



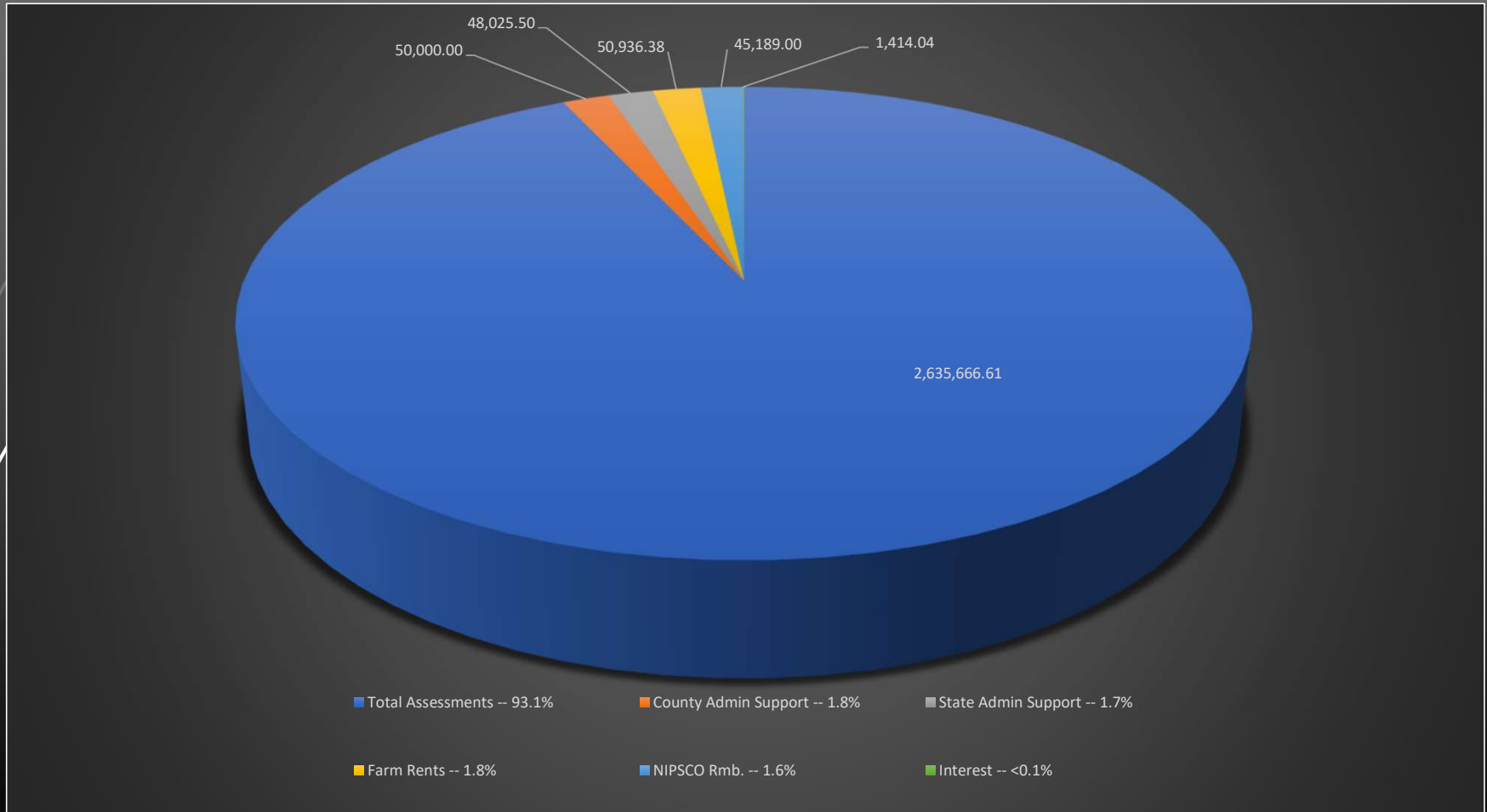
BASIN DEVELOPMENT COMMISSION BUDGET REPORT AND 2022 OVERVIEW

Kankakee River Basin and Yellow River Basin Development Commission,
JANUARY 21, 2022

