

Memorandum

To: Honorable Mayor and Members of the City Council

From: Martin Lyons, Assistant City Manager/Chief Financial Officer
Ashley King, Budget & Finance Manager

CC: Wally Bobkiewicz, City Manager

Subject: Fourth Quarter Financial Report for Fiscal Year 2016

Date: March 13, 2017

Recommended Action:

Staff recommends City Council accept and place the Fourth Quarter Financial Report for FY 2016 on file.

Summary:

The City ended the fourth quarter of the 2016 fiscal year with \$4.3 million more in cash and approximately \$1.1 million more in fund balance than the audited year-end of 2015. 2016 numbers are still unaudited and will be adjusted during the audit process to account for various accruals. A majority of this preliminary difference is in the following funds:

| | Cash 2015 | Fund Balance 2015 | Cash 2016 | Fund Balance 2016 | Cash Difference | Fund Balance Difference |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------------------|
| Balance Differences | | | | | | |
| General Fund | 4,000,065 | 10,704,836 | 5,370,342 | 11,909,074 | 1,370,277 | 1,204,238 |
| Capital Improvement Fund | 8,182,705 | 5,255,424 | 13,124,676 | 9,633,817 | 4,941,971 | 4,378,393 |
| Parking Fund | 10,466,984 | 10,777,874 | 8,425,983 | 11,486,869 | (2,041,001) | 708,995 |
| Water Fund | 8,680,710 | 9,223,203 | 6,024,908 | 5,291,422 | (2,655,802) | (3,931,781) |
| Sewer Fund | 2,177,325 | 4,012,808 | 3,443,030 | 4,963,921 | 1,265,705 | 951,113 |
| All Other Funds | 22,590,915 | 21,377,397 | 24,014,443 | 19,192,832 | 1,423,528 | (2,184,565) |
| Total | 56,098,704 | 61,351,542 | 60,403,382 | 62,477,935 | 4,304,678 | 1,126,393 |

The 2016 Water Fund balance is lower due to the timing of capital projects and is still well above the minimum fund balance, per policy.

At the close of the first quarter of 2016, there was a General Fund surplus of \$4.1 million; at the end of the second quarter a surplus of \$8 million; at the end of the third quarter a surplus of \$5.2 million. This 4th quarter report shows a surplus of \$1.2 million. There are a number of receivables which will be booked during the audit process in the first quarter of 2017 (2016 audit). The adjustments will bring the 2016 year-end fund balance to over \$12 million compared to our estimated fund balance projection in the 2017 budget document of \$12.3 million. The current attached financial report shows the General Fund year-end balance at \$11,909,074.

The City's internal policy is for 16.6% of expenses to be in fund balance as a reserve. The 2016 year-end minimum reserve is over \$18 million. This increase is due to the required reporting of police/fire pension costs in the General Fund. With the 2017 Budget Adoption, Council approved the combination of the Economic Development Fund into the General Fund. This will add \$2,887,918 to the fund balance, bringing it to nearly \$15 million. Details of this transfer and the implications can be found on page 16 of the 2017 Budget.

The main differences between 2015 and 2016 year-end are explained below:

- Property taxes are higher than this time last year because the City adopted this increase for the 2016 Budget (page 56 of 2016 budget). Although the increase is for the Pension funds, this money is now double counted as an interfund transfer into the General Fund and then also into the respective pension funds.
- Natural Gas Utility Tax revenue is weather dependent and was lower in 2016 than 2015. 2015 Revenue was \$987,000. For 2016, this revenue was \$870,092. January and February 2017 were also uncharacteristically warm, anticipating that the budget will not be met in 2017 either. Snow removal expenses will also be much less, however, due to this loss of revenue may not be reallocated to other expenditure areas.
- Telecommunications Tax ended 2016 at \$2,114,254.82; this is over \$300,000 lower than 2015 revenue for this line item. Staff has noted this revenue source will decline due to a shift in consumers opting out of additional phone lines as well as moving to internet-based phone services (which are not taxable).
- Building permits are \$3.8 million higher than last year. 2015 anticipated a building permit that was delayed until 2016. 2016 permit revenue was nearly \$8.5 million. This higher permit revenue continues to show the increase in building throughout Evanston. The 2017 budget for this line item is \$9.3 million with an anticipated \$1.7 million being transferred to the Capital Fund.

Attached are summaries of the City's funds for the fourth quarter of FY 2016. In reviewing these reports, please note the following:

- A majority of the revenues are recorded at the time they are actually received (permits, property taxes, fees, etc.), however, some revenues are recorded at the time of notification of the revenue being earned by the City (sales, income, telecommunications taxes, etc).
- While some major revenues are received on a monthly basis, other revenues are received less uniformly throughout the year. An example is property taxes, which

are billed bi-annually and then distributed by the County as payments are received. Wheel tax (also known as vehicle license) is another example of City revenue received in a non-monthly manner. Vehicle license revenue is majority received in November and December due to the renewal period opening in October. This revenue is payment for the full year vehicles license for the following year. Residents pay their 2017 vehicle license in 2016.

- Operating expenses are incurred on a uniform basis for items such as payroll, utilities, fuel, etc., and on an as needed basis for supplies, equipment and specific outsourced services.

General Fund Revenues:

General Fund revenues through the December 31, 2016 were \$112.3 M or 100.2% of budget. The fourth quarter performance of major General Fund revenue sources is summarized below:

- Through December 31, 2016 property tax revenue was \$27,302,687 or 99.6% of budget.
- State income tax was recorded in the amount of \$8,022,920 through December 31, 2016, achieving 105% of the budget target for this revenue item.
- Regular sales tax revenue in FY 2016 was \$9,953,698 or 93% of budget. Home rule sales tax revenue in FY 2016 was \$6,128,279 or 94% of budget. Both of these amounts were significantly under the Illinois Municipal League forecasted amounts, which is the basis for City projections.
- Real estate transfer tax through December 31, 2016 totaled \$3,527,714 or 18% over the budget target for this item. The budget for 2017 was increased to \$3,100,000 or \$100,000 over the 2016 budget.
- Through December 31, 2016, licenses, permits, and fees were approximately 12% over budget. Building permit revenue was \$8,485,571 or nearly \$1 million over budget.

