

**City of Effingham
1st Fiscal Quarter FY 16
Financial Report**

- I. Introduction: This quarterly financial report is designed to bring the City Council up to date with the City’s finances, projects, purchases, and debt service. This report is a look at the completion of 1st financial quarter (May, June, and July) of FY 16. We are now one hundred percent (25%) complete for the fiscal year.
- II. City Finances: The following chart indicates notable observations of the City’s finances according to percentages of the budgeted revenues and expenditures and indicates the presence and corresponding amounts of a deficit or surplus by fund:

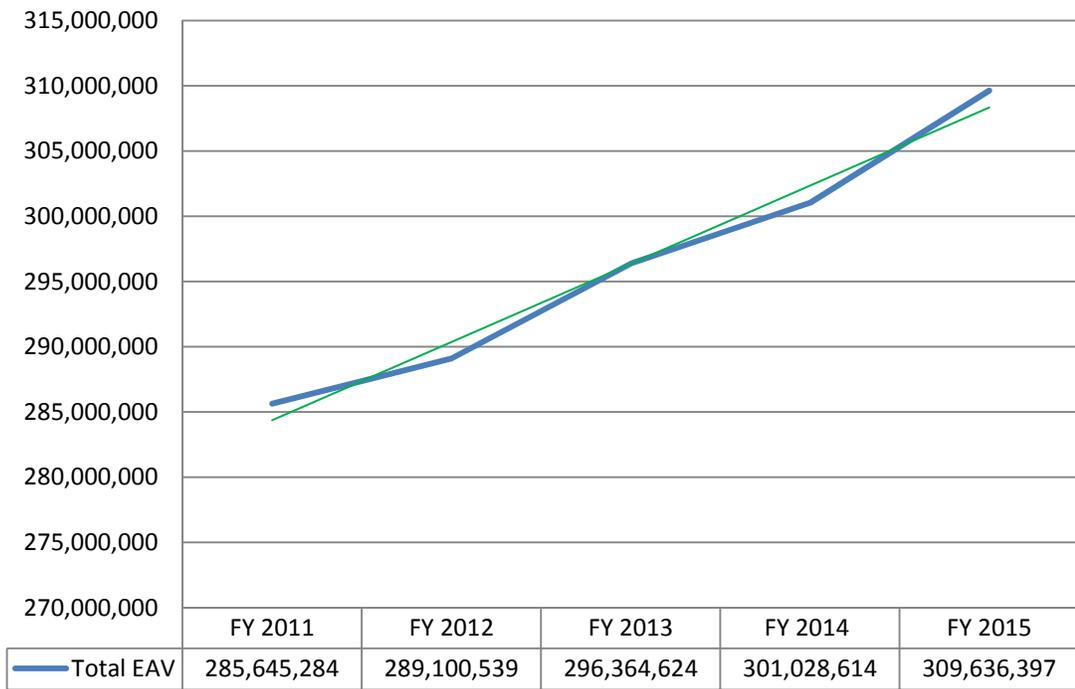
25%

Fund	Department/Category	Revenue Received w/o Balances	Money Expended	Deficit Surplus	Amount
General	Property Taxes	0%			
General	Sales Tax	24%			
General	State Income Tax	47%			
General	Franchise Fees	0%			
General	Use Tax	32%			
General	PPRT	35%			
General	Utility Taxes	16%			
General	Video Gaming Tax	32%			
General	Street Lights		28%		
General	Street/Alley		53%		
General	Police		22%		
General	Admin		42%		
General	Public Properties		26%		
General	Fire		19%		
General	Economic Development		18%		
General	Engineering		25%		
General	Building Official		20%		
General	Utility Tax		40%		
General	Year to Date	15%	25%	Deficit	\$1,821,289

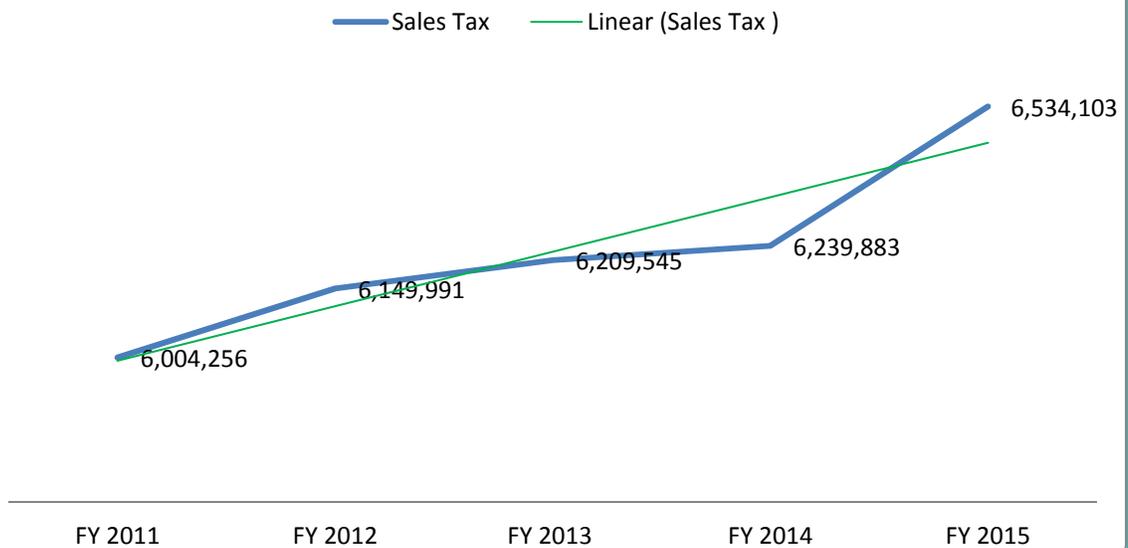
Fund	Department/Category	Revenue Received w/o Balances	Money Expended	Deficit Surplus	Amount
Tourism	Hotel/Motel Tax	27%			
Tourism	Year to Date	12%	11%	Surplus	\$37,758
MFT	Allotments	18%			
MFT	Year to Date	5%	6%	Deficit	\$12,247
Water	Water Meter Sales	16%			
Water	Wholesale Sales	17%			
Water	Year to Date	11%	14%	Deficit	\$104,004
TIF	Property Tax	0%			
TIF	General		18%		
TIF	Central		3%		
TIF	Outer Belt West		0%		
TIF	Industrial		66%		
TIF	Year to Date	20%	31%	Deficit	\$1,633,135
Sewer	Metered Sales	16%			
Sewer	Year to Date	9%	12%	Deficit	\$94,970
Maint.	Billing	21%			
Maint.	Fuel		15%		
Maint.	Year to Date	23%	16%	Deficit	\$17,587

