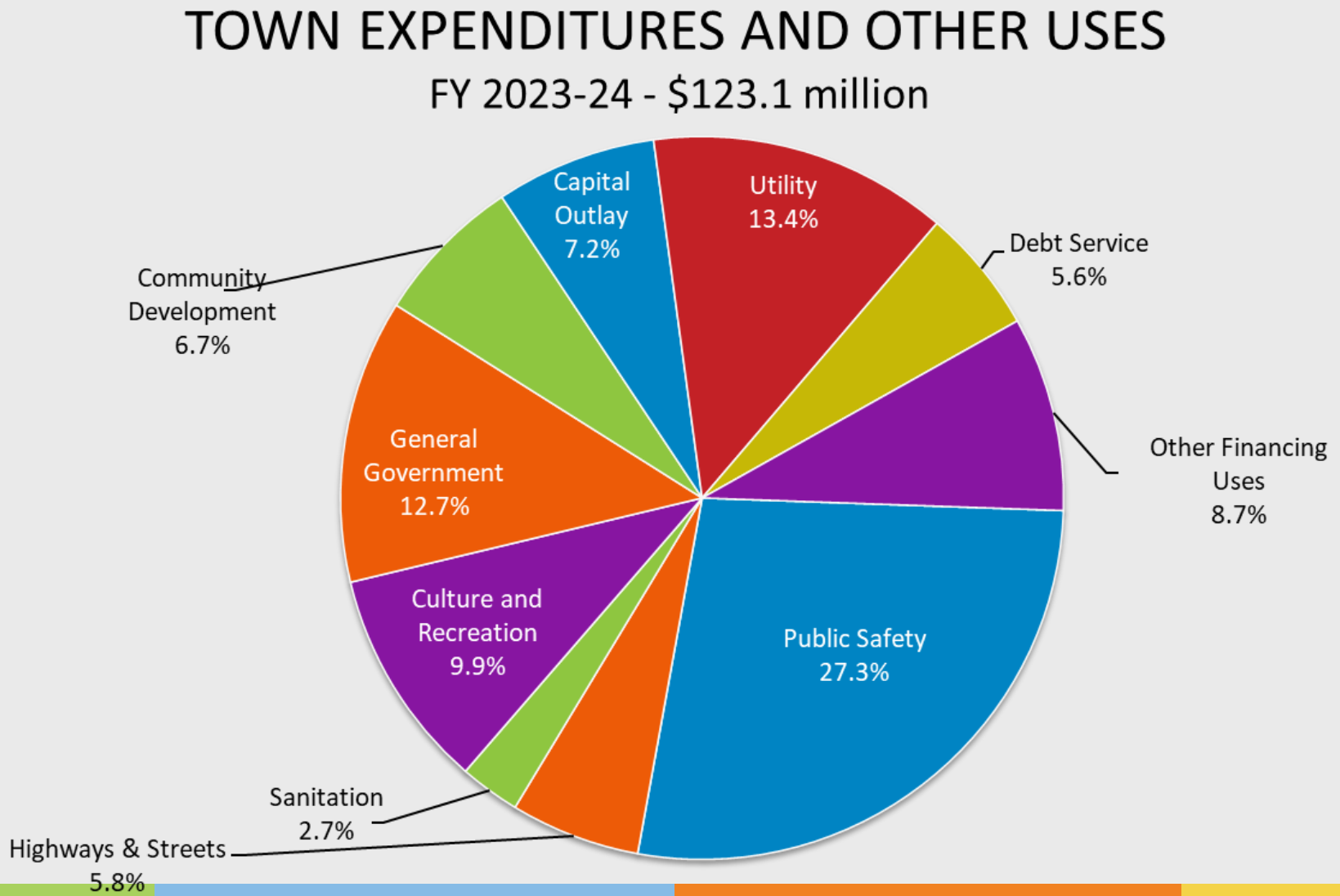


	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Percent Change	5.43%	9.60%	0.89%	6.85%	0.22%	-2.11%	-18.39%	43.35%	13.98%	1.06%
Food and Beverage	$2.27	$2.49	$2.51	$2.69	$2.69	$2.63	$2.15	$3.08	$3.51	$3.55

