

2024 Mid-Year Financial Update

August 27, 2024

2024 Mid-Year Summary General Fund

- **YTD Revenue** through June
 - \$67,801,300 = 51% of budget
 - \$1,235,772 is unbudgeted Ryan Field permit revenue
- **YTD Expenses** through June
 - \$68,824,833 = 48% of budget
 - \$2,711,226 is unbudgeted purchase of South End
- **YTD Net = (\$1,023,534)**
- **Fund Balance as of June 30, 2024, is \$48,042,938 or 33% of budgeted expenses.**
 - Fund balance was at 40% of budgeted expenses as of June 2023.

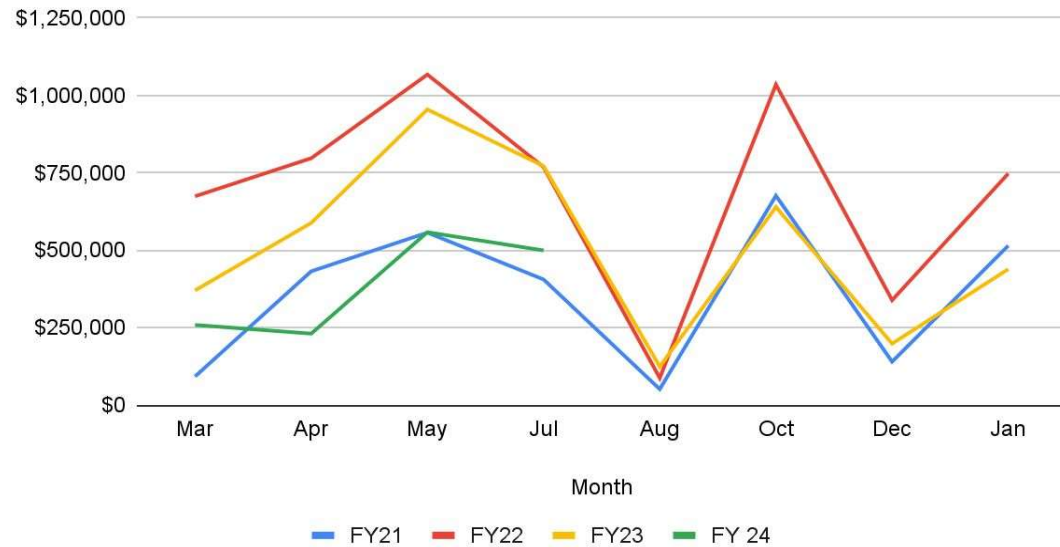
2024 Mid-Year Summary General Fund

- No slowdown in economy-based revenues.
 - Sales Taxes, Home Rule Sales Taxes, Income Taxes, and Property Taxes comprise 48% of General Fund revenues.
 - Sales Tax (4.7%) and Home Rule Taxes (4.2%) continue to trend up in 2024 compared to 2023 actuals through May.
 - Sales Taxes at 42% & Home Rule Sales Taxes at 39% of budget through May.
 - Smaller increases in April and May than earlier in the year.
 - Income Taxes up 9.0% in 2024 compared to 2023 actuals through July.
 - Elimination of the State Grocery Tax will reduce Sales Taxes by approximately \$2.4 million in 2026 unless City of Evanston implements a local tax effective 1/1/26.

2024 Mid-Year Summary General Fund

- Personal Property Replacement Taxes (PPRT) are down 42% compared to 2023 actuals through July.
- IML projecting that these decreases will continue throughout FY 24 and into FY 25.

Personal Property Replacement Tax (FY 21 - FY 24)