General Fund Expenditures:

Through December 31, 2016, General Fund expenditures were \$111,150,697 or 99.4% of budget. It is important to note, for the General Fund, many expenditures / disbursements are not made evenly throughout the year. For example:

- Seasonal employee wages in Parks, Recreation and Community Services are typically charged during the summer months.
- Police Department assigns additional patrol details during the summer months.
- There were minor snow events in November and December.
- As noted in the monthly financial report, the City had three and a half pay periods in December 2016, each at approximately \$2.6 million.

As can be seen in the attached chart, there were a few General Fund departments which were over budget at the year-end for expenses.

- City Clerk's budget is over by \$30,772 mainly in personnel costs. This is partially offset by Passport processing revenue over budget of \$14,238.
- Police is over budget by \$105,897.

- Fire is over budget by 3% or \$631,861 mainly in personnel expenses:
 - Regular Pay over budget by \$252,477.
 - Termination Payouts over budget by \$19,253
 - Annual Sick Leave Payouts over budget by \$61,604.
 - Overtime Pay over budget by \$385,792.
 - Community engagement activities
 - Coverage for staff out due to injury on the job
- Parks is over budget by \$115,450 but this is offset by a revenue increase of \$25,155.79. During the audit process, restricted revenue will be re-classified bringing the 2016 revenue to an increase of approximately \$125,000.

Overall, through 2016 Q4 General Fund revenues are approximately \$8 million more than through Q4 2015 and Q4 2016. Expenses are \$5 million more than Q4 2015 General Fund expenses. A contributing factor to this increase is the 2016 additional property tax expense for pensions which is a pass-through in the General Fund (hitting both expenses and revenues), the \$1 million increase of Good Neighbor Funds from Northwestern, a 2016 increase of 3.07 FTEs, the opening of the Gibbs Morrison Cultural Center, and aforementioned increases in building permits.

| | Revenues | Expenses |
|------------------|---------------|---------------|
| End of year 2015 | \$104,321,698 | \$106,872,275 |
| End of year 2016 | \$112,354,936 | \$111,150,697 |

Enterprise Funds:

Similar to the General Fund, many enterprise fund revenues and expenses/disbursements do not occur evenly throughout the year. A summary of Enterprise Revenue and Expenses is below:

| | Revenues | % of Budget | Expenses | % of Budget | Net 2016 |
|------------------|---------------|-------------|---------------|-------------|----------------|
| Parking Fund | \$ 10,436,695 | 101.10% | \$ 9,727,700 | 57.40% | \$ 708,995 |
| Water Fund | \$ 24,473,950 | 64.90% | \$ 28,405,731 | 69.10% | \$ (3,931,781) |
| Sewer Fund | \$ 13,056,297 | 94.11% | \$ 4,842,356 | 31.28% | \$ 8,213,941 |
| Solid Waste Fund | \$ 5,042,632 | 96.95% | \$ 4,740,573 | 92.22% | \$ 302,059 |

All of the enterprise funds ended the year with higher projected surplus than was estimated.

Attachments

Attachment 1: December 31, 2016 Monthly Financial Report

Attachment 2: December 31, 2016 Investment Update



Memorandum

To: Wally Bobkiewicz, City Manager
Martin Lyons, Assistant City Manager/Chief Financial Officer

From: Ashley King, Finance & Budget Manager

Subject: December 2016 Monthly Financial Report

Date: February 22, 2017

Please find attached the unaudited financial statements as of December 31, 2016. A summary by fund for revenues, expenditures, fund and cash balances is as follows:

| Fund | Fund Description | YTD | | YTD Net | YTD Fund Balance | YTD Cash Balance |
|------|-------------------------------|--------------------|--------------------|------------------|-------------------|-------------------|
| | | Revenues | YTD Expenses | | | |
| 100 | GENERAL FUND | 112,354,935 | 111,150,697 | 1,204,238 | 11,909,074 | 5,370,342 |
| 176 | HEALTH AND HUMAN SERVICES | 884,794 | 849,394 | 35,400 | 35,400 | 70,806 |
| 175 | GENERAL ASSISTANCE FUND | 878,006 | 806,600 | 71,406 | 584,645 | 589,098 |
| 180 | GOOD NEIGHBOR FUND | 1,000,000 | 1,000,000 | () | (0) | 1,000,000 |
| 185 | LIBRARY FUND | 7,008,429 | 6,667,696 | 340,733 | 760,818 | 879,204 |
| 195 | NEIGHBORHOOD STABILIZATION | 63,157 | 91,447 | (28,289) | (28,289) | 92,669 |
| 200 | MOTOR FUEL TAX FUND | 1,903,074 | 2,319,789 | (416,715) | 1,413,678 | 1,236,977 |
| 205 | EMERGENCY TELEPHONE (E911) | 890,046 | 1,429,460 | (539,414) | 12,304 | |
| 210 | SPECIAL SERVICE AREA (SSA) #4 | 321,268 | 323,000 | (1,732) | (192,276) | |
| 215 | CDBG FUND | 2,026,675 | 2,022,452 | 4,224 | 64,106 | |
| 220 | CDBG LOAN | 217,817 | 218,521 | (704) | 157,661 | 52,816 |
| 225 | ECONOMIC DEVELOPMENT FUND | 2,564,472 | 2,232,536 | 331,936 | 2,887,918 | 2,614,100 |
| 235 | NEIGHBORHOOD IMPROVEMENT | | | | 169,915 | 169,915 |
| 240 | HOME FUND | 273,784 | 276,177 | (2,393) | 2,377 | |
| 250 | AFFORDABLE HOUSING FUND | 633,250 | 226,207 | 407,043 | 1,400,923 | 1,405,965 |
| 186 | LIBRARY DEBT SERVICE FUND | 390,978 | 439,491 | (48,513) | (11,849) | 328,633 |
| 300 | WASHINGTON NATIONAL TIF | 4,743,661 | 4,561,415 | 182,246 | 6,624,676 | 6,728,527 |
| 305 | SPECIAL SERVICE AREA (SSA) #5 | (145) | 525,284 | (525,429) | - | |
| 310 | HOWARD-HARTREY TIF | 1,235,994 | 1,873,437 | (637,443) | 473,064 | 701,026 |
| 330 | HOWARD-RIDGE TIF FUND | 815,787 | 787,249 | 28,537 | (84) | 82,737 |
| 335 | WEST EVANSTON TIF FUND | 12,995 | 37,998 | (25,003) | 417,260 | 425,582 |
| 340 | DEMPSTER-DODGE TIF FUND | | 29,415 | (29,415) | (29,415) | |
| 345 | CHICAGO-MAIN TIF | 1,580,000 | 1,756,993 | (176,993) | 135,077 | 135,077 |
| 320 | DEBT SERVICE FUND | 21,754,356 | 23,294,416 | (1,540,061) | 746,055 | 1,048,486 |
| 350 | SPECIAL SERVICE AREA #6 | 223,298 | 145,003 | 78,294 | 78,294 | 165,699 |
| 415 | CAPITAL IMPROVEMENTS FUND | 15,675,519 | 11,558,743 | 4,116,776 | 9,633,817 | 13,124,676 |
| 420 | SPECIAL ASSESSMENT FUND | 685,884 | 369,449 | 316,435 | 2,999,216 | 2,996,021 |
| 505 | PARKING SYSTEM FUND | 10,436,695 | 9,727,700 | 708,995 | 11,486,869 | 8,425,983 |
| 510 | WATER FUND | 24,473,951 | 28,405,732 | (3,931,781) | 5,291,422 | 6,024,908 |
| 515 | SEWER FUND | 13,056,297 | 4,842,356 | 8,213,941 | 5,693,921 | 3,443,030 |
| 520 | SOLID WASTE FUND | 5,042,632 | 4,740,573 | 302,059 | (926,498) | |
| 600 | FLEET SERVICES FUND | 3,402,094 | 2,994,316 | 407,779 | 773,239 | 274,674 |
| 601 | EQUIPMENT REPLACEMENT FUND | 1,501,041 | 1,495,009 | 6,032 | 1,283,721 | 1,266,754 |
| 605 | INSURANCE FUND | 17,072,851 | 17,347,460 | (274,609) | (639,105) | 1,749,678 |
| | TOTALS | 253,123,596 | 244,546,014 | 8,577,582 | 63,207,936 | 60,403,383 |

