

Memorandum

To: Honorable Mayor and Members of the City Council
Administration and Public Works Committee

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

CC: Wally Bobkiewicz, City Manager

Subject: First Quarter Financial Report for Fiscal Year 2017

Date: May 5, 2017

Recommended Action:

Staff recommends City Council accept and place the First Quarter Financial Report for FY 2017 on file.

Livability Benefit:

Innovation & Process: Support local government best practices and processes.

Summary:

The City ended the first quarter of the 2017 fiscal year in stable financial condition. The City's financial performance is the result of revenues remaining relatively consistent with budget targets and expenditures being below budgeted levels.

The chart below shows the Fund and Cash balance differences between the first quarter of 2016 and this first quarter 2017 report.

Balance Differences	Cash 2016	Fund Balance 2016	Cash 2017	Fund Balance 2017	Cash Difference	Fund Balance Difference
General Fund	8,182,090	17,193,730	11,561,044	19,734,012	3,378,954	2,540,282
Capital Fund	8,345,879	7,974,415	12,005,150	11,156,611	3,659,271	3,182,196
Parking Fund	11,261,199	11,431,692	6,959,523	7,111,190	(4,301,676)	(4,320,502)
Water Fund	6,521,738	7,066,592	7,585,169	6,753,008	1,063,431	(313,584)
Sewer Fund	2,457,374	4,407,356	3,443,076	6,194,629	985,702	1,787,273
Housing related funds	1,166,953	10,261,107	1,590,001	1,536,464	423,048	(8,724,643)
All Other Funds	31,541,382	32,943,674	26,720,310	29,193,898	(4,821,072)	(3,749,776)
Total	69,476,615	91,278,566	69,864,273	81,679,812	387,658	(9,598,754)

Of the \$9.5 million difference, approximately \$8.4 million of the decrease from 2016 to 2017 is attributable to housing programs being reclassified differently during the audit. This affects the CDBG, CDBG Loan, HOME, and Affordable Housing Funds. The Insurance Fund has a significant increase in fund balance due to the Advanced Disposal settlement (booked to the City's General Ledger on December 31, 2016). The General Fund balance has an increase due to the combination of the Economic Development Fund into the General Fund, effective January 1, 2017.

March represents the third month of the City of Evanston's 2017 fiscal year. As a result, it is too early to draw any meaningful conclusions or projections relative to the City's financial performance in FY 2017. One area that has been notable in 2017 is the winter weather. The lack of cold weather resulted in two outcomes:

1. Fewer overtime expenses for public works and snow crews
2. Fewer gas tax revenues from heating bills

The net positive effect of this phenomenon is approximately \$450,000 which can improve the City's fund balance which is still anticipated to be below the policy level of 16.6% at year end. Staff will continue to monitor City revenues and expenditures throughout FY 2017 and will provide regular updates to the City Council.

Attached are summaries of the City's funds for the first quarter of FY 2017. 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).
- State revenue sources are delayed by one to three months based on the revenue source in question.
- While some revenues are received on a monthly basis, other revenues are received less uniformly throughout the year. An example is property taxes, which are billed semi-annually and then distributed by the County as payments are received. This disbursement method contrasts with other revenue sources such as sales taxes, which are collected by the State and distributed on a monthly basis.
- Operating expenses, including payroll, are reported at the time they are incurred during the year. At year-end, the City often receives invoices after the close of the year, for services used or items purchased during the year. These expenses are recorded into the previous year for which they were incurred.

- 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 March 31, 2017 were \$33,797,810 or 28.5% of budget. The first quarter performance of major General Fund revenue sources is summarized below:

- Through March 31, 2017 property tax revenue was \$15,063,444 or 54.9% of budget. The March and April Financial reports have now been adjusted to include all Police and Firefighter Pension property taxes in the General Fund. These taxes are then transferred to the respective pension funds. This is the reason that expenses for Police and Fire Departments are over the 25% goal for the month—55% of property taxes have been transferred (expensed) out of those departments into the Police and Fire Pension Funds.
- State income tax is \$2,297,815 through March 31, 2017, achieving 29% of the budget target for this revenue item. State income tax is typically received in arrears by one or two months.
- Sales tax revenue in the first quarter of FY 2017 was \$3,605,108 or 20.5% of budget. This is in line with the past two years of sales tax receipts for this quarter; typically sales tax has the highest collections in the third quarter.
- Real estate transfer tax through March 31, 2017 totaled \$624,470 achieving 20.14% of the budget target for this item. During the first quarter of 2016, this revenue source was only at 15% of budget; traditionally colder months equate fewer home sales.
- Through March 31, 2017, licenses, permits, and fees were approximately 14.6% of budget at \$2,523,539. During the first quarter of 2016, licenses permits and fees were over 18% of budget.

All of the above revenues are in line with those received in 2016 and 2015 with exceptions as noted.

