

**Services**

**People**



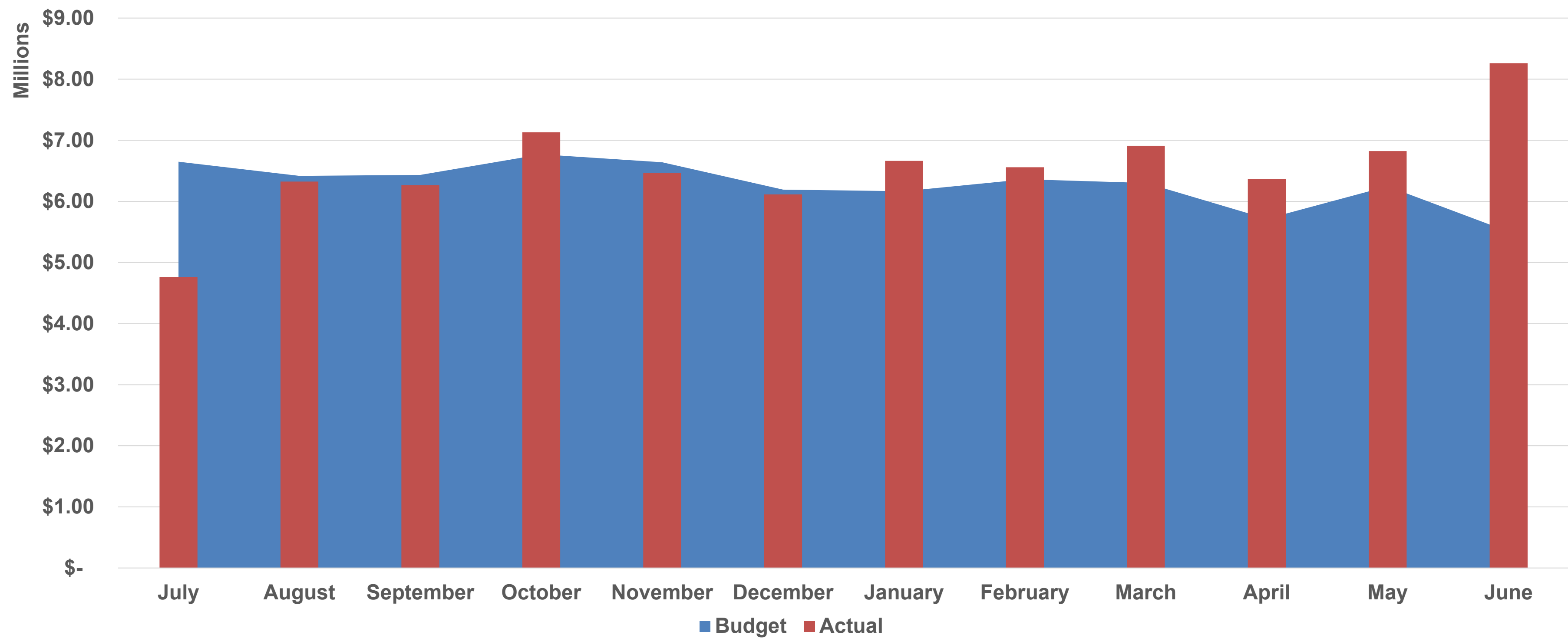
# **July** Financial Report

**July 20, 2021**

**Programs**

**Local Economy**

# State-Collected Revenues

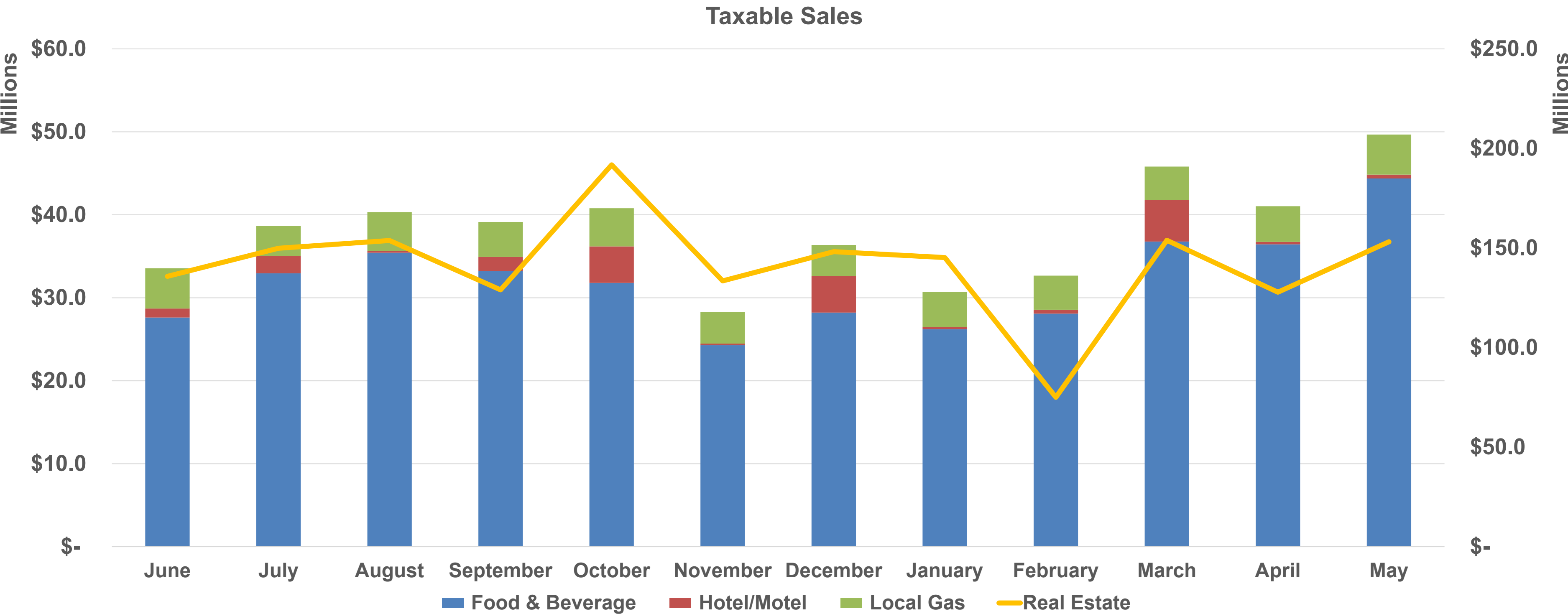


- Combined state-collected revenues exceeding projections by 14.6% through June
- Income tax exceeding projections by 40.6% through June
- Sales tax and HRST continue to be strong with the addition of online sales tax dollars





# Locally-Collected Revenues



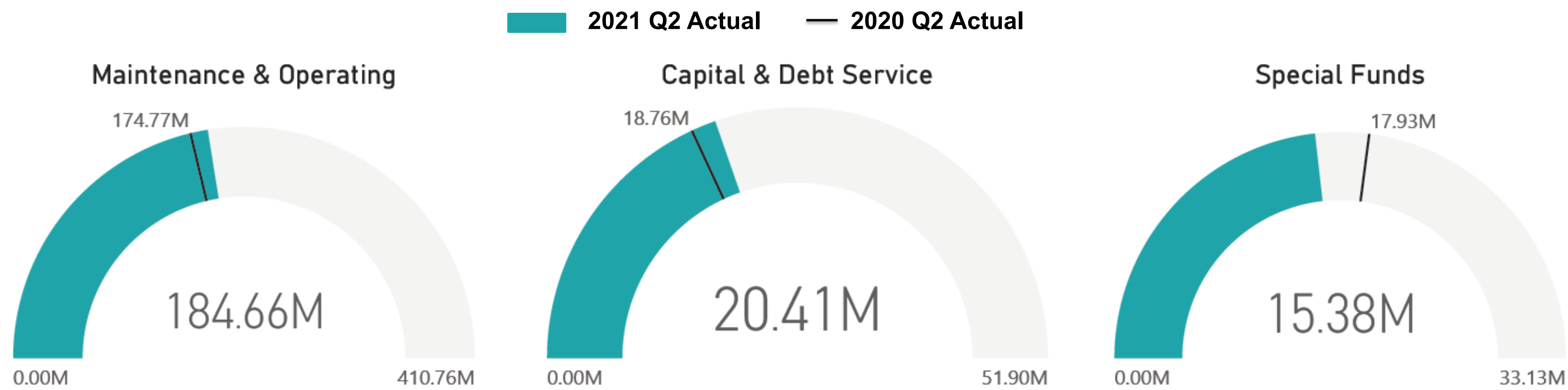
- Food & beverage sales at highest point since December 2019: \$44.4 million in May
- Local gas sales now less than 5% below pre-pandemic levels
- Real estate sales through May strongest since 2017



# Six-Month Budget Review – Revenue

Citywide revenues total \$220.5 million: 0.9% increase over 2020

- General fund revenues outpacing 2020 by 4.2% – led by sales, income and real estate transfer taxes
- Electric and water charges outpacing 2020 by 1.8% and 6.0% respectively – due to greater consumption
- Revenues continuing to lag include commuter parking fees and hotel/motel tax

