



City of Springfield

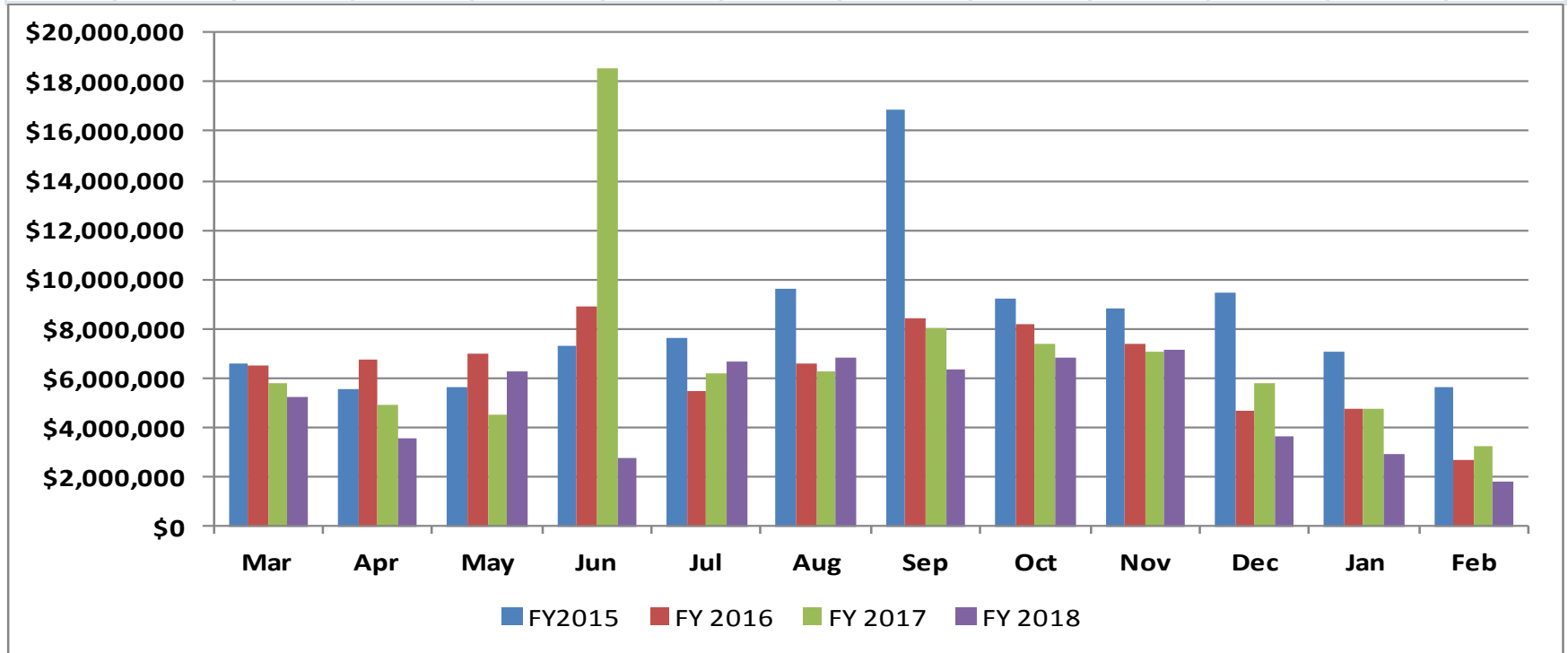
Office of Budget & Management

William D. McCarty, Director

FY 2018 Year-end Report
June 5, 2018

Corporate Fund Monthly End of Cash Summary

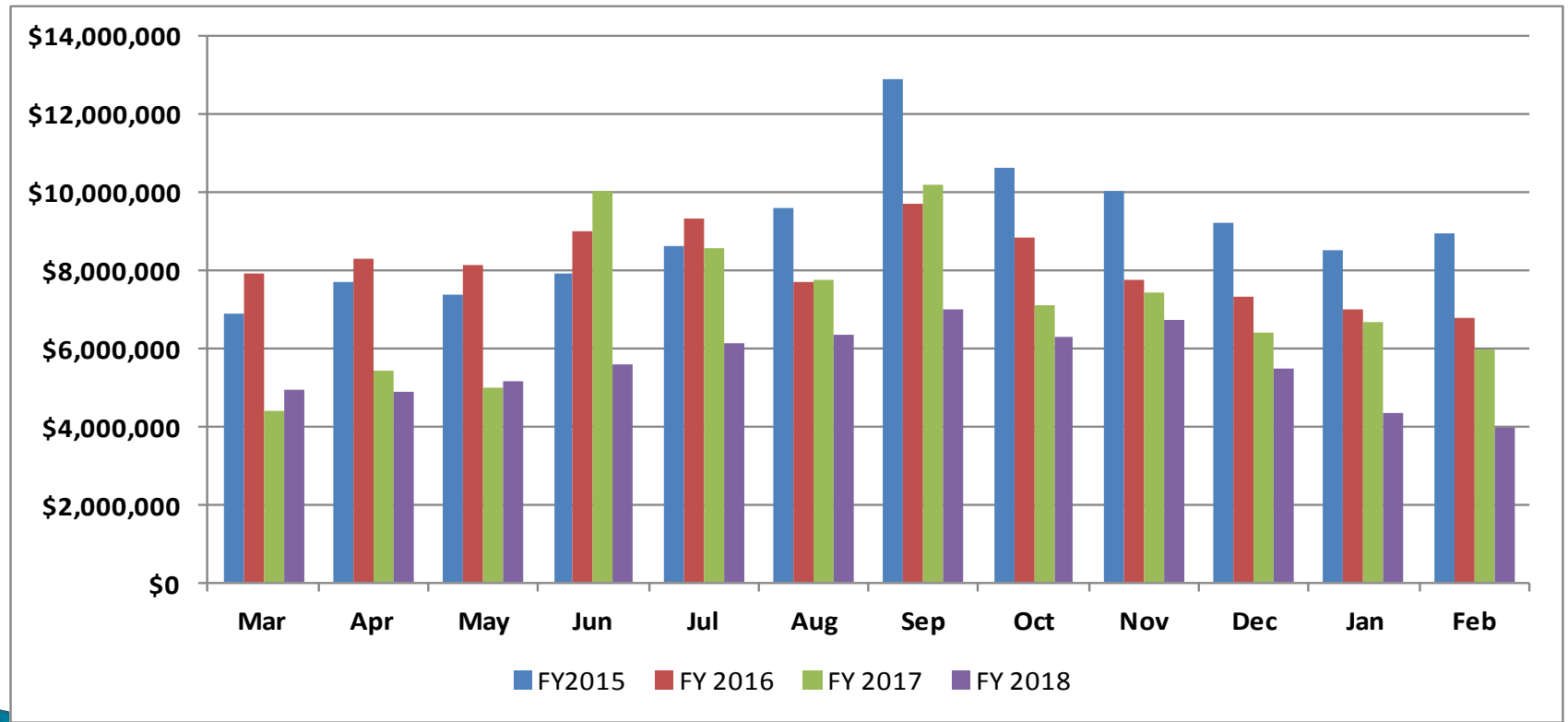
| | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
|----------------|-------------|-------------|-------------|--------------|-------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|
| FY2015 | \$6,601,041 | \$5,557,725 | \$5,616,341 | \$7,312,731 | \$7,651,990 | \$9,613,964 | \$16,850,143 | \$9,250,472 | \$8,804,974 | \$9,493,423 | \$7,105,224 | \$5,596,144 |
| FY 2016 | \$6,524,701 | \$6,756,525 | \$6,995,823 | \$8,880,440 | \$5,435,991 | \$6,614,413 | \$8,427,887 | \$8,149,318 | \$7,382,331 | \$4,655,081 | \$4,737,560 | \$2,650,762 |
| FY 2017 | \$5,755,319 | \$4,892,275 | \$4,494,765 | \$18,551,896 | \$6,221,142 | \$6,275,948 | \$8,027,058 | \$7,373,472 | \$7,078,226 | \$5,768,470 | \$4,762,124 | \$3,206,793 |
| FY 2018 | \$5,248,877 | \$3,532,043 | \$6,284,214 | \$2,734,663 | \$6,690,040 | \$6,866,179 | \$6,368,512 | \$6,846,589 | \$7,116,332 | \$3,671,364 | \$2,961,407 | \$1,800,960 |