General Fund Expenditures:

Through March 31, 2017, General Fund expenditures were \$28.9 million or 24.3% of budget for FY 2017. 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.
- The first paycheck paid in January (January 13, 2017) has been partially charged back to 2016 (payroll ended January 8, 2017). This means that January only has 1 ½ payrolls booked. These expenses will “catch up” at year-end when December 2017 has 3 ½ payrolls.
- As previously stated, the expenses for Police and Fire now include the transfer of property taxes to their respective pension funds. 55% of this expense has been charged to these departments, pushing both over the 25% expense goal. The Fire Department’s overtime budget has exceeded estimates; a detailed explanation is included as Attachment 3.

Staff will continue to monitor expenditures throughout the year and will provide regular reports to the City Council. The City will also be monitoring the progress of the State of Illinois current and future budget for 2017/2018. Based on the decisions made by the State, the City may need to initiate expense reduction/containment measures in 2017 and this will be discussed during the second quarter financial review in August.

Overall, a comparison between the first quarter of 2016 and the first quarter of 2017 can be seen below. It is important to note that 2017 is the first year where Economic Development funds are included as revenues and expenses in the General Fund.

	Revenues	Expenses
First Quarter 2016	24,389,104	20,297,732
First Quarter 2017	33,797,810	28,860,790

Enterprise Funds:

Revenues and expenses for the Parking, Water, Sewer and Solid Waste Funds were all below the 25% budget target. Similar to the General Fund, many enterprise fund revenues and expenses / disbursements do not occur evenly throughout the fiscal year. In the case of the Water and Sewer Funds, pumpage levels are lower, which reduces both expense and revenues in these funds for the first quarter. In the case of Water, Sewer, and Parking, capital expenses do not usually occur until the second and third quarters each year. Staff will continue to monitor and report on the performance of City enterprise fund revenues and expenditures throughout FY 2017.

A summary of Enterprise Revenue and Expenses is below:

	Revenues	% of Budget	Expenses	% of Budget	Net Q1
Parking Fund	\$ 1,058,532	9.50%	\$ 1,729,507	11.90%	\$ (670,975)
Water Fund	\$ 3,931,560	16.10%	\$ 2,469,974	8.40%	\$ 1,461,586
Sewer Fund	\$ 3,071,997	23.40%	\$ 2,571,289	17.60%	\$ 500,708
Solid Waste Fund	\$ 1,256,398	24.20%	\$ 1,126,190	21.70%	\$ 130,208

Attachments

Attachment 1: Investment Report

Attachment 2: March 31, 2017 Monthly Financial Report

Attachment 3: Fire Department Over-time Report



Memorandum

To: Wally Bobkiewicz, City Manager

From: Martin Lyons, Asst. City Manager/CFO

Subject: 1st Quarter 2017 - Cash and Investment Report

Date: May 5, 2017

Attached please find the Cash and Investment report as of March 31, 2017.

A comparison between the 2017 first quarter and 2016 fourth quarter investment report indicates an increase in combined cash & investments of \$9,460,891, from \$60,403,382 to \$69,864,273. Cash and investment changes from the previous period are summarized below:

	3/31/2017	12/31/2016	Change
Cash	34,930,970	26,985,840	7,945,130
Investments	34,933,303	33,417,542	1,515,761
TOTAL	69,864,273	60,403,382	9,460,891

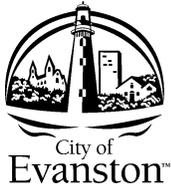
While individual cash balances vary as noted on the attached table, this stability in overall non-pension cash reserves will help the City respond to potential changes in the State Budget Crisis.