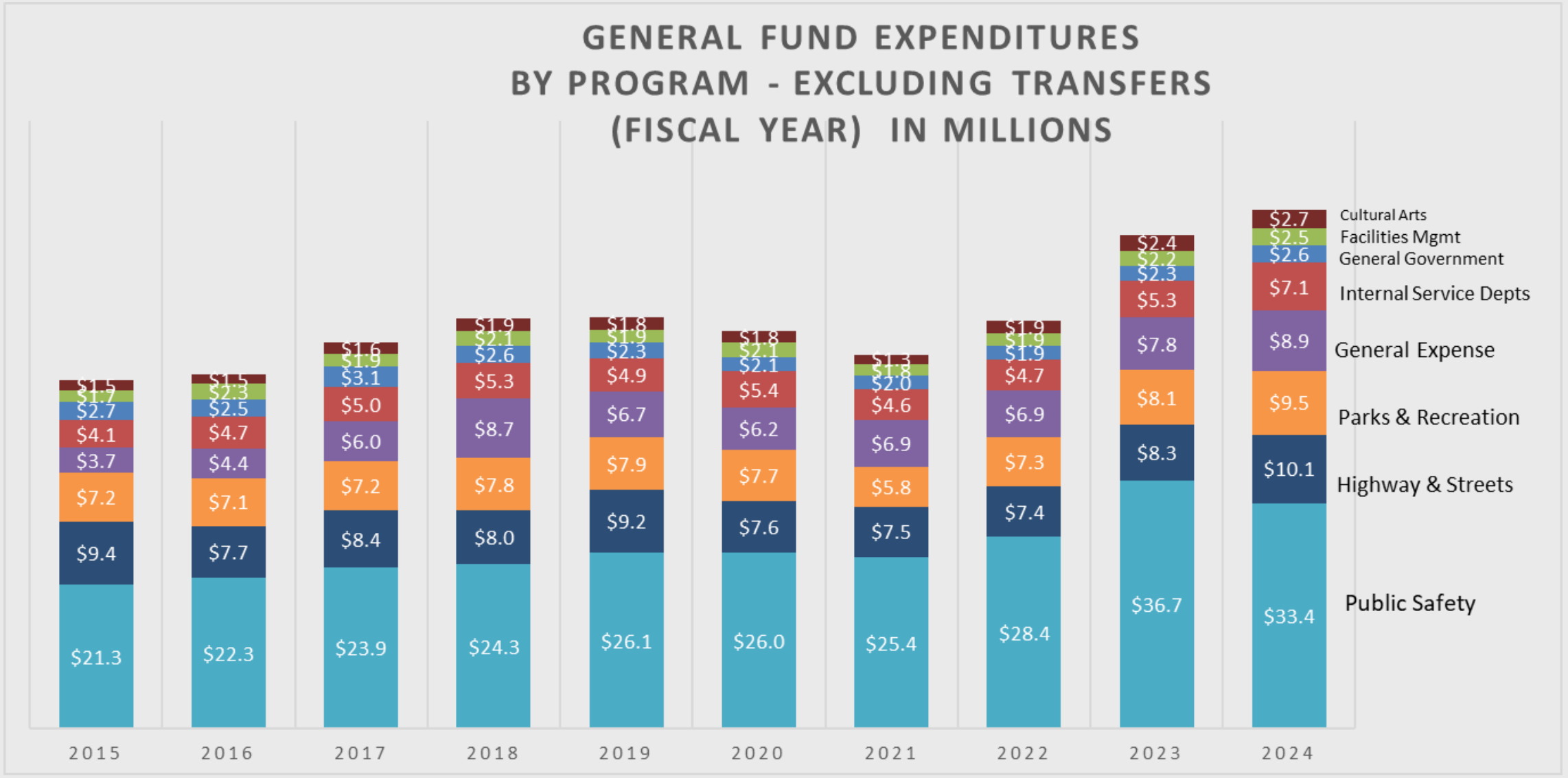
Expenses

Indicators
Town Expenditures by Type
General Fund Expenditure by Program
Personnel Costs/Total Expenditures
Police Pension Benefit Cost
Fire Pension Benefit Cost

Expenses


TOWN EXPENDITURES AND OTHER USES
FY 2023-24 - $123.1 million
Capital Outlay 7.2%
Utility 13.4%
Debt Service 5.6%
Community Development 6.7%
Other Financing Uses 8.7%
General Government 12.7%
Culture and Recreation 9.9%
Public Safety 27.3%
Sanitation 2.7%
Highways & Streets 5.8%

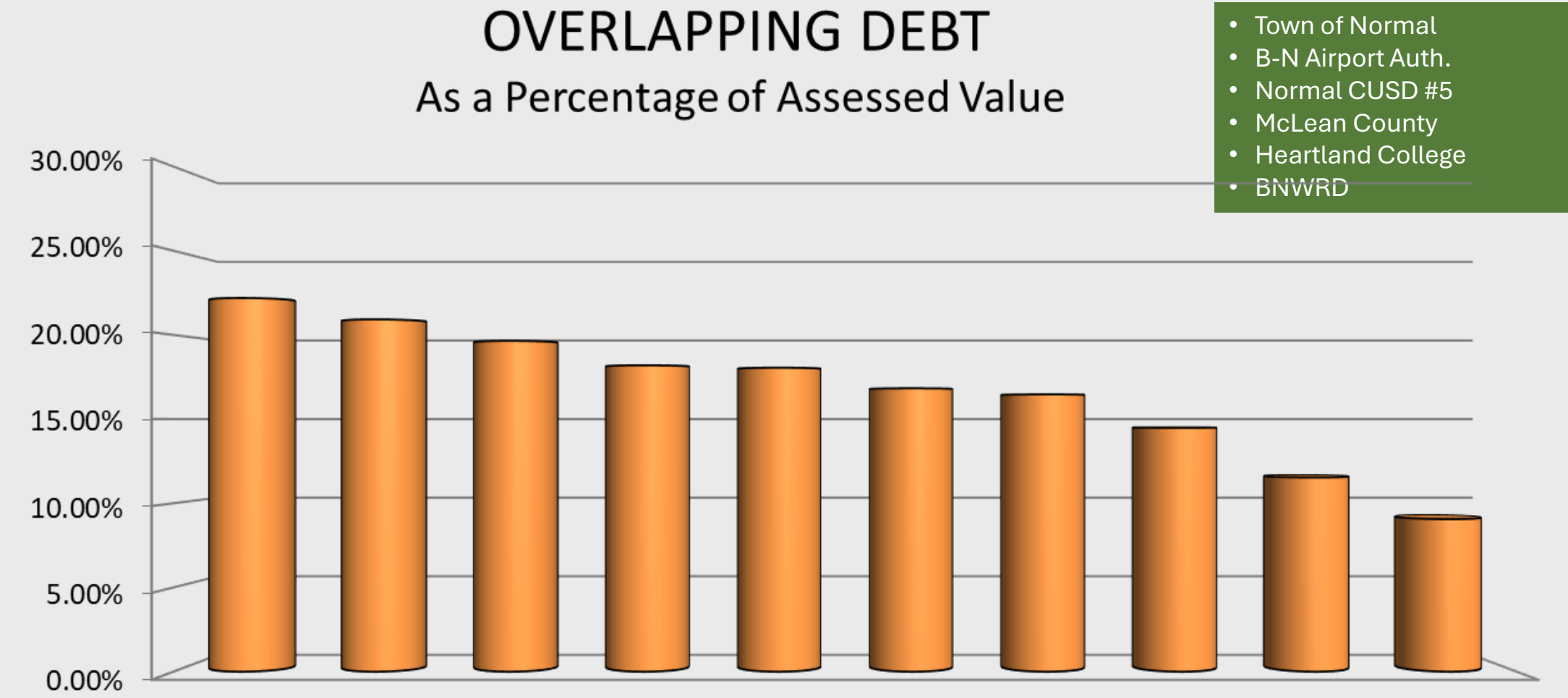
Expenses


GENERAL FUND EXPENDITURES
BY PROGRAM - EXCLUDING TRANSFERS
(FISCAL YEAR) IN MILLIONS
2015
$21.3
$9.4
$7.2
$3.7
$4.1
$2.7
$1.7
$1.5
2016
$22.3
$7.7
$7.1
$4.4
$4.7
$2.5
$2.3
$1.5
2017
$23.9
$8.4
$7.2
$6.0
$5.0
$3.1
$1.9
$1.6
2018
$24.3
$8.0
$7.8
$8.7
$5.3
$2.6
$2.1
$1.9
2019
$26.1
$9.2
$7.9
$6.7
$4.9
$2.3
$1.9
$1.8
2020
$26.0
$7.6
$7.7
$6.2
$5.4
$2.1
$2.1
$1.8
2021
$25.4
$7.5
$5.8
$6.9
$4.6
$2.0
$1.8
$1.3
2022
$28.4
$7.4
$7.3
$6.9
$4.7
$1.9
$1.9
$1.9
2023
$36.7
$8.3
$8.1
$7.8
$5.3
$2.3
$2.2
$2.4
2024
$33.4
$10.1
$9.5
$8.9
$7.1
$2.6
$2.5
$2.7
Cultural Arts
Facilities Mgmt
General Government
Internal Service Depts
General Expense
Parks & Recreation
Highway & Streets
Public Safety