Corporate Fund

Monthly Average Daily Cash Balance

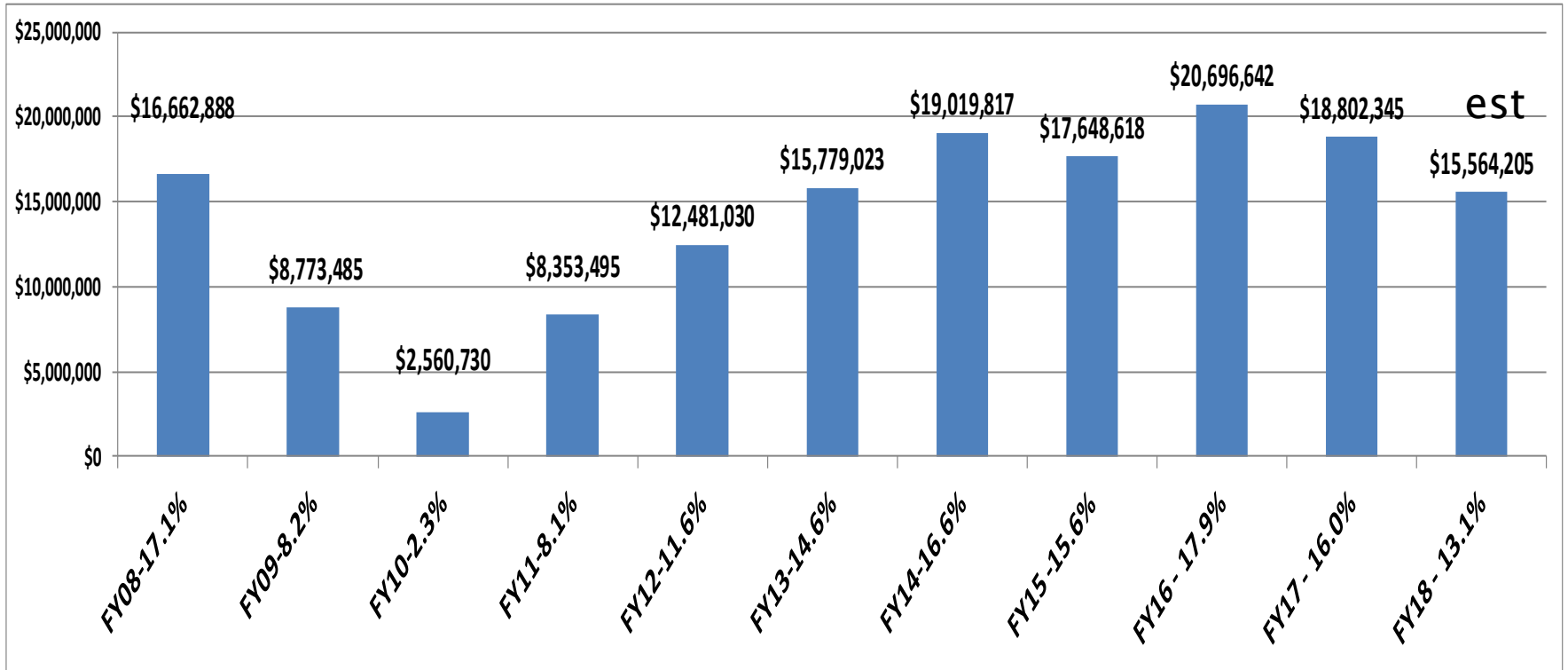
| | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | FY Ave |
|----------------|-------------|-------------|-------------|--------------|-------------|-------------|--------------|--------------|--------------|-------------|-------------|-------------|-------------|
| FY2015 | \$6,906,071 | \$7,728,093 | \$7,359,638 | \$7,945,841 | \$8,600,064 | \$9,574,072 | \$12,898,945 | \$10,609,609 | \$10,025,933 | \$9,226,187 | \$8,490,682 | \$8,928,740 | \$9,024,490 |
| FY 2016 | \$7,903,191 | \$8,286,083 | \$8,142,620 | \$9,027,185 | \$9,316,263 | \$7,709,836 | \$9,705,097 | \$8,837,582 | \$7,784,005 | \$7,338,274 | \$6,981,513 | \$6,789,082 | \$8,151,728 |
| FY 2017 | \$4,418,957 | \$5,411,918 | \$4,995,701 | \$10,051,927 | \$8,580,105 | \$7,733,859 | \$10,215,674 | \$7,131,998 | \$7,419,610 | \$6,406,919 | \$6,678,520 | \$5,949,465 | \$7,082,888 |
| FY 2018 | \$4,934,311 | \$4,885,819 | \$5,150,626 | \$5,590,116 | \$6,145,779 | \$6,379,418 | \$7,019,172 | \$6,290,133 | \$6,725,959 | \$5,511,272 | \$4,332,319 | \$3,970,537 | \$5,577,955 |