Attachment 1: December 2016 Monthly Financial Report

Included above are the ending balances as of December 31, 2016 for both unreserved fund and cash balances. Of these two amounts, cash balance is the more meaningful metric since this represents liquid cash and/or invested assets which can be used (or easily sold) to support and fund current operations. While ending fund balance is also an important measurement of the City's financial health, it usually includes illiquid assets or future cash receipts or disbursements such as receivables (including property tax) due to the City and accounts payable/accrued expenses.

As of December 31, 2016, the General Fund is reporting a net surplus of \$1,204,238. This does not include a variety of year-end adjustments which are anticipated to bring the General Fund fund balance to approximately \$12,000,000. The original projected surplus was just over \$1.6 million. Year-end expenses were under the estimate but revenues did not meet estimates, mainly due to income and sales tax being below anticipated amounts. The attached supplemental charts show the General Fund Revenues at 100.2% of budget and expenses lower at 99.4%. General Fund revenues include the \$2.9 million permit from Northwestern as well as pension property taxes.

Through December 31, 2016, the SSA #4 Fund is showing a negative fund balance of \$192,276 and a \$0 cash balance. This is due to the timing of payments to the Downtown Evanston group.

Through December 31, 2016, the Economic Development Fund is showing a fund balance of \$2,887,918 and a cash balance of \$2,614,100. This fund will be eliminated in 2017 with the fund and cash balance transferred to Business Unit 5300 in the General Fund.

Special Service Area #5 received 2016 property taxes in error for the first installment. This is due to the first property tax installment always being 55% of the previous year's tax amount. This money was refunded to the County in early December and is reflected in this financial report.

Through December 31, 2016, the Capital Fund is showing expenses of \$11,558,743. As the year-end close process continues, expenses are anticipated to increase to reflect payables due to IDOT and other organizations which will be paid in 2017.

Through December 31, 2016, the enterprise funds (Parking, Water, and Sewer) have balances above average.

Through December 31, 2016, the Solid Waste Fund has a negative fund balance of \$926,498 and a cash balance of \$0.

Through December 31, 2016, the Insurance Fund is showing a negative fund balance of \$639,105 with a cash balance of \$1,749,678.

If there are any questions on the attached report, please contact me by phone at (847) 859-7884 or by email: aking@cityofevanston.org. Detailed fund summary reports can be found at: <http://www.cityofevanston.org/city-budget/financial-reports/>.

As required per Illinois Statute 65 ILCS 5/3.1-35-45 I, Martin Lyons, Treasurer of the City of Evanston, hereby affirm that I have reviewed the December 31, 2016 year-to-date financial information and reports which to the best of my knowledge appear accurate and complete.