Debt

Indicator	Rating
Overlapping Debt	Positive
Total Debt Outstanding	Positive
Long-Term Debt/Assessed Value	Positive
Bond Payments	Unclassified

Debt



- Town of Normal
- B-N Airport Auth.
- Normal CUSD #5
- McLean County
- Heartland College
- BNWRD

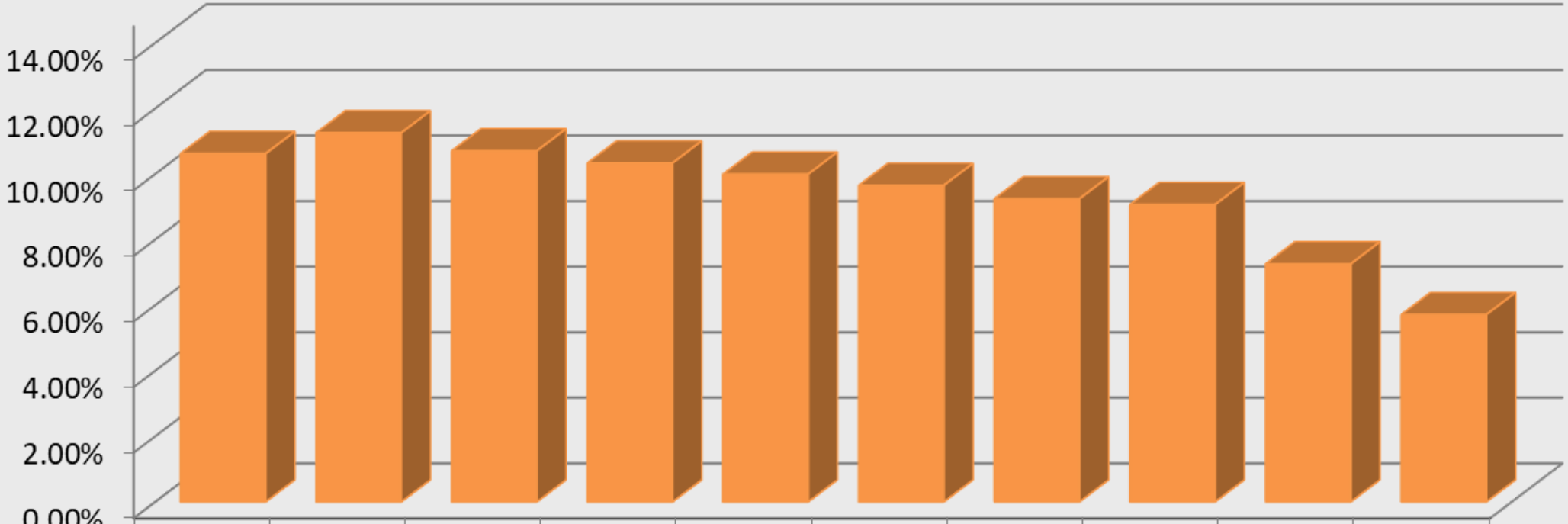
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Percentage	22.19%	20.92%	19.64%	18.19%	18.05%	16.82%	16.46%	14.49%	11.53%	9.06%

Debt

LONG-TERM DEBT

As a Percentage of Assessed Value

(Fiscal Year)

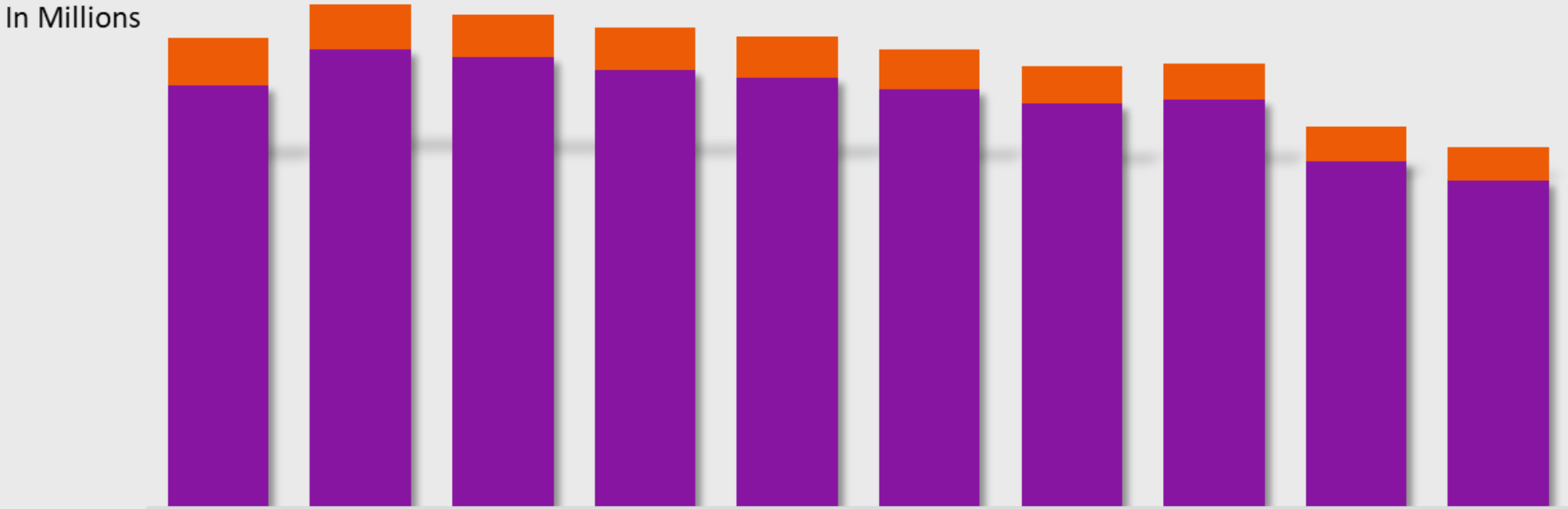


	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Percentage	10.62%	11.25%	10.70%	10.33%	9.99%	9.65%	9.24%	9.06%	7.25%	5.71%