As of March 31, 2017, ledger balances showing the highest percentage of total deposits was held by First Bank and Trust at \$34.9M or 50.0% of the total, PMA Financial at approximately \$25.1M, or 35.9%, followed by U.S. Bank at \$8.3M or 11.8%. The net increase of \$9.5M in cash and investments was primarily due to property tax collection. The allocation of Cash and Investments is 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	G	H
1	City of Evanston							
2	Cash & Investments Bank							
3	March 31, 2017							
4								
5	Investment	Investment			Fiscal YTD	Investment		
6	Description	Type	Bank	Rate	Est. Income	Amount	Fund #	Fund
7								
8	IL Funds	MMA	US Bank	0.769	6,690	3,480,091	100	General
9	IL Funds	MMA	US Bank	0.769	29	14,846	175	General Assistance
10	IL Funds	MMA	US Bank	0.769	3,353	1,744,261	200	MFT
11	IL Funds	MMA	US Bank	0.769	1,249	649,571	205	E911
12	IL Funds	MMA	US Bank	0.769	0	-	225	Economic Development
13	IL Funds	MMA	US Bank	0.769	703	365,914	250	Affordable Housing
14	IL Funds	MMA	US Bank	0.769	0	121	300	Washington National
15	IL Funds	MMA	US Bank	0.769	630	327,929	310	HH TIF
16	IL Funds	MMA	US Bank	0.769	0	41	330	Howard Ridge TIF
17	IL Funds	MMA	US Bank	0.769	19	10,027	335	West Evanston TIF
18	IL Funds	MMA	US Bank	0.769	2,335	1,214,776	415	Capital Improvements
19	IL Funds	MMA	US Bank	0.769	422	219,388	420	Special Assessment
20	IL Funds	MMA	US Bank	0.769	122	63,566	505	Parking
21	IL Funds	MMA	US Bank	0.769	307	159,613	510	Water
22	IL Funds	MMA	US Bank	0.769	10	5,012	515	Sewer
23			US BANK Total		15,871	8,255,156		
24								
25	Money Market Fund	MMA	IMET	0.580	199	137,491	300	Washington National
26	Money Market Fund	MMA	IMET	0.580	154	106,397	310	Howard Hartrey TIF
27	Money Market Fund	MMA	IMET	0.580	37	25,778	320	Debt Service
28	Money Market Fund	MMA	IMET	0.580	6	3,954	330	Howard Ridge TIF
29	Money Market Fund	MMA	IMET	0.580	21	14,498	335	West Evanston TIF
30	Money Market Fund	MMA	IMET	0.580	564	389,020	415	Capital Improvements
31	Money Market Fund	MMA	IMET	0.580	1,047	721,878	420	Special Assessment
32	Money Market Fund	MMA	IMET	0.580	9	6,303	505	Parking
33	Money Market Fund	MMA	IMET	0.580	259	178,925	510	Water
34			IMET Total		2,297.15	1,584,244		
35								
36	Money Market Fund	MMA	PMA	0.800	11,329	5,664,433	300	Washington National
37	Money Market Fund	MMA	PMA	0.800	708	353,880	310	HH TIF
38	Money Market Fund	MMA	PMA	0.800	3,038	1,519,076	320	Debt Service
39	Money Market Fund	MMA	PMA	0.800	990	495,232	335	West Evanston TIF
40	Money Market Fund	MMA	PMA	0.800	8,017	4,008,619	415	Capital Improvements
41	Money Market Fund	MMA	PMA	0.800	14,074	7,036,872	505	Parking
42	Money Market Fund	MMA	PMA	0.800	11,037	5,518,692	510	Water
43	Money Market Fund	MMA	PMA	0.800	994	497,100	515	Sewer
44			PMA Total		50,188	25,093,902		
45								
46			Grand Total		68,355	34,933,303		
47								
48								
49	Cash							
50				Total		1st Bank		
51	Cash	Cash		5,881,819		5,881,819	100	General
52	Cash	Cash		908,127		908,127	175	General Assistance
53	Cash	Cash		213,998		213,998	176	Health and Human Services
54	Cash	Cash		1,000,000		1,000,000	180	Good Neighbor
55	Cash	Cash		3,903,413		3,903,413	185	Library
56	Cash	Cash		369,692		369,692	186	Library Debt Service
57	Cash	Cash		137,353		137,353	195	Neighbrhd Stablztn
58	Cash	Cash		0		0	205	E911
59	Cash	Cash		0		0	210	SSD 4
60	Cash	Cash		218,199		218,199	215	CDBG
61	Cash	Cash		211,029		211,029	220	CD Loan
62	Cash	Cash		0		0	225	Economic Dev.
63	Cash	Cash		169,915		169,915	235	Neighbrhd Improvemt
64	Cash	Cash		0		0	240	Home
65	Cash	Cash		1,046,227		1,046,227	250	Affordable Housing
66	Cash	Cash		2,712,948		2,712,948	300	Washington National TIF
67	Cash	Cash		0		0	305	SSD5
68	Cash	Cash		0		0	310	Howard Hartrey
69	Cash	Cash		5,224,632		5,224,632	320	Debt
70	Cash	Cash		242,584		242,584	330	Howard Ridge
71	Cash	Cash		0		0	335	West Evanston
72	Cash	Cash		0		0	340	Dempster-Dodge-TIF
73	Cash	Cash		94,986		94,986	345	Chicago-Main TIF
74	Cash	Cash		194,650		194,650	350	Special Service Area (SSA) #6
75	Cash	Cash		5,916,214		5,916,214	415	Capital Improvements
76	Cash	Cash		2,908,379		2,908,379	420	Special Assess
77	Cash	Cash		485,304		485,304	505	Parking
78	Cash	Cash		3,617,120		3,617,120	510	Water
79	Cash	Cash		4,235,113		4,235,113	515	Sewer
80	Cash	Cash		0		0	520	Solid Waste
81	Cash	Cash		125,705		125,705	600	Fleet
82	Cash	Cash		1,467,406		1,467,406	601	Equipment Replacemt
83	Cash	Cash		0		0	605	Insurance
84				41,284,814		41,284,814		
85								
86			Total Cash			41,284,814		
87			Interfunds & negative cash			(6,353,844)		
88			Net Cash			34,930,970		
89			Total Investments & Cash			69,864,273		
90								
91	CASH / INVESTMENT	Investments		Cash		Total		
92	GENERAL LEDGER	Amount	%	Amount	%	Amount	%	
93	1ST Bank			34,930,970	100.00%	34,930,970	50.00%	
94	Chase			-	0.00%	-	0.00%	
95	PMA	25,093,902	71.83%			25,093,902	35.92%	
96	IMET	1,584,244	4.54%			1,584,244	2.27%	
97	US Bank	8,255,156	23.63%			8,255,156	11.82%	
98	Total	34,933,303	100.00%	34,930,970	100.00%	69,864,273	100.00%	