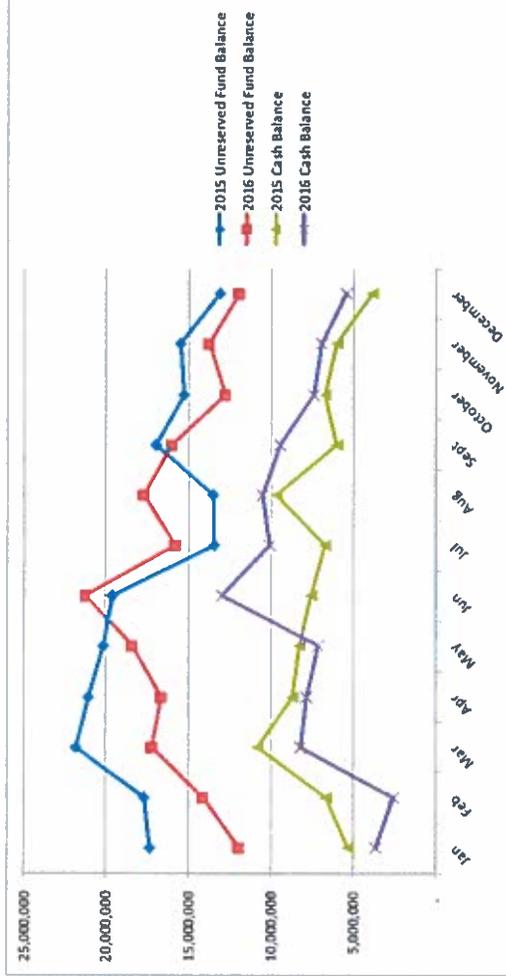


Martin Lyons, Treasurer

Attachment 1: December 2016 Monthly Financial Report

2015 v 2016 Fund and Cash Balance-- General Fund

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | October | November | December |
|-------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 2015 Unreserved Fund Balance | 17,350,271 | 17,704,926 | 21,823,492 | 21,070,998 | 20,159,923 | 19,573,881 | 13,460,405 | 13,534,424 | 16,970,318 | 15,290,720 | 15,494,566 | 13,102,358 |
| 2016 Unreserved Fund Balance | 11,859,762 | 14,097,256 | 17,193,730 | 16,597,583 | 18,375,173 | 21,225,995 | 15,790,000 | 17,674,579 | 15,983,833 | 12,732,816 | 13,695,971 | 11,909,074 |
| 2015 Cash Balance | 5,232,590 | 6,567,371 | 10,786,783 | 8,666,475 | 8,237,917 | 7,501,885 | 6,692,927 | 9,614,255 | 5,925,461 | 6,629,607 | 5,932,660 | 3,807,446 |
| 2016 Cash Balance | 3,656,830 | 2,587,845 | 8,182,090 | 7,808,208 | 7,101,333 | 12,919,440 | 10,046,315 | 10,473,240 | 9,442,294 | 7,391,338 | 6,849,781 | 5,370,342 |



Attachment 1: December 2016 Monthly Financial Report

December Financial Report

Through 12/31/16
City of Evanston

| Classification | 2016 | | December | | YTD | | % of | |
|--|--------------------|--------------------|--------------------|--------------------|---------------|--------------------|------|-------------|
| | Budget | Actual | Actual | Actual | Actual | Actual | % | 2015 Actual |
| Fund 100 - GENERAL FUND | | | | | | | | |
| Property Taxes | 27,417,407 | 156,456 | 27,302,687 | 27,302,687 | 99.6% | 25,915,970 | | |
| Other Taxes | 45,986,550 | 5,377,364 | 44,946,338 | 44,946,338 | 97.7% | 44,978,985 | | |
| License | 5,329,777 | 1,757,030 | 5,268,550 | 5,268,550 | 98.9% | 5,324,137 | | |
| Permit | 9,276,550 | 322,687 | 11,012,646 | 11,012,646 | 118.7% | 6,704,846 | | |
| Fee | 125,700 | 22,316 | 70,395 | 70,395 | 56.0% | 155,619 | | |
| Fines and Forfeitures | 4,609,825 | 468,198 | 3,602,413 | 3,602,413 | 78.1% | 3,548,230 | | |
| Parking Charges for Services | 640,000 | 53,334 | 646,695 | 646,695 | 101.0% | 640,000 | | |
| Parks and Recreation Charges for Services | 5,374,751 | 357,842 | 5,724,759 | 5,724,759 | 106.5% | 5,406,379 | | |
| Other Charges for Services | 2,433,216 | 285,433 | 2,687,947 | 2,687,947 | 110.5% | 2,239,528 | | |
| Interfund Transfers | 8,842,365 | 1,399,916 | 8,709,861 | 8,709,861 | 98.5% | 7,774,256 | | |
| Intergovernmental Revenue | 765,727 | 150,549 | 769,027 | 769,027 | 100.4% | 670,245 | | |
| Other Revenue | 1,286,843 | 569,350 | 1,583,332 | 1,583,332 | 123.0% | 956,932 | | |
| Interest Income | 50,000 | 3,751 | 30,285 | 30,285 | 60.6% | 6,572 | | |
| REVENUE TOTAL | 112,138,711 | 10,924,226 | 112,354,936 | 112,354,936 | 100.2% | 104,321,698 | | |
| City Council | 424,958 | 48,548 | 424,171 | 424,171 | 99.8% | 419,962 | | |
| City Clerk | 263,203 | 37,150 | 293,975 | 293,975 | 111.7% | 283,764 | | |
| City Manager's Office | 6,989,746 | 1,549,141 | 6,871,876 | 6,871,876 | 98.3% | 1,814,469 | | |
| Law | 1,130,000 | 130,863 | 1,046,582 | 1,046,582 | 92.6% | 1,051,325 | | |
| Administrative Services | 9,634,173 | 1,304,624 | 9,161,332 | 9,161,332 | 95.1% | 9,763,951 | | |
| Community Development | 2,782,897 | 328,358 | 2,505,921 | 2,505,921 | 90.0% | 2,425,618 | | |
| Police | 37,696,278 | 3,677,663 | 37,802,175 | 37,802,175 | 100.3% | 37,239,961 | | |
| Fire | 22,601,742 | 2,087,186 | 23,233,603 | 23,233,603 | 102.8% | 21,331,507 | | |
| Health & Human Services | 3,610,779 | 347,261 | 3,093,815 | 3,093,815 | 85.7% | 3,212,848 | | |
| Parks, Recreation & Community Service | 11,845,590 | 1,477,036 | 11,961,040 | 11,961,040 | 101.0% | 11,180,116 | | |
| Public Works Agency | 14,861,248 | 2,114,581 | 14,756,209 | 14,756,209 | 99.3% | 18,148,755 | | |
| EXPENSE TOTAL | 111,840,614 | 13,102,411 | 111,150,697 | 111,150,697 | 99.4% | 106,872,275 | | |
| Fund 100 - GENERAL FUND Totals | | | | | | | | |
| REVENUE TOTALS | 112,138,711 | 10,924,226 | 112,354,936 | 112,354,936 | 100% | 104,321,698 | | |
| EXPENSE TOTALS | 111,840,614 | 13,102,690 | 111,150,697 | 111,150,697 | 99% | 106,872,275 | | |
| Fund 100 - GENERAL FUND Net Gain (Loss) | 298,097 | (2,178,464) | 1,204,239 | 1,204,239 | 286% | (2,550,577) | | |