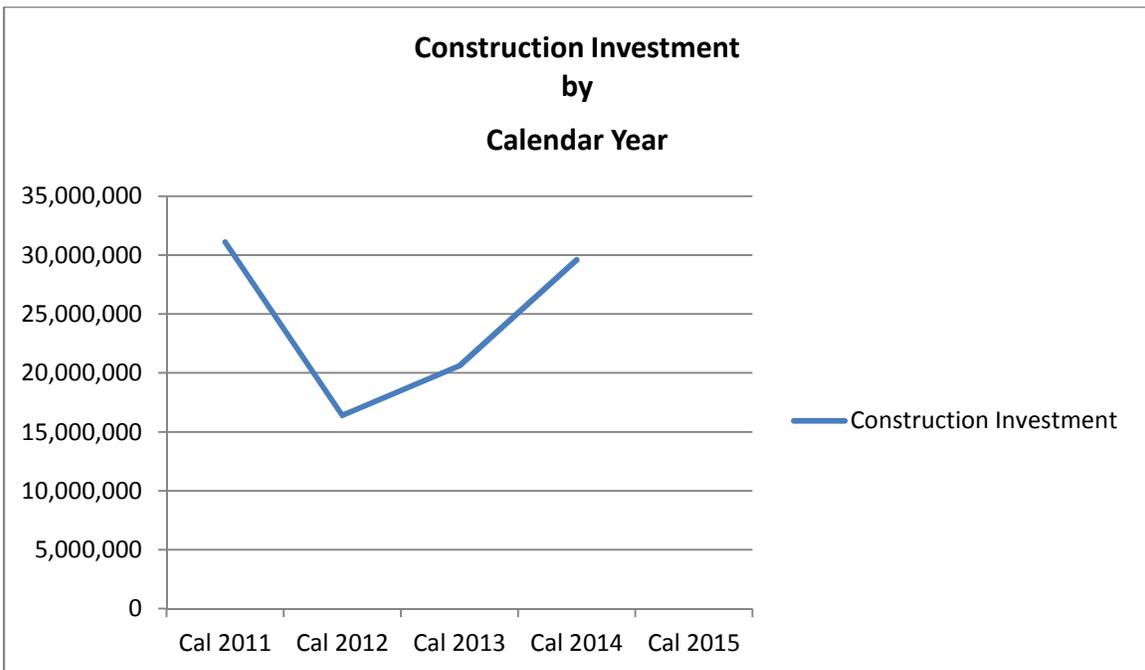
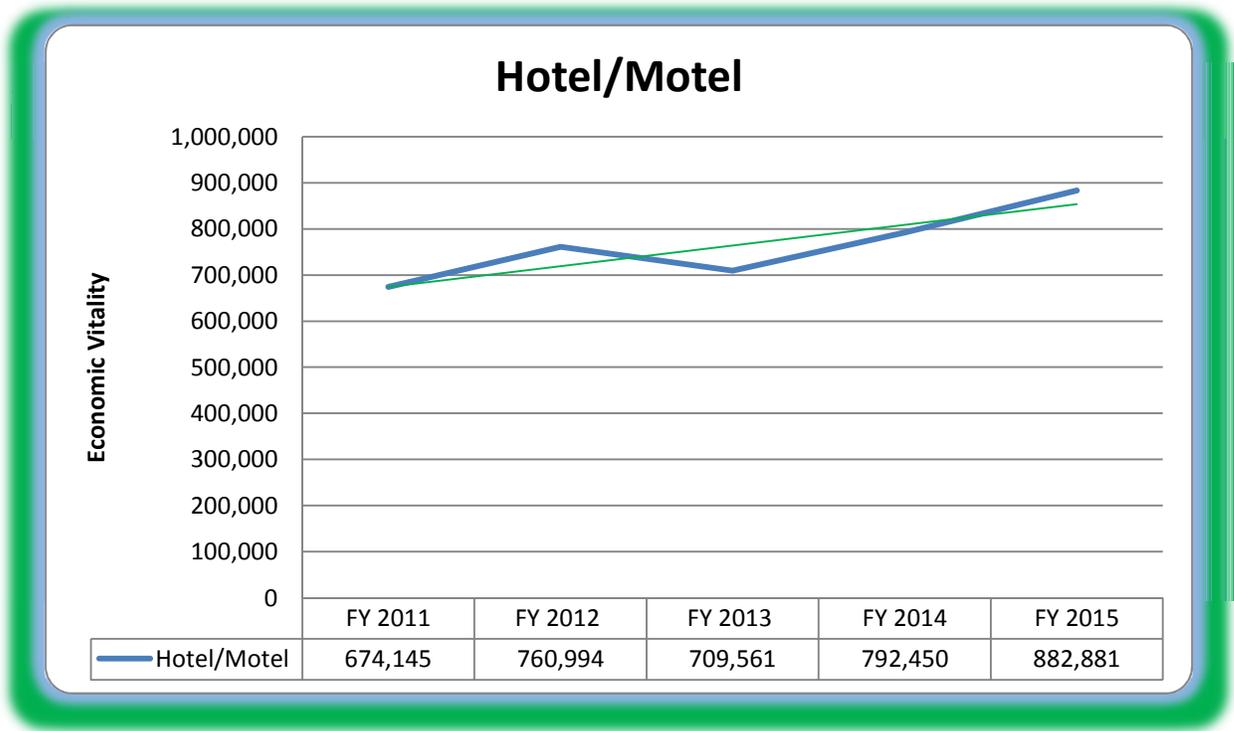
III. Economic Vitality: The following graphs provide a snapshot of the City's economic vitality by tracking the equalized assessed valuation (EAV), sales tax receipts, our hotel/motel tax revenue, and City-wide construction investment over the last several years. The graphs provide a good annual view of the City's economic status over the time frame provided (the data for this fiscal year report is not yet available).