Debt

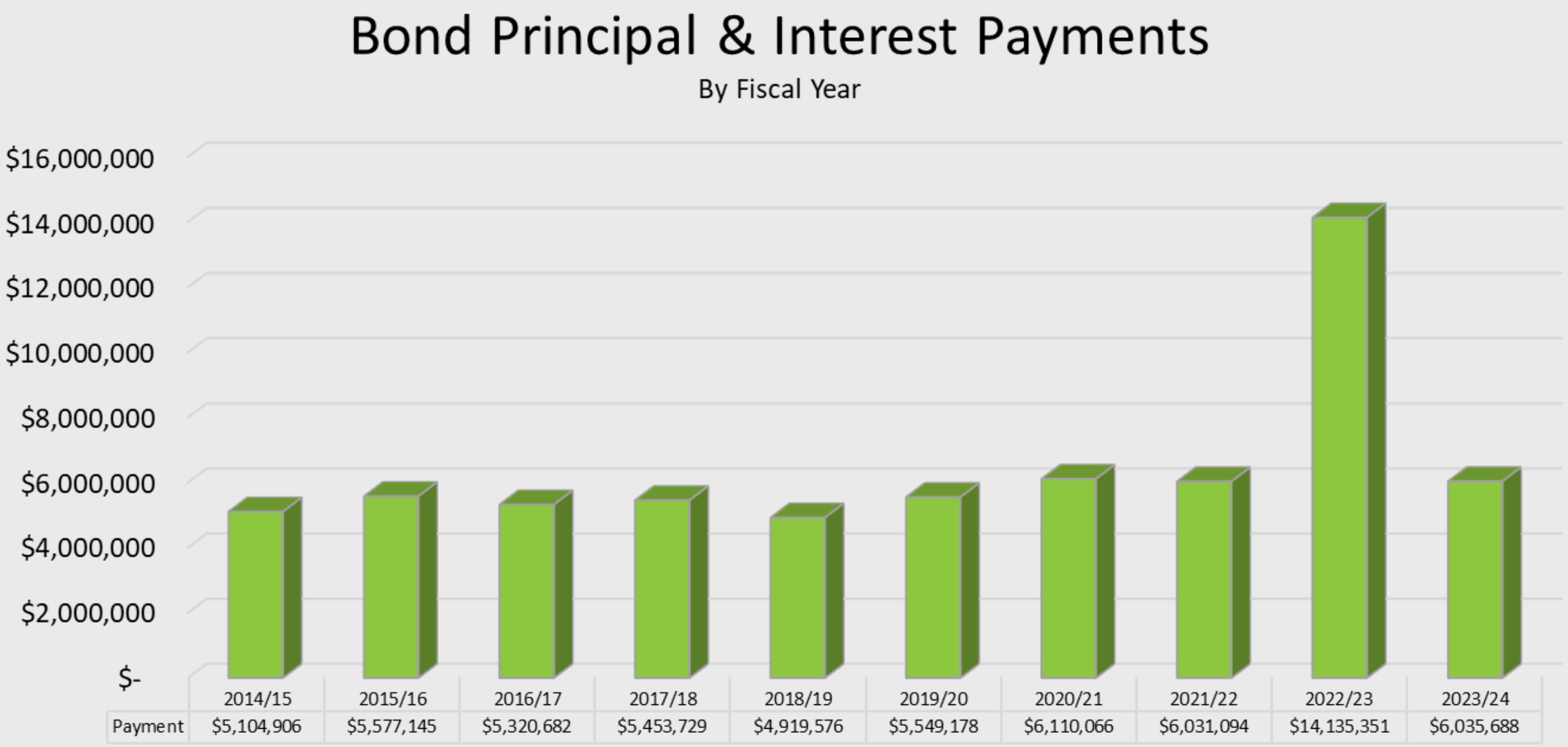
TOTAL DEBT OUTSTANDING

(At Fiscal Year End)



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Enterprise Bond Debt	8.87	8.46	8.10	7.83	7.61	7.34	7.04	6.76	6.45	6.06
General Bond Debt	79.12	85.70	84.23	81.99	80.48	78.41	75.60	76.36	64.85	61.33