City of Evanston							
Cash & Investment Summary by Type							
March 31, 2017							
Investment Description	Investment Type	Bank	Rate	Fiscal YTD Est. Income	Investment Amount	Fund #	Fund
IL Funds	MMA	US Bank	0.769	6,690	3,480,091	100	General
IL Funds	MMA	US Bank	0.769	29	14,846	175	General Assistance
IL Funds	MMA	US Bank	0.769	3,353	1,744,261	200	MFT
IL Funds	MMA	US Bank	0.769	1,249	649,571	205	E911
IL Funds	MMA	US Bank	0.769	0	-	225	Economic Development
IL Funds	MMA	US Bank	0.769	703	365,914	250	Affordable Housing
IL Funds	MMA	US Bank	0.769	0	121	300	Washington National
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Money Market Fund	MMA	IMET	0.580	199	137,491	300	Washington National
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Money Market Fund	MMA	IMET	0.580	37	25,778	320	Debt Service
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Money Market Fund	MMA	IMET	0.580	259	178,925	510	Water
Money Market Fund	MMA	PMA	0.800	11,329	5,664,433	300	Washington National
Money Market Fund	MMA	PMA	0.800	708	353,880	310	HH TIF
Money Market Fund	MMA	PMA	0.800	3,038	1,519,076	320	Debt Service
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Money Market Fund	MMA	PMA	0.800	14,074	7,036,872	505	Parking
Money Market Fund	MMA	PMA	0.800	11,037	5,518,692	510	Water
Money Market Fund	MMA	PMA	0.800	994	497,100	515	Sewer
				68,355	34,933,303		



Memorandum

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

From: Ashley King, Finance & Budget Manager

Subject: March 2017 Monthly Financial Report

Date: April 24, 2017

Please find attached the unaudited financial statements as of March 31, 2017. A summary by fund for revenues, expenditures, fund and cash balances is as follows:

Fund	Fund Description	YTD Revenues	YTD Expenses	YTD Net	Fund Balance	Cash Balance
100	GENERAL FUND	33,797,810	28,860,790	4,937,020	19,734,012	11,561,044
176	HEALTH AND HUMAN SERVICES	214,788	121	214,667	250,067	285,473
175	GENERAL ASSISTANCE FUND	451,875	200,404	251,471	836,116	837,859
180	GOOD NEIGHBOR FUND	1,000,000	250,000	750,000	750,000	750,000
185	LIBRARY FUND	3,375,148	1,401,264	1,973,884	2,734,702	2,625,046
195	NEIGHBORHOOD STABILIZATION	29	8,845	(8,816)	(37,105)	123,594
200	MOTOR FUEL TAX FUND	507,284	214,498	292,786	1,706,464	1,529,763
205	EMERGENCY TELEPHONE (E911)	234,250	187,666	46,584	58,888	(7,502)
210	SPECIAL SERVICE AREA (SSA) #4	157,151	-	157,151	(35,125)	(35,125)
215	CDBG FUND	-	106,562	(106,562)	(42,456)	(42,456)
220	CDBG LOAN	19,287	1,270	18,017	175,678	228,938
235	NEIGHBORHOOD IMPROVEMENT	-	-	-	169,915	169,915
240	HOME FUND	6,973	30,371	(23,398)	(21,021)	(21,020)
250	AFFORDABLE HOUSING FUND	43,416	20,076	23,340	1,424,263	1,424,529
186	LIBRARY DEBT SERVICE FUND	-	-	-	16,803	16,803
300	WASHINGTON NATIONAL TIF	2,417,651	87,500	2,330,151	8,954,827	8,033,746
310	HOWARD-HARTREY TIF	930	-	930	473,994	705,674
330	HOWARD-RIDGE TIF FUND	297,241	39,476	257,765	257,681	259,950
335	WEST EVANSTON TIF FUND	3,680	10,070	(6,389)	410,871	419,193
340	DEMPSTER-DODGE TIF FUND	-	-	-	(29,415)	(29,415)
345	CHICAGO-MAIN TIF	-	40,091	(40,091)	94,986	94,986
350	SPECIAL SERVICE AREA (SSA) #6	116,356	-	116,356	194,650	194,650
320	DEBT SERVICE FUND	6,472,328	-	6,472,328	7,218,383	7,233,178
415	CAPITAL IMPROVEMENTS FUND	138,259	608,107	(469,847)	11,156,611	12,005,150
420	SPECIAL ASSESSMENT FUND	173,755	65,857	107,898	407,114	3,103,577
505	PARKING SYSTEM FUND	1,058,532	1,729,507	(670,974)	10,815,895	6,959,523
510	WATER FUND	3,931,560	2,469,974	1,461,586	6,753,008	7,585,169
515	SEWER FUND	3,071,997	2,571,289	500,708	6,194,629	3,443,076
520	SOLID WASTE FUND	1,256,398	1,126,190	130,208	(796,290)	(1,490,123)
600	FLEET SERVICES FUND	857,371	667,929	189,442	962,681	242,030
601	EQUIPMENT REPLACEMENT FUND	426,207	17,379	408,829	1,692,550	1,294,161
605	INSURANCE FUND	4,247,254	4,411,711	(164,457)	(803,562)	362,886
		64,277,531	45,126,946	19,150,585	81,679,812	69,864,273