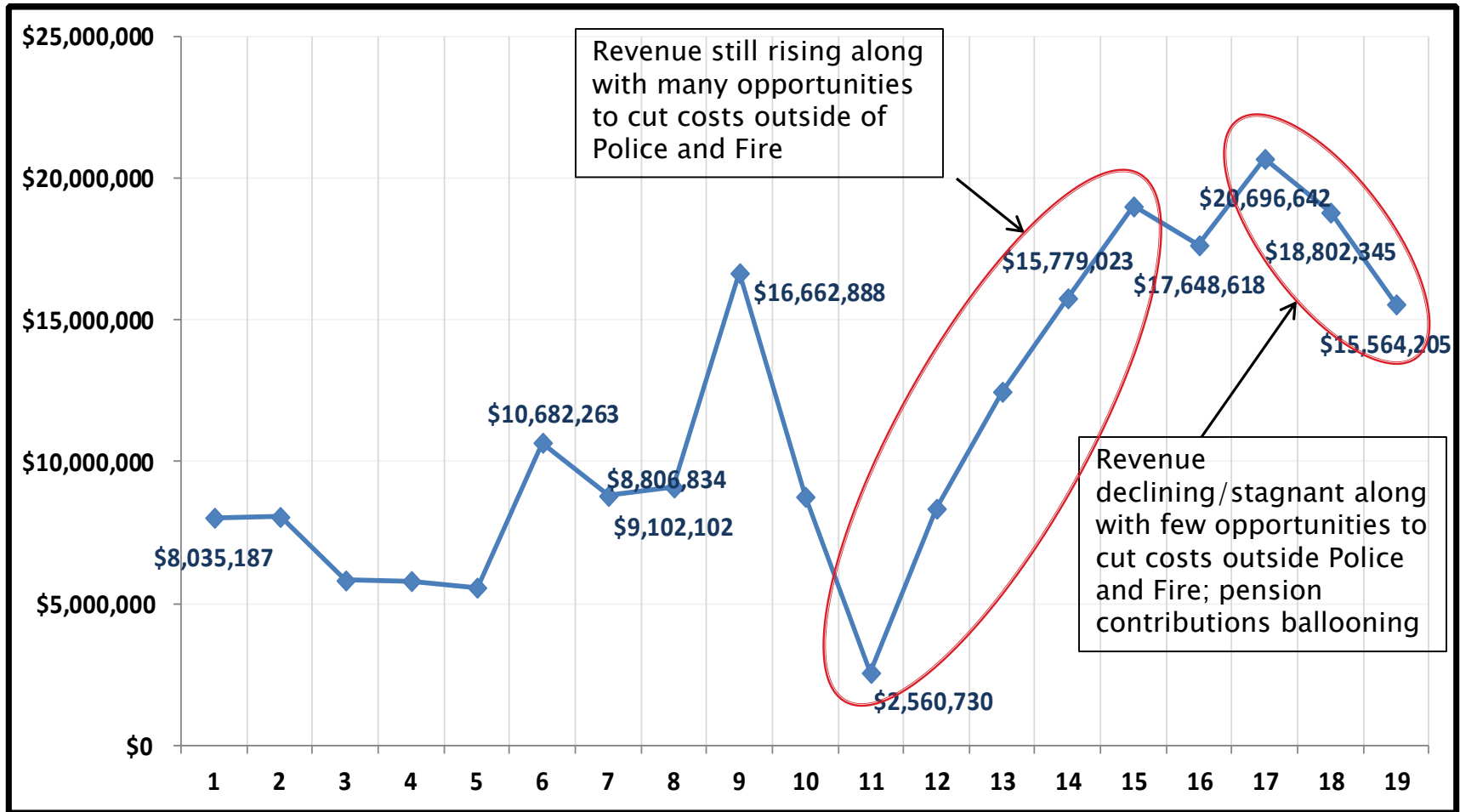
Corporate Fund Summary -FY 2018

| Revenues | Current Budget | Year to Date Actual | Current Budget Remaining | % of Current Budget Received |
|--|-----------------------|-----------------------|--------------------------|------------------------------|
| Taxes - Local Economy | \$ 84,598,795 | \$ 81,710,562 | \$ 2,888,233 | 96.59% |
| Taxes - Share of Statewide | \$ 16,737,002 | \$ 16,125,706 | \$ 611,296 | 96.35% |
| PILOT | \$ 8,388,000 | \$ 8,393,933 | \$ (5,933) | 100.07% |
| Licenses-Fines-Fees-Permits-Other | \$ 9,489,451 | \$ 9,763,134 | \$ (273,683) | 102.88% |
| Fund Balance | \$ 3,418,249 | \$ - | \$ 3,418,249 | 0.00% |
| TOTAL REVENUE | \$ 122,631,497 | \$ 115,993,335 | \$ 6,638,162 | 97.30% |
| | | | | |
| Expenditures | Current Budget | Year to Date Actual | Current Budget Remaining | % of Final Current Used |
| SUBTOTAL PERSONAL SERVICES | \$ 97,910,479 | \$ 95,539,529 | \$ 2,370,950 | 97.58% |
| SUBTOTAL OPERATING LINES | \$ 17,945,986 | \$ 16,215,695 | \$ 1,730,291 | 90.36% |
| Transfers Out | \$ 7,651,251 | \$ 7,476,251 | \$ 175,000 | 97.71% |
| TOTAL EXPENDITURES | \$ 123,507,716 | \$ 119,231,475 | \$ 4,276,241 | 96.54% |
| | | | | |
| FY 2017 Beginning Audited Fund Balance (from Exhibit 6 - CAFR) | | | \$ 18,802,345 | |
| Current Activity - favorable/(unfavorable) | | | \$ (3,238,140) | |
| Ending Fund Balance - 13.1% | | | \$ 15,564,205 | |

Corporate Fund Ending Fund Balance



Corporate Fund Ending Fund Balance



Corporate Fund Cash Basis Comparison – Major Taxes

| | State Sales Tax | City Sales Tax | State Income Tax* | |
|---|-----------------|----------------|---------------------------|----------------------|
| FY 2015 | \$27,655,722 | \$26,963,842 | \$11,288,503 | |
