



Fiscal Year 2012
2nd Quarter
Financial Review

August 13, 2012



06/30/12 General Fund - Executive Overview

- FY 2012 is a twelve month calendar fiscal year. The budget target through June 30, 2012 is 50% of the total budget.
- General Fund revenues were \$41.3M, or 49.9% of budget. While revenues performed close to the 50% budget target, some General Fund revenue sources are not received evenly throughout the year.
- General Fund expenditures totaled \$40.0M, or 44.7% of budget. This favorable 5.3% variance (50.0% less 44.7%) is primarily related to payroll (seasonal employee wages began in June and the thirteenth payroll, totaling \$2.3M, closed on July 1, 2012).
- Through June 30, 2012, there is a \$4.3M surplus in the General Fund, compared to a \$2.0M surplus at this time last year. However, when including the July 1, 2012 payroll, totaling \$2.3M, the YTD General Fund surplus is similar to the surplus reported at this time last year.



General Fund Revenue Overview

- Economic revenues are fairly stable, December sales tax should bring year-end totals close to budget.
- Year-to-date revenues have held consistent with budget targets
- General Fund revenues through 06/30/12 are \$41.3M, or 49.9% of budget.

Revenues	Budget	Actual	% of Budget
Property Tax	\$ 12,296,386	\$ 6,854,652	55.7%
Sales Tax	15,206,475	6,796,333	44.7%
State Income Tax	5,853,839	3,581,018	61.2%
Utility Tax	8,672,006	4,377,060	50.5%
Real Estate Transfer Tax	1,725,000	936,916	54.3%
Liquor Tax	2,070,063	1,080,467	52.2%
Other Taxes	5,860,547	2,393,980	40.8%
Licenses, Permits, Fees	8,652,861	4,113,256	47.5%
Charges for Services	7,853,023	4,583,630	58.4%
Intergovernmental Revenues	669,897	344,508	51.4%
Interfund Transfers	7,890,068	3,838,778	48.7%
Other Non-Tax Revenue	5,950,622	2,391,469	40.2%
Total Revenues	\$ 82,700,787	\$ 41,292,067	49.9%



General Fund Revenue Highlights

- Through 06/30/12, General Fund property tax revenue was \$6,854,652 or 55.7% of budget.
- Real estate transfer tax totaled \$936,916 or approximately 54.3% of budget.
- State income tax revenue through 06/30/12 totaled \$3,581,018 or approximately 61.2% of budget. There is a one month delay in income tax disbursements from the State.
- Sales tax revenue through June 30, 2012 was \$6,796,333 or 44.7% of budget. December sales tax revenues should bring year-end totals for this item closer to budget. There is a three month delay in sales tax disbursements from the State.



General Fund Expenditure Overview

- YTD FY12 expenditures have been held below budget targets to date
- General Fund expenditures through 06/30/12 were \$36.9M or 44.7% of budget.
- July 1, 2012 payroll, totaling \$2.3M, was not included in YTD expenditures.
- Union settlements of 2% salary increases will add approximately \$1M to General Fund expenses annually (\$500K for FY12 retro)

Expenditures	Budget	Actual	% of Budget
Legislative	\$ 616,033	\$ 276,537	44.9%
City Administration	1,856,258	676,160	36.4%
Law Department	999,107	441,741	44.2%
Administrative Services Department	8,643,197	3,839,399	44.4%
Community and Econ. Development	3,148,339	1,406,425	44.7%
Police Department	24,752,938	11,785,417	47.6%
Fire & Life Safety Services	13,314,621	6,271,770	47.1%
Health Department	2,413,969	1,070,861	44.4%
Public Works	9,559,460	4,183,961	43.8%
Parks, Recreation & Comm. Serv.	17,392,621	7,015,042	40.3%
Total Expenditures	\$ 82,696,543	\$ 36,967,313	44.7%



General Fund Expenditure Overview (cont.)

- Some examples of unevenly disbursed or seasonal General Fund expenditures include:
 - Seasonal employee wages in Parks, Recreation and Community Services are usually charged during the summer months.
 - Police Department assigns additional patrol details during the summer months.
 - While the previous winter was relatively mild, certain overtime wages in Public Works for services such as snow/ice removal may occur in November or December.