Economic Vitality Total EAV



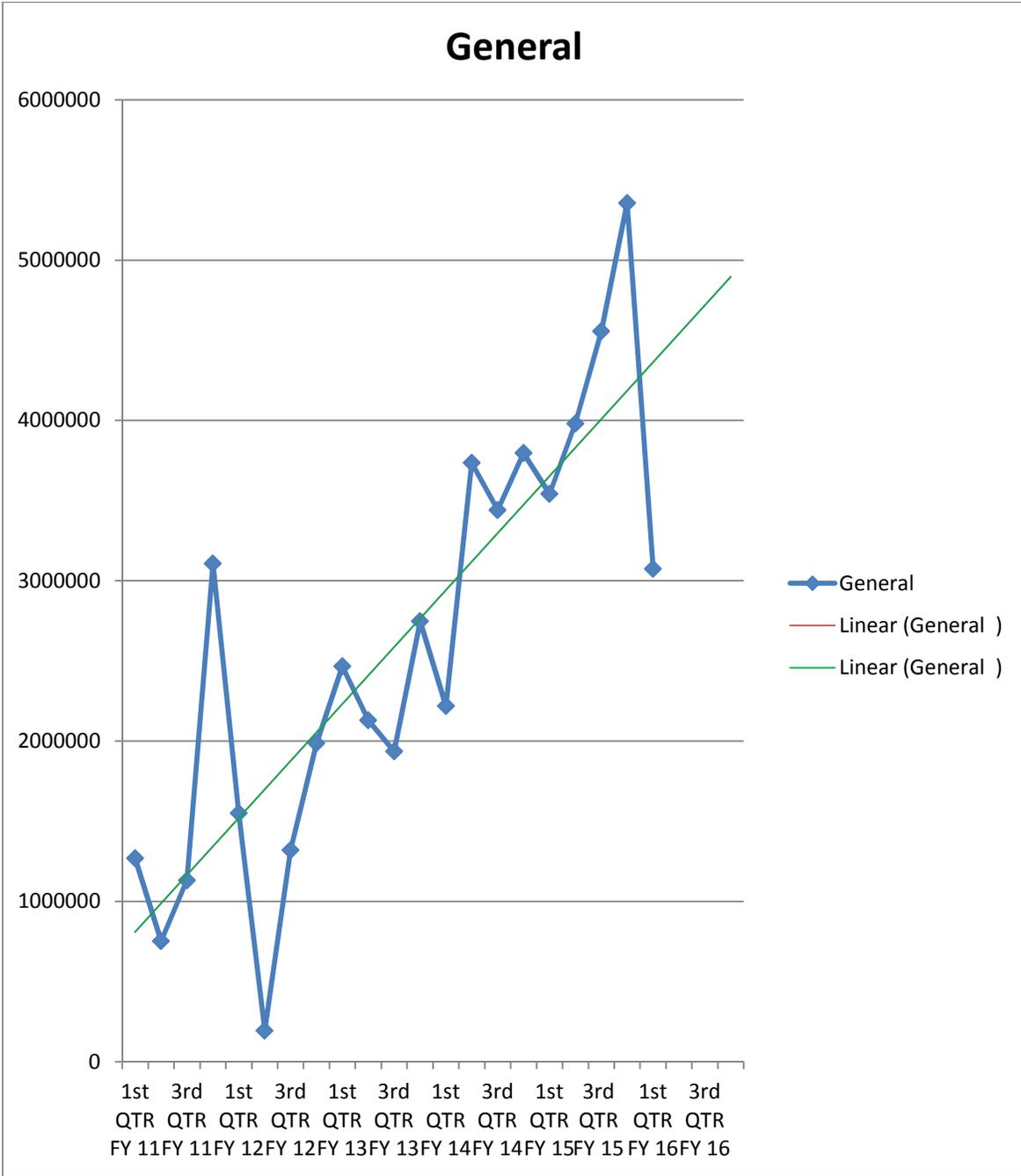
Economic Vitality Sales Tax



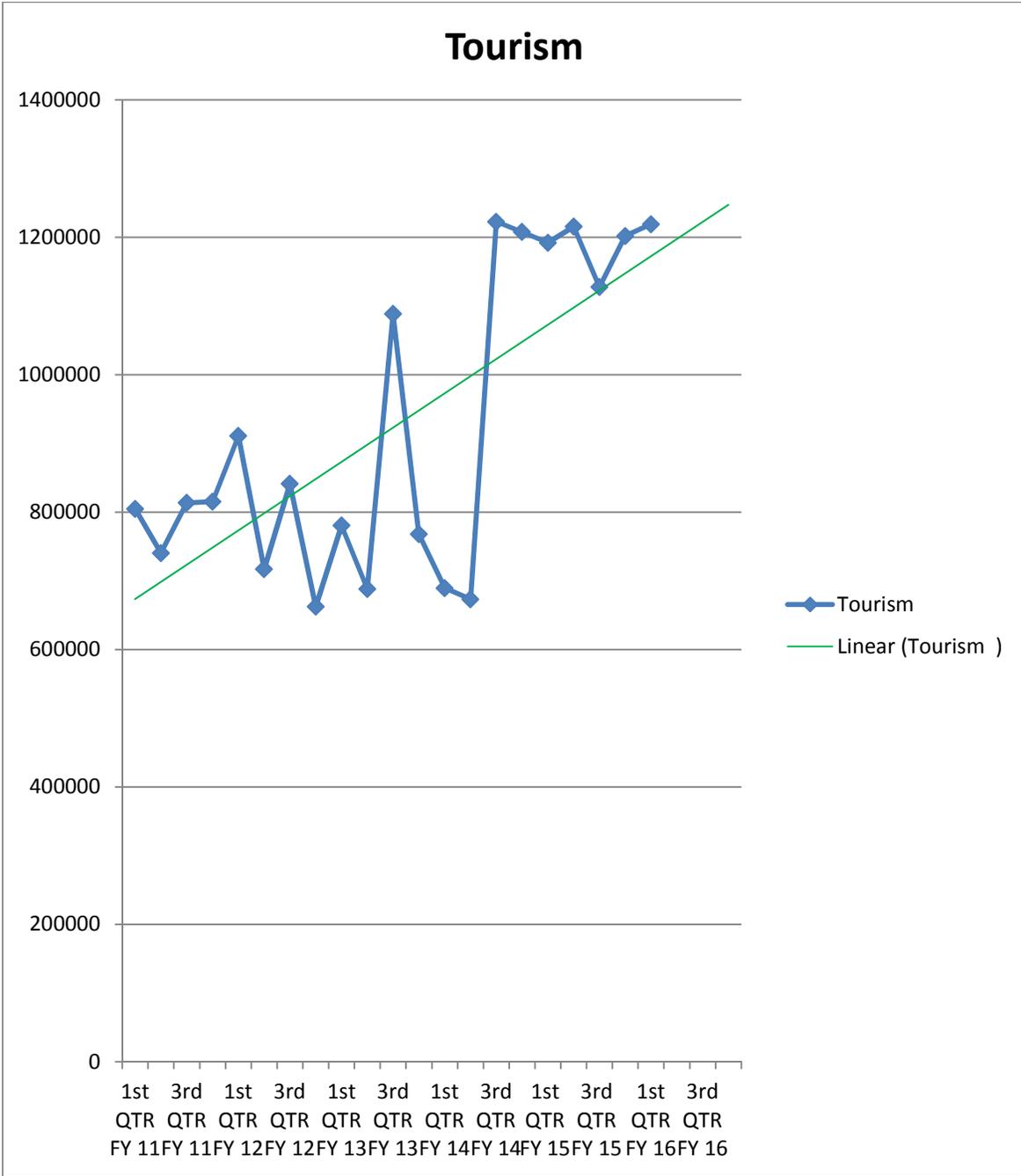


III: Fund Balances: The following chart indicates the available cash balances for the City’s major funds and how these fund balances compare to FY 15 fund balances at the end of the same fiscal quarter:

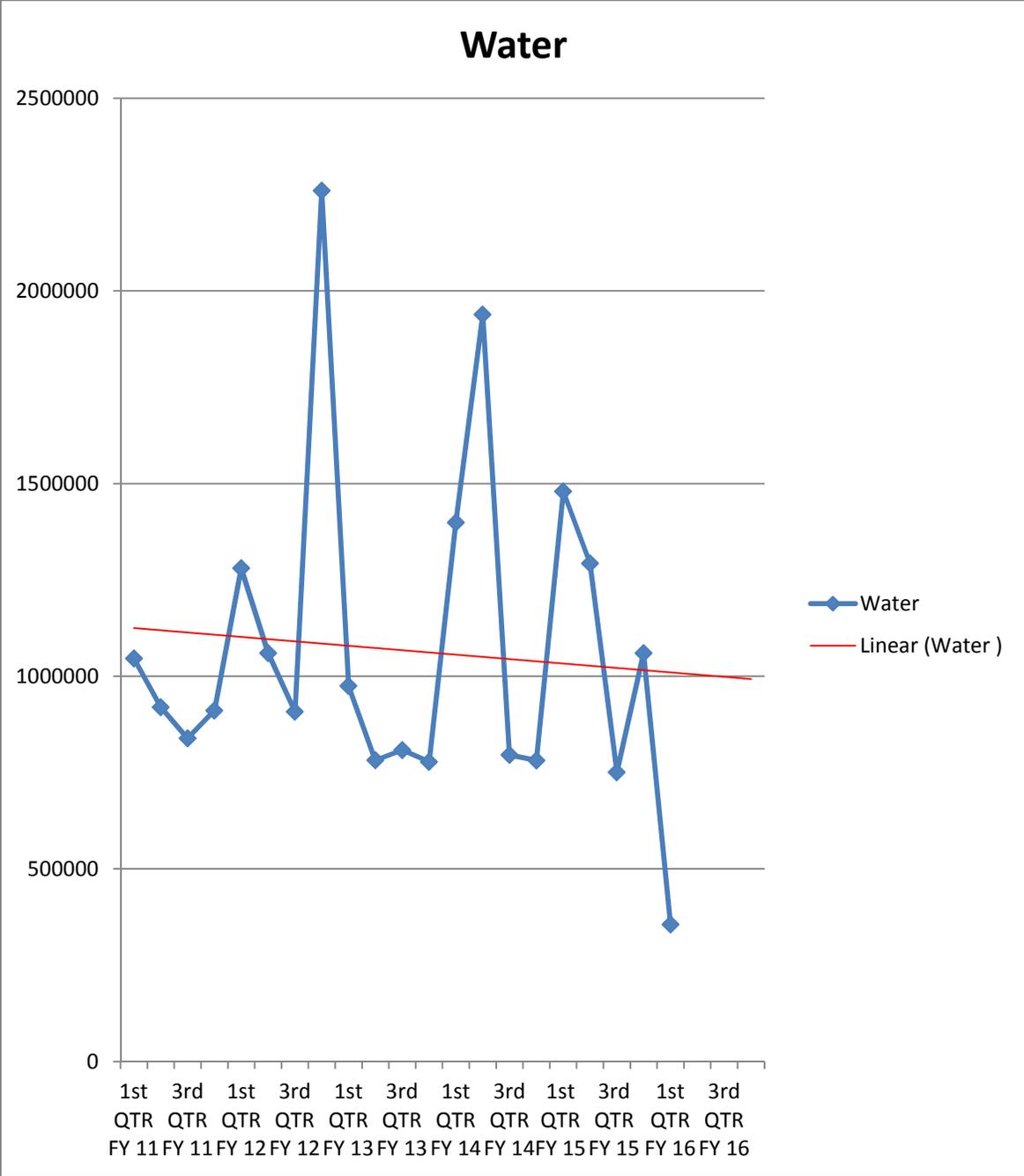
Fund	1st QTR FY 16	1st QTR FY 15	Comparison
General	\$3,075,183	\$3,542,243	13% Less than FY 15
Tourism	\$1,218,864	\$1,191,933	2% More than FY 15
Motor Fuel Tax	\$1,218,864	\$880,817	28% More than FY 15
Water	\$356,147	\$1,479,401	76% Less than FY 15
TIF	\$4,879,345	\$5,792,754	16% Less than FY 15
Sewer	\$1,706,588	\$2,021,937	16% Less than FY 15
Capital Projects	\$4,499,095	\$2,800,373	38% More than FY 15
Fire Pension	\$6,892,543	\$6,843,136	1% More than FY 15
Police Pension	\$11,632,668	\$10,563,426	8% More than FY 15