| FY 2016 | \$28,251,132 | \$27,818,665 | \$12,412,961 | |
| FY 2017 | \$28,350,669 | \$27,358,653 | \$11,068,486 | |
| FY 2018 | \$27,785,291 | \$26,430,495 | \$10,683,872 | ** |
| <i>State Sales Tax Growth FY 2015 to FY 2018</i> | | | <i>\$129,569</i> | <i>0.47%</i> |
| <i>City Sales Tax Growth FY 2015 to FY 2018</i> | | | <i>(\$533,347)</i> | <i>-1.98%</i> |
| <i>State Income Tax Growth FY 2015 to FY 2018</i> | | | <i>(\$604,631)</i> | <i>-5.36%</i> |
| <i>* Cash amounts smoothed to reflect 12 month collection for comparison</i> | | | | |
| <i>** Reduced by approximately \$600K due to State of Illinois LGDF reduction.</i> | | | | |

Three Year Growth Trends

| | FY2016 | FY 2017 | FY 2018 | 2016 vs. 2018 CAGR | |
|--|---------------|----------------|----------------|-----------------------------------|---|
| Regular Salaries | \$50,626,274 | \$50,546,003 | \$51,627,233 | 0.98% | |
| Ops Lines - W/Out Transfers | \$16,341,995 | \$16,852,783 | \$16,215,695 | -0.39% | |
| Health Insurance | \$11,257,505 | \$12,204,437 | \$11,464,233 | 0.91% | * |
| Police Pension | \$9,050,592 | \$9,942,505 | \$10,116,706 | 5.73% | |
| Fire Pension | \$9,786,645 | \$10,395,154 | \$11,184,141 | 6.90% | |
| * Looking back two additional years the growth was nearly 5% annually. | | | | | |

Budgetary Concerns

- ▶ Structural Imbalance
 - FY 2018 Fund Balance 17.2% decline
- ▶ Diminished Corporate Fund cash position
 - Approaching negative cash balance position
 - Symptomatic of structural imbalance
 - Rating implications
- ▶ Continued decline in income and sales taxes
 - E-commerce / store closures
 - Property tax implications in the future
 - State budget
- ▶ Pension and health insurance obligations

Questions?