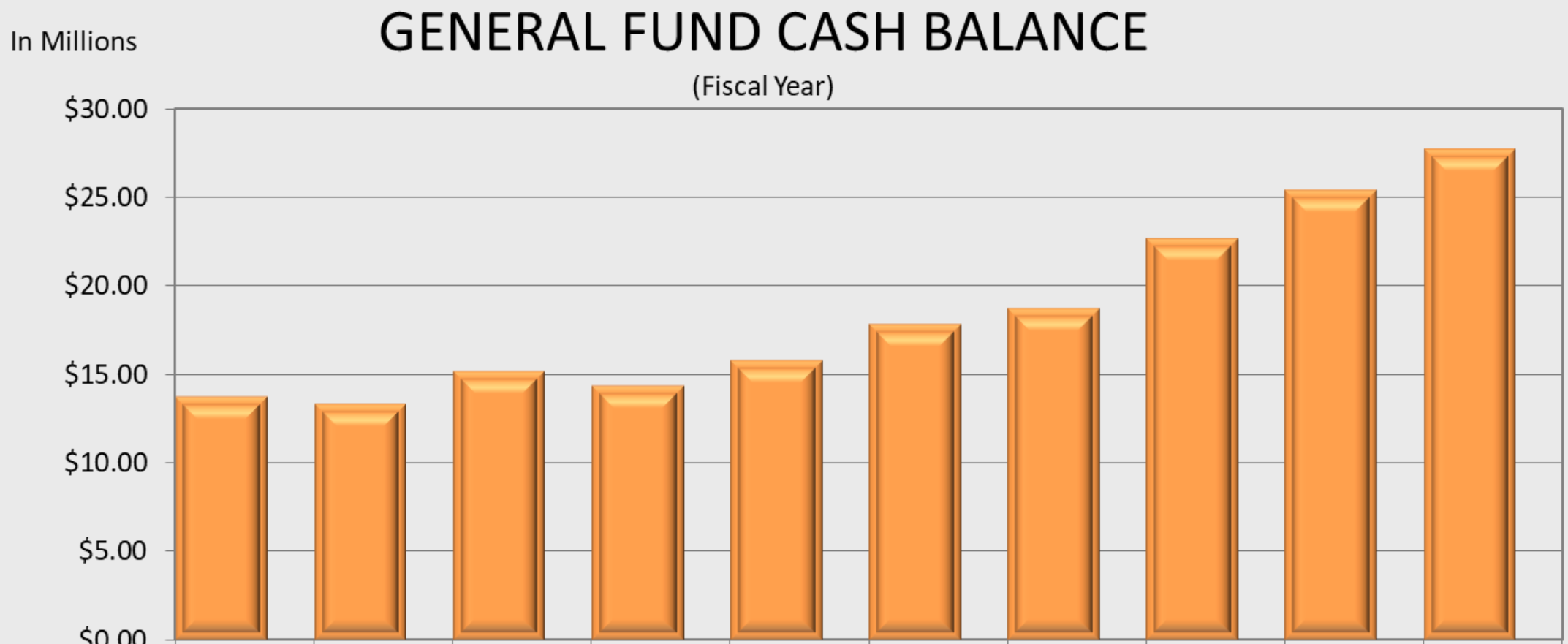
Debt


Bond Principal & Interest Payments
By Fiscal Year
$16,000,000
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
2014/15 2015/16 2016/17 2017/18 2018/19 2019/20 2020/21 2021/22 2022/23 2023/24
Payment $5,104,906 $5,577,145 $5,320,682 $5,453,729 $4,919,576 $5,549,178 $6,110,066 $6,031,094 $14,135,351 $6,035,688

Balance Sheet

Indicator	Rating
General Fund Cash Balance	Positive
General Fund Balance	Positive
Police Pension Funding Levels	Positive
Fire Pension Funding Levels	Positive
IMRF Funding Levels	Positive
Water Fund	Positive
Sewer Fund	Positive
Health Insurance Fund Balance	Positive

Balance Sheet



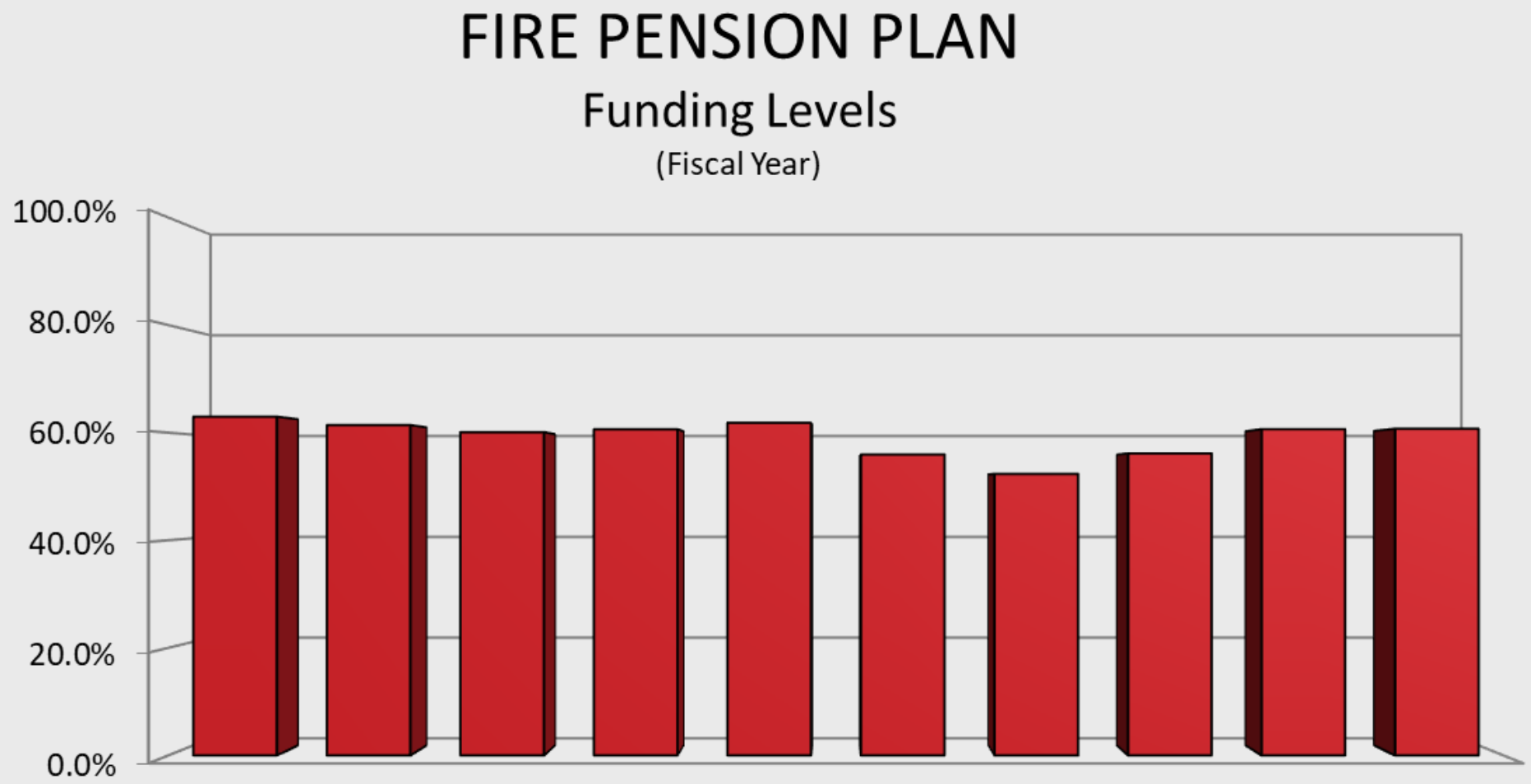
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Cash & Invest	13.79	13.36	15.23	14.37	15.85	17.87	18.74	22.74	25.47	27.80
Percent Change	6.0%	-3.1%	14.0%	-5.6%	10.3%	12.7%	4.9%	21.3%	12.0%	9.2%

