



City Council Agenda Memo

Crest Hill, IL

Meeting Date: August 22, 2022

Department: Treasurer's Office

Agenda Item: Summary of New Fiscal Year 2022~2023 Revenue Sources

Summary: This memorandum summarizes the new revenue sources that were implemented for Fiscal Year 2022~2023. This summary does *not* include the increase in revenue for the Community and Economic Development Department. That information is included with the other documents as part of the Fiscal Year 2022~2023 Financial Update discussion for this meeting found as attachment FY 2023 Business License Fees.

The Places for Eating Tax:

- A two (2) percent (%) tax assessed on gross receipts of food and beverages sold at qualifying establishments within the City of Crest Hill.
- The budget included \$500,000 for revenue from PFET for Fiscal Year 2022~2023.
- Effective date for the increase January 1, 2023.
- Year-to date revenue for this tax/fee is \$0.

Alarm Fee Increase:

- Alarm Registration Fee
 - Currently alarm registration fees are \$50 for a new alarm registration and then an annual alarm renewal fee of \$20. The City's recommendation is to increase the new alarm registration fee to \$100 for a new alarm registration and then an annual alarm renewal fee of \$100. There are currently three hundred and thirty-four (334) alarm registrations. The increase for the current registrations would be an annual increase of \$26,720.
 - Effective date for the increase January 1, 2023.
 - Year-to date revenue for this tax/fee is \$0.

- **False Alarm Fee**

- Currently, the city charges \$0 for the first false alarm, \$10 for the second false alarm and \$25 for subsequent false alarms. False alarm fees reset quarterly for every alarm that is registered. The city is recommending that the following fee structure is approved for false alarm occurrences: \$0 for the first false alarm, \$50 for the second false alarm and \$100 for subsequent false alarms. The fee would reset annually on January 1. The new structure would allow alarm registrants one false alarm occurrence each year.
- Effective date for the increase January 1, 2023.
- Year-to date revenue for this tax/fee is \$0.

Solicitor Fee Increase:

- Currently the solicitor permit fee is \$10 per permit. The permit is issued for every individual who will be soliciting. There is not a fee for the organization the solicitor is working for. The City's recommendation is to increase the solicitor permit fee from \$10 per permit to \$50. The average solicitor permits issued is forty (40) a year which would result in an increase of \$1,600 annually.
- Effective immediately upon passage of the Ordinance from the July 5, 2022 City Council meeting.
- Year-to date revenue for this tax/fee is \$0.

Tobacco License Fee Increase:

- Increase the annual Tobacco License fee from \$250 per license to \$750 per license. Currently, the City has twenty (20) registered tobacco licenses. This fee increase would result in an annual revenue increase of \$10,000.
- Effective date for the increase December 31, 2022.
- Year-to date revenue for this tax/fee is \$0 – fee renewal is on a calendar year basis

Video Gaming Machine License Fee Increase:

- Implement a \$250 annual fee per video gaming machine, as allowed by Illinois state statute. This would be a new source of revenue. Currently, the city does not charge establishments who have video gaming machines on their business premises a per video gaming machine fee. As of January 2022, there are one hundred and seven (107) video gaming machines that are operational within

twenty (20) establishments in the City. This new fee would result in \$26,750, annually.

- Effective date for the increase December 31, 2022.
- Year-to date revenue for this tax/fee is \$0 – fee renewal is on a calendar year basis.

City of Crest Hill New Revenue Sources Fiscal Year 2022~2023
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Presented during the Fiscal Year 2022~2023 budget discussions held in April 2022.

Revenue Source	Current Amount	Proposed Amount	Increased Amount
Existing Revenue Sources			
Business License Fee			\$ -
Building Permit Fees	\$ 150,000	\$ 200,000	\$ 50,000
Liquor License Fee	\$ 55,200	\$ 55,200	\$ -
Tobacco License Fee	\$ 5,000	\$ 15,000	\$ 10,000
False Alarm Fee	\$ 7,700	\$ 15,400	\$ 7,700
Bus Bench Advertising	\$ 700	\$ 6,000	\$ 5,300
Solicitor Permit Fee	\$ 350	\$ 4,000	\$ 3,650
Alarm Registration Fee	\$ 7,360	\$ 35,600	\$ 28,240
Total	\$ 226,310	\$ 331,200	\$ 104,890
New Revenue Sources			
Places for Eating Tax - 2%		\$ 500,000	\$ 500,000
Comptroller Debt Recovery Program		\$ 10,000	\$ 10,000
Video Gaming Machine License	\$ 5,000	\$ 26,750	\$ 21,750
IPBC Reserve Funds		\$ 200,000	\$ 200,000
Ticket Amnesty		\$ 18,000	\$ 18,000
2% LGDF Increase		\$ -	\$ -
Cannabis Tax		\$ 250,000	\$ 250,000
Video Advertising Billboards		\$ 12,000	\$ 12,000
Overweight Truck Permit	\$ -	\$ 6,750	\$ 6,750
Total		\$ 1,023,500	\$ 1,018,500
Anticipated Revenue			
State Grant	\$ 1,000,000		
State Grant	\$ 1,000,000		
City Hall Sale	\$ 1,800,000		
	\$ 3,800,000		