



**DATE:** January 24, 2019

**TO:** Corri Spiegel, City Administrator  
Brandon Wright, CFO/Assistant City Administrator

**FROM:** Meghan Murray, Budget Analyst

**RE:** FY 2020 Monthly Financial Update – Through December 2019

Below is a summary report of the city’s main operating funds as of December 31, 2019 for FY 2020. Information is provided for the General Fund, Trust & Agency Fund, and Employee Health Fund. As the year advances, accuracy of year-end projections should continue to increase.

### General Fund

As of the end of December, General Fund operating departments ended slightly below expected spending levels. With 50.1% of the year completed, 47.5% of overall budgeted expenditures have been spent. Payroll costs, which are the main driver of the General Fund, are at 45.2% of budgeted levels, which is slightly less than the expected level of 46.2%.

OVERALL DEPARTMENT BUDGET SUMMARY			
Department	Budget	YTD	%
City Council	342,266	174,095	50.9%
Mayor's Office	121,633	55,260	45.4%
Finance	1,435,384	686,767	47.8%
Administration	744,160	320,051	43.0%
Human Resources	765,459	310,213	40.5%
CPED	866,634	524,696	60.5%
Civil Rights	333,497	141,505	42.4%
NSD	1,570,218	781,553	49.8%
Public Works	2,329,012	1,003,780	43.1%
Police Department	19,268,410	9,160,904	47.5%
Fire Department	12,843,221	6,091,134	47.4%
Parks	4,096,662	2,031,567	49.6%
Library	2,683,066	1,227,478	45.7%
<b>Total</b>	<b>47,399,622</b>	<b>22,509,003</b>	<b>47.5%</b>

OVERTIME SUMMARY			
Department	Budget	YTD	%
Finance	2,600	39	1.5%
Public Works	60,000	23,772	39.6%
Police	570,858	242,367	42.5%
Fire	186,100	289,144	155.4%
Parks	29,500	12,524	42.5%
<b>Total</b>	<b>849,058</b>	<b>567,846</b>	<b>66.9%</b>

There is currently one department with a variance of more than 3.0% above the expected expenditure rate of 50.1%. The Community Planning and Economic Development department (60.5%) is above the expected expenditure rate due to a one-time payment to Quad Cities First. There are four departments currently falling 5.0% or more below the expected expenditure rate of 50.1%, City Administration (43.0%), Human Resources (40.5%), Civil Rights (42.4%), and Public Works (43.1%).

The Overtime Summary Report shows one department with a variance of more than 3.0% above the expected expenditure rate for overtime. The Fire Department (155.4%) has higher-than-expected overtime expenditures due to employees out on injury/medical leave.



Below is a chart of major revenues. Overall, other revenue sources are up by 3.2% compared to last year as of the end of December. Cable TV Franchise is slightly below last year's payment at this time. Casino Development Fee revenue is up 11.3% compared to FY 2019. The Licenses and Permits category is up by 13.2% due to an increase in building, HVAC, plumbing, and electrical permits. The Charges for Services category is up by 12.1% due to an increase in rental inspections and licenses. Uses of Money & Property is down 27.3% because the second quarter interest from pooled investments has not been fully realized. Fines and forfeits is down by 10.9% because of a change in accounting practices at the beginning of the calendar year related to automated traffic enforcement violations.

SUMMARY OF MAJOR NON-TAX REVENUE SOURCES				
Department	Budget	YTD	Current Projection	YTD Change from FY19
Cable TV Franchise	760,000	186,651	760,000	-0.5%
Casino Development Fee	1,100,000	537,601	1,246,918	11.3%
Licenses & Permits	1,911,600	879,107	1,977,718	13.2%
Charges for Services	3,681,920	2,062,334	4,124,853	12.1%
Uses of Money & Property	753,200	291,350	1,053,002	-27.3%
Fines & Forfeits	1,186,000	940,892	1,550,000	-10.9%
<b>Total</b>	<b>9,392,720</b>	<b>4,897,935</b>	<b>10,712,491</b>	<b>3.2%</b>

### Trust & Agency Fund

As of the end of December, Trust & Agency Fund expenditures are slightly above expected budget levels. The expected level of expenditures as of the end of December is 48.5%. Trust & Agency benefits are currently at 50.2% due to higher-than-expected employee insurance costs (54.0%).

BENEFIT SUMMARY			
Benefit	Budget	YTD	%
FICA	1,360,955	638,980	47.0%
IPERS	1,278,772	538,554	42.1%
Employee Insurance	10,676,467	5,761,925	54.0%
MFPRSI	5,845,144	2,701,033	46.2%
RHSP	825,192	384,614	46.6%
<b>Total</b>	<b>19,986,530</b>	<b>10,025,106</b>	<b>50.2%</b>



### Employee Health Insurance Fund

As of the end of December, claims for FY 2020 are 1.7% lower than claims in FY 2019. Claims expenditures are currently trending below the original budget of \$15.8 million.

HEALTH CLAIMS PROJECTION MODEL							
	FY 2018	FY 2019	Average	% Total	Cum. %	FY 2020	Year End Projection
July	1,028,523	1,301,936	1,106,031	7.84%	7.84%	1,165,316	14,954,731
August	1,341,054	931,009	1,180,282	8.37%	16.21%	1,203,114	14,475,431
September	1,073,151	1,035,706	1,110,571	7.87%	24.08%	977,833	13,785,495
October	1,049,823	1,652,578	1,204,579	8.54%	32.62%	1,388,887	14,655,264
November	1,589,164	1,130,025	1,257,305	8.91%	41.54%	1,111,402	14,558,386
December	1,386,196	1,102,052	1,369,668	9.71%	51.25%	1,189,299	14,077,231
January	1,184,769	1,219,386	1,112,935	7.89%	59.14%		
February	900,818	1,285,767	1,046,337	7.42%	66.55%		
March	1,006,190	1,143,703	1,194,597	8.47%	75.02%		
April	1,123,564	1,148,181	1,078,615	7.65%	82.67%		
May	1,334,069	1,211,226	1,261,434	8.94%	91.61%		
June	1,051,347	1,201,077	1,182,857	8.39%	100.00%		
<b>Total</b>	<b>14,068,668</b>	<b>14,362,646</b>	<b>14,105,212</b>	<b>100.00%</b>		<b>7,035,851</b>	

### FY 2020 Budget Update

During the month of December, staff continued budget projections for the FY 2021 Budget. The budget team worked to finalize all FY 2021 payroll projections and began reviewing budgets at the fund level in preparation for the three budget workshops held in January and February of 2020.