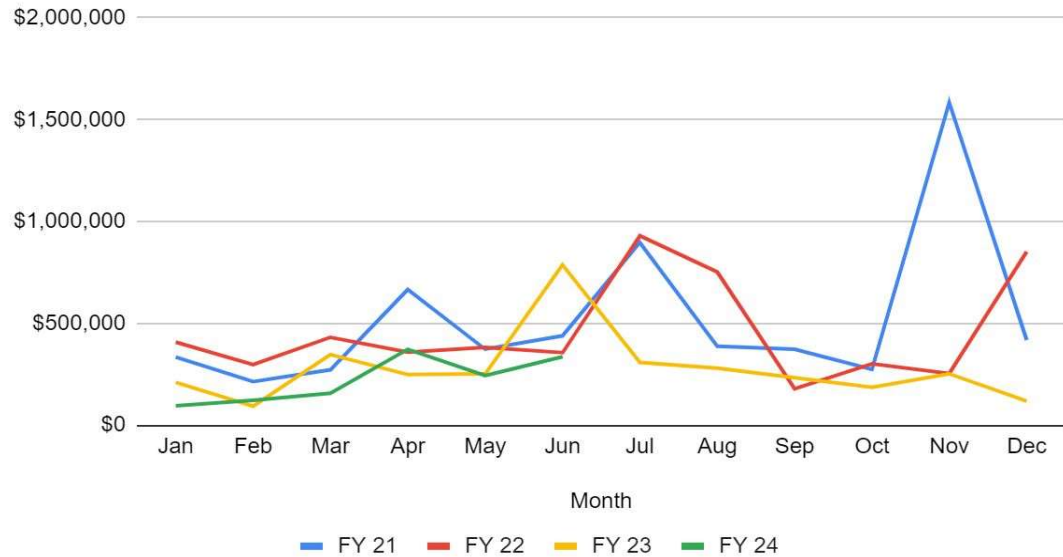
Illinois Department of Revenue (IDOR) explanation for decreases:

<https://tax.illinois.gov/localgovernments/replacementtaxestimate/replacement25.html>

2024 Mid-Year Summary General Fund

- Real Estate Transfer Taxes are down 31% compared to 2023 actuals through June and down 41% compared to 2022.
- The first \$1 million in 2024 has been deposited in the Reparations Fund.

Real Estate Transfer Tax (FY 21 - FY 24)



2024 Mid-Year Summary General Fund

- Building permits exceeding budget due to Ryan Field project, while Amusement Taxes and Athletic Taxes may finish under budget given smaller lakefront stadium.
- Several local revenues on pace to meet or exceed budget including Recreation Program Fees, Ticket Fines-Parking, and Ambulance Fees.
- Some trending behind including State Use Tax, Natural Gas Utility Tax, and Telecom Taxes.
- Vacancy Rate was budgeted at 4% (\$3.7 million) but currently tracking around 8% (\$7.4 million).
- Only major unbudgeted expense in the General Fund in FY 2024 has been purchase of Little Beans (\$2.7 million).

2024 Mid-Year Summary General Fund

Row Labels	2023 Actual	2024 Actual	2024 Budget	2024 Low	2024 High
SALES TAX - BASIC	\$ 13,329,108	\$ 6,370,229	\$ 13,000,000	\$ 13,500,000	\$ 13,800,000
STATE INCOME TAX	\$ 12,558,980	\$ 7,444,161	\$ 11,500,000	\$ 13,000,000	\$ 13,600,000
SALES TAX - HOME RULE	\$ 10,396,123	\$ 4,946,510	\$ 10,600,000	\$ 10,500,000	\$ 10,700,000
RECREATION PROGRAM FEES	\$ 7,111,501	\$ 4,414,874	\$ 7,052,000	\$ 7,000,000	\$ 7,200,000
BUILDING PERMITS	\$ 4,058,773	\$ 7,114,927	\$ 4,225,100	\$ 4,225,100	\$ 5,000,000
PERSONAL PROPERTY REPLACEMENT TAX	\$ 3,482,124	\$ 1,547,657	\$ 3,500,000	\$ 2,500,000	\$ 2,900,000
STATE USE TAX	\$ 3,040,435	\$ 1,445,171	\$ 3,200,000	\$ 2,800,000	\$ 2,950,000
AMBULANCE SERVICE	\$ 2,595,001	\$ 2,723,166	\$ 3,200,000	\$ 3,200,000	\$ 3,500,000
TICKET FINES-PARKING	\$ 3,868,180	\$ 1,740,371	\$ 3,100,000	\$ 3,400,000	\$ 3,800,000
LIQUOR TAX	\$ 3,772,043	\$ 1,437,157	\$ 3,100,000	\$ 3,000,000	\$ 3,100,000
FROM PARKING FUND	\$ 2,972,388	\$ 1,981,592	\$ 2,972,390	\$ 2,972,390	\$ 2,972,390
ELECTRIC UTILITY TAX	\$ 2,734,420	\$ 1,285,684	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000
PARKING TAX	\$ 2,952,554	\$ 1,468,285	\$ 2,900,000	\$ 2,850,000	\$ 2,900,000
FROM WATER FUND-ROI	\$ 2,831,100	\$ 1,925,336	\$ 2,888,000	\$ 2,888,000	\$ 2,888,000
WHEEL TAX	\$ 2,875,749	\$ 228,082	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000
REAL ESTATE TRANSFER TAX	\$ 310,770	\$ 624,644	\$ 2,750,000	\$ 1,400,000	\$ 1,700,000
GEMT SERVICE REVENUE	\$ 2,399,317	\$ 471,861	\$ 2,500,000	\$ 2,000,000	\$ 2,500,000
PENSION PROPERTY TAX	\$ 20,466,167	\$ 10,873,363	\$ 19,990,105	\$ 19,990,105	\$ 19,990,105
PROPERTY TAXES	\$ 9,392,325	\$ 4,987,282	\$ 9,057,297	\$ 9,000,000	\$ 9,200,000
ALL OTHER GENERAL FUND REVENUES	\$ 23,146,772	\$ 13,506,051	\$ 22,220,084	\$ 22,237,284	\$ 23,197,284
TOTAL	\$ 134,293,831	\$ 76,536,403	\$ 133,454,976	\$ 132,162,879	\$ 137,597,779
*2024 Actuals as of 8/12/24			Difference	\$ (1,292,097)	\$ 4,142,803