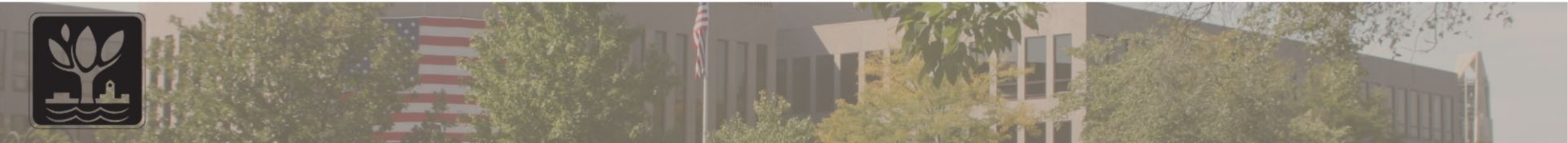
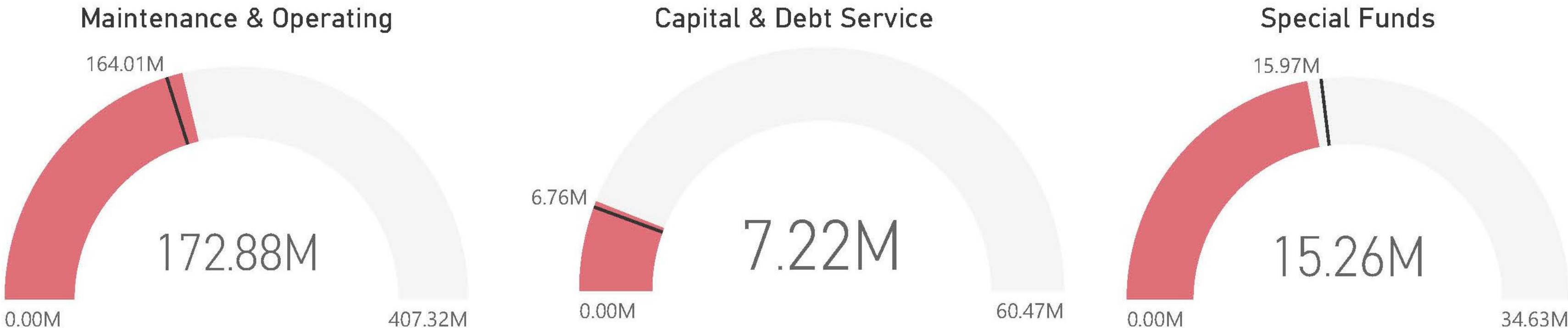


# Six-Month Budget Review – Expenses

Citywide expenses total \$195.36 million: 4.6% increase from 2020

- Salaries and benefits up 4.7% – in line with budgeted increases
- Insurance costs are trending 14.1% below budget
- Purchased electric and water expenses increased – offset by higher revenue
- Purchased services and items higher than 2020 but in line with budget

2021 Q2 Actual    2020 Q2 Actual



# Annual CIP Progress

## 2021 CIP approved at \$83.33M

- Capital outlay totals \$13.13M, or 16% of budget, through June
- Most capital project payments made in Q3/Q4
- Outpacing 2020 capital spend by \$2.06M

## Economic impacts remain inconsistent

- Strong bidder interest driving lower construction project costs (***positive***)
- Delivery of vehicles, equipment and materials continue to be delayed by supply chain disruptions (***negative***)

## Major Projects Underway

Street Maintenance Program

North Aurora Road Reconstruction

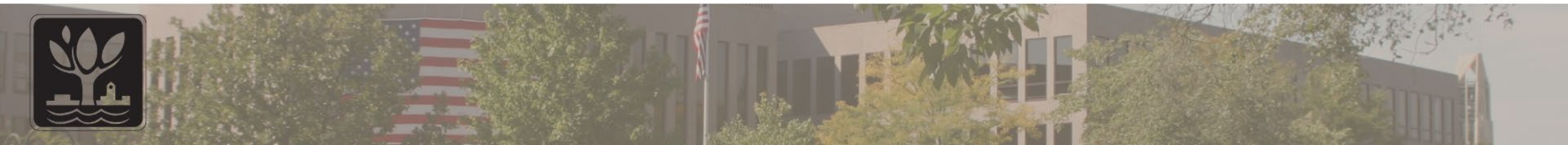
East Highlands Improvements

Naperville Heights Watermain

Water 2.0 Project (AMI)