Included above are the ending balances as of March 31, 2017 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 March 31, 2017, the General Fund is reporting a net surplus of \$4,937,020. The General Fund balance is \$19,734,012 with a cash balance of \$11,561,044. This year shows the Economic Development Fund merged with the General Fund—increasing both Fund and Cash balances. The attached supplemental charts show the General Fund Revenues at 28.5% of budget and expenses lower at 24.3%. This revenue number reflects receipt of 50% of property taxes; permit revenue, however, is well-below estimates.

Through March 31, 2017, the SSA #4 Fund is showing a negative fund and cash balance of \$35,125. This is due to the timing of payments to the Downtown Evanston group.

Through March 31, 2017, the Home Fund is showing a negative cash balance of \$21,020.

Through March 31, 2017, the CDBG Fund is showing a negative cash balance of \$42,456. This will be reimbursed with draw-downs during March.

Through March 31, 2017, the Capital Fund is showing a fund balance of \$11,156,611 and a cash balance of \$12,005,150. As the year-end close process for 2016 continues through May, expenses are anticipated to increase to reflect payables due to IDOT and other organizations which will be paid in 2017. This will reduce the fund balances

Through March 31, 2017, the enterprise funds (Parking, Water, and Sewer) have balances above average due to the timing of capital projects for 2017.

Through March 31, 2017, the Solid Waste Fund has a negative fund balance of \$796,290 and a negative cash balance of \$1,490,123.

Through March 31, 2017, the Insurance Fund is showing a negative fund balance of \$803,562 with a cash balance of \$362,886. Advanced Disposal fees were all held in escrow in the Insurance Fund. After the settlement, these are these are treated as revenues in the General Fund.

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/>.

CERTIFICATION OF ATTACHED FINANCIAL REPORTS

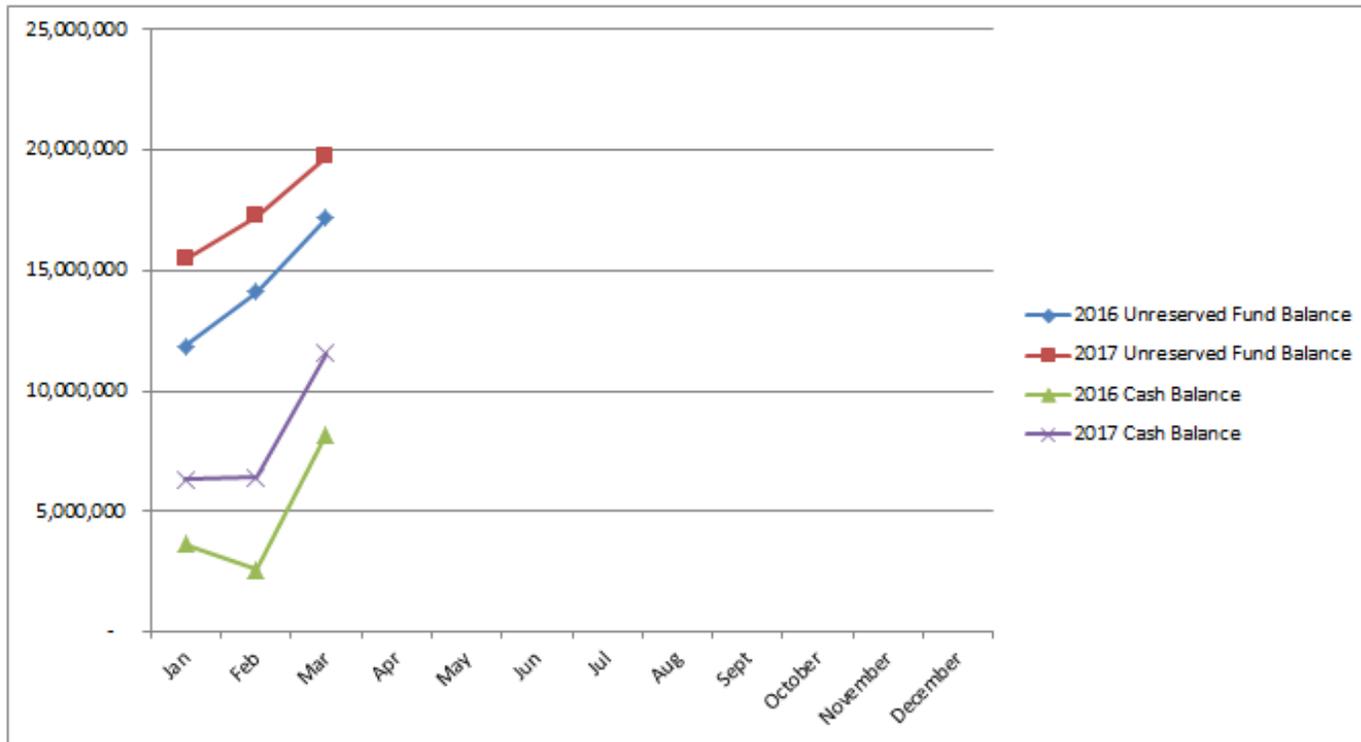
As required per Illinois Statute 65 ILCS 5/3.1-35-45 I, Martin Lyons, Treasurer of the City of Evanston, hereby affirm that I have reviewed the March 31, 2017 year-to-date financial information and reports which to the best of my knowledge appear accurate and complete.