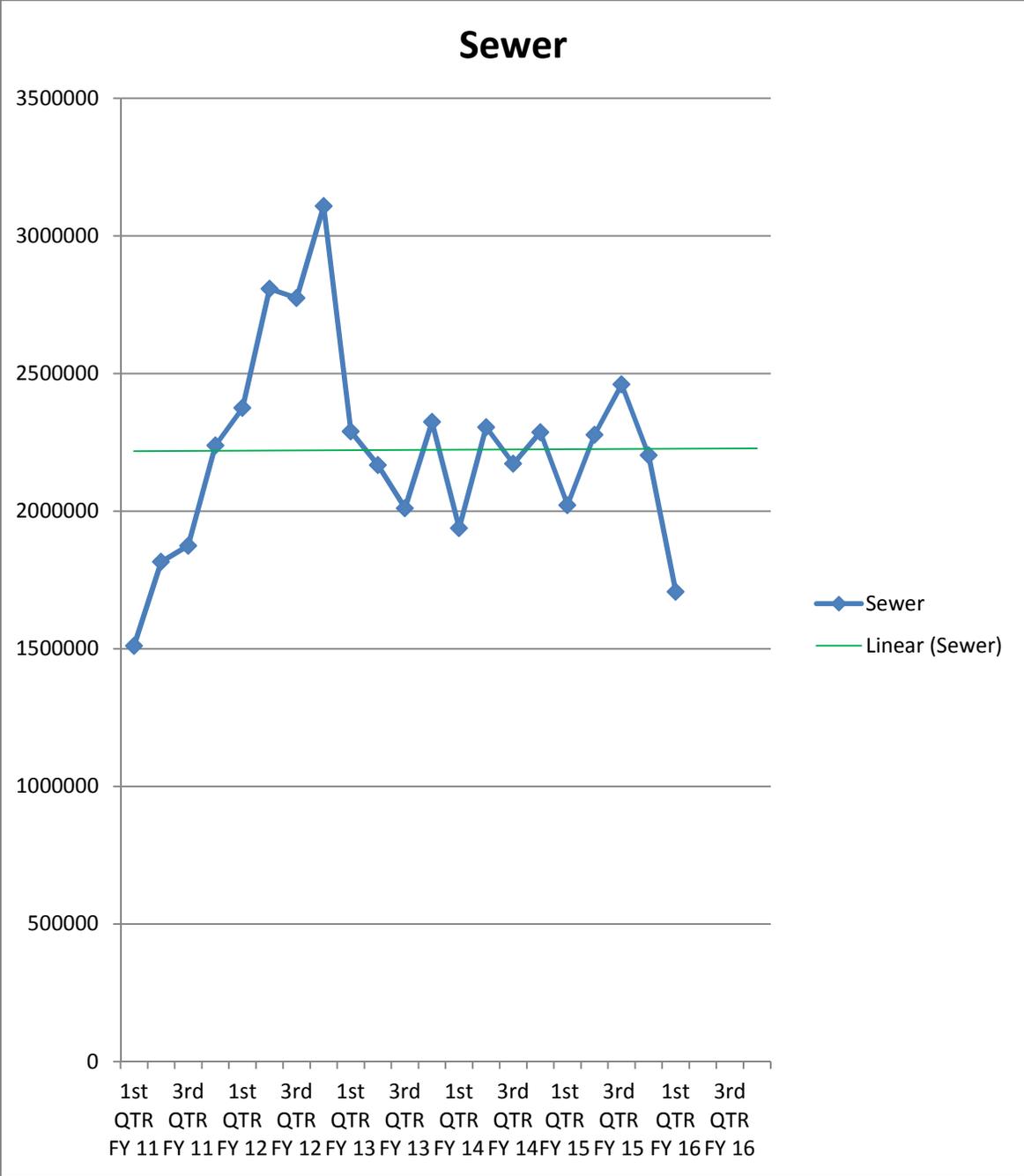
General Fund Balance Trend



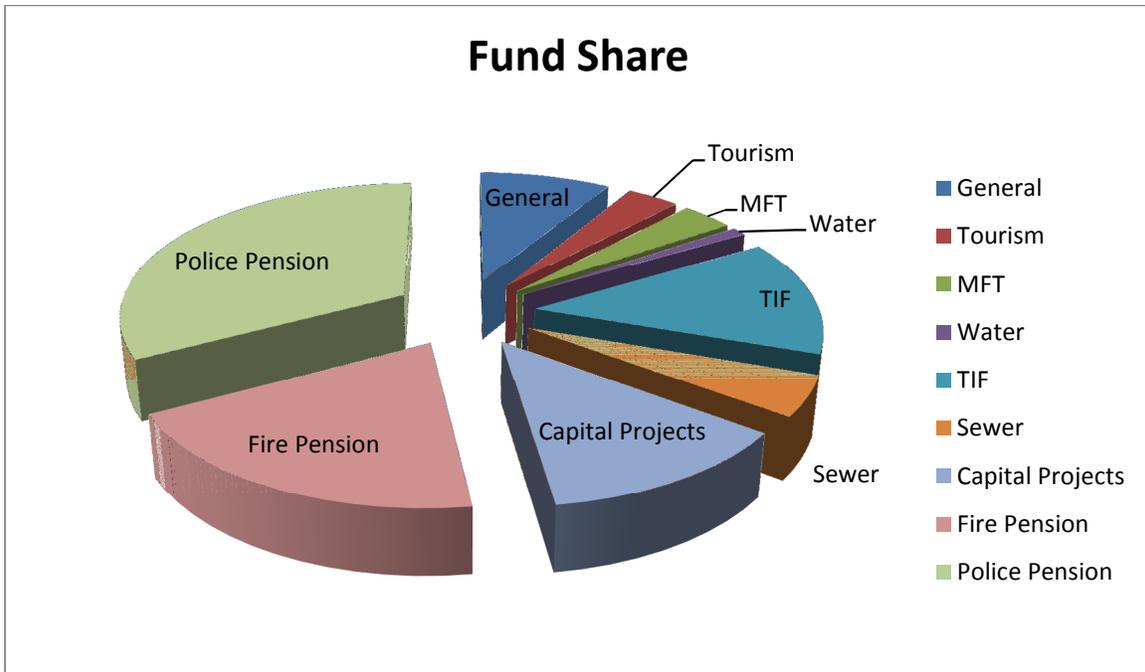
Tourism Fund Balance Trend



Water Fund Balance Trend



Sewer Fund Balance Trend



IV. Reserve Status: The following chart indicates the City's current budgeted reserve status by fund. This fiscal year our Fund Balance Policy requires a minimum reserve of 2% for contingencies and 16.6% for the undesignated reserve. There is no annual requirement for designated reserves; however, the budget may set aside money in this reserve for future planned purchases. This budget also has placed money in line items called vehicle reserve that serve as sinking funds for planned purchases.

Fund	Undesignated	Designated	Contingency	Sinking Fund	Total
General	\$2,317,210	\$264,600	\$283,990	\$205,000	\$3,070,800
Tourism	\$453,040	\$0	\$31,290	\$0	\$484,330
Water	\$482,100	\$361,385	\$58,090	\$0	\$901,575
TIF	\$0	\$206,415	\$0	\$0	\$206,415
Sewer	\$679,200	\$0	\$81,430	\$0	\$760,630

- V. Project and Purchase Status: The following charts depict the status of the planned projects and purchases for FY 16 pursuant to the approved Capital Improvement Plan: **(DEF=Deferred until a future year; COM=Complete; HOLD=On Hold; I-P=In Progress; PEND=Pending**

Purchase	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND	# 34
Public Works Pick-up (Water)	Water	\$20,000		X				
1 Ton Dump Truck with Spreader	Street/Sewer	\$50,000		X				
Public Works Pick-up (Engineering)	General	\$30,000		X				
Service Truck	Street/Sewer	\$120,000				X		
Passenger Car (Admin/Tourism)	General/TIF/Tourism	\$19,800		X				
Fire Troop Transport 591	General	\$27,200		X				
Police Vehicles (3)	General	\$73,000				X		
Maintenance Bay Heater	Street/Sewer	\$12,000				X		
Rocky Conveyor	General	\$7,000		X				
