



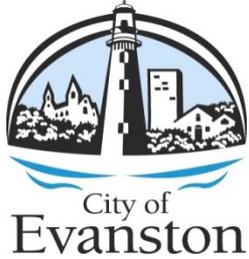
Fiscal Year 2013 4th Quarter Financial Review

March 24, 2014



12/31/13 General Fund - Executive Overview

- FY 2013 yearend financial reports are preliminary and unaudited and will not be finalized until the Comprehensive Annual Financial Report is completed in June.
- General Fund revenues were \$86.9M, or above budget (favorable variance) by \$2.4M million or 2.76% .
- General Fund expenditures, prior to yearend interfund transfers, were \$84.7M, or above budget (unfavorable variance) by \$178k or 0.21% of budget.
- Through December 31, 2013, there is a \$2.2M surplus in the General Fund.



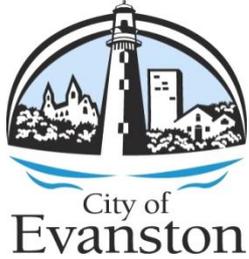
12/31/13 General Fund - Executive Overview

- As discussed during the FY 2014 Budget process, staff proposes proceeding with interfund transfers of the General Fund surplus to the Debt Service, Fleet Maintenance and Insurance Funds.
- Due to expense increases in the General Fund, a retroactive 2013 Budget Amendment is required.
- No new taxes are required to balance the General Fund for Fiscal Year 2013.



General Fund Revenue Highlights

- Through December 31, 2013 property tax revenue was \$12,191,575 or 97.7% of budget.
- Sales Taxes exceeded budgetary projections in FY 2013:
 - FY 2013 Basic Sales Tax revenues totaled \$9,717,313 or 7.1% above budget.
 - Home Rule Sales Tax revenues totaled \$5,964,747 or 1.76% above budget.
- Athletic Contest Tax revenues totaled \$1,056,355 or 38.9% above budget (highest amount in past decade).
- Parking Tax revenues totaled \$2,418,852 or 9.95% above budget for FY 2013.



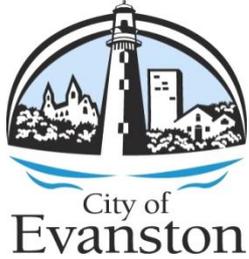
General Fund Revenue Highlights

- State income tax was recorded in the amount of \$7,182,793 through December 31, 2013, or 13.6% above budget target for this revenue item.
- Real estate transfer tax through December 31, 2013 totaled \$3,894,599 or 81.5% above budget target for this item.
- Through December 31, 2013, licenses, permits, and fees totaled \$10,627,149 or 12.82% above budget.
 - Permit revenue totaled \$5,697,157 or 34.69% above budget, with Building Permit revenues totaling \$3,951,048 or 30.83% above budget.
 - License revenues totaled \$3,777,520 or 4.05% above budget.



FY 2013 General Fund Revenue

Revenues	Budget	Actual	% of Budget
Property Tax	\$ 12,481,386	\$ 12,191,575	97.68%
Sales Tax	15,152,800	15,682,140	103.49%
State Income Tax	6,322,645	7,182,793	113.60%
Utility Tax	8,514,306	7,723,648	90.71%
Real Estate Transfer Tax	2,146,300	3,894,599	181.46%
Liquor Tax	2,350,000	2,261,874	96.25%
Other Taxes	5,961,146	6,095,012	102.25%
Licenses, Permits, Fees	9,419,640	10,627,149	112.82%
Charges for Services	7,904,198	7,845,622	99.26%
Intergovernmental Revenues	786,798	1,425,905	181.23%
Interfund Transfers	7,693,367	7,521,427	97.77%
Other Non-Tax Revenue	5,790,465	4,400,380	75.99%
Total Revenues	\$ 84,523,051	\$ 86,852,124	102.76%



FY 2014 General Fund Revenue

- FY 2013 General Fund revenues exceeded budget by 2.76%.
- Staff projects FY 2014 revenue will exceed FY 2013 actuals by 2.69%.

