



## MEMORANDUM

**DATE:** January 4, 2021

**TO:** Corri Spiegel, City Administrator  
Mallory Merritt, Assistant City Administrator

**FROM:** Meghan Murray, Budget Analyst

**RE:** FY 2021 Monthly Financial Update – Through November 2020

Below is a summary report of the city's main operating funds as of November 30, 2020 for FY 2021. 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 November, General Fund operating departments ended below expected spending levels. With 41.9% of the year completed, 37.3% of overall budgeted expenditures have been spent. Payroll costs, which are the main driver of the General Fund, are at 36.8% of budgeted levels, which is less than the expected level of 38.5%.

<b>OVERALL DEPARTMENT BUDGET SUMMARY</b>			
<b>Department</b>	<b>Budget</b>	<b>YTD</b>	<b>%</b>
City Council	344,306	144,343	41.9%
Mayor's Office	127,397	56,806	44.6%
Finance	1,443,877	528,373	36.6%
Administration	918,494	263,749	28.7%
Human Resources	748,530	285,139	38.1%
Comm. & Econ. Dev.	642,246	230,971	36.0%
Civil Rights	344,703	116,633	33.8%
Dev. & Nbhd. Svc. Dept.	1,945,251	741,645	38.1%
Public Works	2,548,412	673,491	26.4%
Police Department	19,254,407	7,708,875	40.0%
Fire Department	13,254,608	4,996,944	37.7%
Parks & Recreation	4,281,101	1,372,575	32.1%
Library	2,784,063	1,028,645	36.9%
<b>Total</b>	<b>48,637,395</b>	<b>18,148,189</b>	<b>37.3%</b>

<b>OVERTIME SUMMARY</b>			
<b>Department</b>	<b>Budget</b>	<b>YTD</b>	<b>%</b>
Finance	2,600	81	3.1%
Public Works	67,500	15,594	23.1%
Police	570,858	346,646	60.7%
Fire	211,100	305,642	144.8%
Parks	29,500	6,641	22.5%
<b>Total</b>	<b>881,558</b>	<b>674,604</b>	<b>76.5%</b>

There are currently no departments with a variance of more than 3.0% above the expected expenditure rate of 41.9%. There are seven departments currently falling 5.0% or more below the expected expenditure rate of 41.9%, Finance (36.6%), Administration (28.7%), Community and

Economic Development (36.0%), Civil Rights (33.8%), Public Works (26.4%), Parks and Recreation (32.1%), and Library (36.9%).

The Overtime Summary Report shows two departments with a variance of more than 3.0% above the expected expenditure rate for overtime. The Fire Department (144.8%) has higher-than-expected overtime expenditures due to employees out on injury/medical leave, and the Police Department (60.7%) is above expected overtime expenditures due to overtime costs associated with ongoing investigations and the number of employees on injury/medical leave. While overtime is high for the Fire Department and Police Department, both departments' total salary and benefits are currently only slightly above the expected expenditure rate of 38.5%.

As of the end of November, the General Fund has received \$20.7M in property tax payments, which is 5.3% higher than FY 2020. Below is a chart detailing other major revenue sources. Overall, the other major revenue sources are down 12.2% compared to last year as of the end of November. The Cable TV Franchise first quarterly payment has been received and is up by 5.5%. Casino Development Fee revenue is up 4.7% compared to FY 2020. The Licenses and Permits category is up by 27.5%. The Charges for Services category is down by 32.1% due to a decrease in pool admissions, special events, and self-sustaining program attendance. However, there is also an expenditure reduction related to staffing that is anticipated to balance the revenue reduction (ie: summer pools staff was not hired). Uses of Money & Property is down 19.2% due to a decrease in Roosevelt and Junior Theatre rent. Fines and forfeits is down by 15.2% due to fewer speed camera fines collected compared to FY 2020. Although revenues are down compared to FY 2020, overall 41.9% of the budget for major revenue sources has been collected as of the end of November.

<b>SUMMARY OF MAJOR NON-TAX REVENUE SOURCES</b>					
<b>Department</b>	<b>Budget</b>	<b>YTD</b>	<b>Current Projection</b>	<b>YTD Change from FY 2020</b>	<b>% of Budget Collected</b>
Cable TV Franchise	760,000	196,832	760,000	5.5%	25.9%
Casino Development Fee	1,200,000	454,142	1,353,582	4.7%	37.8%
Licenses & Permits	1,919,300	1,025,076	2,064,778	27.5%	53.4%
Charges for Services	3,462,890	1,297,330	2,869,212	-32.1%	37.5%
Uses of Money & Property	790,200	220,119	906,035	-19.2%	27.9%
Fines & Forfeits	1,146,000	689,904	1,500,000	-15.2%	60.2%
<b>Total</b>	<b>9,278,390</b>	<b>3,883,403</b>	<b>9,453,607</b>	<b>-12.2%</b>	<b>41.9%</b>

### **Trust & Agency Fund**

As of the end of November, Trust & Agency Fund expenditures are below expected budget levels. The expected level of expenditures as of the end of November is 40.4%. Trust & Agency benefits are currently at 39.7%.

<b>BENEFIT SUMMARY</b>			
<b>Benefit</b>	<b>Budget</b>	<b>YTD</b>	<b>%</b>
FICA	1,422,752	516,693	36.3%
IPERS	1,324,599	434,124	32.8%
Employee Insurance	11,197,959	4,719,892	42.1%
MFPRSI	6,097,442	2,297,221	37.7%
RHSP	832,540	326,253	39.2%
<b>Total</b>	<b>20,875,292</b>	<b>8,294,183</b>	<b>39.7%</b>

## Employee Health Insurance Fund

As of the end of November, claims for FY 2021 are 1.48% higher than claims in FY 2020. Claims expenditures are currently trending \$1.05M below the original budget of \$15.8 million.

HEALTH CLAIMS PROJECTION MODEL							
	FY 2019	FY 2020	Average	% Total	Cum. %	FY 2021	Year End Projection
July	1,301,936	1,165,155	921,801	7.82%	7.82%	1,079,442	13,796,566
August	931,009	1,203,114	1,008,518	8.56%	16.38%	1,328,983	14,699,850
September	1,035,706	977,833	922,289	7.83%	24.21%	1,181,074	14,825,203
October	1,652,578	1,388,887	963,165	8.18%	32.39%	1,130,947	14,575,030
November	1,130,025	1,111,402	924,253	7.84%	40.23%	1,213,605	14,749,575
December	1,102,052	1,189,299	1,143,175	9.70%	49.93%		
January	1,219,386	1,235,191	912,139	7.74%	57.68%		
February	1,285,767	1,115,559	780,877	6.63%	64.30%		
March	1,143,703	1,481,989	1,069,112	9.07%	73.38%		
April	1,148,181	1,311,637	1,004,103	8.52%	81.90%		
May	1,211,226	706,360	996,322	8.46%	90.36%		
June	1,201,077	1,347,286	1,135,974	9.64%	100.00%		
Total	14,362,646	14,233,712	11,781,729	100.00%		5,934,051	

## FY 2022 Budget Update

During the month of November, staff met with all departments to review all budget requests and the CIP technical committee met to review all capital project requests. The budget team is currently working to finalize all FY 2022 payroll projections and reviewing budgets at the fund level in preparation for the upcoming budget workshops in January.