Auto Clave	Sewer	\$7,000				X		
WWTP Security and Heat Detection	Sewer	\$9,500				X		
WWTP and Maintenance Bldg HVAC	Sewer	\$18,000				X		
Sampler	Sewer	\$7,500			X			

Purchase	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND
PH Probe and D.O. Scada	Sewer	\$15,300			X		
Meters for Replacement Project	Water/Sewer	\$40,000		X			
Small Tractor with Loader	General	\$28,000		X			
Snow Plow	General	\$5,000		X			
Dog Pound Improvements	General	\$10,000				X	
Northeast Repeater	General	\$21,000				X	
5 Inch Hose Supply	General	\$7,000		X			
High Pressure Extraction Tool 561	General	\$8,000		X			
Police Department Back-up Generator	TIF	\$40,000					X
MDC	General	\$12,000				X	
Vehicle Cameras	General	\$15,000		X			
Police Vests	General	\$10,000		X			
Squad Radio Replacement	General	\$5,000			X		
APX 7000 Portable Radios	General	\$33,000		X			
Livescan Machine	General	\$30,000				X	
Paperless Agenda Tablets	General	\$5,000		X			

Purchase	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND
Carpet Replacement City Hall	Capital Projects	\$80,000				X	
Welcome Signs	Tourism	\$50,000					X
Bronze Sculpture	Tourism	\$7,500				X	
Wonderland In Lights Display	Tourism	\$40,000		X			
Christmas Tree	Tourism	\$15,000					X
Total Planned Purchases	Various	\$877,800					

Project	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND	#
Blohm Ave	Capital Projects	\$261,120		X				91
Thies Ave	Capital Projects	\$290,000		X				
Premption	MFT	\$15,000		X				
Collins Subdivision Resurfacing	General	\$260,000		X				
TREC Calico Road	Grants	\$334,000				X		
Downtown Enhancement	Capital Projects	\$117,050				X		
East Evergreen Box Culvert Design	Capital Projects	\$75,000			X			
OB West North	Capital Projects	\$1,117,000					X	
OB West South Final Pay	Capital Projects	\$1,612,875				X		

