



MEMORANDUM

DATE: April 22, 2020

TO: Corri Spiegel, City Administrator
Linda Folland, Interim Finance Director

FROM: Meghan Murray, Budget Analyst

RE: FY 2020 Monthly Financial Update – Through March 2020

Below is a summary report of the city’s main operating funds as of March 31, 2020 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 March, General Fund operating departments ended below expected spending levels. With 75.0% of the year completed, 73.7% of overall budgeted expenditures have been spent. Payroll costs, which are the main driver of the General Fund, are at 70.9% of budgeted levels, which is less than the expected level of 73.1%.

OVERALL DEPARTMENT BUDGET SUMMARY			
Department	Budget	YTD	%
City Council	342,266	242,071	70.7%
Mayor's Office	121,633	85,881	70.6%
Finance	1,435,384	1,062,277	74.0%
Administration	744,160	507,165	68.2%
Human Resources	765,459	500,811	65.4%
Comm. & Econ. Dev.	866,634	731,154	84.4%
Civil Rights	333,497	216,363	64.9%
Dev. & Nbhd. Svc. Dept.	1,570,218	1,222,367	77.8%
Public Works	2,329,012	1,500,629	64.4%
Police Department	19,268,410	14,486,545	75.2%
Fire Department	12,843,221	9,589,154	74.7%
Parks	4,096,662	2,857,602	69.8%
Library	2,683,066	1,925,931	71.8%
Total	47,399,622	34,927,950	73.7%

OVERTIME SUMMARY			
Department	Budget	YTD	%
Finance	2,600	39	1.5%
Public Works	60,000	43,332	72.2%
Police	570,858	367,868	64.4%
Fire	186,100	427,927	229.9%
Parks	29,500	19,545	66.3%
Total	849,058	858,711	101.1%

There is currently one department with a variance of more than 3.0% above the expected expenditure rate of 75.0%. The Community and Economic Development department (84.4%) is above the expected expenditure rate due to a one-time payment to Quad Cities First. There are five departments currently falling 5.0% or more below the expected expenditure rate of 75.0%,

Administration (68.2%), Human Resources (65.4%), Civil Rights (64.9%), Public Works (64.4%), and Parks (69.8%).

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 (229.9%) has higher-than-expected overtime expenditures due to employees out on injury/medical leave.

Below is a chart of major revenues. Overall, the revenue sources are up by 6.7% compared to last year as of the end of March. Cable TV Franchise is down 1.4% compared to last year's payment at this time because the second quarterly disbursement came in slightly lower than last year. Casino Development Fee revenue is up 14.0% compared to FY 2019. The Licenses and Permits category is up by 4.2% due to an increase in building, HVAC, plumbing, and electrical permits. The Charges for Services category is up by 7.2% due to an increase in rental inspections and licenses. Uses of Money & Property is up 78.4% because there was increase in interest from pooled investments. Fines and forfeits is down by 16.0% due to fewer speed camera fines collected compared to FY 2019.

SUMMARY OF MAJOR NON-TAX REVENUE SOURCES				
Department	Budget	YTD	Current Projection	YTD Change from FY19
Cable TV Franchise	760,000	379,198	760,000	-1.4%
Casino Development Fee	1,100,000	855,197	900,000	14.0%
Licenses & Permits	1,911,600	1,527,281	1,669,041	4.2%
Charges for Services	3,681,920	2,937,955	3,376,762	7.2%
Uses of Money & Property	753,200	824,628	8,746,995	78.4%
Fines & Forfeits	1,186,000	1,220,448	1,417,659	-16.0%
Total	9,392,720	7,744,707	16,870,457	6.7%

Trust & Agency Fund

As of the end of March, Trust & Agency Fund expenditures are slightly above expected budget levels. The expected level of expenditures as of the end of March is 74.2%. Trust & Agency benefits are currently at 76.8% due to higher-than-expected employee insurance costs (80.9%).

BENEFIT SUMMARY			
Benefit	Budget	YTD	%
FICA	1,360,955	1,003,943	73.8%
IPERS	1,278,772	845,130	66.1%
Employee Insurance	10,676,467	8,637,851	80.9%
MFPRSI	5,845,144	4,256,336	72.8%
RHSP	825,192	610,574	74.0%
Total	19,986,530	15,353,834	76.8%

Employee Health Insurance Fund

As of the end of March, claims for FY 2020 are 0.61% higher 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%	1,235,191	14,349,399
February	900,818	1,285,767	1,046,337	7.42%	66.55%	1,115,559	14,629,483
March	1,006,190	1,143,703	1,194,597	8.47%	75.02%	1,481,989	14,864,174
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%		
Total	14,068,668	14,362,646	14,105,212	100.00%		10,868,590	

FY 2021 Budget Update

During the month of March, staff began preparations on the FY 2021 budget document, which will be submitted to the Government Finance Officers Association (GFOA) in May for review of the Distinguished Budget Award.