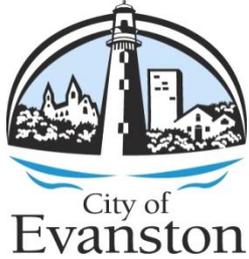
Revenues	FY 2013 Actual	FY 2014 Budget	Variance	% Variance
Property Tax	\$ 12,191,575	\$12,271,386	\$ 79,811	0.65%
Sales Tax	15,682,140	15,790,000	107,860	0.69%
State Income Tax	7,182,793	7,076,170	(106,623)	-1.48%
Utility Tax	7,723,648	8,220,000	496,352	6.43%
Real Estate Transfer Tax	3,894,599	2,875,000	(1,019,599)	-26.18%
Liquor Tax	2,261,874	2,375,000	113,126	5.00%
Other Taxes	6,095,012	5,940,053	(154,959)	-2.54%
Licenses, Permits, Fees	10,627,149	12,622,280	1,995,131	18.77%
Charges for Services	7,845,622	7,936,754	91,132	1.16%
Intergovernmental Revenues	1,425,905	721,272	(704,633)	-49.42%
Interfund Transfers	7,521,427	7,742,893	221,466	2.94%
Other Non-Tax Revenue	4,400,380	5,614,490	1,214,110	27.59%
Total Revenues	\$ 86,852,124	\$89,185,298	\$2,333,174	2.69%



General Fund Expenditure Overview

- General Fund expenditures closed FY 2013 over budget by 0.21%.
- Expenditures exceeded budget primarily due to overtime and related personnel expenses and salt purchases.

Expenditures	Budget	Actual	% of Budget
Legislative	\$ 635,096	\$ 657,069	103.5%
City Administration	1,873,088	1,582,580	84.5%
Law Department	989,154	973,254	98.4%
Administrative Services Department	8,776,493	7,721,650	88.0%
Community and Econ. Development	2,721,262	2,536,250	93.2%
Police Department	25,552,038	26,508,585	103.7%
Fire & Life Safety Services	13,741,148	14,142,078	102.9%
Health Department	2,633,716	2,917,848	110.8%
Public Works - Operating	9,660,554	10,043,463	104.0%
Parks, Recreation & Comm. Services	17,937,873	17,616,397	98.2%
Total Expenditures	\$ 84,520,422	\$ 84,699,174	100.2%



FY 2013 General Fund Surplus

- Through December 31, 2013, there is a \$2.2M surplus in the General Fund.
- As discussed during the FY 2014 Budget process, staff proposes proceeding with interfund transfers of the General Fund surplus to the Debt Service, Fleet Maintenance and Insurance Funds.

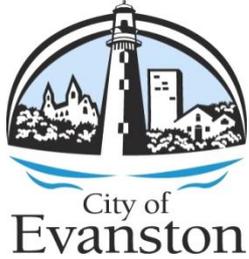
Fund	Transfer Amount
Debt Service Fund	\$ 1,000,000
Fleet Maintenance Fund	\$ 600,000
Insurance Fund	\$ 500,000
Total Transfers	\$ 2,100,000

- After completing the surplus transfers, the net General Fund surplus is \$52,950, which increases the fund balance to \$17,086,437.



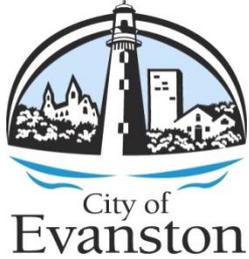
12/31/13 Enterprise Fund Overview

Parking Fund	Budget	Actual	% of Budget
Revenues	\$ 12,099,647	\$ 15,722,095	129.9%
Expenses	\$ 14,423,984	\$ 16,852,604	116.8%
Water Fund	Budget	Actual	% of Budget
Revenues	\$ 16,929,300	\$ 16,646,625	98.3%
Expenses	\$ 21,242,179	\$ 17,195,021	80.9%
Sewer Fund	Budget	Actual	% of Budget
Revenues	\$ 20,027,865	\$ 18,584,478	92.8%
Expenses	\$ 19,266,088	\$ 18,740,253	97.3%
Solid Waste Fund	Budget	Actual	% of Budget
Revenues	\$ 5,010,000	\$ 5,130,397	102.4%
Expenses	\$ 5,264,222	\$ 4,775,663	90.7%