December Financial Report

Through 12/31/16
City of Evanston

| Classification | 2016 December | | YTD | | % 2015 Actual |
|---|-------------------|--------------------|-------------------|-------------------|----------------|
| | Budget | Actual | Budget | Actual | |
| Fund 505 - PARKING SYSTEM FUND | | | | | |
| Permit | 0 | 150 | 3,350 | 3,350 | +++ |
| Parking Charges for Services | 6,379,675 | 623,131 | 6,319,024 | 6,319,024 | 99.0% |
| Parks and Recreation Charges for Services | 65,000 | 0 | 168,500 | 168,500 | 259.2% |
| Interfund Transfers | 3,711,770 | 309,314 | 3,711,768 | 3,711,768 | 100.0% |
| Intergovernmental Revenue | 12,125 | 0 | 0 | 0 | 0.0% |
| Other Revenue | 119,216 | 42,855 | 195,895 | 195,895 | 164.3% |
| Interest Income | 35,070 | 9,867 | 38,159 | 38,159 | 108.8% |
| REVENUE TOTAL | 10,322,856 | 985,317 | 10,436,695 | 10,436,695 | 101.1% |
| Employee Pay | 23,000 | 4,197 | 26,465 | 26,465 | 115.1% |
| Benefits | 1,160,688 | 159,578 | 1,206,649 | 1,206,649 | 104.0% |
| Pensions | 113,349 | 14,064 | 105,009 | 105,009 | 92.6% |
| Services | 3,022,411 | 243,278 | 2,841,933 | 2,841,933 | 94.0% |
| Supplies | 278,864 | 21,308 | 237,610 | 237,610 | 85.2% |
| Capital Outlay | 3,474,000 | 716,134 | 2,867,258 | 2,867,258 | 82.5% |
| Insurance and Other Chargebacks | 507,900 | 47,105 | 504,784 | 504,784 | 99.4% |
| Depreciation Expense | 2,873,395 | 0 | 0 | 0 | 0.0% |
| Contingencies | 11,000 | 1,119 | 5,910 | 5,910 | 53.7% |
| Debt Service | 3,917,652 | (3,516,846) | 390,235 | 390,235 | 10.0% |
| Miscellaneous | 252,000 | 0 | 238,064 | 238,064 | 94.5% |
| Interfund Transfers | 1,303,783 | 108,649 | 1,303,783 | 1,303,783 | 100.0% |
| EXPENSE TOTAL | 16,938,042 | (2,201,414) | 9,727,700 | 9,727,700 | 57.4% |
| Fund 505 - PARKING SYSTEM FUND Totals | | | | | |
| REVENUE TOTALS | 10,322,856 | 985,317 | 10,436,695 | 10,436,695 | 101% |
| EXPENSE TOTALS | 16,938,042 | (2,201,414) | 9,727,700 | 9,727,700 | 57% |
| Fund 505 - PARKING SYSTEM FUND Net Gain | (6,615,186) | 3,186,732 | 708,995 | 708,995 | (11%) |
| | | | | | 374,789 |

December Financial Report

Through 12/31/16
City of Evanston

| Classification | 2016 | | YTD | % of |
|---------------------------------|-------------------|--------------------|-------------------|--------------|
| | Budget | December Actual | | |
| Fund 510 - WATER FUND | | | | |
| Fee | 70,000 | 4,007 | 90,592 | 129.4% |
| Water Charges for Services | 15,133,000 | (1,478,214) | 15,783,608 | 104.3% |
| Sewer Charges for Services | 39,000 | 17,669 | 65,296 | 167.4% |
| Other Charges for Services | 126,000 | 0 | 134,470 | 106.7% |
| Interfund Transfers | 0 | 0 | 8,125,064 | 2,354,582 |
| Other Revenue | 22,348,400 | (3,960,241) | 258,384 | 1.2% |
| Interest Income | 1,600 | 1,773 | 16,536 | 1033.5% |
| REVENUE TOTAL | 37,718,000 | (5,415,006) | 24,473,950 | 64.9% |
| Employee Pay | 210,465 | 30,678 | 193,328 | 91.9% |
| Benefits | 3,888,603 | 510,506 | 3,908,362 | 100.5% |
| Pensions | 360,355 | 53,312 | 393,195 | 109.1% |
| Services | 4,763,760 | 440,896 | 2,099,412 | 44.1% |
| Supplies | 1,392,190 | 134,124 | 943,833 | 67.8% |
| Capital Outlay | 24,776,106 | 179,523 | 7,484,138 | 30.2% |
| Insurance and Other Chargebacks | 1,114,195 | 105,096 | 1,110,835 | 99.7% |
| Depreciation Expense | 0 | 0 | 0 | 2,096,633 |
| Contingencies | 1,000 | 342 | 1,000 | 100.0% |
| Debt Service | 1,053,288 | (867,266) | 633,708 | 60.2% |
| Miscellaneous | 62,980 | 0 | 10,543 | 16.7% |
| Interfund Transfers | 3,502,313 | (30,320) | 11,627,377 | 332.0% |
| EXPENSE TOTAL | 41,125,255 | 556,890 | 28,405,731 | 69.1% |

Fund 510 - WATER FUND Totals

| | | | | |
|---------------------------------------|-------------------|--------------------|-------------------|-------------|
| REVENUE TOTALS | 37,718,000 | (5,415,006) | 24,473,950 | 43% |
| EXPENSE TOTALS | 41,125,255 | 556,890 | 28,405,731 | 151% |
| Fund 510 - WATER FUND Net Gain (Loss) | (3,407,255) | (5,971,896) | (3,931,781) | (18%) |
| | | | | 4,827,365 |