Project	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND
OB West South/Rt 40 Lighting	Capital Projects	\$277,627				X	
Grove and 2 nd Sidewalk Crossing	Utility Tax	\$30,000				X	
Katrina Estates Storm Water	General	\$40,000				X	
Route 40 Multi-use Path	Capital Projects	\$40,000		X			
West Rickelman Lift Station	Sewer	\$280,000		X			
Fayette Ave Water Line Relocation Project	TIF/Grant	\$200,000				X	
Jaycee/Veterans Force Main Design	Sewer	\$30,000				X	
Industrial Water Project	Capital Projects	\$640,000				X	
Pilot Close Out	Capital Projects	\$72,000		X			
Pike Ave	Capital Projects/ Grant	\$600,000				X	
Luther Street	Capital Project	\$365,000				X	
N. Raney Street	Capital Project	\$1,097,000				X	
Rickelman Rural	Capital Project	\$75,000					X

Project	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND
Concrete Patching	Capital Projects	\$240,000				X	
Maple Street Concrete Section	Capital Projects	\$100,000				X	
Truck Access Road	Capital Projects	\$700,000					X
Asphalt Resurfacing – St. Anthony	Capital Projects	\$100,000		X			
Asphalt Resurfacing - Eiche	Capital Projects	\$100,000		X			
Asphalt Resurfacing – Taylor	Capital Projects	\$100,000		X			
Asphalt Resurfacing – N. Martin	Capital Projects	\$100,000		X			
Asphalt Resurfacing – Stevens Avenue	Capital Projects	\$120,000		X			
Asphalt Resurfacing – Elm and 4 th Street	Capital Projects	\$230,000				X	
Culver’s Frontage Road Resurfacing	TIF	\$150,000				X	
Chip and Seal	General	\$100,000				X	
Santa Monica Drainage Design	General	\$15,000					X

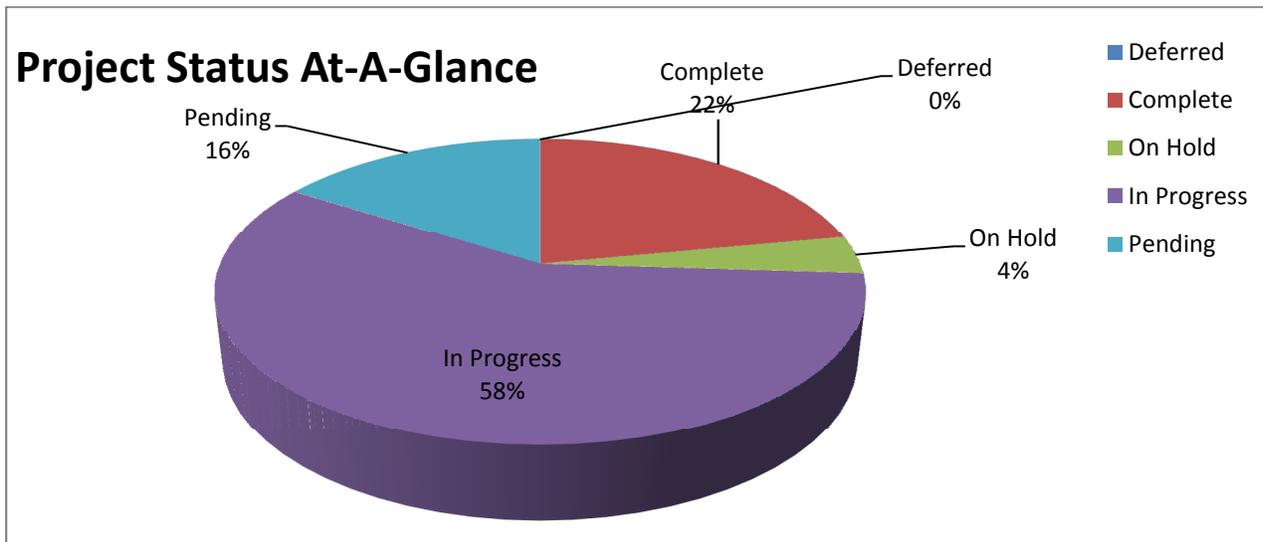
Project	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND
Sidewalk Replacement	TIF	\$75,000				X	
Sidewalk Replacement	Utility Tax	\$125,000				X	
V-Gutter Spot Repairs	Utility Tax	\$165,000				X	
Crack Seal Program	General	\$50,000					X
Lakewood Drive	TIF	\$250,000				X	
3 rd Street Design	TIF	\$75,000				X	
Wabash Sewer Repairs	TIF	\$30,000				X	
Gravel Stockpile	General	\$30,000					X
Salt	General	\$24,000				X	
Hot Mix / Cold Mix	General	\$35,000		X			
Street Maintenance Materials	General	\$35,000				X	
Striping	General / TIF	\$25,000		X			
Bridge Inspections	General	\$10,000					X
5 th Street Resurfacing	TIF	\$150,000				X	
Midland States Bank Project	Capital Projects	\$125,000				X	
Clinton / Mulberry I and I	TIF	\$100,000				X	
Paint Sludge Line	Sewer	\$10,000		X			