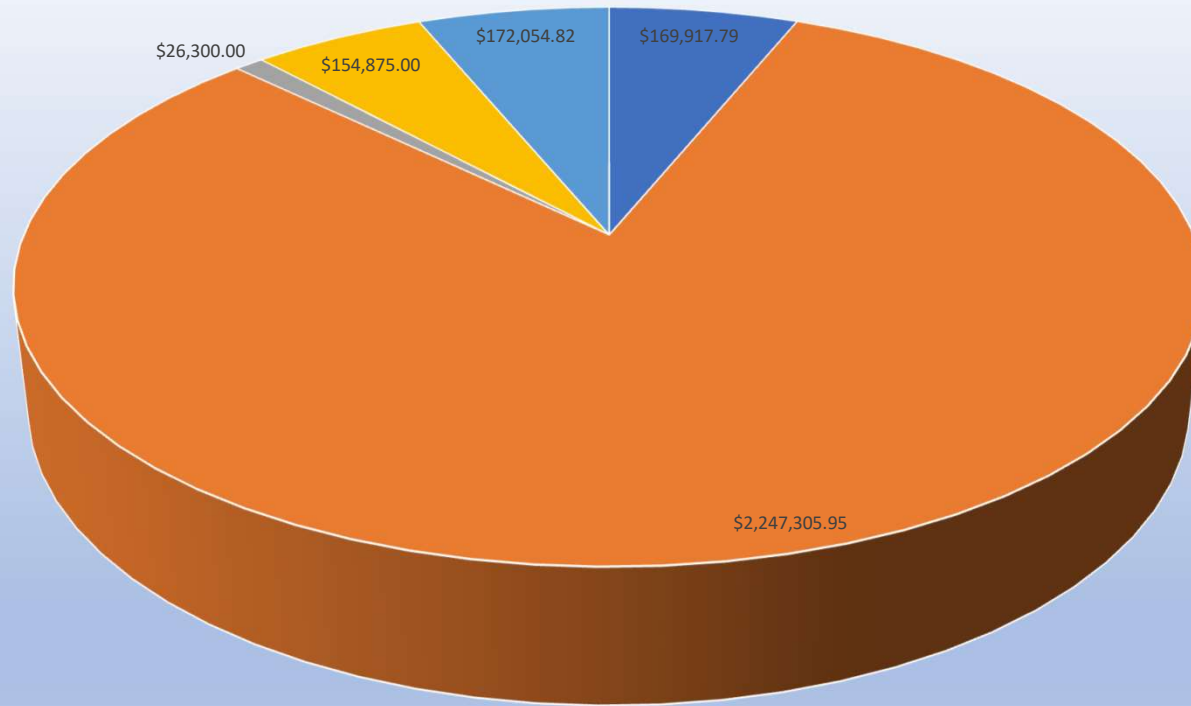
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2021 REVIEW

