



# MEMORANDUM

**DATE:** May 15, 2020

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

**FROM:** Meghan Murray, Budget Analyst

**RE:** FY 2020 Monthly Financial Update – Through April 2020

Below is a summary report of the city’s main operating funds as of April 30, 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 April, General Fund operating departments ended below expected spending levels. With 83.3% of the year completed, 81.3% of overall budgeted expenditures have been spent. Payroll costs, which are the main driver of the General Fund, are at 77.7% of budgeted levels, which is less than the expected level of 80.8%.

OVERALL DEPARTMENT BUDGET SUMMARY			
Department	Budget	YTD	%
City Council	342,266	270,511	79.0%
Mayor's Office	121,633	97,754	80.4%
Finance	1,435,384	1,165,746	81.2%
Administration	744,160	563,911	75.8%
Human Resources	765,459	560,103	73.2%
Comm. & Econ. Dev.	866,634	803,628	92.7%
Civil Rights	333,497	233,674	70.1%
Dev. & Nbhd. Svc. Dept.	1,570,218	1,404,858	89.5%
Public Works	2,329,012	1,734,301	74.5%
Police Department	19,268,410	15,909,074	82.6%
Fire Department	12,843,221	10,552,003	82.2%
Parks	4,096,662	3,094,683	75.5%
Library	2,683,066	2,133,661	79.5%
<b>Total</b>	<b>47,399,622</b>	<b>38,523,907</b>	<b>81.3%</b>

OVERTIME SUMMARY			
Department	Budget	YTD	%
Finance	2,600	39	1.5%
Public Works	60,000	46,011	76.7%
Police	570,858	408,188	71.5%
Fire	186,100	451,072	242.4%
Parks	29,500	20,289	68.8%
<b>Total</b>	<b>849,058</b>	<b>925,599</b>	<b>109.0%</b>

There are currently two departments with a variance of more than 3.0% above the expected expenditure rate of 83.3%. The Community and Economic Development department (92.7%) is above the expected expenditure rate due to a one-time payment to Quad Cities First and the Development and Neighborhood Services department (89.5%) is above the expected expenditure

rate due to higher professional services costs with projects. There are five departments currently falling 5.0% or more below the expected expenditure rate of 83.3%, Administration (75.8%), Human Resources (73.2%), Civil Rights (70.1%), Public Works (74.5%), and Parks (75.5%).

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 (242.4%) 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 down by 2.0% compared to last year as of the end of April. Cable TV Franchise is down 34.1% compared to last year's payment at this time because the third quarterly payment has not been received. Casino Development Fee revenue is down 1.9% compared to FY 2019 due to COVID-19 related closures. The Licenses and Permits category is down by 0.4%. The Charges for Services category is up by 3.9% due to an increase in rental inspections and licenses. Uses of Money & Property is up 25.1% because there was increase in interest from pooled investments. Fines and forfeits is down by 14.6% due to fewer speed camera fines collected compared to FY 2019.

<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 FY19</b>
Cable TV Franchise	760,000	379,198	760,000	-34.1%
Casino Development Fee	1,100,000	855,197	912,294	-1.9%
Licenses & Permits	1,911,600	1,616,719	1,669,041	-0.4%
Charges for Services	3,681,920	3,156,503	3,448,771	3.9%
Uses of Money & Property	753,200	840,719	880,705	25.1%
Fines & Forfeits	1,186,000	1,364,242	1,417,659	-14.6%
<b>Total</b>	<b>9,392,720</b>	<b>8,212,578</b>	<b>9,088,470</b>	<b>-2.0%</b>

### **Trust & Agency Fund**

As of the end of April, Trust & Agency Fund expenditures are above expected budget levels. The expected level of expenditures as of the end of April is 82.3%. Trust & Agency benefits are currently at 85.1% due to higher-than-expected employee insurance costs (89.8%).

<b>BENEFIT SUMMARY</b>			
<b>Benefit</b>	<b>Budget</b>	<b>YTD</b>	<b>%</b>
FICA	1,360,955	1,104,720	81.2%
IPERS	1,278,772	928,772	72.6%
Employee Insurance	10,676,467	9,584,382	89.8%
MFPRSI	5,845,144	4,717,809	80.7%
RHSP	825,192	672,933	81.5%
<b>Total</b>	<b>19,986,530</b>	<b>17,008,616</b>	<b>85.1%</b>

## Employee Health Insurance Fund

As of the end of April, claims for FY 2020 are 1.89% 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%	1,311,637	14,930,180
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%		12,180,227	

## FY 2021 Budget Update

During the month of April, staff continued preparations on the FY 2020 budget document, and it will be submitted to the Government Finance Officers Association (GFOA) in May for review of the Distinguished Budget Award. The FY 2020 Budget Amendment will also be completed in May and certified by the County Auditor on May 28, 2020.