2024 Mid-Year Summary General Fund

	FY 24 Budget	FY 24 Low Projection	FY 24 High Projection
Beginning Fund Balance	\$49,066,471	\$49,066,471	\$49,066,471
Revenues	\$133,454,976	\$132,162,879	\$137,597,779
Expenses	-\$147,632,759	-\$146,700,760	-\$146,700,760
Purchase of Little Beans (Unbudgeted)		-\$2,711,226	-\$2,711,226
Staff Vacancy Savings	\$3,705,216	\$5,557,824	\$7,410,432
Surplus / (Deficit)	-\$10,472,567	-\$11,691,283	-\$4,403,775
Projected Ending Fund Balance	\$38,593,904	\$37,375,188	\$44,662,696
Reduce Transfer from Water Fund		-\$2,000,000	-\$2,000,000
Reduce Transfer from Parking Fund		-\$1,000,000	-\$1,000,000
Projected Ending Fund Balance	\$38,593,904	\$34,375,188	\$41,662,696
*Note this excludes \$11 million in permit revenue from the Ryan Field project.			

General Fund Items Moving into FY 2025 Budget

- Funds with significant capital needs and no dedicated revenue other than user fees and transfers from the General Fund
 - Parking - Capital needs to be presented in September.
 - Water - Need to address lead service and other capital needs.
 - Vehicles - Demand for more electric vehicles which cost more than gas powered vehicles.
- Ryan Field Permit Revenues - Staff recommends the City Council consider setting these \$10 million aside for major capital and facilities needs or to avoid/reduce needed General Obligation (GO) Bonds in the 2025 budget.
- Good Neighbor Fund - \$1.5 million was transferred to the General Fund in 2024, will need to determine how to allocate in 2025.
- Grocery Tax - No decision needed for 2025 budget but will want to eventually discuss how the City Council wants to address this loss of \$2.5 million starting 1/1/26.