2021 REVENUE, BY SOURCE



2021 EXPENDITURES, BY CATEGORY

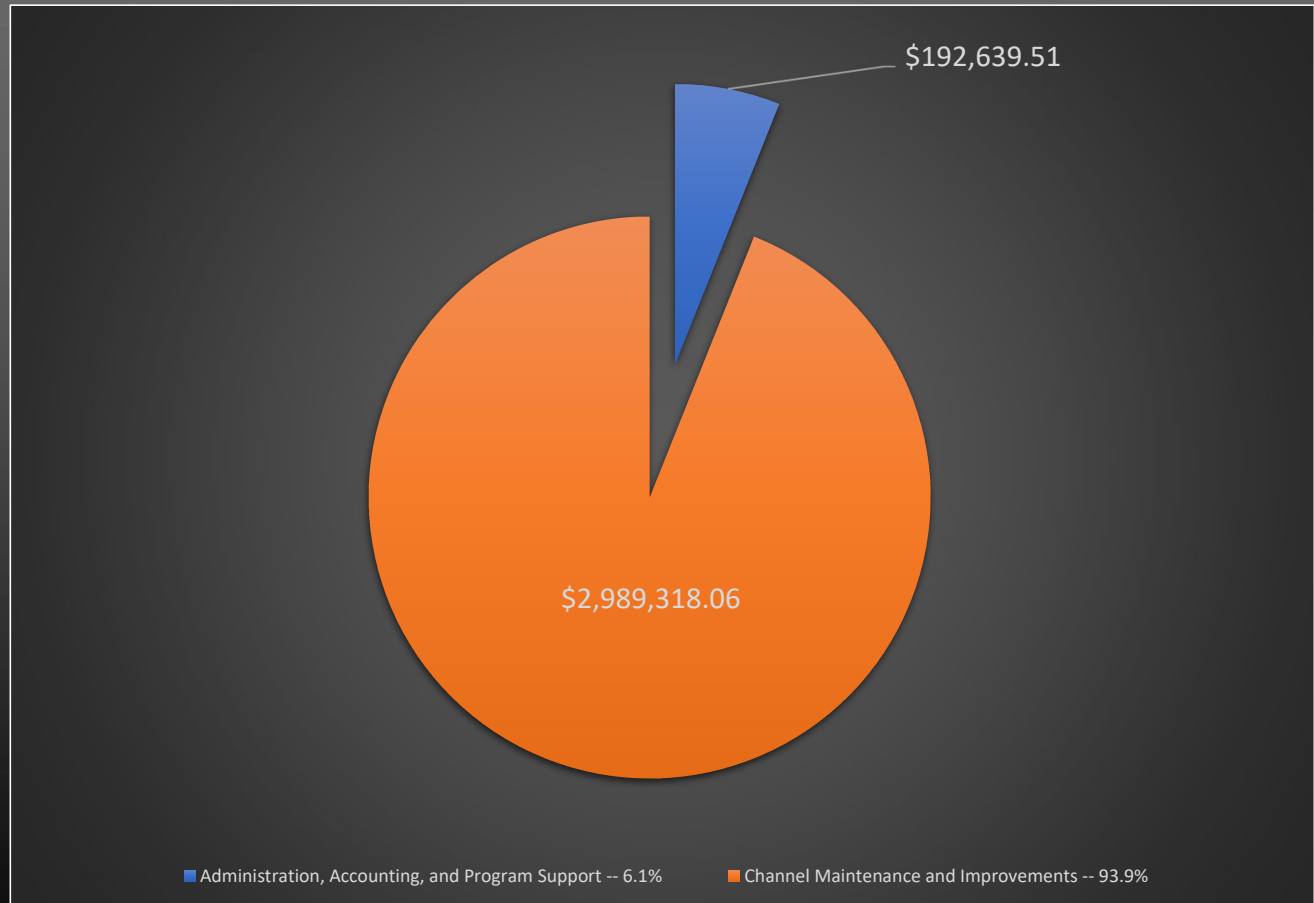


■ Administration and Accounting - 6.1% ■ Channel Maintenance/Reconstruction - 81.1% ■ Local Program Support - 0.9% ■ River Gages - 5.6% ■ Technical Services - 6.2%

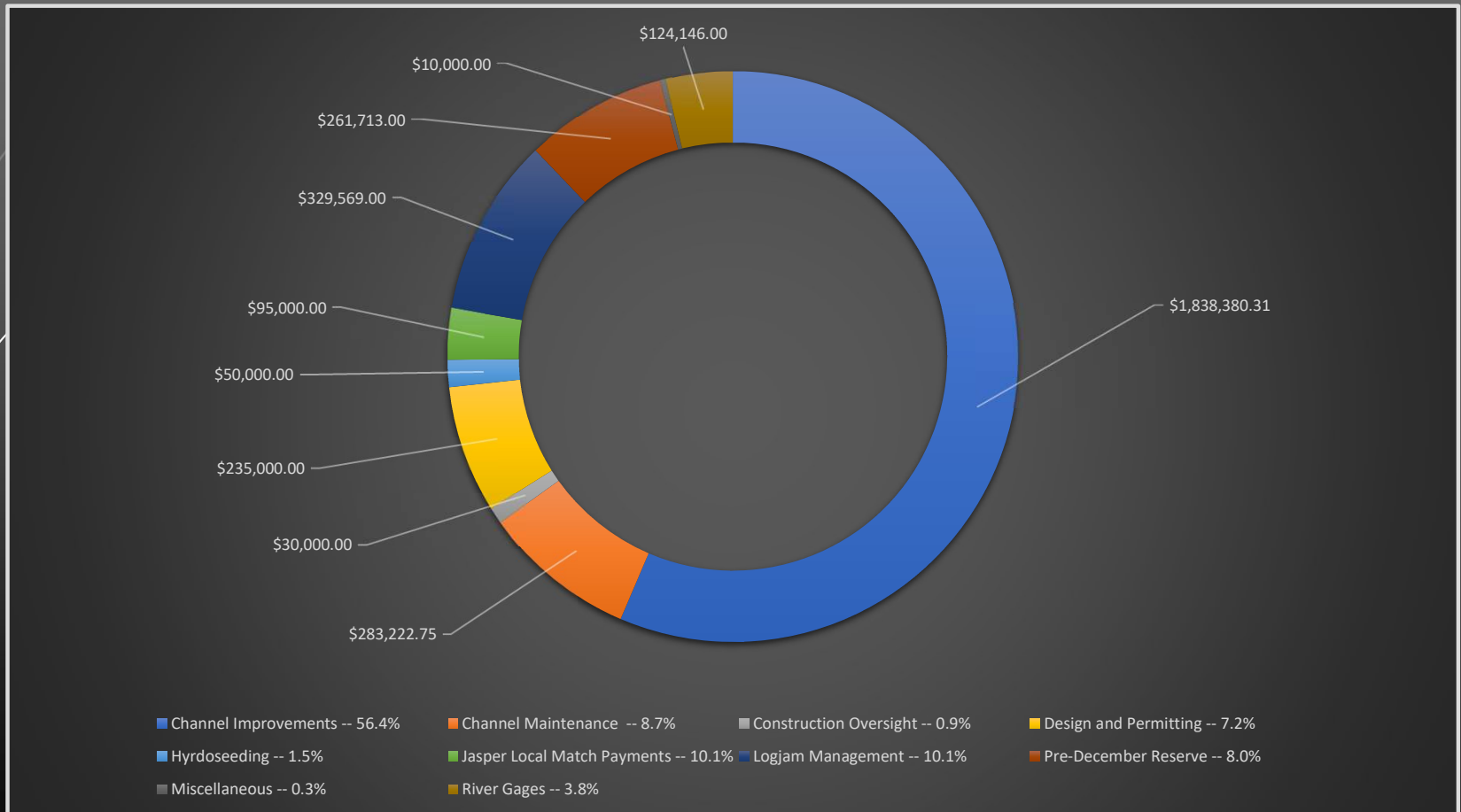
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2022 BUDGET