December Financial Report

Through 12/31/16
City of Evanston

| Classification | 2016 December | | YTD | | % of |
|---------------------------------|-------------------|--------------------|-------------------|---------------|-------------------|
| | Budget | Actual | Actual | Actual | |
| Fund 515 - SEWER FUND | | | | | |
| Sewer Charges for Services | 12,869,000 | 822,795 | 13,027,160 | 101.23% | 12,491,290 |
| Other Charges for Services | 19,650 | 0 | 21,600 | 109.92% | 19,650 |
| Other Revenue | 984,165 | (551,776) | 3,087 | 0.31% | 2,962 |
| Interest Income | 1,000 | 392 | 4,450 | 444.95% | 2,706 |
| REVENUE TOTAL | 13,873,815 | 271,411 | 13,056,297 | 94.11% | 12,516,607 |
| Employee Pay | 57,040 | 3,740 | 37,763 | 66.20% | 60,837 |
| Benefits | 881,327 | 111,678 | 862,355 | 97.85% | 858,361 |
| Pensions | 86,092 | 11,363 | 85,100 | 98.85% | (27,099) |
| Services | 903,500 | 276,455 | 530,350 | 58.70% | 90,109 |
| Supplies | 92,300 | 7,256 | 40,736 | 44.13% | 18,817 |
| Capital Outlay | 3,048,314 | 33,400 | 756,544 | 24.82% | 13,609 |
| Insurance and Other Chargebacks | 414,439 | 38,670 | 414,270 | 99.96% | 412,461 |
| Depreciation Expense | 0 | 0 | 0 | | 3,443,723 |
| Debt Service | 9,222,913 | (7,084,604) | 1,336,366 | 14.49% | 1,550,407 |
| Miscellaneous | 1,500 | 0 | 5,000 | 333.33% | 3,306 |
| Interfund Transfers | 773,876 | 64,489 | 773,873 | 100.00% | 735,235 |
| EXPENSE TOTAL | 15,481,301 | (6,537,552) | 4,842,356 | 31.28% | 7,159,766 |

Fund 515 - SEWER FUND Totals

| | | | | | |
|--|--------------------|--------------------|-------------------|---------------|-------------------|
| REVENUE TOTALS | 13,873,815 | 271,411 | 13,056,297 | 94% | 12,516,607 |
| EXPENSE TOTALS | 15,481,301 | (6,537,552) | 4,842,356 | 31% | 7,159,766 |
| Fund 515 - SEWER FUND Net Gain (Loss) | (1,607,486) | 6,808,964 | 8,213,941 | (511%) | 5,356,842 |



December Financial Report

Through 12/31/16
City of Evanston

| Classification | 2016 December | | YTD | | % of | |
|---|------------------|----------------|------------------|---------------|------------------|--------|
| | Budget | Actual | Actual | Actual | % 2015 | Actual |
| Fund 520 - SOLID WASTE FUND | | | | | | |
| License | 275,000 | 0 | 125,404 | 45.60% | 213,490 | |
| Other Charges for Services | 3,632,394 | 322,100 | 3,586,453 | 98.74% | 3,561,584 | |
| Interfund Transfers | 1,055,967 | 87,997 | 1,055,967 | 100.00% | 1,055,967 | |
| Other Revenue | 238,000 | 1,367 | 274,808 | 115.47% | 228,469 | |
| REVENUE TOTAL | 5,201,361 | 411,464 | 5,042,632 | 96.95% | 5,059,510 | |
| Employee Pay | 25,000 | 7,562 | 43,025 | 172.10% | 41,358 | |
| Benefits | 649,690 | 74,383 | 620,226 | 95.46% | 574,692 | |
| Pensions | 63,718 | 7,939 | 63,448 | 99.58% | (15,981) | |
| Services | 3,679,126 | 171,501 | 3,300,142 | 89.70% | 3,644,097 | |
| Supplies | 53,050 | 2,878 | 55,106 | 103.88% | 73,788 | |
| Capital Outlay | 25,750 | 720 | 6,034 | 23.43% | 24,738 | |
| Insurance and Other Chargebacks | 129,690 | 13,531 | 138,618 | 106.88% | 249,232 | |
| Debt Service | 0 | (17,982) | 2,251 | | 68,419 | |
| Miscellaneous | 15,000 | 0 | 12,232 | 81.55% | 0 | |
| Interfund Transfers | 499,493 | 41,624 | 499,493 | 100.00% | 490,106 | |
| EXPENSE TOTAL | 5,140,517 | 302,157 | 4,740,573 | 92.22% | 5,150,448 | |
| Fund 520 - SOLID WASTE FUND Totals | | | | | | |
| REVENUE TOTALS | 5,201,361 | 411,464 | 5,042,632 | 97% | 5,059,510 | |
| EXPENSE TOTALS | 5,140,517 | 302,157 | 4,740,573 | 92% | 5,150,448 | |
| Fund 520 - SOLID WASTE FUND Net Gain (Loss) | 60,844 | 109,307 | 302,059 | 496% | (90,938) | |

Attachment 1: December 2016 Monthly Financial Report



Memorandum

To: Wally Bobkiewicz, City Manager
From: Martin Lyons, Asst. City Manager/CFO
Subject: FY2016 – 4th Quarter - Cash and Investment Report
Date: March 8, 2017

Attached please find the Cash and Investment report as of December 31, 2016.

A comparison between the 2015 fourth quarter investment report and 2016 fourth quarter indicates an increase in combined cash & investments of \$4,304,678, from \$56,098,704 to \$60,403,382. Cash and investment changes from the previous period are summarized below:

| | 12/31/2015 | 12/31/2016 | Change |
|--------------|-------------------|-------------------|------------------|
| Cash | 25,963,255 | 26,985,840 | 1,022,585 |
| Investments | 30,135,449 | 33,417,542 | 3,282,093 |
| TOTAL | 56,098,704 | 60,403,382 | 4,304,678 |

While individual cash balances vary as noted on the attached table, this stability in overall non-pension cash reserves will help the City respond to potential changes in the State Budget Crisis.

As of December 31, 2016, ledger balances showing the highest percentage of total deposits was held by First Bank and Trust at \$26.8M or 44.5% of the total, PMA Financial at approximately 22.1M, or 36.6%, followed by U.S. Bank at \$9.7M or 16.1%. The increase in the total Cash and Investments was due to receipt of \$14 million proceeds from bond issuance at the end of September offset by capital expenditures. A portion of this money has been allocated from First Bank and Trust to other institutions during October to be in compliance with the City's investment policy to ensure no financial institution should have greater than 50% of the city's total deposits.