Martin Lyons, Treasurer

2016 v 2017 Fund and Cash Balance-- General Fund

	Jan	Feb	Mar
2016 Unreserved Fund Balance	11,859,782	14,097,256	17,193,730
2017 Unreserved Fund Balance	15,453,984	17,244,431	19,734,012
2016 Cash Balance	3,656,830	2,587,845	8,182,090
2017 Cash Balance	6,338,271	6,393,110	11,561,044



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Fund 100 - GENERAL FUND

Classification	2017 Budget	March Actual	YTD Actual	%	2016 Actual
Property Taxes	28,639,628	10,527,723	14,414,026	50.3%	27,302,687
Other Taxes	49,402,274	3,167,760	11,651,566	23.6%	44,922,404
License	5,496,150	178,883	1,093,219	19.9%	6,784,745
Permit	11,648,000	319,325	1,343,319	11.5%	11,012,646
Fee	115,500	4,429	87,001	75.3%	70,395
Fines and Forfeitures	3,810,000	271,821	673,477	17.7%	3,611,901
Parking Charges for Services	640,000	-	22,214	3.5%	687,835
Parks and Recreation Charges for Services	5,650,895	469,033	1,483,823	26.3%	5,401,563
Other Charges for Services	2,719,717	165,488	816,979	30.0%	2,798,972
Interfund Transfers	7,705,774	613,976	1,881,929	24.4%	8,709,861
Intergovernmental Revenue	839,965	84,757	162,741	19.4%	988,671
Other Revenue	2,060,829	52,764	162,889	7.9%	1,382,941
Interest Income	50,100	696	4,627	9.2%	30,285
REVENUE TOTAL	118,778,832	15,856,652	33,797,810	28.5%	113,704,908
CITY COUNCIL	498,189	30,379	92,782	18.6%	433,601
CITY CLERK	275,488	21,096	68,450	24.8%	294,665
CITY MANAGER'S OFFICE	9,694,367	476,942	1,369,698	14.1%	6,985,591
LAW	1,038,137	62,468	164,194	15.8%	1,052,130
ADMINISTRATIVE SERVICES	9,700,879	727,465	1,958,654	20.2%	9,164,947
COMMUNITY DEVELOPMENT	2,804,668	188,492	521,641	18.6%	2,510,408
POLICE	38,223,842	5,572,678	11,407,455	29.8%	37,817,627
FIRE MGMT & SUPPORT	24,294,001	4,009,324	7,373,884	30.4%	23,235,714
HEALTH	3,582,312	238,584	662,644	18.5%	3,097,351
PUBLIC WORKS	-	-	-	#DIV/0!	(1,475)
PARKS, REC. AND COMMUNITY SERV.	12,361,460	841,221	2,070,351	16.7%	11,997,476
PUBLIC WORKS AGENCY	16,212,848	1,198,422	3,171,035	19.6%	14,738,137
EXPENSE TOTAL	118,686,191	13,367,071	28,860,790	24.3%	111,326,171
Fund 100 - GENERAL FUND Totals					
REVENUE TOTALS	118,778,832	15,856,652	33,797,810	28%	113,704,908
EXPENSE TOTALS	118,686,191	13,367,071	28,860,790	24%	111,326,997
Fund 100 - GENERAL FUND Net Gain (Loss)	92,641	2,489,581	4,937,020	5,329%	2,377,911



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Fund 505 - PARKING SYSTEM FUND