2022 BUDGETED EXPENDITURES BY TYPE



2022 BUDGETED RIVER WORK BY TYPE






CHALLENGES FOR DRAFT 2022 BUDGET

- ▶ **CASH FLOW** – Major revenue arrives in July and December
- ▶ December revenue does not have practical use in current calendar year
- ▶ Must plan for sufficient cash resources to carry into following year
- ▶ Timing of projects is relevant for cash management
- ▶ Goal is for *at least* \$1 million to carry into following year



CHALLENGES FOR DRAFT 2022 BUDGET

- ▶ Uncertainty of labor costs
 - ▶ Maintaining flexibility for flood responses
 - ▶ Choosing between strategic needs
 - ▶ Fewer remaining funds from 2019 state allocation
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LONGER-TERM BUDGET CHALLENGES

- ▶ Meeting essential administrative needs
- ▶ Uncertainty of administrative revenue sources
 - ▶ NIPSCO reimbursements after planned Wheatfield Plant closure in 2023
 - ▶ Farm lease up in 2026
 - ▶ State dollars reconsidered every two years




LONGER-TERM BUDGET CHALLENGES

- ▶ Counties opting to use different revenue sources may be discounted
 - ▶ Inflation eroding the value of fixed revenue sources
 - ▶ Changes in assessment parcel classifications
 - ▶ Interceding policy changes
- 




SOLUTIONS WITHIN OUR POWER

- ▶ Maintain prudent non-assessment fund reserves
 - ▶ Maintain strong pace of projects with purchasing power of current assessments
 - ▶ Let the budget dictate the length of Yellow River reconstructions
 - ▶ After 2022, budget for the Yellow as the current priority, but at less than 50% of annual assessment fund budget
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SOLUTIONS WITHIN OUR POWER

- ▶ Whenever feasible, leverage non-assessment revenue sources that serve the mission
 - ▶ Remain open to mission-oriented cost-sharing arrangements and partnerships
 - ▶ Scrutinize costs without cutting muscle
 - ▶ Remain committed to the mission, deliver results, and tell people about them
- 




SWOT

Strengths, **W**eaknesses, **O**pportunities, and **T**hreats




STRENGTHS

- ▶ Committed Commission members with diverse expertise
 - ▶ Supportive and engaged stakeholders
 - ▶ Stable revenue stream of capital dollars
 - ▶ Working partnerships with member counties
 - ▶ Defined work plan with demonstrable body of work in less than three years
 - ▶ Available reserves for emergencies
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WEAKNESSES

- ▶ Uncertainties in non-assessment revenue sources
 - ▶ No clear operational fallback if the director is seriously ill, injured, or incapacitated
 - ▶ Revenue structure affected by long-term cost increases and purchasing power reductions
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OPPORTUNITIES

- ▶ Unprecedented investment in Kankakee River Basin
 - ▶ Abundance of “low hanging fruit” project proposals
 - ▶ Emerging partnerships with entities in possession of their own resources
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THREATS

- ▶ Close series of extreme weather events overwhelm planning and budget
 - ▶ Higher-level policy decisions render it infeasible to execute key plan aspects
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