YTD General Fund Surplus Adjustments

- Upcoming payments will impact the YTD General Fund Surplus:

YTD General Fund Overview:

YTD General Fund Revenue 06/30/12	\$	41,292,067
YTD General Fund Expenses 06/30/12	\$	(36,967,313)
General Fund Surplus / (Deficit)	\$	4,324,754

Upcoming General Fund Payments:

July 1, 2012 Payroll (General Fund Portion)	\$	(2,270,195)
Union Settlements - 6 Months Retro Pay for FY12	\$	(500,000)
Adjusted General Fund Surplus / (Deficit) Estimate	\$	1,554,559



06/30/12 Enterprise Fund Overview

Parking Fund			
	Budget	Actual	% of Budget
Revenues	\$ 12,082,367	\$ 5,655,515	46.8%
Expenses	\$ 15,251,140	\$ 4,509,432	29.6%
Water Fund			
	Budget	Actual	% of Budget
Revenues	\$ 18,768,057	\$ 7,211,459	38.4%
Expenses	\$ 20,663,758	\$ 8,191,349	39.6%
Sewer Fund			
	Budget	Actual	% of Budget
Revenues	\$ 22,000,236	\$ 6,835,821	31.1%
Expenses	\$ 21,461,143	\$ 6,909,842	32.2%
Solid Waste Fund			
	Budget	Actual	% of Budget
Revenues	\$ 5,010,000	\$ 2,304,653	46.0%
Expenses	\$ 5,187,861	\$ 2,047,351	39.5%



Enterprise Fund Highlights

Revenues:

- Through 06/30/12, revenues for the Parking, Water, Sewer and Solid Waste Funds were all below the 50% budget target.
- Water and Sewer Revenues are seasonal and summer billing months are not received until after June 30.
- Solid Waste will also have higher revenues in the fall due to yard waste collection.

Expenditures:

- Expenditures for the Parking, Water, Sewer and Solid Waste Funds have been held below the 50% budget target.
- Enterprise Fund expenditures through 6/30/12 were below the 50% budget target primarily due to major capital project expenses which are incurred throughout the summer.



06/30/12 Capital Projects Overview

Capital Projects Expenses through 06/30/12 by Fund:

Funding Source	Amended FY 2012	YTD Expenses 6/30/2012
MFT Fund	\$ 1,400,000	\$ 142,070
CDBG Fund	255,000	36,452
Economic Development Fund	160,000	-
Washington National TIF Fund	2,536,000	425,000
Howard-Hartrey TIF Fund	1,500,000	-
Southwest TIF Fund	580,000	-
Howard-Ridge TIF Fund	900,000	1,067
West Evanston TIF Fund	2,270,000	-
Capital Improvements Fund	14,650,358	867,460
Special Assessment Fund	1,155,000	4,215
Parking Fund	3,400,000	45,024
Water Fund	7,837,000	1,776,362
Sewer Fund	4,753,000	318,353
TOTAL	\$ 41,396,358	\$ 3,616,003



What to Watch

Revenues:

- Income Tax – State of Illinois payments are currently on schedule
- Property Tax – Cook County – Property Tax Refunds
- Sewer Fund revenue – continued lower volume
- Building and other permit revenue – major buildings may provide one-time revenues
- Grant receipts – State and Federal budget cuts

Expenditures:

- Continue to monitor operating expenses
- Payroll and Overtime
- Other fund expenses – particularly insurance fund settlement costs for workers' compensation
- Capital Projects



2012 Estimate

- YTD General Fund revenues through 6/30/12 are performing close to budget. Staff will continue to monitor General Fund revenue performance throughout FY 2012 and will provide regular updates to the City Council
- While YTD General Fund expenditures through 6/30/12 are only 44.7% of budget, this is due to the 13th pay period closing on July 1, 2012. Staff will seek to maintain General Fund expenditures below budget for the remainder of FY 2012.
- Based on current estimates, it is unlikely that Other funds such as Capital Improvements, Water, Parking, and Fleet will spend all of their budgets due to capital projects/equipment purchases not being completed by 12/31/12.
- Barring external circumstances such as reductions in federal or state funds, or a withholding of property taxes by the County, the overall 2012 budget appears stable.



Questions?