Classification	2017 Budget	March Actual	YTD Actual	%	2016 Actual
Permit	-	-	600	#DIV/0!	3,350
Parking Charges for Services	6,737,875	(74,615)	1,014,646	15.1%	6,340,992
Parks and Recreation Charges for Services	65,000	-	-	0.0%	168,500
Interfund Transfers	4,120,636	-	-	0.0%	3,711,768
Intergovernmental Revenue	12,125	-	-	0.0%	-
Other Revenue	203,216	12,167	34,734	17.1%	195,895
Interest Income	35,070	3,216	8,552	24.4%	38,159
REVENUE TOTAL	11,173,922	(59,232)	1,058,532	9.5%	10,458,663
Employee Pay	26,000	2,050	3,870	14.9%	26,465
Benefits	1,117,119	77,097	217,133	19.4%	1,206,649
Pensions	104,802	7,272	20,313	19.4%	93,277
Services	3,222,411	265,192	659,653	20.5%	2,846,933
Supplies	278,864	14,468	37,332	13.4%	237,610
Capital Outlay	3,020,000	262,755	262,755	8.7%	(24,598)
Insurance and Other Chargebacks	524,102	43,124	127,328	24.3%	504,784
Depreciation Expense	-	-	-		2,836,672
Contingencies	11,000	468	689	6.3%	5,910
Debt Service	4,331,771	-	-	0.0%	390,235
Miscellaneous	304,000	81,763	81,763	26.9%	255,626
Interfund Transfers	1,584,683	106,224	318,671	20.1%	1,303,783
EXPENSE TOTAL	14,524,752	860,413	1,729,507	11.9%	9,683,345
Fund 505 - PARKING SYSTEM FUND Totals					
REVENUE TOTALS	11,173,922	(59,232)	1,058,532	9%	10,458,663
EXPENSE TOTALS	14,524,752	860,413	1,729,507	12%	9,683,345
Fund 505 - PARKING SYSTEM FUND Net Gain	(3,350,830)	(919,645)	(670,974)	20%	775,318



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Fund 510 - WATER FUND

Classification	2017 Budget	March Actual	YTD Actual	%	2016 Actual
Fee	70,000	7,409	17,152	24.5%	90,592
Water Charges for Services	17,324,000	265,349	3,887,644	22.4%	15,851,052
Sewer Charges for Services	36,000	3,735	10,966	30.5%	51,737
Other Charges for Services	135,000	125	20	0.0%	168,482
Other Revenue	6,828,400	3,349	9,553	0.1%	306,143
Interest Income	1,600	2,440	6,225	389.1%	16,116
REVENUE TOTAL	24,395,000	282,407	3,931,560	16.1%	16,484,123
Employee Pay	183,365	7,755	33,725	18.4%	193,328
Benefits	4,037,387	300,179	848,692	21.0%	3,898,385
Pensions	368,658	28,122	80,563	21.9%	495,309
Services	2,250,760	253,175	404,658	18.0%	1,735,462
Supplies	1,360,390	110,316	184,171	13.5%	876,885
Capital Outlay	14,982,119	29,700	(232,508)	-1.6%	791
Insurance and Other Chargebacks	1,174,064	95,263	275,095	23.4%	1,110,835
Depreciation Expense	-	-	-	#DIV/0!	1,973,593
Contingencies	1,000	-	-	0.0%	1,000
Debt Service	1,438,470	-	-	0.0%	633,708
Miscellaneous	62,980	-	-	0.0%	238,468
Interfund Transfers	3,502,313	278,526	875,578	25.0%	3,502,313
EXPENSE TOTAL	29,361,507	1,103,036	2,469,974	8.4%	14,660,077
Fund 510 - WATER FUND Totals					
REVENUE TOTALS	24,395,000	282,407	3,931,560	16%	16,484,123
EXPENSE TOTALS	29,361,507	1,103,036	2,469,974	19%	14,660,077
Fund 510 - WATER FUND Net Gain (Loss)	(4,966,507)	(820,629)	1,461,586	13%	1,824,045



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Fund 515 - SEWER FUND

Classification	2017 Budget	March Actual	YTD Actual	%	2016 Actual
Sewer Charges for Services	12,501,500	797,835	3,070,763	24.6%	13,027,160
Other Charges for Services	19,650	-	-	0.0%	21,600
Other Revenue	604,165	-	-	0.0%	3,087
Interest Income	1,000	444	1,234	123.4%	4,450
REVENUE TOTAL	13,126,315	798,279	3,071,997	23.4%	13,056,297
Employee Pay	57,040	790	7,932	13.9%	37,763
Benefits	859,043	66,243	185,198	21.6%	862,355
Pensions	73,398	6,150	17,723	24.1%	110,255
Services	908,500	28,201	28,201	3.1%	109,493
Supplies	92,300	1,016	3,278	3.6%	48,058
Capital Outlay	2,819,700	-	-	0.0%	15,370
Insurance and Other Chargebacks	432,953	36,580	106,868	24.7%	414,270
Depreciation Expense	-	-	-	#DIV/0!	3,461,103
Debt Service	8,370,946	1,367,533	1,974,170	23.6%	1,336,366
Miscellaneous	1,500	-	-	0.0%	5,000
Interfund Transfers	991,677	82,640	247,919	25.0%	773,873
EXPENSE TOTAL	14,607,057	1,589,153	2,571,289	17.6%	7,173,906
Fund 515 - SEWER FUND Totals					
REVENUE TOTALS	13,126,315	798,279	3,071,997	23%	13,056,297
EXPENSE TOTALS	14,607,057	1,589,153	2,571,289	18%	7,173,906
Fund 515 - SEWER FUND Net Gain (Loss)	(1,480,742)	(790,874)	500,708	(34%)	5,882,391