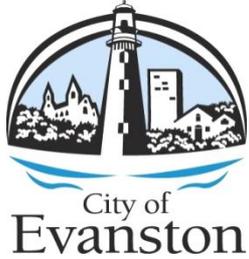
Enterprise Fund Highlights

- Parking Fund revenues for FY 2013 were \$15,722,095 or 29.9% above budget and expenses were \$16,852,604 or 16.8% above the Amended FY 2013 budget, resulting in a deficit of \$1,130,509. The Parking Fund had a budgeted deficit of \$2,324,337 for FY 2013.
- FY 2013 revenues and expenses exceeded budget primarily due to the Parking Fund portion of the 2013B General Obligation refunding. This issuance refunded the 2004/05 G.O Bonds and is anticipated to produce debt service savings between \$2.5 and \$3.75 million
- Solid Waste Fund revenues for FY 2013 were \$5,130,397 or 2.4% above budget and expenses were \$4,775,663 or 90.7% of budget, resulting in a surplus of \$354,734.
- Solid Waste Fund revenues exceeded budget due to higher than anticipated recycling service revenues. Expenses related to refuse collection and disposal were held below budget by approximately \$300,000.



Enterprise Fund Highlights

- Water Fund revenues for FY 2013 were \$16,646,625 or 98.3% of budget and expenses were \$17,195,021 or 80.9% of budget, resulting in a deficit of \$548,396. The Water Fund had a budgeted deficit of \$4,312,879 for FY 2013.
- Water Fund expenses for FY 2013 were held below budget primarily due to lower than anticipated capital project expenses.
- Sewer Fund revenues for FY 2013 were \$18,584,478 or 92.8% of budget and expenses were \$18,740,253 or 97.3% above the Amended FY 2013 Budget, resulting in a deficit of \$155,775.
- The FY 2013 Sewer Fund deficit is primarily due to the reduction the 2013 Bond issuance for sewer-related projects from \$4 million to approximately \$2 million.



12/31/13 Capital Projects Overview

Capital Projects Expenses through 12/31/13 by Fund*:

Fund	FY 2013 Budget	YTD Expense 12/31/13
MFT Fund Funding	\$ 1,400,000	\$ 972,788
Emergency Telephone (E911) Fund	120,000	26,680
CDBG Fund	494,800	484,499
Washington National TIF Fund	2,836,000	1,930,194
Howard-Hartrey TIF Fund	1,900,000	150,000
Southwest TIF Fund	580,000	-
Howard-Ridge TIF Fund	800,000	53,500
West Evanston TIF Fund	1,285,000	179,000
Capital Improvement Fund	13,575,351	7,393,239
Special Assessment Fund	361,000	29,863
Parking Fund	3,455,000	1,863,128
Water Fund	8,065,700	4,834,461
Sewer Fund Funding	4,922,500	4,548,782
TOTAL - ALL FUNDS	\$ 39,795,351	\$ 22,466,134

* Excludes encumbrances for expenses incurred but not paid in FY 2013



What to Watch

- Negative Fund balances are being carried in the Insurance and Solid Waste Funds.
- These negative fund balances could potentially impact the General Fund in the future if not addressed.
- A summary of the potential impact of the Insurance and Solid Waste Fund balances on the General Fund is provided below:

	12/31/2012 Unreserved Fund Balance	12/31/2013 Unreserved Fund Balance
General Fund	\$ 18,046,886	\$17,086,437
Insurance Fund	\$ (7,350,133)	\$ (6,665,911)
Solid Waste Fund	\$ (1,479,735)	\$ (1,093,150)
Effective General Fund Net Balance	\$ 9,217,018	\$ 9,327,376



Questions?