Balance Sheet



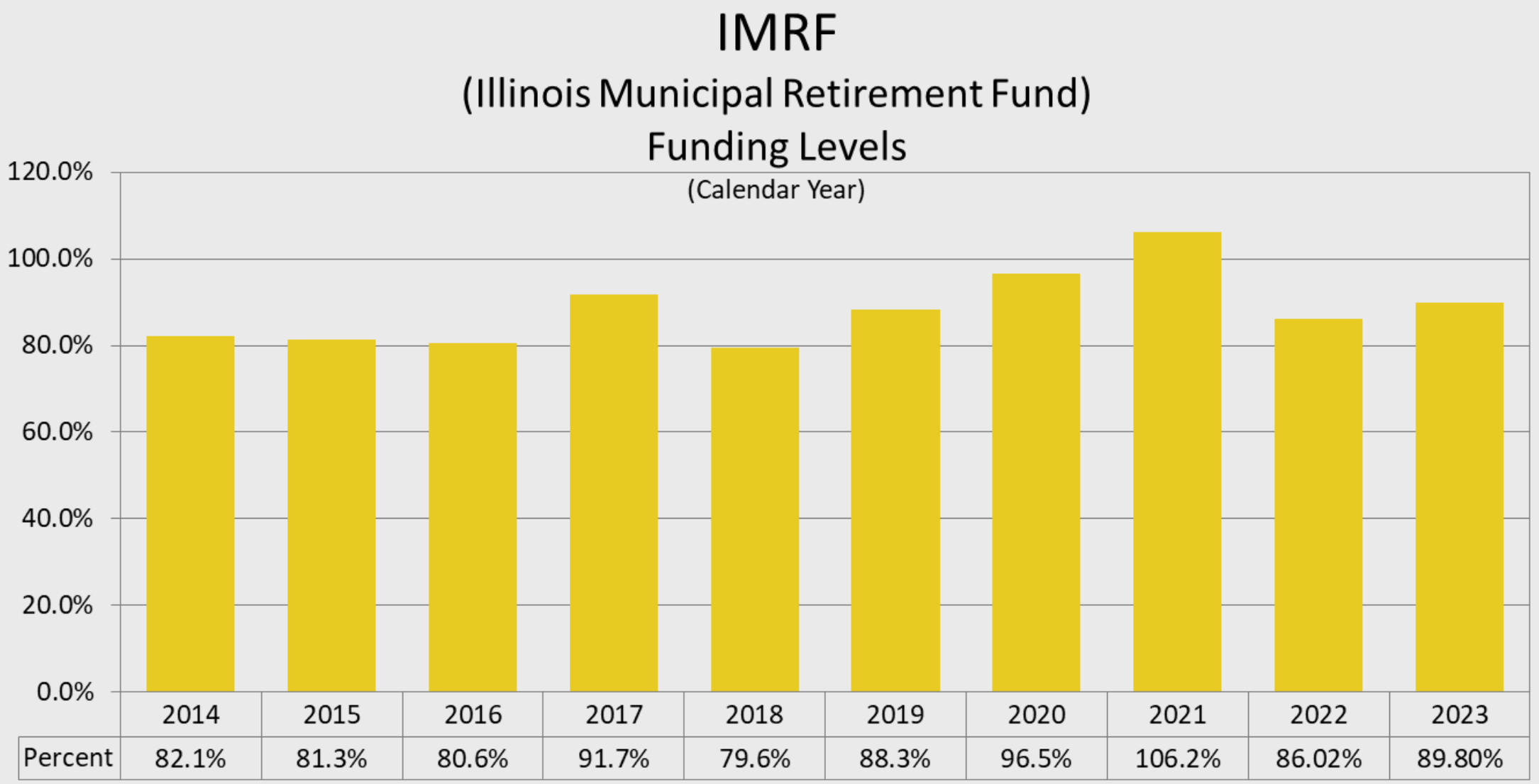
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Funding Level	60.4%	57.0%	55.4%	56.2%	55.9%	50.8%	47.0%	51.3%	55.0%	56.6%

Balance Sheet



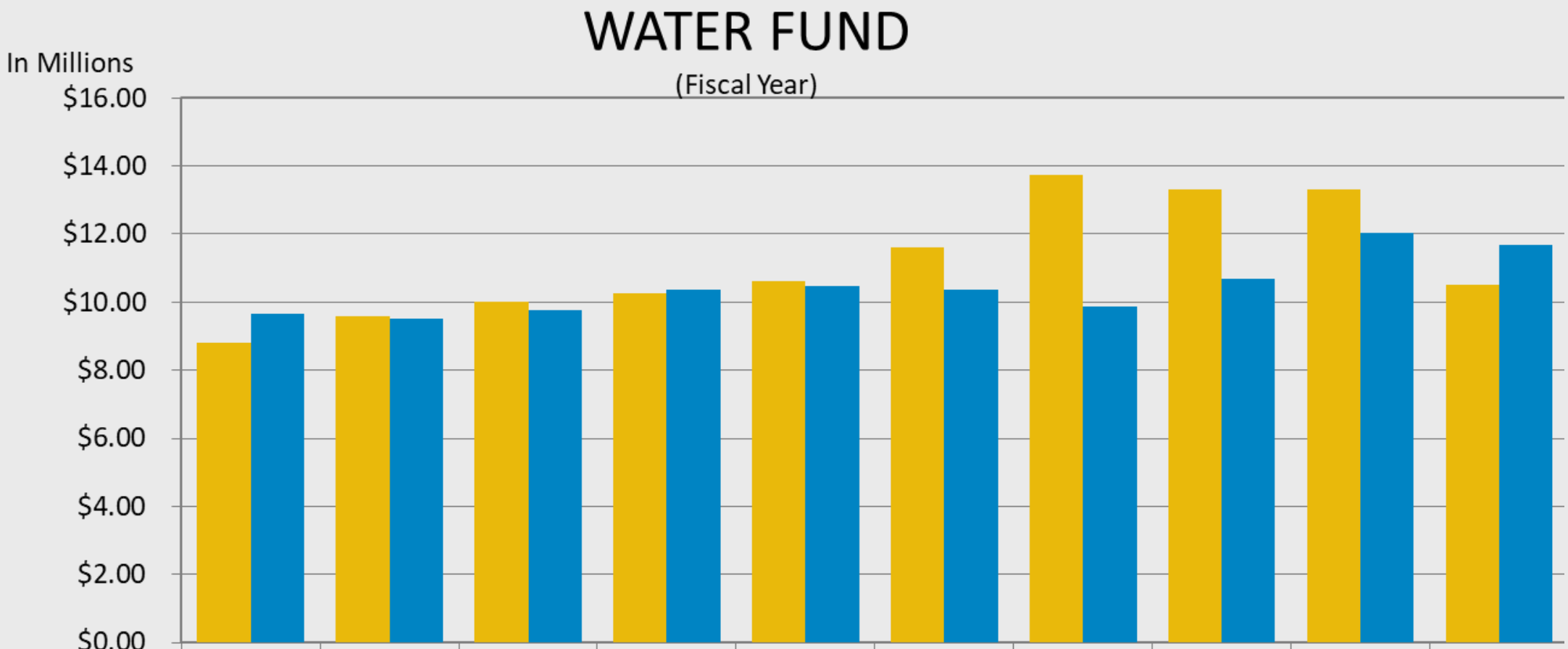
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Funding Level	63.0%	61.4%	60.1%	60.6%	61.8%	55.9%	52.3%	56.1%	60.6%	60.7%