If you have any questions on this report or would like to discuss in greater detail, please contact me by phone at (847) 448.8082 or by e-mail at mlyons@cityofevanston.org.

| | A | B | C | D | E | F |
|----|---|------------------------------|-------------|--------------------|------------------|--------------|
| 1 | City of Evanston | | | | | |
| 2 | Cash & Investment Summary by Fund | | | | | |
| 3 | December 31, 2016 | | | | | |
| 4 | | | | | | |
| 5 | | | | | | |
| 6 | Fund # | Fund | Cash | Investments | Interfund | Total |
| 7 | | | | | | |
| 8 | 100 | General | - | 5,093,668 | 276,674 | 5,370,342 |
| 9 | 175 | General Assistance | 591,211 | 14,822 | (16,935) | 589,098 |
| 10 | 176 | Health and Human Services | 70,806 | - | - | 70,806 |
| 11 | 180 | Good Neighbor | 1,000,000 | - | - | 1,000,000 |
| 12 | 185 | Library | 1,050,325 | - | (171,121) | 879,204 |
| 13 | 186 | Library Debt Service | 328,728 | - | (95) | 328,633 |
| 14 | 195 | Neighborhood Stabilization | 99,472 | - | (6,803) | 92,669 |
| 15 | 200 | MFT | - | 1,236,977 | - | 1,236,977 |
| 16 | 205 | E911 | - | 648,393 | (648,393) | - |
| 17 | 220 | CD Loan | 287,109 | - | (234,294) | 52,816 |
| 18 | 225 | Economic Dev. | 2,212,754 | 393,669 | 7,677 | 2,614,100 |
| 19 | 235 | Neighborhood Improvement | 169,915 | - | - | 169,915 |
| 20 | 250 | Affordable Housing | 1,021,968 | 364,998 | 18,999 | 1,405,965 |
| 21 | 300 | Washington National TIF | 2,321,695 | 4,800,578 | (393,747) | 6,728,527 |
| 22 | 310 | Howard Hartrey | - | 787,276 | (86,249) | 701,026 |
| 23 | 320 | Debt Service | - | 1,543,075 | (494,590) | 1,048,486 |
| 24 | 330 | Howard Ridge | 65,070 | 3,995 | 13,671 | 82,737 |
| 25 | 335 | West Evanston | - | 519,161 | (93,579) | 425,582 |
| 26 | 345 | Chicago Main-TIF | 135,077 | - | - | 135,077 |
| 27 | 350 | Special Service Area (SSA) # | 185,699 | - | - | 185,699 |
| 28 | 415 | Capital Improvements | 7,620,462 | 5,605,820 | (101,606) | 13,124,676 |
| 29 | 420 | Special Assessment | 2,769,704 | 225,141 | 1,176 | 2,996,021 |
| 30 | 505 | Parking | 2,123,464 | 6,819,959 | (517,441) | 8,425,983 |
| 31 | 510 | Water | 2,133,835 | 5,355,004 | (1,463,931) | 6,024,908 |
| 32 | 515 | Sewer | 3,739,317 | 5,004 | (301,291) | 3,443,030 |
| 33 | 600 | Fleet | 320,067 | - | (45,393) | 274,674 |
| 34 | 601 | Equipment Replacement | 1,244,506 | - | 22,248 | 1,266,754 |
| 35 | 605 | Insurance | 1,395,497 | - | 354,181 | 1,749,678 |
| 36 | | | 30,866,682 | 33,417,542 | (3,880,842) | 60,403,382 |
| 37 | | | | | | |
| 38 | | | | | | |
| 39 | * Includes negative cash balance reclassified to interfund liability. | | | | | |