Moser Tower Rehabilitation

Parking Deck Maintenance



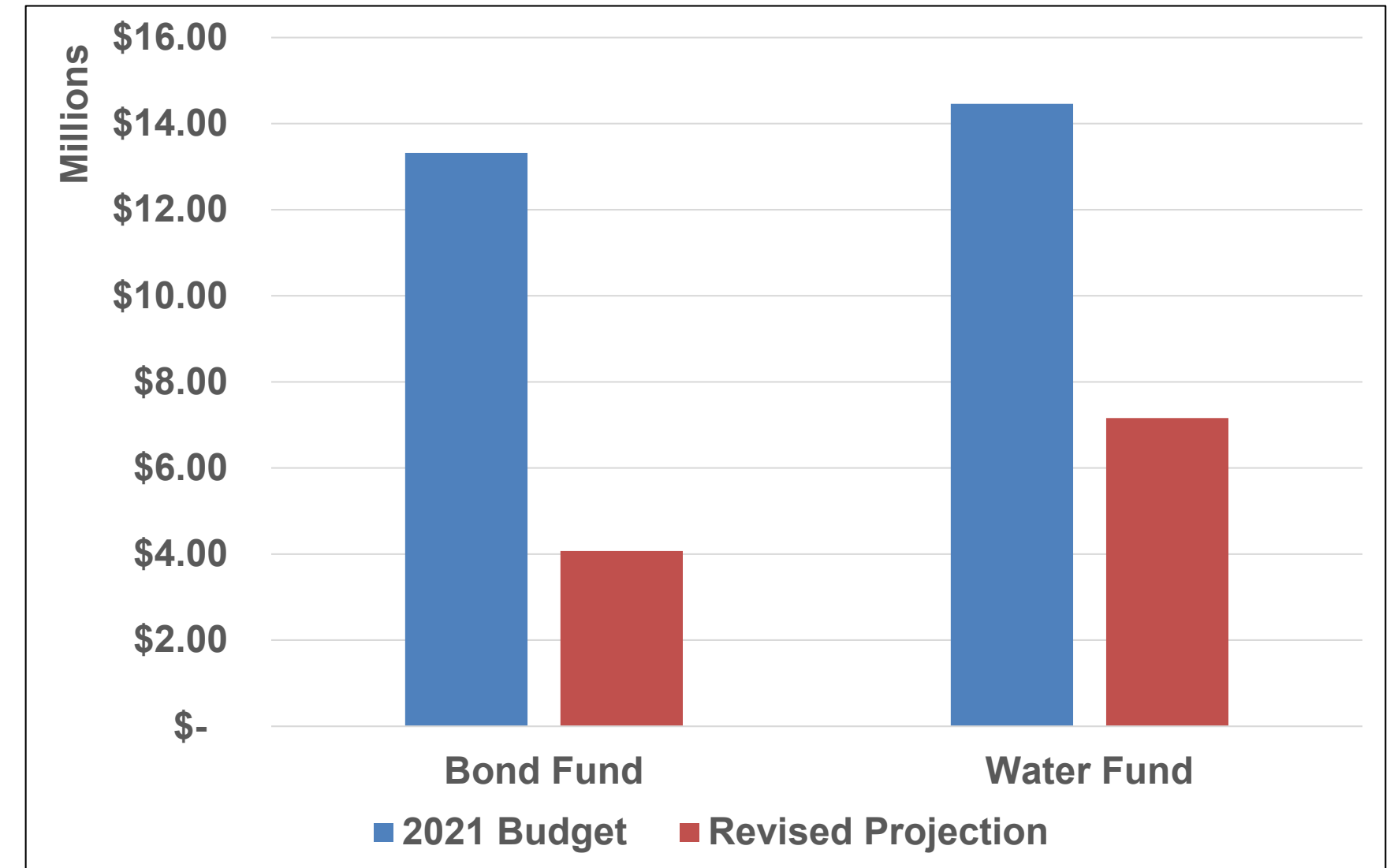
# 2021 Bond Issuance Forecast

## Bond Fund

- Projected borrowing decreased from \$13.32M to \$4.07M
- HRST remaining dedicated to capital projects offsets borrowing by \$6.25M

## Water Utilities Fund

- Projected borrowing decreased from \$14.46M to \$7.16M
- Reduction due to favorable bids and delays in permitting



**The City issues bonds on a project reimbursement basis to avoid borrowing more than is needed.**



# Looking Ahead

- **Monitoring ongoing economic challenges**
  - Inflationary and supply chain issues
- **August and September Financial Reports**
- **2022 Budget Workshops**
  - October 25
  - November 8
  - November 22





# Questions?