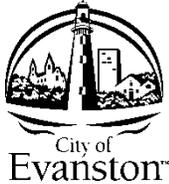


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Fund 520 - SOLID WASTE FUND

Classification	2017 Budget	March Actual	YTD Actual	%	2016 Actual
License	275,000	41,263	86,004	31.3%	125,404
Other Charges for Services	3,632,394	301,358	893,035	24.6%	3,586,453
Interfund Transfers	1,055,967	87,997	263,992	25.0%	1,055,967
Other Revenue	238,000	12,203	13,368	5.6%	274,808
REVENUE TOTAL	5,201,361	442,822	1,256,398	24.2%	5,042,632
Employee Pay	45,000	1,424	2,750	6.1%	43,025
Benefits	644,768	43,664	119,115	18.5%	620,226
Pensions	60,473	4,154	11,197	18.5%	72,588
Services	3,679,126	232,568	833,514	22.7%	3,302,430
Supplies	53,050	660	3,635	6.9%	54,768
Capital Outlay	25,750	2,085	2,285	8.9%	6,034
Insurance and Other Chargebacks	149,325	9,847	27,492	18.4%	138,618
Debt Service	21,046	-	-	0.0%	2,251
Miscellaneous	15,000	-	-	0.0%	12,232
Interfund Transfers	504,807	42,067	126,202	25.0%	499,493
EXPENSE TOTAL	5,198,345	336,470	1,126,190	21.7%	4,751,664
Fund 520 - SOLID WASTE FUND Totals					
REVENUE TOTALS	5,201,361	442,822	1,256,398	24%	5,042,632
EXPENSE TOTALS	5,198,345	336,470	1,126,190	22%	4,751,664
Fund 520 - SOLID WASTE FUND Net Gain (Loss)	3,016	106,352	130,208	4,317%	290,968



Memorandum

To: Wally Bobkiewicz, City Manager

From: Brian R. Scott, Fire Chief
Martin Lyons, Assistant City Manager/CFO
Ashley King, Budget & Finance Manager

Subject: First Quarter 2017 - Overtime

Date: June 5, 2017

Through the first quarter of 2017, the Fire Department is over the anticipated quarter of expenses, at 30% of their budget. A large reason for this higher percentage is the transfer of property taxes to pensions. The other expense which is higher than anticipated is overtime expenses, which are at 52% of budget through the first quarter.

Increases in overtime for the 1Q 2017 as compared to 1Q 2016 can be attributed to additional shift vacancies relative to previous quarters and the need to maintain operational minimum staffing levels. The Fire Department experienced a significant increase in time lost due to injury in the second half of 2016 and continuing through the first quarter of 2017. In the 1Q of 2016 there were 3 members with significant leave due to injury. That number grew through 2016 and into the 1Q of 2017 from 3 to 10. The amount of injury leave in the last 16 months is not typical. 2014 and 2015 saw only three firefighters off on long term leave in each of those years.

Fortunately, by the end of June 2017, the City expects to have 8 members return to full duty, leaving only 5 on continuing leave. The Fire Department is also currently working on hiring 3 replacement positions, which should significantly reduce the amount of operational overtime needed in the second half of 2017.

Evanston has not had difficulty with volunteers taking on additional shifts to cover the over-time. Over-time can often be seen as an appropriate way to manage staffing as it is significantly more affordable than hiring additional staff—it does not include additional benefit or pension costs. One metric that is often used in determining if over-time is above an appropriate limit is to look at over-time as a percentage of regular pay.

Below, please find the calculations used to determine Evanston's over-time as a percentage of regular pay.

Attachment 3: Fire Department Over-time

Account	Account Description	2013 Actual Amount	2014 Actual Amount	2015 Actual Amount	2016 Actual Amount	2017 1st Q Amount
Fund 100 - GENERAL FUND						
EXPENSE						
Department 23 - FIRE MGMT & SUPPORT						
61110	OVERTIME PAY	120,466	258,665	227,079	236,407	35,706
61111	HIREBACK OT PAY	177,557	281,336	297,572	495,579	168,310
61113	TRAINING OT	54,702	38,528	40,688	64,805	9,741
<i>Overtime Pay Totals</i>		352,724	578,530	565,340	796,792	213,757
<i>Benefits</i>						
<i>Benefits General</i>						
61010	REGULAR PAY	9,571,378	10,003,626	10,393,442	10,785,731	2,284,771
OT as a % of Regular Pay		3.69%	5.78%	5.44%	7.39%	9.36%

Although it has been steadily increasing since 2013, Evanston continues to have a lower percentage than other communities.

Department	2014	2015	2016	2017
	OT as % of Regular Pay			
Mount Prospect	9.08	9.03	9.06	
Arlington Heights	6.86	7.14	8.69	
Des Plaines	7.66	12.20	15.43	
Elgin	10.8	12.0	10.25	
Schaumburg	3.6	5.4	3.9	
Skokie	6.9	5.1	6.8	
Joliet	11.9	9.2	6.7	
Oak Lawn	35.3	38.4	36.8	
Average	11.51	12.30	12.20	
				1st Quarter
Evanston	5.78%	5.44%	7.39%	9.36%

Staff will continue to monitor over-time expenses and will report any changes as they arise.