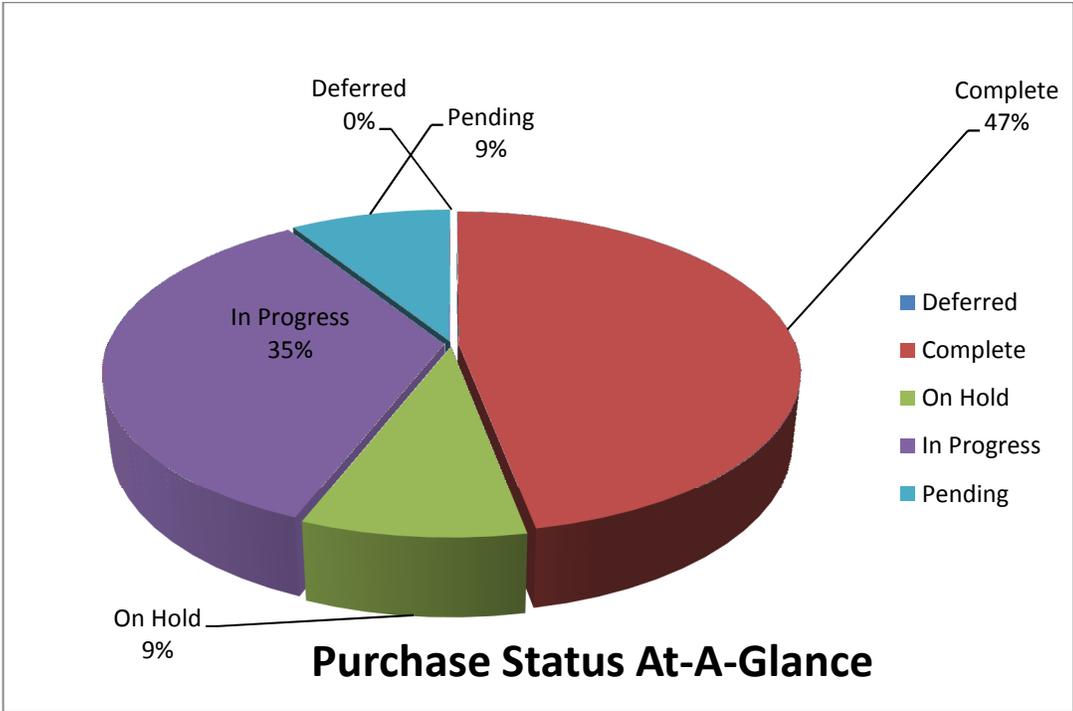
Project	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND
Ditch Aerator Repair	Sewer	\$30,000			X		
WWTP Pump Repair	Sewer	\$54,000				X	
Stream Modification	Sewer	\$5,000			X		
Wabash Sewer Lining	Capital Projects	\$100,000				X	
TV, Line, Repair, Manhole Repairs	Sewer	\$300,000					X
I and I Investigation	Sewer	\$100,000				X	
TIF - Lift Station Electrical Upgrades	TIF	\$25,000				X	
TIF – Sewer Cleaning and TV	TIF	\$95,970		X			
Airport Road Force Main (ROW)	Sewer	\$70,000				X	
Stevens Lift Station – Communications	Sewer	\$32,000			X		
Sewer Rate Study	Sewer	\$15,000					X
Airport Road Lift Station Design and Construction	Sewer	\$355,000				X	
WWTP SCADA	Sewer	\$45,000				X	

Project	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND
Park Hills Lift Station – Piping	Sewer	\$40,000				X	
NPDES Permit – Support	Sewer	\$5,000		X			
Wensing Lift Station Design	Sewer	\$35,000				X	
I and I Repairs 1 st Street / Downtown	Capital Projects	\$801,250				X	
Cemetery Survey	General	\$5,000				X	
Bliss Park Imp	General	\$7,500				X	
City Hall Painting and HVAC	Capital Projects	\$40,000		X			
Public Facility Replacement Design	TIF	\$350,000					X
Water Maintenance Building Addition	Capital Projects	\$275,000				X	
WTP – Roof	Capital Projects	\$87,000		X			
WTP – Spillway	Capital Projects	\$275,000		X			
WTP – Carbon Feed System	Capital Projects	\$1,290,000				X	
WTP – Lime Trench Design	Capital Projects	\$75,000					X
WTP – CO2 Storage Tank	Capital Projects	\$200,000				X	

Project	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND
WTP – Chemical Feed System	Capital Projects	\$7,500				X	
WTP – High Service Pumps	Capital Projects	\$32,000				X	
WTP – Paint Goldstein Bend Pump Station	Capital Projects	\$6,000					X
20 Inch Water Main – RT 40	Capital Projects	\$126,300				X	
Inspect Towers and Standpipe	Water	\$10,000				X	
Henrietta Water Main Replacement	Water	\$95,000				X	
Lakewood Drive Water Main Replacement	Water	\$50,000				X	
East Rt 40 Water Main Replacement Design	Water	\$25,000					X
Industrial TIF Water Improvement	Capital Projects	\$350,000				X	
Paint North Tower	Capital Projects	\$330,000				X	
Expand Central Area TIF	TIF	\$80,000					X

Project	Fund	Budgeted Amount	DEF	COM	HOLD	I-P	PEND
Ford Avenue Business District Amendment	General	\$15,000				X	
Direct Mailing Campaign	Tourism	\$5,000				X	
Total Planned Projects	Various	\$17,042,192					





VI. Planned Debt Service: The following chart depicts the required debt service for FY 16 pursuant to the approved Capital Improvement Plan.

Debt	Fund	Required Annual Payment	Balance Remaining After Payment
2010 A Bond	TIF	\$222,572	\$2,465,000
2012 EPC	Tourism	\$259,879	\$2,398,669
2012 A Bond	Water	\$165,775	\$885,000
2012 B Bond	Sewer	\$479,425	\$2,155,000
2012 C Bond	Water	\$432,945	\$3,925,000
Total Debt			\$11,828,669
Less Self-Supporting Bonded Debt		Does not count against Statutory Debt Limit	\$11,828,669
Total Net Direct Debt		Counts against Statutory Debt Limit	\$0
City Statutory Debt Limit	8.625% of EAV \$309,636,397		\$26,706,139
Available Legal Debt Margin			\$26,706,139

VII. Conclusion: Fiscal Year 16 is off to a very good start. We were able to capitalize on our strong cash balances at the end of FY 15 to retire the early retirement incentive debt for the City. However this payoff has notably reduced the cash balances in both the Water and General Funds. I will continue to monitor the reserve v. cash balances in these funds to insure they recover. The early pay off of the ERI debt certificates also ended the lone remaining general obligation debt instrument freeing up the City's entire legal debt margin.