Balance Sheet



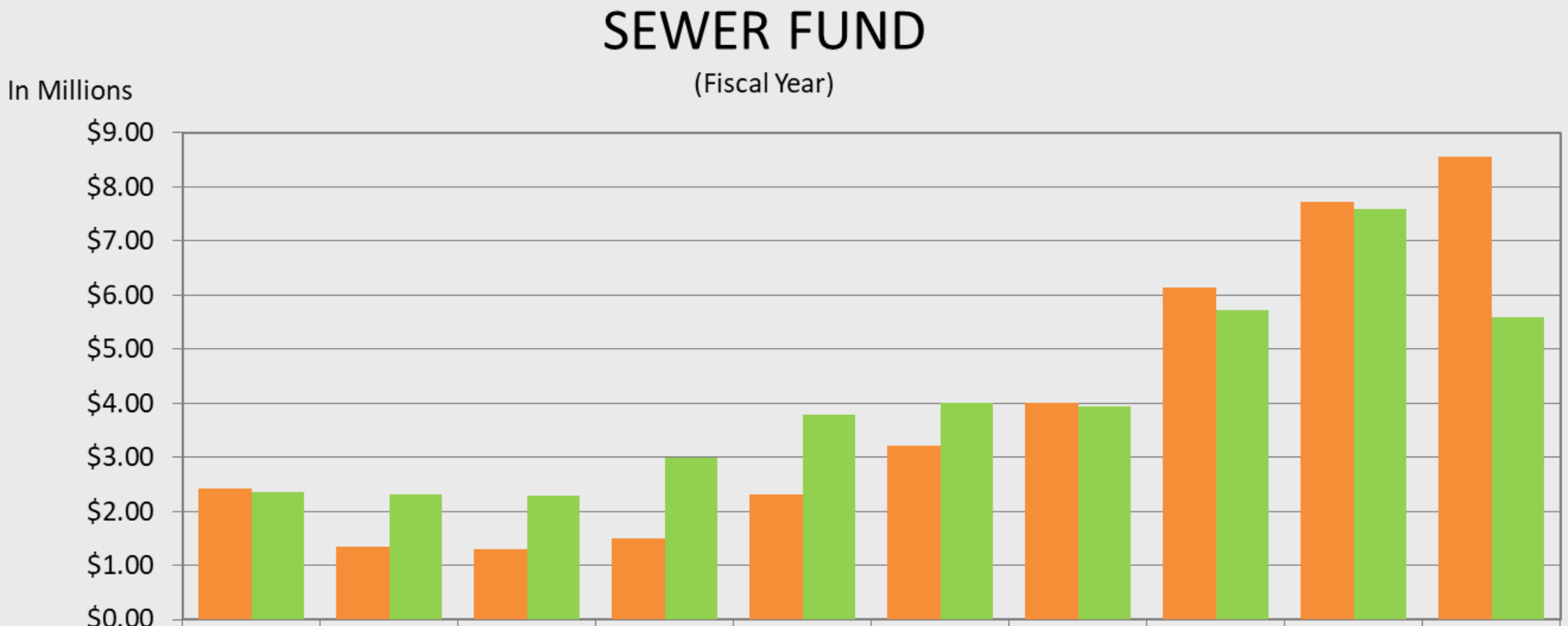
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Percent	82.1%	81.3%	80.6%	91.7%	79.6%	88.3%	96.5%	106.2%	86.02%	89.80%

Balance Sheet



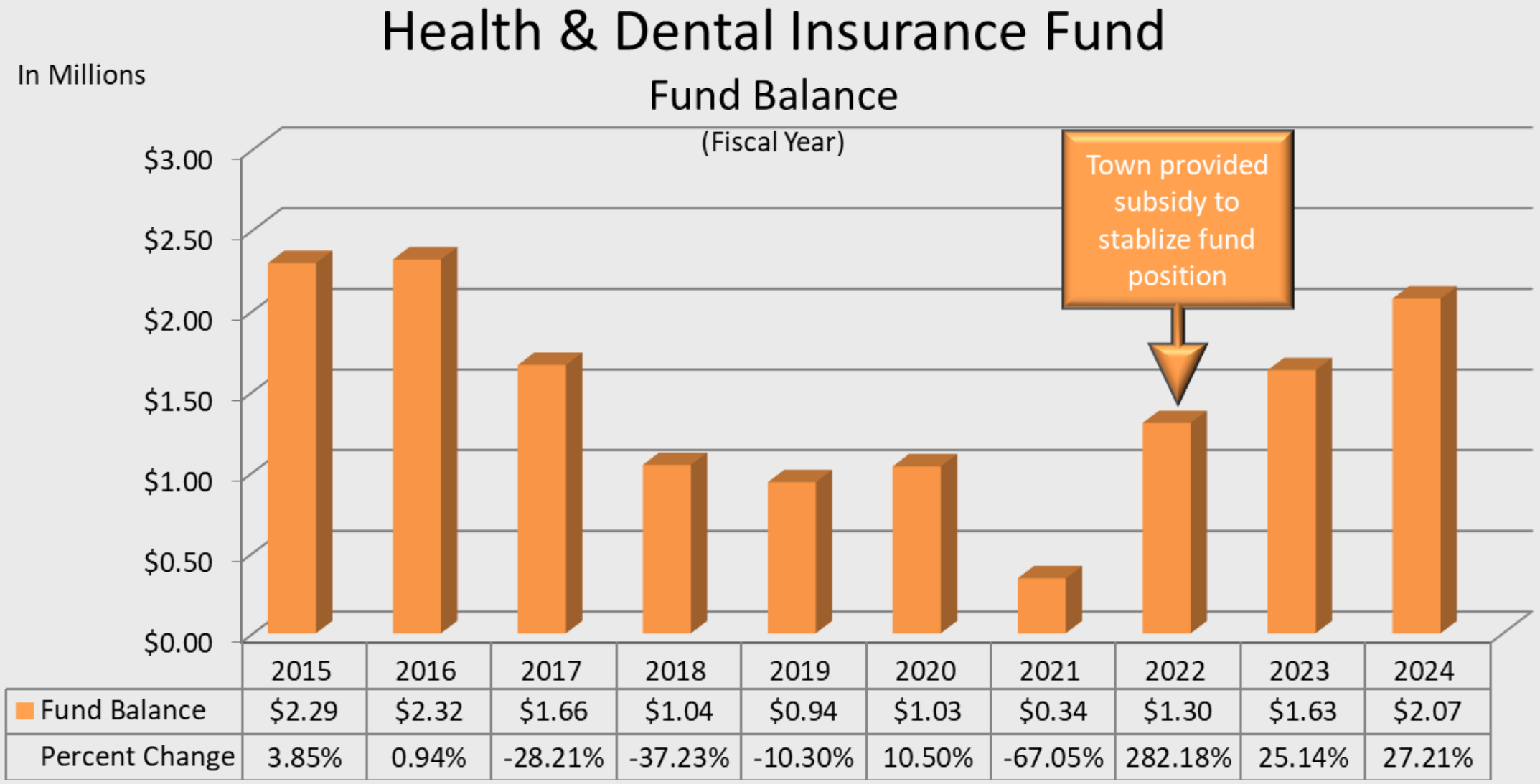
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Cash & Invest	$8.80	$9.58	$10.02	$10.25	$10.62	$11.61	$13.74	$13.30	$13.31	$10.50
Revenue	$9.67	$9.52	$9.75	$10.37	$10.46	$10.37	$9.86	$10.68	$12.05	$11.66