| | A | B | C | D | E | F | G | H |
|----|-------------------------|------------|----------------------------|------------|-------------|-------------|---------|-------------------------------|
| 1 | City of Evanston | | | | | | | |
| 2 | Cash & Investments Bank | | | | | | | |
| 3 | December 31, 2016 | | | | | | | |
| 4 | | | | | | | | |
| 5 | Investment | Investment | | | Fiscal YTD | Investment | | |
| 6 | Description | Type | Bank | Rate | Est. Income | Amount | Fund # | Fund |
| 7 | | | | | | | | |
| 8 | IL Funds | MMA | US Bank | 0.481 | 23,482 | 5,093,568 | 100 | General |
| 9 | IL Funds | MMA | US Bank | 0.481 | 88 | 14,822 | 175 | General Assistance |
| 10 | IL Funds | MMA | US Bank | 0.481 | 5,702 | 1,238,977 | 200 | MFT |
| 11 | IL Funds | MMA | US Bank | 0.481 | 2,889 | 648,393 | 205 | EB11 |
| 12 | IL Funds | MMA | US Bank | 0.481 | 1,815 | 393,889 | 225 | Economic Development |
| 13 | IL Funds | MMA | US Bank | 0.481 | 1,583 | 384,998 | 250 | Affordable Housing |
| 14 | IL Funds | MMA | US Bank | 0.481 | 1 | 121 | 300 | Washington National |
| 15 | IL Funds | MMA | US Bank | 0.481 | 1,509 | 327,414 | 310 | HH TIF |
| 16 | IL Funds | MMA | US Bank | 0.481 | 0 | 41 | 330 | Howard Ridge TIF |
| 17 | IL Funds | MMA | US Bank | 0.481 | 48 | 10,011 | 335 | West Evanston TIF |
| 18 | IL Funds | MMA | US Bank | 0.481 | 5,591 | 1,212,867 | 415 | Capital Improvements |
| 19 | IL Funds | MMA | US Bank | 0.481 | 1,009 | 218,838 | 420 | Special Assessment |
| 20 | IL Funds | MMA | US Bank | 0.481 | 293 | 63,488 | 505 | Parking |
| 21 | IL Funds | MMA | US Bank | 0.481 | 735 | 159,382 | 510 | Water |
| 22 | IL Funds | MMA | US Bank | 0.481 | 23 | 3,004 | 515 | Sewer |
| 23 | | | US BANK Total | | 44,848 | 9,749,882 | | |
| 24 | | | | | | | | |
| 25 | Money Market Fund | MMA | IMET | 0.420 | 577 | 137,491 | 300 | Washington National |
| 26 | Money Market Fund | MMA | IMET | 0.420 | 447 | 108,397 | 310 | Howard Hartrey TIF |
| 27 | Money Market Fund | MMA | IMET | 0.420 | 108 | 25,778 | 320 | Debt Service |
| 28 | Money Market Fund | MMA | IMET | 0.420 | 17 | 3,954 | 330 | Howard Ridge TIF |
| 29 | Money Market Fund | MMA | IMET | 0.420 | 81 | 14,498 | 335 | West Evanston TIF |
| 30 | Money Market Fund | MMA | IMET | 0.420 | 1,834 | 389,020 | 415 | Capital Improvements |
| 31 | Money Market Fund | MMA | IMET | 0.420 | 3,028 | 720,985 | 420 | Special Assessment |
| 32 | Money Market Fund | MMA | IMET | 0.420 | 26 | 6,303 | 505 | Parking |
| 33 | Money Market Fund | MMA | IMET | 0.420 | 751 | 178,825 | 510 | Water |
| 34 | | | IMET Total | | 6,889.07 | 1,883,351 | | |
| 35 | | | | | | | | |
| 36 | Money Market Fund | MMA | PMA | 0.400 | 18,852 | 4,682,967 | 300 | Washington National |
| 37 | Money Market Fund | MMA | PMA | 0.400 | 1,414 | 353,485 | 310 | HH TIF |
| 38 | Money Market Fund | MMA | PMA | 0.400 | 6,088 | 1,517,297 | 320 | Debt Service |
| 39 | Money Market Fund | MMA | PMA | 0.400 | 1,979 | 484,852 | 335 | West Evanston TIF |
| 40 | Money Market Fund | MMA | PMA | 0.400 | 16,018 | 4,003,833 | 415 | Capital Improvements |
| 41 | Money Market Fund | MMA | PMA | 0.400 | 24,142 | 6,035,508 | 505 | Parking |
| 42 | Money Market Fund | MMA | PMA | 0.400 | 20,087 | 5,018,717 | 510 | Water |
| 43 | | | PMA Total | | 88,338 | 22,084,639 | | |
| 44 | | | | | | | | |
| 45 | | | Grand Total | | 139,934 | 33,417,842 | | |
| 46 | | | | | | | | |
| 47 | | | | | | | | |
| 48 | Cash | | | | | | | |
| 49 | | | | Total | Chase | 1st Bank | | |
| 50 | Cash | Cash | | 0 | 136,252 | (136,252) | 100 | General |
| 51 | Cash | Cash | | 591,211 | | 591,211 | 175 | General Assistance |
| 52 | Cash | Cash | | 70,806 | | 70,806 | 176 | Health and Human Services |
| 53 | Cash | Cash | | 1,000,000 | | 1,000,000 | 180 | Good Neighbor |
| 54 | Cash | Cash | | 1,050,325 | | 1,050,325 | 185 | Library |
| 55 | Cash | Cash | | 328,728 | | 328,728 | 186 | Library Debt Service |
| 56 | Cash | Cash | | 99,472 | | 99,472 | 185 | Neighborhood Stabilization |
| 57 | Cash | Cash | | 0 | | 0 | 205 | EB11 |
| 58 | Cash | Cash | | 287,109 | | 287,109 | 220 | CD Loan |
| 59 | Cash | Cash | | 2,212,754 | | 2,212,754 | 225 | Economic Dev. |
| 60 | Cash | Cash | | 169,915 | | 169,915 | 235 | Neighborhood Improvement |
| 61 | Cash | Cash | | 1,021,988 | | 1,021,988 | 250 | Affordable Housing |
| 62 | Cash | Cash | | 2,321,895 | | 2,321,895 | 300 | Washington National TIF |
| 63 | Cash | Cash | | 0 | | 0 | 310 | Howard Hartrey |
| 64 | Cash | Cash | | 0 | | 0 | 320 | Debt |
| 65 | Cash | Cash | | 85,070 | | 85,070 | 330 | Howard Ridge |
| 66 | Cash | Cash | | 0 | | 0 | 335 | West Evanston |
| 67 | Cash | Cash | | 135,077 | | 135,077 | 345 | Chicago-Main TIF |
| 68 | Cash | Cash | | 185,899 | | 185,899 | 350 | Special Service Area (SSA) #6 |
| 69 | Cash | Cash | | 7,820,482 | | 7,820,482 | 415 | Capital Improvements |
| 70 | Cash | Cash | | 2,789,704 | | 2,789,704 | 420 | Special Assess |
| 71 | Cash | Cash | | 2,123,484 | | 2,123,484 | 505 | Parking |
| 72 | Cash | Cash | | 2,133,835 | | 2,133,835 | 510 | Water |
| 73 | Cash | Cash | | 3,739,317 | 0 | 3,739,317 | 515 | Sewer |
| 74 | Cash | Cash | | 320,087 | | 320,087 | 600 | Fleet |
| 75 | Cash | Cash | | 1,244,508 | | 1,244,508 | 601 | Equipment Replacement |
| 76 | Cash | Cash | | 1,395,497 | | 1,395,497 | 605 | Insurance |
| 77 | | | | 30,868,682 | 136,252 | 30,730,430 | | |
| 78 | | | | | | | | |
| 79 | | | Total Cash | | | 30,868,682 | | |
| 80 | | | Interfunds & negative cash | | | (3,880,842) | | |
| 81 | | | Net Cash | | | 26,987,840 | | |
| 82 | | | Total Investments & Cash | | | 80,403,382 | | |
| 83 | | | | | | | | |
| 84 | CASH / INVESTMENT | | Investments | | Cash | Total | | |
| 85 | GENERAL LEDGER | Amount | % | Amount | % | Amount | % | |
| 86 | 1ST Bank | | | 26,849,588 | 99.50% | 26,849,588 | 44.45% | |
| 87 | Chase | | | 136,252 | 0.50% | 136,252 | 0.23% | |
| 88 | PMA | 22,084,539 | 65.09% | | | 22,084,539 | 36.56% | |
| 89 | IMET | 1,583,351 | 4.74% | | | 1,583,351 | 2.62% | |
| 90 | US Bank | 9,749,852 | 29.18% | | | 9,749,852 | 16.14% | |
| 91 | Total | 33,417,842 | 100.00% | 28,985,840 | 100.00% | 80,403,382 | 100.00% | |