Fund Balances As of 6/30/2024

Fund #	Fund	Revenue	Expense	Net	Fund Balance	Cash Balance
100	General	67,801,300	68,824,833	(1,023,534)	48,042,938	43,996,278
170	American Rescue Plan	726,193	2,369,997	(1,643,804)	391,167	23,671,336
175	General Assistance	759,125	596,137	162,989	1,457,834	1,458,241
176	Human Services	2,047,045	1,788,811	258,235	2,647,244	2,680,957
177	Reparations	1,025,840	2,152,394	(1,126,554)	427,522	427,522
178	Sustainability	913,221	460,391	452,831	1,240,131	1,240,131
180	Good Neighbor	3,009,390	1,500,707	1,508,683	1,697,008	1,697,007
185	Library	4,467,735	3,880,175	587,560	5,414,331	5,427,773
186	Library Debt Service	287,338	110,642	176,696	179,477	179,477
187	Library Capital Improvement FD	-	3,232	(3,232)	(491,746)	(491,746)
200	MFT	1,838,036	354,560	1,483,476	7,767,681	7,462,814
205	E911	510,629	616,303	(105,674)	1,455,100	1,095,590
210	Special Service Area (SSA) #9	351,476	325,032	26,443	39,695	39,695
215	CDBG	9,857	271,835	(261,978)	(202,655)	(202,031)
220	CD Loan	18,121	-	18,121	409,085	409,086
235	Neighborhood Improvement	385	1	384	23,269	23,269
240	Home	19,351	40,253	(20,902)	(13,047)	(13,047)
250	Affordable Housing	1,225,811	98,253	1,127,557	3,898,183	4,053,250
320	Debt Service	7,989,311	2,424,365	5,564,946	8,469,982	8,469,982
330	Howard Ridge	670,080	1,142,997	(472,916)	1,363,921	1,349,694
335	West Evanston	1,063,012	336,100	726,912	2,943,946	2,943,888
340	Dempster-Dodge-TIF	262,962	88,784	174,178	822,436	822,378
345	Chicago Main-TIF	691,708	407,453	284,255	506,301	506,242
350	Special Service Area (SSA) #6	114,728	101,639	13,089	47,315	269,176
355	Special Service Area (SSA) #7	77,626	71,826	5,800	20,136	20,135
360	Special Service Area (SSA) #8	33,148	30,974	2,174	9,326	9,326
365	Five-Fifth TIF	464,803	327,473	137,330	(59)	(117)
415	Capital Improvements	1,264,107	4,884,068	(3,619,961)	(11,793,371)	(3,006,855)
416	Crown Construction	403,188	316,728	86,460	4,890,566	4,890,567
417	Crown Community CTR Maintenance	87,498	-	87,498	752,539	752,539
420	Special Assessment	111,509	46,032	65,477	628,535	628,535
505	Parking	5,123,154	4,982,614	140,540	2,675,610	2,127,138
510-513	Water	15,301,286	16,580,473	(1,279,187)	4,151,864	1,046,831
515	Sewer	4,317,282	3,096,445	1,220,838	9,808,112	8,129,727
520	Solid Waste	3,153,477	2,887,398	266,079	3,197,231	2,056,240
600	Fleet	2,166,151	1,570,214	595,936	1,977,561	459,772
601	Equipment Replacement	459,826	961,063	(501,237)	2,948,741	458,286
605	Insurance	10,487,362	11,136,933	(649,571)	2,640,561	3,974,998

Fund Balances As of 6/30/2024

	Current Fund Balance (6/30/24)	Non-Spendable	Restricted	Assigned	Unassigned	Required Fund Balance	Excess/ (Deficit)	Notes
General Fund	48,042,939	4,407,258		12,830,347	30,805,334	23,891,972	6,913,362	
Motor Fuel Tax Fund	7,767,681		7,767,681			1,655,000	6,112,681	
Howard-Ridge TIF Fund	1,363,921		1,363,921			N/A	N/A	4,340,438 outstanding principal and interest
West Evanston TIF Fund	2,943,946		2,943,946			N/A	N/A	2,315,000 in CIP projects in 2024
Dempster-Dodge TIF Fund	822,435		822,435			N/A	N/A	2,052,090 outstanding principal and interest
Chicago-Main TIF	506,300		506,300			N/A	N/A	2,975,790 outstanding principal and interest
Five Fifths TIF	(59)				(137,389)	N/A	N/A	
Capital Improvements Fund	(11,793,371)				(11,793,371)	6,304,625	(18,097,996)	Cash is (\$3,006,855)
Parking System Fund	2,675,610				2,535,070	1,565,606	1,110,004	
Sewer Fund	9,808,111				8,587,274	1,893,440	7,914,671	
Solid Waste Fund	3,197,231				2,931,152	1,120,695	2,076,536	
Water Fund	4,151,864				5,431,051	5,810,000	(1,658,136)	
Fleet Services Fund*	1,977,561					-	459,772	Cash balance of \$459,772
Equipment Replacement Fund*	2,948,741					-	458,286	Cash balance of \$458,286
Insurance Fund*	2,640,561					3,593,960	381,038	Cash balance of \$3,974,998

* Policy applies to cash balance, not fund balance.