Balance Sheet



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Cash & Invest	$2.41	$1.34	$1.30	$1.50	$2.31	$3.21	$4.00	$6.13	$7.71	$8.56
Revenue	$2.35	$2.30	$2.29	$2.99	$3.78	$4.00	$3.94	$5.73	$7.59	$5.60

Balance Sheet

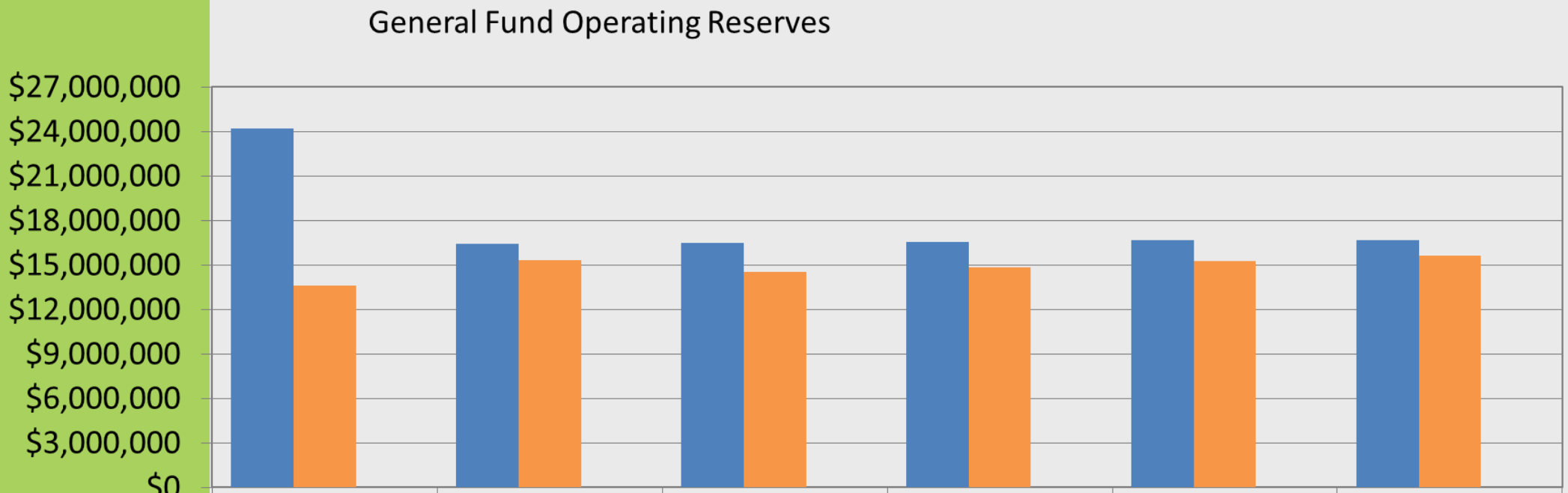


	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fund Balance	$2.29	$2.32	$1.66	$1.04	$0.94	$1.03	$0.34	$1.30	$1.63	$2.07
Percent Change	3.85%	0.94%	-28.21%	-37.23%	-10.30%	10.50%	-67.05%	282.18%	25.14%	27.21%

Financial Strategies

Indicator	Rating
General Fund Reserves	Cautious
Vehicle and Equipment Reserves	Positive
Contingency Funding	Cautious
Debt Management Capacity	Positive
Debt Management Coverage	Positive
Health Insurance Reserve	Positive
Water Fund Operating Reserve	Cautious
Water Capital Fund Reserves	Cautious
Sewer Fund Operating Reserves	Positive
Sewer Capital Fund Reserves	Positive

Financial Strategies



	Actual FYE2024	Adopted FYE2025	Proposed FYE2026	Proposed FYE2027	Proposed FYE2028	Proposed FYE2029
Projected Fund Balance	24,190,478	16,424,801	16,471,076	16,565,859	16,651,508	16,674,418
Target Fund Balance	13,614,832	15,349,414	14,526,488	14,847,611	15,240,492	15,647,305
Percentage	26.7%	16.1%	17.0%	16.7%	16.4%	16.0%

Budget Status Update

- **FY2023-24 – Closed Fiscal Year**
  - Revenues largely favorable, slowed at YE (Sales Tax)
  - Expenses below budget
  - Surplus position
  - Strong reserve levels
- **FY2024-25 Current Fiscal Year**
  - Revenues continue to slow
  - Adjust estimate to less favorable projection
  - Expenditures tracking at or below budget
  - Creating greater deficit than expected
  - Challenging budget cycle
- **FY2025-26 Budget Process Started**
  - Good fiscal position entering the budget process
  - Slowing revenue and rising costs are problematic (Solvable)
  - Economy less uncertain
  - Rebound



Questions